

Blog urges readers to download the Big Bang report

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By [Michael Scutt](#), 25/11/2009 10:30 am

Three things connected with Tesco Law caught my eye last week and we saw some interesting developments in the liberalisation of the legal profession, aka the legal services industry.

Firstly, On the 18th November, the Legal Services Board ("LSB") published its consultation paper "[Alternative Business Structures: approaches to licensing](#)". The LSB will become the regulator of the regulators when ABSs come into existence in 2011.. The Act contains eight "regulatory objectives" and five "professional principles". There will be several frontline regulators and barristers could be regulated by the SRA, Solicitors by the Institute of Legal Executives and Legal Executives by the Archbishop of Canterbury (apparently he is not only the supreme authority in the Church of England but he also oversees Notary Publics when he isn't trying to prevent the Pope from half-inching his dioceses). The regulatory structure seems overly complicated.

In the meantime, pending the new structures coming into force, the LSB needs to set rules for how the frontline regulators will apply the new core principles enshrined in the LSA. They are a bit "motherhood and apple pie" in nature; for instance Part 1 1(1) sets out the regulatory objectives. They are

- (a) protecting and promoting the public interest
- (b) supporting the constitutional principle of the rule of law
- (c) improving access to justice (haven't we seen this elsewhere?)
- (d) protecting and promoting the interests of consumers
- (e) promoting competition in the provision of services (by authorised persons)
- (f) encouraging an independent, strong, diverse and effective legal profession (stop laughing at the back there)
- (g) increasing public understanding of the citizen's legal rights and duties
- (h) promoting and maintaining adherence to the professional principles

S.3 states the “professional principles” that apply to “authorised persons” who should;

- (a) act with independence and integrity
- (b) maintain proper standards of work
- (c) act in the best interests of their clients
- (d) (in litigation) comply with their duty to the court to act with independence in the interests of justice, and
- (e) keep client affairs confidential

All good stuff and hard to disagree with the sentiments expressed, save that many in the profession will give a hollow laugh to 1(1)(f) above. The consultation paper seeks to put these principles into practice and in the foreword the Chairman of the LSB David Edmonds states that the LSB doesn't want to regulate ABSs themselves, that is a job for the “front-line” regulators such as the SRA, the Bar Standards Board and ILEX, to take three. The consultation paper is 113 pages long and I must confess to not having read it yet. It's next on the list.

Secondly, another document on my reading list is [“The Big Bang report – opportunities and threats in the new legal services market”](#) compiled by the Byfield Consultancy. It was launched at the offices of City law firm Fox Williams LLP last Thursday to an audience of the great and the good. I went along as well. The report has the advantage of being only 42 pages long and contains an overview of the history of the LSA and the impetus behind it, as well as interviews with some of the main players.

Finally, the Bar Standards Board [announced last week](#) that barristers would be allowed to join Legal Disciplinary Partnerships (LDPs) as managers (but preferably not as shareholders) in LDPs with up to 25% non-lawyer managers, be regulated by the SRA and not be required to requalify as a solicitor. The BSB hasn't given the green light to barristers joining ABSs; that must wait until 2010 at the earliest when more consultation has occurred. Barrister only partnerships will be allowable (at the moment barristers practicing from chambers are all self-employed). This decision is of historic significance – it could mark the end of the Bar as we know it.

I will be reading the above reports and blogging on them again in due course, once the current deluge of work in my day job has calmed down. We are now entering the beginning of the festive season when many employers like to present their staff with a gift of a compromise agreement and a visit to an independent solicitor to be told their rights. The next few weeks look like being particularly busy this year.

<http://michaelscutt.co.uk/2009/11/25/tesco-law-surges-ahead/>