



Reserved and unreserved lawyers' activities

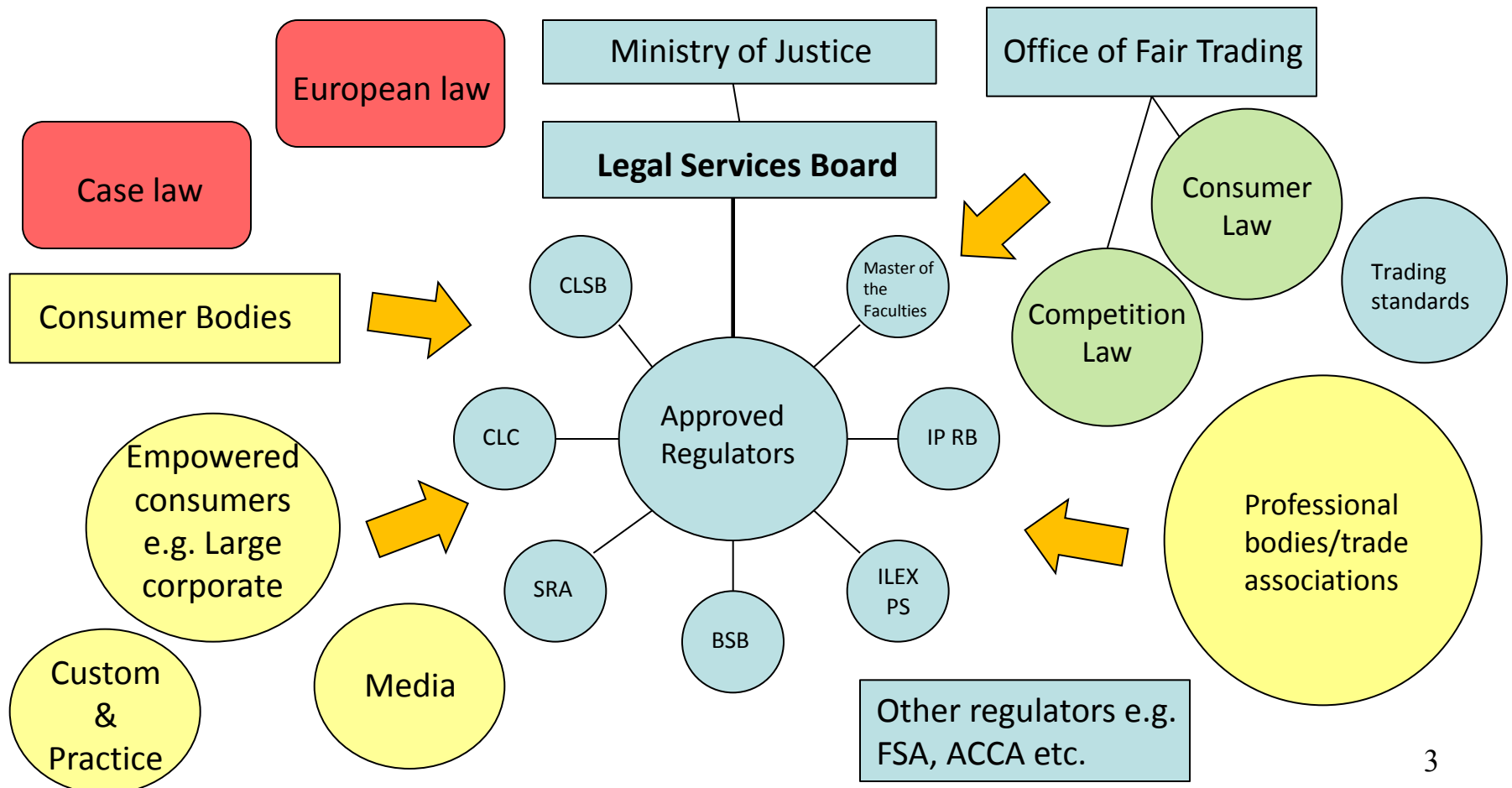
Alex Roy, Research Manager, LSB

Principles of good regulation

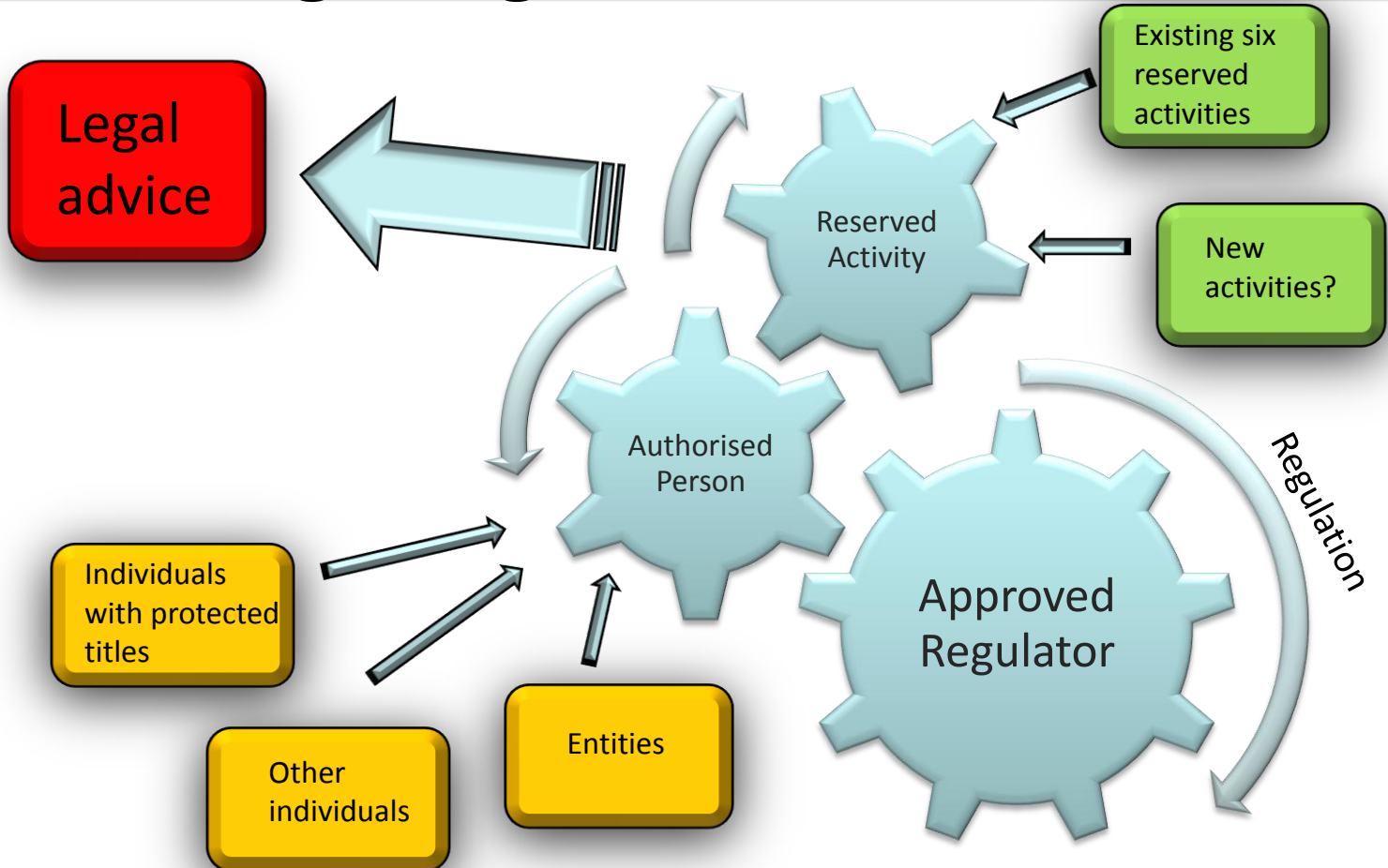
Any regulation should be:

- transparent
- accountable
- proportionate
- consistent
- targeted – only at cases where action is needed

Regulation of legal services



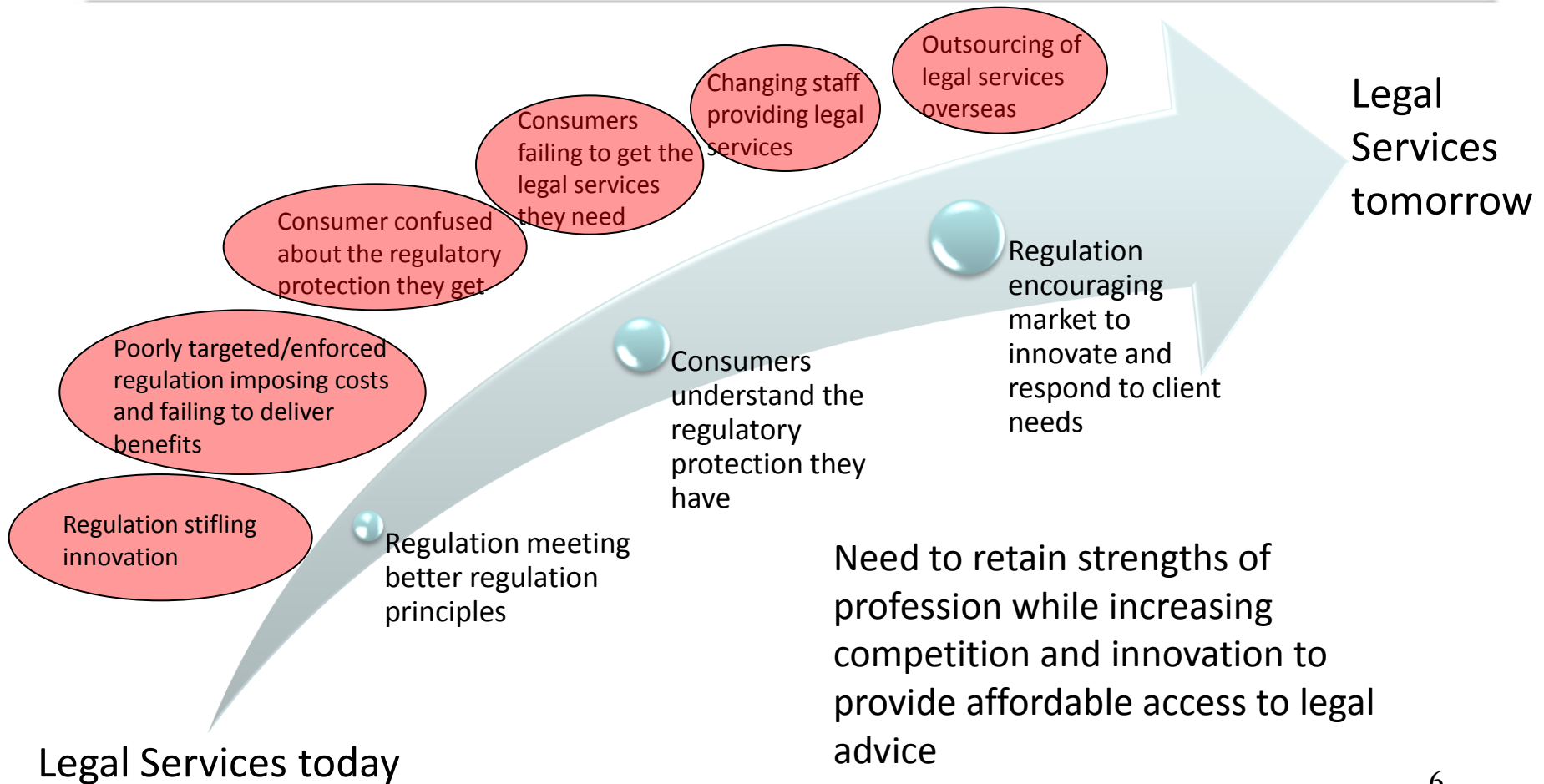
Focused legal regulation?



Role of LSB

- **Parts 1-4 of LSA 2007 set out the underpinning basis of legal services regulation for both the LSB and Approved Regulators:**
- **Eight Regulatory objectives** - 1. protecting and promoting the public interest 2. supporting the constitutional principles of the rule of law 3. Improving access to justice 4. protecting and promoting the interest of consumers 5. promoting competition in the provision of services 6. encouraging an independent, strong, diverse and effective legal profession 7. increasing public understanding of the citizen's legal rights and duties 8. promoting and maintaining adherence (by authorised persons) to the professional principles
- **Principles under which regulatory activities should be:** 1. Transparent 2. Accountable 3. Proportionate 4. Consistent 5. Targeted only at cases in which action is needed
- And any other principle appearing to represent the best regulatory practice.

Challenges



A model for changing legal regulation?

What is the problem?

Identification

Quantitative assessment



What are the regulatory tools?

Variety of interventions

Cost Benefit Analysis



Minimum standards for reserved activities

Reservation as a hook for regulation

Adding/deleting reserved activities

What is the problem? (examples)

Issue

Referral Fees

Will writing

Probate

Problem

Increased cost/reduced quality

Poor sales practices leading to unnecessary sales. Poor quality product.

Unclear regulatory protections for consumers. High cost of services

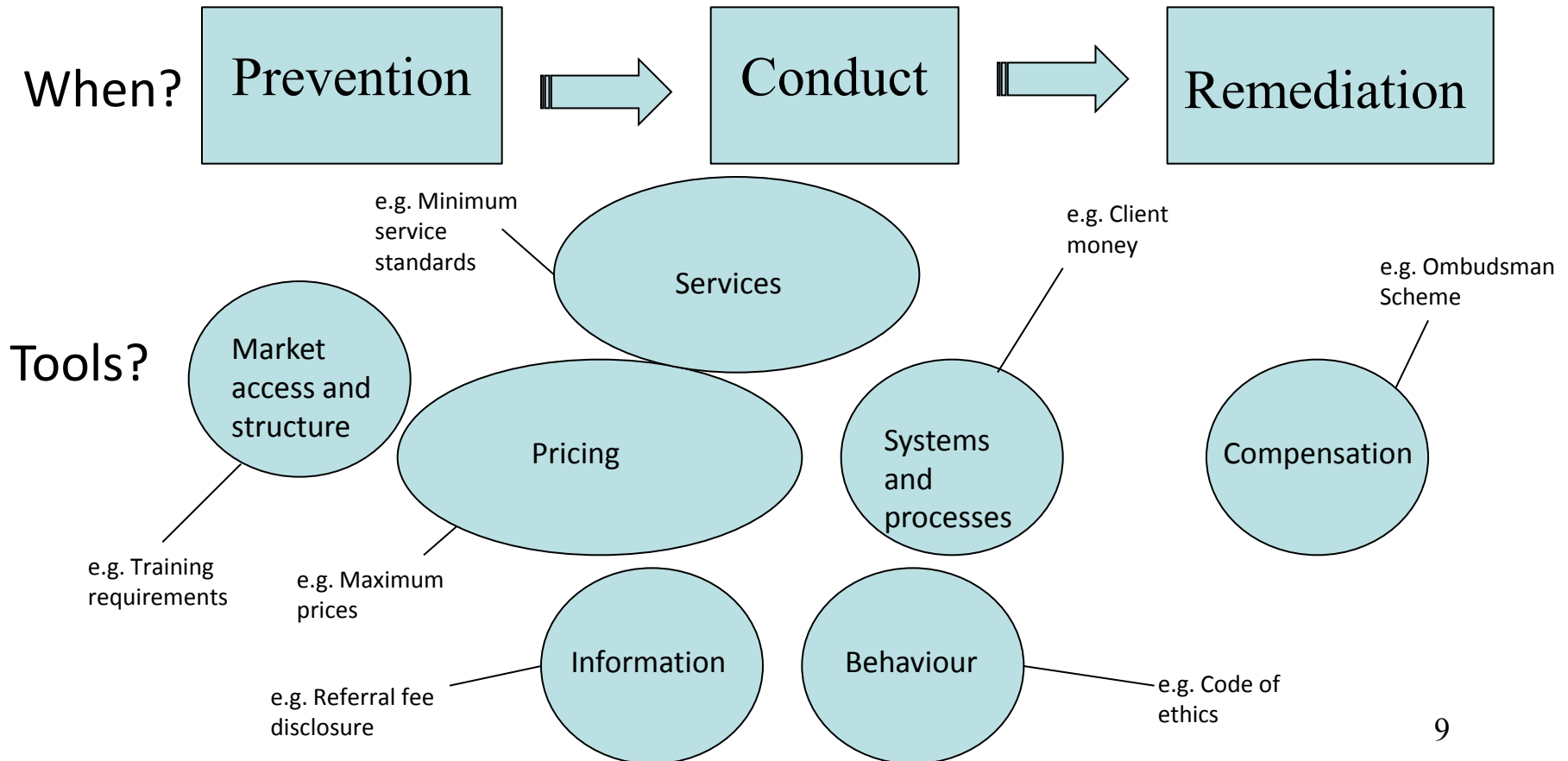
Evidence

Studies showed no evidence of increased cost/reduced quality

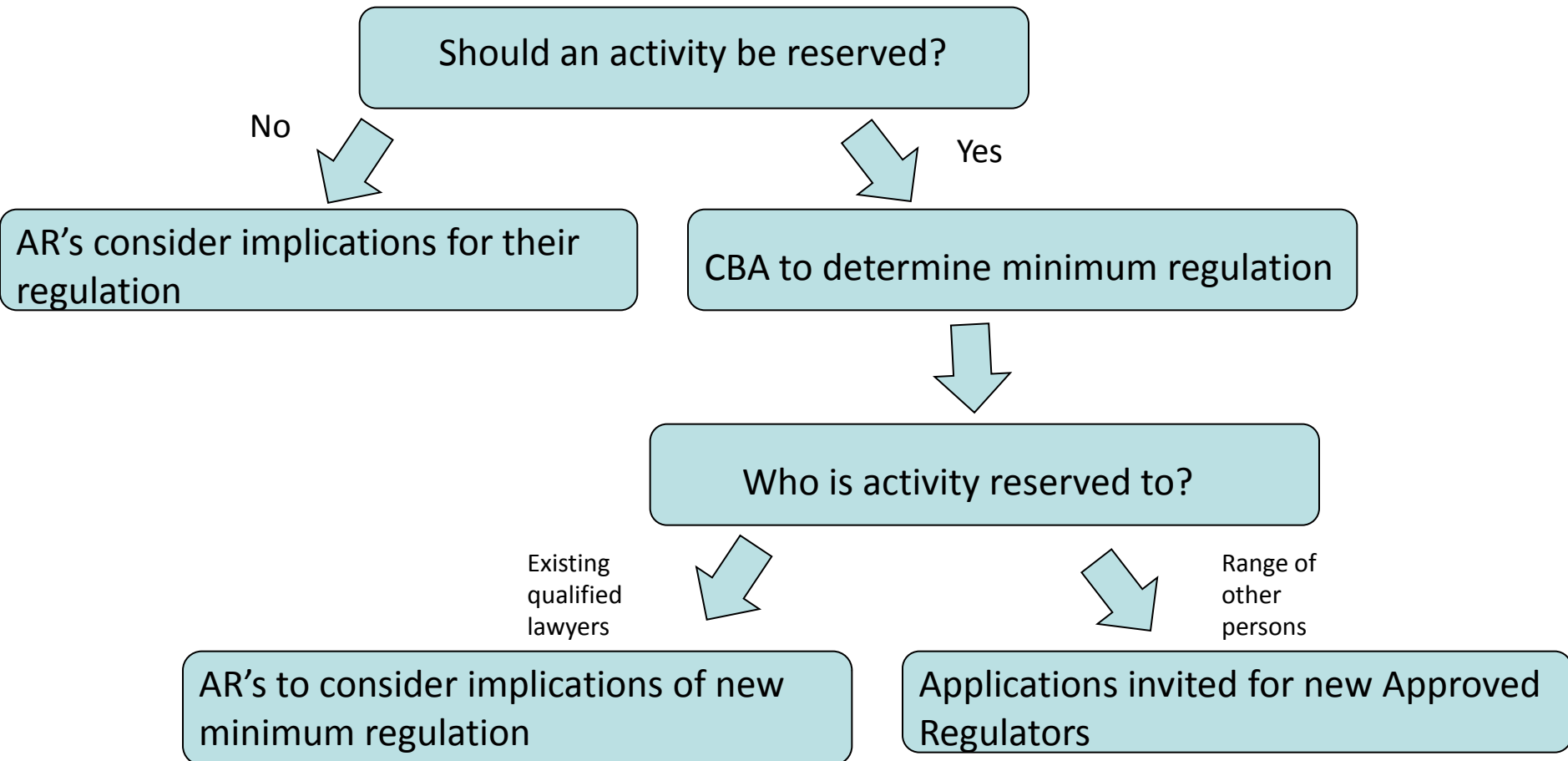
Call for evidence from sector. Shadow shopping. Consumer Surveys. Exp. July 2011

Potential for future study?

What are the possible regulatory tools?



Changing the reserved activities



Changing the reserved activities

Extension of reserved legal activities (s24/ 6 LSA 2007)

- Lord Chancellor may extend (or reduce) list of reserved activities
- Only upon recommendation of LSB

Formal process set out in LSA 2007 Schedule 6

- LSB has powers to investigate whether to recommend list of reserved activities
- Consultation and advice are built into process

Next steps?

- LSB Consultation Paper - June 2011
- First area of assessment will-writing – July 2011
- Currently working with OXERA on market segmentation – July 2011
- Further analysis of other areas of reserved activities 2011-

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http://www.legalservicesboard.org.uk/what_we_do/Research/index.htm

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