

Tuesday 10 December 2013

## "Legal services regulation: past, present, and future"

In a speech delivered on Monday evening to the **Regulatory Policy Institute's Hertford Seminars in Regulation**, the Chairman of the Legal Services Board, **David Edmonds** offered his view on the state of legal services regulation in England and Wales and announced that the LSB would be recommending that the *Institute of Chartered Accountants in England and Wales* (ICAEW) become an approved regulator for probate and a licensing authority for alternative business structures (ABS).

He said that, if he is proud of one thing that the LSB has done during his time as Chairman, it was rapidly accelerating the timetable for delivering external ownership and driving the innovation from both new entrants and existing players that legal consumers have long needed.

He suggested that, although the LSB has done a substantial job in delivering the priorities of the Legal Services Act 2007, more progress could have been made faster and in more depth if better tools had been available. He also warned that the evidence demonstrated that a return to self-regulation, as urged by some in response to the recent Ministry of Justice call for evidence, would add cost to consumer and firms alike and dampen innovation, competition and economic growth.

Echoing comments made many times in the past he went on to say that sector-specific regulation should be targeted depending on the nature of the risk and effectiveness of tools available. Higher risk legal activities should be priorities for all regulators. But more generally, regulation should be directed at entities delivering the service.

Finally he said that later this week he expects to formally recommend that the ICAEW be designated as an approved regulator for probate activities and as a licensing authority for alternative business structures. He applauded their ambition to develop their regulatory activities over a wider range of services in future.

For a copy of the speech please click [here](#).

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For further information, please contact our Communications Manager, [Vincent McGovern](#), on 020 7271 0068.

## Notes for editors:

1. More information on the **Regulatory Policy Institute's** Hertford Seminars in Regulation can be found [here](#).
2. The LSB's *blueprint for reforming legal services regulation* can be found [here](#).
3. The Legal Services Act 2007 (the Act) created the LSB as a new regulator with responsibility for overseeing the regulation of legal services in England and Wales. The new regulatory regime became active on 1 January 2010.
4. The LSB oversees eight approved regulators, which in turn regulate individual lawyers. The approved regulators, designated under Part 1 of Schedule 4 of the 2007 Act, are the Law Society, the Bar Council, the Master of the Faculties, the Chartered Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys and the Association of Costs Lawyers.
5. In addition, the Institute of Chartered Accountants of Scotland and the Association of Chartered Certified Accountants are listed as approved regulators in relation only to reserved probate activities.
6. As at 1 April 2013, the legal profession comprised 126,624 solicitors, 15,335 barristers, 7,947 chartered legal executives and 4,184 other individuals operating in other areas of the legal profession such as conveyancing. The sector is currently valued at £25.49 billion per annum (total turnover in 2010).