

Cost of legal services regulation survey

Who is running the survey?

The survey is being undertaken by the Legal Services Board (LSB) who are an independent body responsible for overseeing the regulation of Lawyers in England and Wales. We are currently investigating the cost of regulation in the legal services sector and your views are an important element in that investigation. We are seeking views of all regulated legal professionals.

Who is it for?

This survey is designed to capture views about the cost of regulation in legal services from those who are regulated by:

- The Solicitors Regulation Authority or
- The Bar Standards Board or
- ILEX Professional Standards or
- The Costs Lawyer Standards Board or
- The Master of the Faculties or
- The Intellectual Property Regulation Board or
- Council for Licensed Conveyancers

The survey is open to all members of the legal professions and seeks to gather the widest range of views possible. Responses are sought from firms and individuals, from those who feel that the cost of regulation is too high, or those who feel that the cost of regulation isn't an issue for example. It is important to capture the full range of views in this exercise, as these will shape policy development in this area.

What is it for?

The findings from this survey will be used to inform the next stage of the investigation into the cost of regulation, which will seek to quantify the costs. [Click here](#) to find more information on the project on the Legal Services Board's web pages.

How long will it take?

The survey should take between 20 to 25 minutes to complete and there are seven sections in the survey.

What do I need before I start?

Since the survey seeks your views, it's unlikely that you will need to do any preparation. There are questions about which areas of regulation are of concern and are of most benefit, so you might like to have access to your regulator's rules books. If you are responding on behalf of your firm you might wish to ask colleague's views about this as well. If you are responding on behalf of your firm, in advance of starting the survey you might like to familiarise yourself with approximately what proportion of your firm's work comes from different categories of law. You will be asked to provide estimates as part of the survey.

What to do if you have any problems:

If you have any issues with the survey please email the survey editor on:

Luke.McInerney@legalservicesboard.org.uk

Are my answers confidential and anonymous?

All responses to the online survey are anonymous. However, at the end of the survey you have the option of participating in the next stage of this investigation. To do this you can leave your contact details in the space provided, or email LSB survey editor (Luke.McInerney@legalservicesboard.org.uk). Your contact details will be stored separately from the survey responses. Your contact details will be available to the LSB survey editor, and shared with an independent research company who are subject to a confidentiality agreement. Your contact details will only be used for this project and not for any other purpose. Once shared with the research company they will be deleted from LSB records.

For those surveys that are completed by hand and posted to the LSB, we will remove your name and address, and your responses will be analysed anonymously. Your personal contact details will not be kept, unless you have elected to participate in the next stage of this investigation.

Where do I send completed paper copies of the survey?

Luke McInerney
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London, WC2B 4AN

Section 1 - About you and your regulator

1. What is your main profession? Please tick one.

A Solicitor – **Go to Question 3**

A Barrister – **Go to Question 2**

A Notary or scrivener – **Go to Question 3**

A Chartered legal executive – **Go to Question 3**

A Licensed Conveyancer – **Go to Question 3**

A Trademark attorney – **Go to Question 3**

A Patent attorney – **Go to Question 3**

A Costs lawyer – **Go to Question 3**

Barristers clerk, Head of Chambers, or Chambers Practice Manager
responding for chambers as whole – **Go to Question 77**

If you are a member of more than one of the legal professions please list these in the grey box below:

2. Are you:

- Employed
- Self employed
- Dual capacity
- Multiple capacity

Other (please specify in the grey area below)

3. Which one of the following best describes in what capacity you are answering this survey?

- As a representative of the firm that employs me – **Go to Question 4**
- As the owner of a legal business employing others – **Go to Question 4**
- As a self employed individual lawyer – **Go to Question 4**
- As an in house lawyer (providing services solely to my employer and not to the public) – **Go to Question 44**
- As an individual member of the legal profession – **Go to Question 44**

Other (please specify in the grey area below) – **Go to Question 4**

4. Is the organisation you work for regulated by:

- Solicitors Regulation Authority (SRA) – **Go to Question 5**
- Council for Licensed Conveyancers (CLC) – **Go to Question 6**
- None of these – **Go to Question 44**

5. Each year the Solicitors Regulation Authority (SRA) applies to the LSB for approval of the practising certificates fee (for more information click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: SRA: 46% The Law Society: 27% Legal Ombudsman: 13% Legal Services Board: 3% Solicitors' Disciplinary Tribunal: 2% Contingency: 10% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
SRA	<input type="checkbox"/>	<input type="checkbox"/>
The Law Society Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Solicitors Disciplinary Tribunal	<input type="checkbox"/>	<input type="checkbox"/>
Contingency	<input type="checkbox"/>	<input type="checkbox"/>

6. Each year the Council for Licensed Conveyancers (CLC) applies to the LSB for approval of the practising certificates fees (for more information click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: CLC: 89% Legal Ombudsman: 10% Legal Services Board: 1% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
CLC	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>

7. Which of the following statements best represents your view of the annual fees collected by your legal services regulator?

- Annual fees include:
- practising
- certificate fees,
- registration
- firm fees,
- compensation fund payments,
- Other financial payments.

- They are low
- They are reasonable
- They are high, but not excessive
- They are poor value for money
- Don't Know

8. Which one of the following best describes your role within the organisation?

- Compliance Officer for Legal Practice (COLP) and/or Compliance Officer for Finance and Administration (COFA)
- Head of Legal Practice (HoLP) and/or Head of Finance and Administration (HoFAs)
- Equity Partner
- Managing Partner
- Partner
- Director
- Fee earner
- Support staff

Other (please specify in the grey area below)

Section 2 - The overall cost of regulation

In the investigation into the cost of legal services regulation we intend to make a distinction between the annual fees charged by regulators and others, and the firm's 'internal costs' of complying with regulation.

Annual fees include:

- Practising certificate fees,
- Registration fees,
- Firm fees,
- Compensation fund payments,
- Other financial payments.

Legal sector compliance costs are defined as costs excluding contributions to the things like a compensation fund, and practising certificate fees.

These 'internal costs' include:

- The cost of compliance staff, chambers clerks, etc,
- Fee-earner time spent on compliance,
- IT compliance systems,
- Time spent completing required compliance documentation,
- CPD and staff training on compliance issues.
- Professional indemnity insurance.

9. When thinking about regulatory costs you face, do you make a distinction between the annual financial cost of legal services regulation and the 'internal costs' of complying with that regulation (e.g. staff time filling in regulatory forms, etc)?

- Yes the cost of complying with regulation is more of an issue than the annual fees
- Yes the annual fees charged are more of an issue than complying with regulation
- Yes each type of cost are an issue, and need to be looked at together
- No – this is a not a distinction I am familiar with
- Don't know

10. How would you characterise the following costs?

	Regulatory cost	Not a regulatory cost	Don't know	Not applicable
Professional indemnity insurance costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Practising certificate fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accreditation scheme fees (e.g. Family Law Accreditation Scheme)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional development training course fees (e.g. CPD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership of your representative body	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership of a specialist professional association (e.g. APIL)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contributions to the compensation fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compliance staff costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Money Laundering regulatory compliance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal Aid contracting documentation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Know your customer requirements from HMRC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards maintaining and raising professional standards (inc. training)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards supporting and advising authorised persons (plus prospective authorised persons) about practice management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the professions participation in law reform and the legislative process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the provision of pro-bono work to the public	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Supporting the promotion and protection by law of human rights and fundamental freedoms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the promotion of relations between the approved regulator and relevant national or international bodies, governments or the legal professions of other jurisdictions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please add any other areas that should be considered here

Section 3 - Cost of Complying with regulation

Compliance costs are defined as costs excluding contributions to a compensation fund and practising certificate fees.

- These 'internal costs' include:
- The cost of compliance staff, chambers clerks, etc,
- Fee earner time spent on compliance,
- IT compliance systems,
- Time spent completing required compliance documentation,
- CPD and staff training on compliance issues.
- Professional indemnity insurance

11. Thinking about the past 12 months, please estimate what percentage of the COLP's/HOLP's time was spent on compliance with your legal services regulator's rules and requirements (as opposed to fee earning, complying with other non legal services regulation, or other business activities)?

- Up to 25%
- Up to 50%
- Up to 75 %
- Up to 100%
- Don't Know

12. Thinking about the past 12 months, please estimate what percentage of the COFA's/HOFA's time was spent on compliance with your legal services regulator's rules and requirements (as opposed to fee earning, complying with other non legal services regulation, or other business activities)?

- Up to 25%
- Up to 50%
- Up to 75 %
- Up to 100%
- Don't Know

13. In your organisation is the COLP/HOLP and the COFA/HOFA the same person?

- Yes - **Go to Question 14**
- No - **Go to Question 15**

14. Which of the following best describes the COLP/HOLP and COFA/HOFA position in the organisation?

- Director
- Senior Partner
- Partner
- Manager
- Junior staff
- Support staff

- Administrative staff
- Don't know

Other (please specify in the grey area below)

Go to Question 17

15. Which of the following best describes your organisation's COLP's/HOLP's position in the organisation?

- Director
- Senior Partner
- Partner
- Manager
- Junior staff
- Support staff

- Administrative staff
- Don't know

Other (please specify in the grey area below)

16. Which of the following best describes your organisation's COFA's/HOFA's position in the organisation?

- Director
- Senior Partner
- Partner
- Manager
- Junior staff
- Support staff

- Administrative staff
- Don't know

Other (please specify in the grey area below)

17. Please estimate how many other people in your organisation are involved in regulatory compliance activity on a day to day basis

- 0
- 1
- 2
- 3
- 4
- 5
- More than 5
- We all are
- Don't know

18. Thinking about the past 12 months, please estimate what percentage of their time was spent on compliance with your legal services regulator's rules and requirements (as opposed to fee earning, complying with other non legal services regulation, or other business activities)?

- Up to 25%
- Up to 50%
- Up to 75 %
- Up to 100%

19. Which of the following statements best represents your view of the overall internal compliance costs of regulation imposed by your legal services regulator?

- They are low
- They are reasonable
- They are high, but not excessive
- They are poor value for money
- Don't Know

Other (please specify in the grey area below)

21. With reference to the areas listed in the previous question please answer the following. If you could, would you remove one or more areas of regulation that affects your business because in your experience it has had a disproportionate cost?

- Yes - **Go to Question 22**
- No - **Go to Question 23**

22. Please specify in the grey area below the one main area of regulation that you would remove

23. Would you keep all of the current rules and regulations?

- Yes
- No

24. for the area of regulation in the previous question, please select one statement from the list below that best describes the reason for your choice.

- It's good business practice to anyway and it just makes the rules more complicated
- We have to comply with wider regulation so the additional legal services regulation is unnecessary
- The way my regulator interprets this role makes the time spent complying excessive
- It doesn't achieve its purpose/it doesn't achieve purpose cost-effectively
- It costs far more than the value it adds
- It stops us doing things that clients want from us
- It's of no value to consumers
- Not applicable

Other (please specify in the grey area below)

25. Please estimate what proportion of your annual chargeable hours are lost because of the regulation that you have chosen.

- 1-10%
- 11-20%
- 21-30%
- 31-40%
- 41-50%
- More than 50%
- Don't know
- Not Applicable

26. If you had to keep just one area of regulation what would it be?

27. For the area of regulation in the previous question, please select one statement from the list below that best describes the reason for your choice.

<input type="checkbox"/>	Being able to demonstrate we comply with this rule encourages our clients to use our services, giving us a competitive edge
<input type="checkbox"/>	Being able to demonstrate we comply with this rule allows us to bypass regulation in other sectors
<input type="checkbox"/>	Collective regulation in this area reduces the cost individual firms face
<input type="checkbox"/>	Having certainty as to what the regulator wants allows us to manage our business more effectively
<input type="checkbox"/>	Don't know
<input type="checkbox"/>	Not applicable

Other (please specify in the grey area below)

28. Are there any other specific areas of internal regulatory compliance costs that we should consider in the course of this investigation?

Yes - (please detail in grey area below)

No

Notarial activities	<input type="checkbox"/>										
Costs Law	<input type="checkbox"/>										

Other (please specify in the grey area below)

30. How long to the nearest year has your organisation been regulated by your regulator?

- 5 years or more
- 4 years
- 3 years
- 2 years
- 1 year
- Less than 1 year

31. Please estimate how many people in total (including non-lawyers) work in your organisation to the nearest full time equivalent?

- 1
- 2 to 10
- 11 to 49
- 50 to 249
- More than 250
- Don't know

32. Please state how many people in your organisation are:

- Solicitors
- Barristers
- Notaries or scriveners
- Chartered legal executives
- Licensed Conveyancers
- Trademark attorneys
- Patent attorneys
- Costs lawyers
- Don't know

33. Which one of the following descriptions best captures what type of business you are?

- Self employed
- Sole practitioner
- Partnership
- Limited Liability Partnership
- Company Limited by Shares
- Alternative Business Structure
- Recognised Body
- Don't know

Other (please specify in the grey area below)

34. Over the past 12 months, approximately what number of insurance or compensation claims have been made (but not settled) against your organisation?

- None
- 1-5
- 6-10
- More than 10

- Don't know

35. In the past 12 months have you experienced a one off or infrequent event (e.g. complaint, inspection, regulatory action, etc) that has involved your regulator or the Legal Ombudsman?

Yes - **Go to Question 36**

No - **Go to Question 37**

36. Please briefly describe this event that involved your regulator or the Legal Ombudsman

Section 6 - About the services you provide

37. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of your services you provide to the following groups of consumers. Please ensure your answers add up to 100%.

Individual fee paying clients	%
Small businesses (fewer than 50 employees)	%
Larger businesses (more than 50 employees)	%
Legal aid clients	%
Other clients (e.g. public sector bodies, charities, trade unions, etc)	%

38. Please estimate what percentage of your organisations total activity is made up of the following activities. Please estimate to the nearest 10%

The exercise of rights of audience (i.e. appearing as an advocate before a court);	%
The conduct of litigation (i.e. issuing proceedings before a Court and commencing, prosecuting or defending those proceedings);	%
Reserved instrument activities (i.e. dealing with the transfer of land or property under specific legal provisions);	%
Probate activities (i.e. handling probate matters for clients);	%
Notarial activities (i.e. work governed by the Public Notaries Act 1801); and	%
The administration of oaths (i.e. taking oaths, swearing affidavits etc).	%

39. In which of the following regions are you based? (If more than one please tick all that apply).

- North East
- North West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- London
- East of England
- South East
- South West
- Wales
- National
- International

Section 7 - Next steps

40. Thank you for taking time to complete this survey.

This is the first part of an investigation into the cost of regulation in legal services. We are very keen to seek views from those who work within regulation on a daily basis.

Would you consider participating in follow up research beginning in the next few months?

Your contact details will be stored separately from the main survey response. Your contact details will be available to the LSB survey editor, and shared with an independent research company who are subject to a confidentiality agreement in line with Market Research Society or equivalent best practice. Your contact details will only be used for this project and not for any other purpose. Once shared with the research company they will be deleted from LSB records.

However, if you would like to participate in the follow up research and would prefer to email your contact details separately, please send your contact details to Luke.McInerney@legalservicesboard.org.uk

- Yes and I would like to leave contact details – **Go to question 41**
- Yes and I have emailed Luke.McInerney@legalservicesboard.org.uk expressing my interest in the next stage of the investigation **Go to the last page**
- No thanks I do not want to participate further – **Go to question 43**

41. Please leave your contact details

Name:	
Job title:	
Address:	
Phone:	
Email:	

42. Thank you for taking the time to participate in this survey. Can you please confirm that you are happy for your responses to be shared with an Independent research company?

Yes

No

Go to the last page

43. Please could you select one of the following reasons behind your decision not to participate further?

I do not think the cost of regulation in legal services is a problem

I have made my views known above

I do not have the time to participate further

My representative body are best placed to respond on my behalf

Other (please specify in the grey area below)

Go to the last page

Section 1 - About you and your regulator

44. Are you regulated by:

- Bar Standards Board (BSB) – **Go to question 48**
- ILEX Professional Standards – **Go to question 49**
- Costs Lawyer Standards Board – **Go to question 51**
- The Master of the Faculties – **Go to question 50**
- The Intellectual Property Regulation Board (IPREG) – **Go to question 47**
- Solicitors Regulation Authority (SRA) – **Go to question 45**
- Council for Licensed Conveyancers
(CLC) – **Go to question 46**

45. Each year the Solicitors Regulation Authority (SRA) applies to the LSB for approval of the practising certificates fee (for more information click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: SRA: 46% The Law Society: 27% Legal Ombudsman: 13% Legal Services Board: 3% Solicitors' Disciplinary Tribunal: 2% Contingency: 10% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
SRA	<input type="checkbox"/>	<input type="checkbox"/>
The Law Society	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Solicitors Disciplinary Tribunal	<input type="checkbox"/>	<input type="checkbox"/>
Contingency	<input type="checkbox"/>	<input type="checkbox"/>

46. Each year the Council for Licensed Conveyancers (CLC) applies to the LSB for approval of the practising certificates fees (for more information click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: Legal Ombudsman: 10% Legal Services Board: 1% Please indicate whether you were aware that your annual fees funded the following:

- CLC
- Legal Ombudsman
- Legal Services Board

47. Each year The Intellectual Property Regulation Board (IPREG) applies to the LSB for approval of the practising certificates fees (for more information please click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: IPREG: 76% Legal Ombudsman: 2% Legal Services Board: 11% Disciplinary: 9% Contingency: 2% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not aware
IPREG	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Disciplinary	<input type="checkbox"/>	<input type="checkbox"/>
Contingency	<input type="checkbox"/>	<input type="checkbox"/>

48. Each year the Bar Council applies to the LSB for approval of the practising certificates fees (for more information please click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: Corporate services: 7% Representation: 20% Regulation: 33% Legal Ombudsman: 3% Legal Services Board: 3% Central Services: 35% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
Corporate services	<input type="checkbox"/>	<input type="checkbox"/>
Representation	<input type="checkbox"/>	<input type="checkbox"/>
Regulation	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Central Services	<input type="checkbox"/>	<input type="checkbox"/>

49. Each year ILEX Professional Standards (IPS) applies to the LSB for approval of the practising certificates fees (for more information please click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: IPS: 45% Legal Ombudsman: 0.4% Legal Services Board: 10% Other practising certificate fee expenditure: 44% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
IPS	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>

50. Each year the Master of the Faculties applies to the LSB for approval of the practising certificates fees (for more information please click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: Master of the Faculties: 94% Legal Ombudsman: 1% Legal Services Board: 5% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
Master of the Faculties	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>

51. Each year the Costs Lawyer Standards Board (CLSB) applies to the LSB for approval of the practising certificates fees (for more information please see click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: CLSB: 80% Legal Ombudsman: 1% Legal Services Board: 12% Disciplinary: 3% Contingency: 4% Please indicate whether you were aware that your annual fees funded the following:

	Aware	Not Aware
CLSB	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Disciplinary	<input type="checkbox"/>	<input type="checkbox"/>
Contingency / Provision	<input type="checkbox"/>	<input type="checkbox"/>

52. Which of the following statements best represents your view of the annual fees collected by your legal services regulator?

Annual fees include:

- Practising certificate fees,
- Registration fees,
- Firm fees,
- Compensation fund payments,
- Other financial payments.

- They are low
- They are reasonable
- They are high, but not excessive
- They are poor value for money
- Don't know

Other (please specify in the grey area below)

Section 2 - The overall cost of regulation

In the investigation into the cost of regulation we intend to make a distinction between the annual fees charged by regulators and others, and the firm's 'internal costs' of complying with regulation.

Annual fees include:

- Practising certificate fees,
- Registration fees,
- Firm fees,
- Compensation fund payments,
- Other financial payments.

Compliance costs are defined as costs excluding contributions to a compensation fund, professional indemnity insurance and practising certificate fees.

These 'internal costs' include:

- The cost of compliance staff, chambers clerks, etc,
- Fee-earner time spent on compliance,
- IT compliance systems,
- Time spent completing required compliance documentation,
- CPD and staff training on compliance issues.
- Professional indemnity insurance

53. When thinking about the regulatory costs you face, do you make a distinction between the annual cost of legal services regulation and the 'internal' costs of complying with that regulation (e.g. staff time filling in regulatory forms, etc)?

- Yes and the cost of complying with regulating is more of an issue than the annual fees (practising certificate fee, etc)
- Yes and the annual fees (practising certificates fee, etc) charged are more of an issue than complying with regulation
- Yes and each type of cost are an issue, and need to be looked at together
- No and this is a not a distinction I am familiar with
- Don't know

54. How would you characterise the following costs?

	Regulatory cost	Not a regulatory cost	Don't know	Not applicable
Contributions to the compensation fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional indemnity insurance costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Practising certificate fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accreditation scheme fees (e.g. Family Law Accreditation Scheme)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional development training course fees (e.g. CPD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership of your representative body	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership of a specialist professional association (e.g. APIL)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compliance staff costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards maintaining and raising professional standards (inc. training)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards supporting and advising authorised persons (plus prospective authorised persons) about practice management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the professions participation in law reform and the legislative process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the provision of pro-bono work to the public	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supporting the promotion and protection by law of human rights and fundamental freedoms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the promotion of relations between the approved regulator and relevant national or international bodies, governments or the legal professions of other jurisdictions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other (please specify in the grey area below)

Section 3- The cost of complying with regulation

Compliance costs are defined as costs excluding contributions to a compensation fund, professional indemnity insurance and practising certificate fees.

These 'internal costs' include:

- The cost of compliance staff, chambers clerks, etc,
- Fee-earner time spent on compliance,
- IT compliance systems,
- Time spent completing required compliance documentation,
- CPD and staff training on compliance issues.

55. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of your time was spent on compliance with your legal services regulator's rules and requirements (as opposed to complying with other non legal services regulation, or other business activities)?

- Up to 0%
- Up to 10%
- Up to 20%
- Up to 30%
- Up to 40%
- Up to 50%
- Up to 60%
- Up to 70%
- Up to 80%
- Up to 90%
- Up to 100%

56. Which of the following statements best represents your view of the overall internal compliance costs of regulation imposed by your legal services regulator?

- They are low
- They are reasonable
- They are high, but not excessive
- They are poor value for money
- Don't know

Other (please specify in the grey area below)

Other (please specify in grey area below)

58. With reference to the areas listed in the previous question please answer the following. If you could, would you remove one or more areas of regulation that affects your business because in your experience it has had a disproportionate cost?

Yes - **Go to Question 59**

No - **Go to Question 60**

59. Please specify in the grey area below the one main area of regulation that you would remove

60. Would you keep all of the current rules and regulations?

- Yes - **Go to Question 61**
- No - **Go to Question 63**

61. For the area of regulation in the previous question, please select one statement from the list below that best describes the reason for your choice.

<input type="checkbox"/>	It's good business practice to anyway and it just makes the rules more complicated
<input type="checkbox"/>	We have to comply with wider regulation so the additional legal services regulation is unnecessary
<input type="checkbox"/>	The way my regulator interprets this role makes the time spent complying excessive
<input type="checkbox"/>	It doesn't achieve its purpose/it doesn't achieve purpose cost-effectively It costs far more than the value it adds
<input type="checkbox"/>	It stops us doing things that clients want from us
<input type="checkbox"/>	It's of no value to consumers
<input type="checkbox"/>	Not applicable

Other (please specify in the grey area below)

62. Please estimate what proportion of your annual chargeable hours are lost because of the regulation that you have chosen.

- 1-10%
- 11-20%
- 21-30%
- 31-40%
- 41-50%
- More than 50%
- Don't know
- Not Applicable

63. If you had to keep just one area of regulation what would it be?

64. For the area of regulation in the previous question, please select one statement from the list below that best describes the reason for your choice.

- Being able to demonstrate we comply with this rule encourages our clients to use our services, giving us a competitive edge
- Being able to demonstrate we comply with this rule allows us to bypass regulation in other sectors
- Collective regulation in this area reduces the cost individual firms face
- Having certainty as to what the regulator wants allows us to manage our business more effectively
- Don't know
- Not applicable

Other (please specify in the grey area below)

65. Are there any other specific areas of internal regulatory compliance costs that we should consider in the course of this investigation?

- Yes - (please detail in text box)
- No

Other (please specify in the grey area below)

Other (please specify in the grey area below)

67. How long to the nearest year have you been regulated by your legal services regulator?

- 5 years or more
- 4 years
- 3 years
- 2 years
- 1 year

68. In the past twelve months have you experienced a one off or infrequent event (e.g. complaint, inspection, regulatory action, etc) that has involved your regulator or the Legal Ombudsman?

- Yes - **Go to Question 69**
- No - **Go to Question 70**

69. Please briefly describe this event that involved your regulator or the Legal Ombudsman

Section 6 - About the services you provide

70. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of your services you provide to the following groups of consumers. Please ensure your answers add up to 100%.

Individual fee paying clients	%
Small businesses (fewer than 50 employees)	%
Larger businesses (more than 50 employees)	%
Other clients (e.g. public sector bodies, charities, trade unions, etc)	%
Legal aid clients	%
Services to my employer (provided in-house)	%

Other (please specify in the grey area below)

71. Please estimate what percentage of your total activity is made up of the following activities. Please estimate to the nearest 10%

The exercise of rights of audience (i.e. appearing as an advocate before a court) ;	%
The conduct of litigation (i.e. issuing proceedings before a court and commencing, prosecuting or defending those proceedings);	%
reserved instrument activities (i.e. dealing with the transfer of land or property under specific legal provisions	%
Probate activities (i.e. handling probate matters for clients);	%
Notarial activities (i.e. work governed by the Public Notaries Act 1801);and	%
The administration of oaths (i.e. taking oaths, swearing affidavits etc).	%

72. In which of the following regions are you based? (If more than one please tick all that apply)

- North East
- North West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- London
- East of England
- South East
- South West
- Wales
- National
- International

Section 7 - Next steps

73. Thank you for taking time to complete this survey.

This is the first part of an investigation into the cost of regulation in legal services. We are very keen to seek views from those who work within regulation on a daily basis.

Would you consider participating in follow up research beginning in the next few months?

Your contact details will be stored separately from the main survey response. Your contact details will be available to the LSB survey editor, and shared with an independent research company who are subject to a confidentiality agreement in line with Market Research Society or equivalent best practice. Your contact details will only be used for this project and not for any other purpose. Once shared with the research company they will be deleted from LSB records.

However, if you would like to participate in the follow up research and would prefer to email your contact details separately, please send your contact details to

Luke.McInerney@legalservicesboard.org.uk

- Yes and I would like to leave contact details – **Go to question 74**
- Yes and I have emailed Luke.McInerney@legalservicesboard.org.uk expressing my interest in the next stage of the investigation **Go to the last page**
- No thanks I do not want to participate further – **Go to question 76**

74. Please leave your contact details

Name	
Job title	
Address	
Phone	
Email	

75. Thank you for taking the time to participate in this survey. Can you please confirm that you are happy for your responses to be shared with an independent research company?

- Yes - **Go to last page**
- No - **Go to last page**

76. Please could you select one of the following reasons behind your decision not to participate further?

- I do not think the cost of regulation in legal services is a problem
- I have made my views known above
- I do not have the time to participate further
- My representative body are best placed to respond on my behalf

Other (please specify in the grey area below)

Go to last page

Section 1 - About your regulator

77. Each year the Bar Council applies to the LSB for approval of the practising certificates fees (for more information please click [here](#)). Based on this information we estimate that for the 2013 period this fee income was allocated as follows: Corporate services: 7% Representation: 20% Regulation: 33% Legal Ombudsman: 3% Legal Services Board: 3% Central Services: 35% Please indicate whether you were aware that the annual fees funded the following:

	Aware	Not Aware
Corporate services	<input type="checkbox"/>	<input type="checkbox"/>
Representation	<input type="checkbox"/>	<input type="checkbox"/>
Regulation	<input type="checkbox"/>	<input type="checkbox"/>
Legal Ombudsman	<input type="checkbox"/>	<input type="checkbox"/>
Legal Services Board	<input type="checkbox"/>	<input type="checkbox"/>
Central Services	<input type="checkbox"/>	<input type="checkbox"/>

78. Which of the following statements best represents your view of the annual fees collected by your legal services regulator?

Annual fees include:

- **Practising certificate fees,**
- **Registration fees,**
- **Firm fees,**
- **Compensation fund payments,**
- **Other financial payments.**

- They are low
- They are reasonable
- They are high, but not excessive
- They are poor value for money
- Don't Know

Section 2 - The overall regulation

In the investigation into the cost of regulation we intend to make a distinction between the annual fees charged by regulators and others, and the firm's 'internal costs' of complying with regulation.

Annual fees include:

- Practising certificate fees,
- Registration fees,
- Firm fees,
- Compensation fund payments,
- Other financial payments.

Compliance costs are defined as costs excluding contributions to a compensation fund, professional indemnity insurance and practising certificate fees.

These 'internal costs' would include:

- The cost of compliance staff, chambers clerks, etc,
- Fee-earner time spent on compliance,
- IT compliance systems,
- Time spent completing required compliance documentation,
- CPD and staff training on compliance issues.
- Professional indemnity insurance

79. When thinking about the regulatory costs your chambers faces, do you make a distinction between the annual financial cost of legal services regulation and the 'internal' costs of complying with that regulation (e.g. staff time filling in regulatory forms, etc)?

- Yes -the cost of complying with regulation is more of an issue than the annual fees
- Yes- the annual fees charged are more of an issue than complying with regulation
- Yes each type of cost are an issue, and need to be looked at together
- No – this is a not a distinction I am familiar with
- Don't know

80. How would you characterise the following costs?

	Regulatory cost	Not a regulatory cost	Don't know	Not applicable
Professional indemnity insurance costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Practising certificate fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional development training course fees (e.g. CPD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership of a representative body	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership of a specialist professional association (e.g. APIL)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compliance staff costs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Money Laundering regulatory compliance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal Aid contracting documentation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Know your customer requirements from HMRC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards maintaining and raising professional standards (inc. training)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards supporting and advising authorised persons (plus prospective authorised persons) about practice management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the professions participation in law reform and the legislative process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the provision of pro-bono work to the public	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supporting the promotion and protection by law of human rights and fundamental freedoms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Making a contribution towards the promotion of relations between the approved regulator and relevant national or international bodies, governments or the legal professions of other jurisdictions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other (please specify)

Section 3 - Costs of Complying with regulation

Compliance costs are defined as costs excluding contributions to a compensation fund, professional indemnity insurance and practising certificate fees.

These 'internal costs' include:

- The cost of compliance staff, chambers clerks, etc,
- Fee-earner time spent on compliance,
- IT compliance systems,
- Time spent completing required compliance documentation,
- CPD and staff training on compliance issues.

81. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of chambers' staff time was spent on compliance with BSB rules and requirements (as opposed to complying with other non legal services regulation, or other business activities)?

- 0%
- Up to 10%
- Up to 20%
- Up to 30%
- Up to 40%
- Up to 50%
- Up to 60%
- Up to 70%
- Up to 80%
- Up to 90%
- Up to 100%

82. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of barristers in your chambers spend time on compliance with BSB rules and requirements (as opposed to fee earning, complying with other non legal services regulation, or other business activities)?

- 0%
- Up to 10%
- Up to 20%
- Up to 30%
- Up to 40%
- Up to 50%
- Up to 60%
- Up to 70%
- Up to 80%
- Up to 90%
- Up to 100%

83. Please estimate how many other people in your chambers are involved in regulatory compliance activity on a day to day basis

- 0
- 1
- 2
- 3
- 4
- 5
- More than 5
- We all are
- Don't know

84. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of their time was spent on compliance with your legal services regulators rules and requirements (as opposed to fee earning, complying with other non legal services regulation, or other business activities)?

- 0%
- Up to 10%
- Up to 20%
- Up to 30%
- Up to 40%
- Up to 50%
- Up to 60%
- Up to 70%
- Up to 80%
- Up to 90%
- Up to 100%

85. Which of the following statements best represents your view of the overall internal compliance costs of regulation imposed by your legal services regulator?

Compliance costs are defined as costs excluding practising certificate fees. Internal compliance costs include:

- **The cost of compliance staff, chambers clerks, other,**
- **Fee-earner time spent on compliance,**
- **IT compliance systems,**
- **Compliance documentation,**
- **CPD and staff training on compliance issues.**

- They are low
- They are reasonable
- They are high, but not excessive
- They are poor value for money
- Don't Know

Keeping up to date with changes to regulations	<input type="checkbox"/>						
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Please add any other areas that should be considered here

87. With reference to the areas listed in the previous question please answer the following. If you could, would you remove one or more areas of regulation that affects your chambers because in your experience it has had a disproportionate cost?

Yes - **Go to question 88**

No - **Go to question 89**

88. Please specify in the grey area below the one main area of regulation that you would remove

Go to question 90

89. Would you keep all of the current rules and regulations?

Yes

No

Go to question 92

90. For the area of regulation in the previous question, please select one statement from the list below that best describes the reason for your choice.

<input type="checkbox"/>	It's good business practice to anyway and it just makes the rules more complicated
<input type="checkbox"/>	We have to comply with wider regulation so the additional legal services regulation is unnecessary
<input type="checkbox"/>	The way my regulator interprets this role makes the time spent complying excessive
<input type="checkbox"/>	It doesn't achieve its purpose/it doesn't achieve purpose cost-effectively
<input type="checkbox"/>	It costs far more than the value it adds
<input type="checkbox"/>	It stops us doing things that clients want from us
<input type="checkbox"/>	It's of no value to consumers
<input type="checkbox"/>	Not applicable

Other (please explain in the grey area below)

91. Please estimate what proportion of your annual chargeable hours are lost because of the regulation that you have chosen.

- 1-10%
- 11-20%
- 21-30%
- 31-40%
- 41-50%
- More than 50%
- Don't know
- Not Applicable

92. If you had to keep just one area of regulation what would it be?

93. For the area of regulation in the previous question, please select one statement from the list below that best describes the reason for your choice.

- Being able to demonstrate we comply with this rule encourages our clients to use our services, giving us a competitive edge
- Being able to demonstrate we comply with this rule allows us to bypass regulation in other sectors
- Collective regulation in this area reduces the cost individual firms face
- Having certainty as to what the regulator wants allows us to manage our business more effectively
- Don't know
- Not applicable

Other (please specify in the grey area below)

94. Are there any other specific areas of internal regulatory compliance costs that we should consider in the course of this investigation?

- Yes - (please detail in grey area below)
- No

Other (please specify in the grey area below)

96. How long to the nearest year has your chambers been in operation?

- 5 years or more
- 4 years
- 3 years
- 2 years
- 1 year
- Less than 1 year

97. Please estimate how many people in total (including non-lawyers) work in your chambers to the nearest full time equivalent?

- 1
- 2 to 10
- 11 to 49
- 50 to 249
- More than 250
- Don't know

98. Please state how many barristers work in your chambers (full time equivalent)

99. In the past twelve months has any member of your chambers experienced a one off infrequent event (e.g. complaint, inspection, regulatory action, etc) that has involved your regulator or the Legal Ombudsman?

Yes - **Go to question 100**

No **Go to question 101**

100. Please briefly describe in the grey area below this event that involved your regulator or the Legal Ombudsman

Section 6 - About the services your chambers provide

101. Thinking about the past 12 months, please estimate to the nearest 10% what proportion of your chamber's services were provided to the following groups of consumers. Please ensure your answers add up to 100%.

Individual fee paying clients	%
Small businesses (fewer than 50 employees)	%
Larger businesses (more than 50 employees)	%
Other clients (e.g. public sector bodies, charities, trade unions, etc)	%
Legal aid clients	%
Services provided to my employer (in-house)	%

Other (please specify in the grey area below)

102. Please estimate what percentage of your total activity is made up of the following activities. Please estimate to the nearest 10%

The exercise of rights of audience (i.e. appearing as an advocate before a court) ;	%
The conduct of litigation (i.e. issuing proceedings before a court and commencing, prosecuting or defending those proceedings);	%
reserved instrument activities (i.e. dealing with the transfer of land or property under specific legal provisions	%
Probate activities (i.e. handling probate matters for clients);	%
Notarial activities (i.e. work governed by the Public Notaries Act 1801);and	%
The administration of oaths (i.e. taking oaths, swearing affidavits etc).	%

103. In which of the following regions are you based? (If more than one please tick all that apply)

- North East
- North West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- London
- East of England
- South East
- South West
- Wales
- National
- International

Section 7 - Next steps

104. Thank you for taking time to complete this survey.

This is the first part of an investigation into the cost of regulation in legal services. We are very keen to seek views from those who work within regulation on a daily basis. Would you consider participating in follow up research beginning in the next few months?

Your contact details will be stored separately from the main survey response. Your contact details will be available to the LSB survey editor, and shared with an independent research company who are subject to a confidentiality agreement in line with Market Research Society or equivalent best practice. Your contact details will only be used for this project and not for any other purpose. Once shared with the research company they will be deleted from LSB records.

However, if you would like to participate in the follow up research and would prefer to email your contact details separately, please send your contact details to Luke.McInerney@legalservicesboard.org.uk

- Yes and I would like to leave contact details – **Go to question 105**
- Yes and I have emailed Luke.McInerney@legalservicesboard.org.uk expressing my interest in the next stage of the investigation **Go to the last page**
- No thanks I do not want to participate further – **Go to question 107**

105. Please leave your contact details

Name:	
Job title:	
Address:	
Phone:	
Email:	

106. Thank you for taking the time to participate in this survey. Can you please confirm that you are happy for your responses to be shared with an independent research company?

Yes - (please detail in text box)

No

107. Please could you select one of the following reasons the main factor behind your decision not to participate further?

I do not think the cost of regulation in legal services is a problem

I have made my views known above

I do not have the time to participate further

My representative body are best placed to respond on my behalf

Other (please specify in the grey area below)

Survey Completed

The survey is now complete. Thank you for taking the time to share your views with us. Once the survey has closed, we will analyse all responses received. We will publish the analysis and anonymous survey data in March 2015. This will be available on the LSB web pages: click [here](#)