

Costs Lawyer Standards Board  
Centurion House  
129 Deansgate  
Manchester  
M3 3WR

Office: 0161 214 7904  
Email: [ceo@clsb.info](mailto:ceo@clsb.info)

12 April 2011

Chris Kenny  
Legal Services Board  
7<sup>th</sup> floor, Victoria House  
Southampton Row  
London WC1B 4AD

## **Regulatory Independence**

Dear Chris,

Further to your letter dated 1 April 2011, we are pleased to report that considerable progress has been made since my appointment on 27 September 2010, as detailed below:

### **Board**

- Advertised, interviewed and appointed Chair.
- Advertised, interviewed and appointed board (2 lay, 2 non-lay persons).
- Two board meetings held to date (8 February 2011, 6 April 2011).

### **Internal Governance**

The following governance documents have been written and are now board approved:

- Board Expenses Policy (22 October 2010)
- Board Appointment Rules (8 February 2011)
- Board Terms of Reference (8 February 2011)
- Board Code of Conduct (8 February 2011)
- Risk Management Policy & Risk Matrix (6 April 2011)
- Equality & Diversity Policy (6 April 2011)
- Confidentiality & Information Security Policy (6 April 2011)
- Health & Safety Policy (6 April 2011)

### **Legal Ombudsman**

- Memorandum of Understanding written, agreed and board approved (6 April 2011).
- Operational Protocol agreed and board approved (6 April 2011).

- Presentations made to LeO employees on the Costs Lawyer profession.
- Continuous and on-going instruction to Costs Lawyers on required first tier complaints procedures.
- Continuous and on-going signposting as regards Legal Ombudsman Service.

## **ACL**

We have drafted a Memorandum of Understanding between ACL and CLSB and understand this will be considered by the ACL Council when it next meets on 15 April 2011.

## **Communication**

- CLSB website has been fully operative since October 2010.
- CLSB monthly updates have appeared in the Costs Lawyer Journal since the December issue.
- ACL members who attended the National Conference received a 6 page update on our current position.
- We worked with the LSB to provide input into the Skills for Justice website.

## **General**

- All company requirements have been put in place e.g. insurances, banking provision, internal book keeping, professional advisors (Accountants/Lawyers), board letters of engagement, office facilities, IT support, trademark registration, revised Articles of Association etc.
- CLSB worked with the ACL on the Section 51 application for 2011 professional fee approval.
- CLSB has responded to consultation documents as required e.g. Diversity, LSB Business Plan, Freedom of Information Act.
- CLSB now has a board approved Risk Management Policy and has populated a risk matrix, which will be reviewed regularly.

## **Outstanding work (requiring consultation)**

The focus of our work is now to finalise the following documents to enable us to go out to consultation/seek LSB approval, we believe this process will take up to 3 months from submission. These documents will provide clarity on how we intend to regulate both pro-actively as well as re-actively. As this letter is to be published under LSB policy, we would not wish to set out draft proposals at present. We would prefer these are fully thought through and evaluated at board level before our proposals are put into the public domain. If you require a meeting to discuss then this can be arranged.

Practice: Code of Conduct

Practice: Disciplinary Rules

Practice: Practising Rules

Practice: Training & CPD Rules

Disciplinary: Conduct Committee Appointment Rules  
Disciplinary: Conduct Committee Terms of Reference  
Disciplinary: Appeal Committee Appointment Rules  
Disciplinary: Appeal Committee Terms of Reference

**Outstanding work (general)**

The following internal governance documents have been drafted but require further revision before board approval is requested:

- Business Plan
- Board Appraisal Process
- Staff Appraisal Process
- HR Policy
- HR Handbook

We attach an action plan showing the balance of our actions to achieve regulatory independence. We hope this assists in understanding our current position and work stream for the next 6 months.

**In conclusion**

I am personally grateful to the LSB for its support and understanding during this onerous set up procedure. Significant progress has been made and CLSB continues to strive to be fit for purpose as soon as reasonably practicable (31 October 2011 very latest). Should you require any further information, please do not hesitate in contacting me.

Yours sincerely,

**Lynn Plumbley**  
Chief Executive

*Copied to: CLSB Board, Iain Stark (ACL Chair), Victoria Hopkins (ACL Vice-Chair)*