



**LEGAL SERVICES
BOARD**

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Freedom of Information request

Date request received: 20 September 2015

Date of response: 15 October 2015

LSB reference: 20150920-01

Request and response:

I am writing in response to your handwritten letter of 20 September 2015, in which you have requested information about Conditional Fee Agreements.

Your letter sets out thirteen specific requests, most of which are addressed to the Bar Council. I have determined that only requests 10, 12 and 13 are relevant to the work of the LSB, and I will address each of these in turn:

10. In the current legal “shake-up” of the entire legal landscape including legislation, regulations and guidance, what if anything have (a) The Law Society (b) the Solicitors Regulation Authority (c) the Bar Council (d) the Bar Standards Board (e) the Legal Services Board considered in respect of “Fees Collection Reports (Conditional Fee Agreements)” in connection with the Data Protection Act 1998 and the rights of the subjects thereof (which may be multiple?)

The LSB does not hold this information. The LSB has not specifically considered guidance issued in respect of Conditional Fee Agreements (CFA). However, in June 2013, the LSB requested information, using its formal powers under section 120 of the Legal Services Act 2007 (the Act), from the Legal Ombudsman in relation to complaints received by the Ombudsman about the transparency of damage based agreements (DBA), which are similar in nature to CFAs. I attach a link to the relevant LSB webpage where you will find the report provided by the Legal Ombudsman in response to this request:

http://www.legalservicesboard.org.uk/about_us/board_meetings/2015/PDF/15_20_CEO_Progress_Report_April_2015_Anx_A.PDF

I also attach a link to the LSB Chief Executive’s report to the April 2015 Board meeting at which this report was discussed. The relevant passages can be found at paragraphs 23 to 29 of the report.

http://www.legalservicesboard.org.uk/about_us/board_meetings/2015/PDF/15_20_CEO_Progress_Report_April_2015.pdf

12. How many complaints have been made about Alternative Business Structures to the LSB by regulators themselves since April 2013 to the present day?

The LSB does not hold this information. The LSB is not a complaint handling or disciplinary body, and there is no requirement in the Act for regulators to refer ABS, or indeed any type

of legal practice, to the LSB. Each of the regulators who are designated as Licensing Authorities are required to have detailed rules in place to regulate the ABS that they have licensed.

13. Is it the intention of the LSB to reform the regulations surrounding Alternative Business Structures as I have been informed by The Law Society that in 2015 alone there have been in excess of 200 complaints of misconduct - allegations - made about Alternative Business Structures?

The LSB holds this information. The legal services regulators work on a daily basis with legal practitioners and businesses, and consumers who use their services. It is their responsibility to determine if and what changes are required to make their regulatory arrangements effective and proportionate. The Act stipulates that where a regulator proposes to make any such changes, they must apply to the LSB for approval. Attached below is a link to the LSB website to an application from the SRA for a number of changes to its regulatory arrangements which include changes to its arrangements for licensing ABS.

http://www.legalservicesboard.org.uk/Projects/statutory_decision_making/current_applications.htm

If you are dissatisfied with our response, or any aspect of it, you have the right to ask for an internal review or to submit a complaint (see LSB's Freedom of information – Complaints procedure:

http://www.legalservicesboard.org.uk/can_we_help/l_sb_policies_procedures/freedom_of_information/index.htm.