

BAR  
STANDARDS  
BOARD

REGULATING BARRISTERS

The Bar Standards Board

ANNUAL REPORT

14/15

The Bar Standards Board regulates barristers in  
England and Wales in the public interest

# Our values

**The Bar Standards Board is the independent regulator of barristers in England and Wales. Our mission is to regulate the Bar so as to promote high standards of practice, and safeguard clients and the public interest.**

## INTEGRITY

- ▶ We operate to the highest ethical standards
- ▶ We are honest, open and inspire trust
- ▶ We consider the social and environmental impact of our actions

## EXCELLENCE

- ▶ We are committed to quality
- ▶ We are creative, innovative and lead change
- ▶ We are responsive, accessible and accountable for our actions

## FAIRNESS

- ▶ We act responsibly, proportionately, and in the public interest
- ▶ We promote equality of opportunity and equal access to justice for all
- ▶ We value inclusion and diversity

## RESPECT

- ▶ We respect and support others
- ▶ We value expertise, learning and knowledge-sharing
- ▶ We foster a collaborative and developmental working environment

## VALUE FOR MONEY

- ▶ We are cost-effective and accountable for our use of resources
- ▶ We work efficiently with an entrepreneurial and commercial mind-set
- ▶ We strive for clarity, simplicity and straightforwardness

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# Introduction

## Welcome to the 2014/15 Annual Report of the Bar Standards Board.

This was the second year in our current three-year strategic plan. It was a year of significant progress as we built on the foundations which were laid in 2013/14 and one where the objective of becoming a fully modern and efficient regulator by 2016 came clearly into focus.

The plan to transform nearly every aspect of the way in which we regulate barristers in just three years was ambitious. We needed to realign our rules and structures in order to meet the regulatory objectives set out in the Legal Services Act 2007, and to meet our obligations to the Legal Services Board. To do so in a way that simultaneously provides value for money to the profession that funds us, and which addresses the biggest risks to the public who rely on the services provided by the Bar, has been a tall order. However, as this report will demonstrate, two-thirds of the way through, we remain firmly on track.

This report provides a summary of some of our key achievements during 2014/15. It demonstrates the progress we have made against each of our five strategic aims. It explains some of the lessons that we have learned along the way and, as you would expect from an annual report, provides an overview of our financial performance during the year.

We began 2014/15 having just launched the new BSB Handbook and with a fledgling Supervision team raring to become the embodiment of our new risk-based approach to regulating barristers; providing support and advice to members of the self-employed Bar in their chambers. This has meant encouraging chambers to have open and honest discussion with us during Supervisory visits, so that we can be better placed to help the profession to comply with our rules and expectations. A profession used to a regulator with a very prescriptive rule book and a reputation for strong enforcement action if things did go wrong, was unsure what to expect.

We ended the year with the Supervision team having rated every set of barristers' chambers for the likelihood of non-compliance, and on a scale of adverse impact to the public if things did go wrong. Our pilot programme of supervisory visits to high-risk, high-impact chambers was overwhelmingly successful and feedback from the people we visited has been positive. In the words of one, "We were able to have an open conversation about the issues that all chambers face these days".

By the end of 2014/15, we were on the brink of becoming an authorised regulator of entities; a new form of barrister-led businesses. We are now successfully regulating entities and this development is a significant milestone, not only in our strategic plan, but also in the long history of the Bar. Allowing barristers to incorporate effectively – either as single-person entities or by combining with other barristers – provides the Bar with another mechanism by which it can compete in an ever changing legal services marketplace, and against the backdrop of considerable challenges for those in practice. Of course, the provision of barrister-led entities also gives legal consumers more choice. We believe this is a worthwhile contribution to two of the regulatory objectives: encouraging an effective legal profession and, in the longer-term, seeking to improve access to justice.



Speaking about the importance of the long-term health of the profession, we took steps during 2014/15 to work out how the next generation of barristers might better be educated and trained. Our Future Bar Training (FBT) programme was launched in the autumn. In a fast-moving legal services market, we must make sure that our regulation does not get in the way of training being delivered effectively. It must meet the needs of both the profession and the public; and allow the best candidates – no matter what their background – to succeed. FBT is a programme that is geared to gather pace significantly during 2015/16.

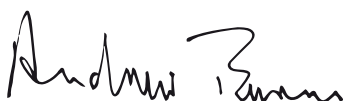
There is still much more to do, of course, and we have learned some important lessons during the year. For example, we have become better at planning and forecasting; clearer about what we are in control of, stricter about prioritisation and more careful to give ourselves sufficient time and resource to do our work well. We realise the heavy demands that our consultation processes can lay on members of the Bar who care so deeply about the future of their profession. There is no alternative if we are to build a new regulatory structure that will command the confidence of barristers, consumers and public alike. But we shall endeavour to make our proposals as easy to understand and digest as possible.

This involves making sure that we better anticipate factors outside of our direct control which could impact on our plans. Events move on – especially during a period of unprecedented change for an venerable profession – and we need to become more flexible in how we respond to these developments. For example, the cuts to legal aid and the rise in litigants in person are significant factors that could affect our regulatory objectives by impairing access to justice. We need to be able to adapt our priorities more quickly as the landscape around us changes. The work we have been doing to develop a risk-based approach to regulation will be instrumental in this. We have been working to produce a Risk Outlook, a key evidence-based regulatory tool to enable us to demonstrate how we are focusing our attention and resources on issues that pose the biggest threat of harm to the public we serve. You can expect to hear much more from us about our risk-based approach to regulation during the final year of our strategic plan.

Other priorities for 2015/16 and beyond include conducting an internal review of our governance arrangements, enhancing our consumer knowledge and stakeholder engagement, and completing the process to allow us to license alternative business structures; much to do and all of it vital.

Finally for this note of welcome, it would be remiss of us not to include a note of thanks to all our hard-working staff, committee members, Board members and key stakeholders, without whom none of our achievements would have been possible. Particular thanks go to Sarah Clarke who left the Board this year after four years of contributing very strongly to the development of our regulatory approach.

Unarguably however, one of the most important developments during 2014/15 was the transition from our outgoing Chair, Baroness Ruth Deech QC (Hon), who left us on 31 December 2014. Her time as Chair of the BSB, falling as it did fairly early on in our role as an independent regulator, was often challenging. But Ruth's belief in the sort of regulator we needed to become, and her determination to make it happen, was fundamental in placing us in a strong position to conceive and deliver the current strategic plan. Her experience, courage and companionship are greatly missed by those who worked with her. We are glad to pay tribute to her work. We hope that with a non-lawyer now in the Chair we shall continue to act at all times, first and foremost, in the public interest.



**Sir Andrew Burns KCMG**  
Chair, Bar Standards Board



**Dr Vanessa Davies**  
Director General, Bar Standards Board

# What the BSB does

## **We regulate barristers in England and Wales in the public interest.**

We are responsible for:

- ▶ Setting standards of conduct for barristers and authorising barristers to practise;
- ▶ Monitoring the service provided by barristers to assure quality;
- ▶ Setting the education and training requirements for becoming a barrister as well as setting continuing training requirements to ensure that barristers' skills are maintained throughout their careers;
- ▶ Handling complaints against barristers and taking enforcement or other action where appropriate.

We aim to do this in a way which, where possible, reduces the regulatory burden, is less prescriptive, promotes innovation, and encourages competition.

### **Regulatory Policy**

We seek to set standards by: understanding how the legal services marketplace works; identifying and responding to important market risks; influencing the marketplace so that it operates in line with the regulatory objectives and ensuring the BSB complies with and delivers good practice in response to equalities legislation and promotes access to justice. We set standards primarily through the Core Duties, rules and detailed guidance set out in the Handbook. Underpinning our practice is a commitment to ensure our regulatory arrangements take into account the needs of consumers, particularly those who are more vulnerable, so the profession responds appropriately to all who are served by it.

### **Supervision**

Our aim is to assure, maintain and enhance standards across the profession through the development of measures for assessing the quality of both individual barristers and the chambers and entities in which they practise. This includes a risk-based approach to supervision of chambers and the authorisation of new entities and the regulation of Continuing Professional Development (CPD).

### **Education and training**

We oversee the Academic, Vocational, and Pupillage stages of training that must be completed in order to qualify as a barrister. We are responsible for accrediting the providers of barristers' CPD. We also look at individual applications from people wishing to qualify and/or practise as barristers but who would like to be exempted from some or all of the normal training requirements.

### **Enforcement**

We investigate professional conduct and take action against barristers who have breached the provisions of our Handbook.

# Our strategy 2013/2016

**Our vision by the end of March 2016 is to become a more modern and efficient regulator, operating to externally agreed high standards, fulfilling our mission and upholding and promoting the regulatory objectives and professional principles. How we plan to achieve that vision is set out in our Strategic Plan 2013/16, with key programmes of work and annual milestones for each of them.**

This Annual Report reflects on what we have achieved in the second year of our strategy. It looks at each of our aims, explaining what we have done during the 2014/15 year and the difference it will make to the profession that we regulate and the clients it serves.

## Our strategic aims

The BSB has developed five strategic aims which encompass all the work we intend to undertake over the three years from 2013/14 to 2015/16.

Our aims also reflect how we are going to improve our performance against the Regulatory Standards Framework (RSF) laid down by the Legal Services Board (LSB). That framework has four key pillars: outcomes-focused regulation; risk assessment; supervision; enforcement – and requires a regulator to demonstrate sufficient capacity and capability to regulate in those key areas. We hope and expect to be rated by the LSB as “satisfactory” when we are next due to be assessed in March 2016.



# Achievements in 2014/15

## Strategic aim 1

### Implement our specialist regulatory regimes for advocacy services which operate in the public interest and in support of the regulatory objectives of the Legal Services Act 2007

The world in which we operate as the regulator of barristers is changing. The legal services market is opening up, competition is increasing and consumers are demanding more from legal service providers. We have to make sure that we are responsive by providing a regulatory structure that enables barristers to meet the developing demands of the market.

## 2014/15 Progress Report

### At a glance:

- ▶ The BSB Handbook is embedded across the Bar
- ▶ The first potential BSB-authorized entities apply and are on the verge of becoming authorised
- ▶ The review of the cab rank rule commences

Significant progress was made against this strategic aim during the second of our three-year plan; indeed it was always intended as a key year in this area.

Our regulatory arrangements were fundamentally updated during the first year of our plan; most notably, with the introduction in January 2014 of the new BSB Handbook. Outlining a number of Core Duties the Handbook is much less prescriptive than the previous Code of Conduct that it replaced. It focuses on the desired outcomes that barristers should aim for, rather than stipulating a set way in which that outcome must be achieved.

The past twelve months have seen the new Handbook being bedded-in throughout the profession. Much work was undertaken in the lead-up to, during and after its introduction to communicate the new provisions to the profession.

As the Bar began to appreciate the change in regulatory direction typified in the Handbook, so its opportunities to diversify were further encouraged in 2014/15. When considering the earlier revisions to the rules on public access and the opening up of rules which allowed barristers to conduct litigation, the need to permit a wider range of business models from which barristers could operate was paramount. An effective, efficient and diverse profession is essential, because of the role it plays in upholding the rule of law and providing access to justice. Furthermore, increased competition amongst barristers and other legal services providers leads to greater consumer choice.



The above reasons are why in 2014/15 we implemented a new regime for the authorisation and regulation of specialist advocacy-focused entities. We started officially regulating entities on 8 April 2015, following a lot of preparatory work conducted during the year. We worked closely with a number of applicants who helped us pilot and test our systems. This meant that 15 entities had already been through the assessment process during early 2015 and thus were able to become fully authorised immediately on the go-live date.

The assessment of an entity's suitability to become authorised is closely aligned with our risk-based approach to regulation. In other words, the information supplied by each applicant is reviewed to determine how effectively the entity can be managed and governed, with careful consideration given to the suitability of the key persons involved; namely the entity owner and its manager.

The go-live date for entity authorisation was later than originally planned. This was because the process of preparing our application to the LSB took longer than intended. There were a number of complex issues to resolve in order to ensure that we have sufficient regulatory powers should we ever need to "step in" and take over an entity in order to protect its clients. Another issue involved seeking the permission of the Administrative Court in relation to possible appeals against entity authorisation.

As a consequence of the above, our application to the LSB to become a licensing authority for Alternative Business Structures was also delayed. However, a draft application was submitted in December 2014, and the full application submitted in April 2015. It is likely that our desired timeline to become a full licensing authority by the end of this strategic plan may slip by a few months, however every effort and resource is being applied to bring this about as quickly as possible.

Finally in this section, following an undertaking we made to the LSB, we reviewed some aspects of the cab rank rule during 2014/15. Our review is due to continue into July 2015. The emphasis during our work has been on reviewing the impact of the standard contractual terms and whether there is a continuing need for both those terms and the list of defaulting solicitors to remain as part of the BSB Handbook within the cab rank rule. A call for evidence was issued in October 2014 and a consultation on the topic was launched in March 2015.

The cab rank rule is an important safeguard of access to justice, ensuring that solicitors are able to access suitable barristers on behalf of their clients. We would not normally concern ourselves with the contractual terms between a barrister and a solicitor, but the cab rank rule compels barristers to accept work in certain circumstances. This means we need to make sure that any regulatory obligation we put on a barrister to accept work, must be on terms that are fair and reasonable.



## In focus: The first tranche of BSB-authorized entities

Of the first 15 BSB-authorized entities, the majority were single-person entities. These included one solicitor owned-and-managed entity. There was an almost even split between those based inside and outside of London.

We have been liaising directly with prospective entities, helping and guiding them through the application process. During 2014/15 we developed the whole system with the help of four pilot “testers” whose feedback was very useful in enabling us to devise a system of authorisation that works best for all those wishing to be regulated by us.

Feedback has been positive. Here are just some of the quotes taken from an interview with one of the first entity owners that we authorised:

*“I have decided to become a BSB entity, rather than an SRA regulated one, because the final result is very much one that resembles the kind of business structure that suits barristers.”*

*“I just think that to build that same level of service into a more expandable and commercial format means that clients get access to justice in a more flexible way.”*

*“I have found the BSB assessment process to be rigorous whilst being consultative, transparent and, I have to say, friendly.”*

You can read the full interview on our website at: [www.barstandardsboard.org.uk/regulatory-requirements/regulatory-updates/june-2015-issue/case-study-one-of-our-first-bsb-authorized-entities/](http://www.barstandardsboard.org.uk/regulatory-requirements/regulatory-updates/june-2015-issue/case-study-one-of-our-first-bsb-authorized-entities/)

## Further reading

You can read more about some of the topics in this section on our website:

Entity regulation: [www.barstandardsboard.org.uk/regulatory-requirements/regulatory-updates/june-2015-issue/case-study-one-of-our-first-bsb-authorized-entities/](http://www.barstandardsboard.org.uk/regulatory-requirements/regulatory-updates/june-2015-issue/case-study-one-of-our-first-bsb-authorized-entities/)

The BSB Handbook: [www.barstandardsboard.org.uk/regulatory-requirements/bsb-handbook/](http://www.barstandardsboard.org.uk/regulatory-requirements/bsb-handbook/)

The cab rank rule: [www.barstandardsboard.org.uk/about-bar-standards-board/consultations/closed-consultations/](http://www.barstandardsboard.org.uk/about-bar-standards-board/consultations/closed-consultations/)

Please note that, as in all of our work, we aim for an open and transparent approach. You can monitor all of our progress by reading our detailed Board papers on our website at: [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/). In particular, the Director General’s report to every meeting is a good way to keep tabs on our progress.

## Strategic aim 2

### Promote greater public and professional understanding of and support for our role and mission

Understanding and awareness of what we do and why we do it is crucial if we are to be effective. We know from the Biennial Survey that there is scope to improve understanding of our role amongst the profession. Judging from feedback and media coverage, we also think that we could improve the information we provide so members of the public are easily able to find out where to go when things go wrong.

## 2014/15 Progress Report

### At a glance:

- ▶ There is an improved approach to communications
- ▶ We established an outreach programme with consumers via regular engagement with legal consumer representative organisations
- ▶ We disseminate pro-active press releases on enforcement outcomes (disbarments)

Communicating what we do, why we do it, and in the way we do, is a particular challenge for the BSB. This is because, being partway through a three-year plan, not all of the pieces of the jigsaw are in place yet. The work that we are going to be finalising in 2015/16 with the publication of our Risk Framework and Outlook is a case in point. These public facing documents will provide the foundation and basis for much of the work we are already doing in other areas.

Having said this however, much progress has been made in the way in which we communicated our work during 2014/15. This applies not only to communication with our regulated community of barristers, but with all of those who are impacted by our work.

To coincide with the changeover of the Chair at the turn of the calendar year, we introduced a new direct communication channel with the profession in the form of a new-look monthly "Regulatory Update" email. Unlike previous versions, the new format allows us to include more general information for the profession about who we are and what we do. It also enables us to include regular features, such as "The Handbook explained", which provide us with an opportunity to explain our rules in a clear and concise way.

Our media relations approach seeks to protect and enhance the BSB's reputation as an efficient and modern regulator, whose actions to protect the public are proportionate, but sufficiently tough when they need to be. One such way in which we did this in 2014/15 was by continuing to issue press releases proactively to the media whenever our regulatory investigations led to a barrister being disbarred. Any media coverage generated helped to give the public confidence in our ability to prevent unsuitable practitioners from continuing to represent clients in the future. During 2015/16 we intend to increase our communications relating to other disciplinary outcomes, such as suspensions.

A key area of progress in 2014/15 against this strategic aim – and also, towards our drive to become more evidence-based in everything we do (discussed further under strategic aim 4) – was the continued work we did to develop our relationships with a range of legal consumer organisations (such as the Legal Services Consumer Panel and Citizens Advice).

Organisations such as these are becoming an established and critical source of information for our regulatory policy teams. For example, during the year we consulted consumer groups on topics as wide-ranging as our Youth Court Advocacy Review and the implications for consumer protection given the high number of barristers now authorised to undertake direct public access work.

One area which needs improvement is the information on our website relating to complaining about a barrister. Work is underway to review this information to make it easier to navigate and understand for both members of the public wishing to complain, and for barristers facing the prospect of a complaint.



### In focus: Key facts about our communication channels



- ▶ The BSB had over **11,000 followers** on Twitter at the end of 2014/15.
- ▶ On average over **21,000 unique visitors** visited our website each month during 2014/15.
- ▶ We issued **75 press releases** and media statements during 2014/15.
- ▶ Over the course of 2014, 80% of the media coverage we received was **positive or neutral**.
- ▶ We launched **six consultations** during 2014/15 and published responses to three consultations from other organisations.
- ▶ There were **48,771 searches** made on the online register of barristers during 2014/15.

Why not follow us on Twitter? [@barstandards](https://twitter.com/barstandards)

### Further reading

You can read more about some of the topics in this section on our website:

For more information about our approach to media and communications, please visit the “media centre” on our website: [www.barstandardsboard.org.uk/media-centre/](http://www.barstandardsboard.org.uk/media-centre/)

Please note that, as in all of our work, we aim for an open and transparent approach. You can monitor all of our progress by reading our detailed Board papers on our website at: [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/). In particular, the Director General’s report to every meeting is a good way to keep tabs on our progress.

## Strategic aim 3

### Set and maintain high standards of entry to and practice in a diverse profession

High standards of advocacy are crucial to the maintenance of the rule of law and promoting and protecting access to justice. Our role as the regulator is to ensure that those high standards are maintained by setting entry and training requirements, and monitoring standards of practice during the course of a barrister's career.

## 2014/15 Progress Report

### At a glance:

- ▶ The Future Bar Training programme commences
- ▶ Barristers apply for authorisation to conduct litigation
- ▶ The legal challenge to QASA continued
- ▶ A review of Youth Court Advocacy was conducted
- ▶ The BSB continued to investigate complaints against barristers

"Setting and maintaining high standards of entry to and practice in a diverse profession" really does represent the cornerstone of everything that we do at the BSB. In this section, we cover two major aspects of our work: our "business as usual" activities and some of the changes that we are making to aspects of our work that will help set and maintain those high standards for the future.

We make regular announcements about the many reviews, projects and programme launches that we undertake, but "business as usual" takes up the majority of our time and resources, as indeed it should do. We are a regulator, and we need to make sure that we undertake the business of being a regulator effectively, whether that is taking enforcement action or authorising someone to undertake litigation. To give a flavour of the wide range of regulatory activities which we do on a day-to-day basis, the "in-focus" section below provides an insight into some of that work.

Moving on to explain some of the important new initiatives that form part of our strategic plan, let us turn first to the significant progress made during 2014/15 in the area of reviewing entry standards to the Bar. In October 2014 we launched our FBT programme, a major review of everything to do with the way in which a barrister first qualifies and how practising barristers ensure their training and skills remain relevant and up-to-date.

In February 2015, we published a discussion document on the future of training for the Bar, setting out our aspirations to develop our regulatory role – protecting standards, increasing flexibility and improving access to training.

Since FBT launched, we have been developing a Professional Statement for barristers through an open and consultative process. This has included contributions from barristers, academics and other interested parties around the country. The Professional Statement seeks to set out the skills, knowledge and attributes that all barristers need on "day one" when they first become fully authorised.

In December 2014, we started a pilot scheme so a small number of barristers could try out our new more flexible approach to CPD. A full version of that scheme is due to roll-out across the profession from 2017.

Our FBT programme is geared to gather pace in 2015/16. This will include undertaking a major consultation about possible reforms to the academic, Bar Professional Training Course (BPTC) and pupillage stages of qualification required to become a barrister.

No strategic discussion about “setting standards” would be complete without mentioning the Quality Assurance Scheme for Advocates (QASA). It is a system designed to provide a high level of public protection by assuring the level of competency of all advocates in criminal trials. QASA was originally scheduled to be operational by now, but due to the legal challenges that continued throughout 2014/15, no implementation work could be undertaken during the year.

While our intended review of immigration advocacy services has been pushed back into 2015/16, we did commission a major piece of research into the standards of Youth Court advocacy. This was undertaken in collaboration with CILEx Regulation, and the findings and associated recommendations are due to be published in 2015.

The introduction of the new BSB Handbook in January 2014, permitted barristers to apply to us for authorisation to conduct litigation. Widening the pool of lawyers able to perform an activity traditionally reserved for solicitors, represents a significant opening up of the market. It gives consumers more choice and the possibility of one legal professional being able to fulfil all of its legal requirements.

Since 1 January 2014, 214 barristers have been authorised to conduct litigation, fewer than we had anticipated but nonetheless, a number which is gradually increasing. We ran a well-attended session about conducting litigation at the 2014 Bar Conference and the Bar Council continues to promote the new rules amongst the profession. At the Bar Conference session, one barrister, already embracing her ability to conduct litigation, said *“I am much closer to my client as I have a direct relationship with them from day one”* and *“conducting litigation is a gift that should be taken!”*



### In focus: The day-to-day work of the BSB during 2014/15

The following facts and figures demonstrate the range and scope of the “business as usual” work undertaken by the BSB:

Over  
**15,000**  
barristers were  
regulated by  
the BSB

**214**  
barristers have been  
authorised to conduct  
litigation since  
1 January 2014

**794**  
chambers and  
sole-practitioners  
were assessed  
during 2014/15

**107**

expressions of interest for entity authorisation were received by April 2015. Of these **15** had been fully authorised by 8 April 2015

**618**

barristers had their CPD records "spot checked" during 2014/15. Of these **28** barristers were set corrective action in relation to their non-compliance and a further **seven** barristers were referred for enforcement action in respect of persistent non-compliance with CPD requirements

We conducted the third full cycle of centralised assessments for the BPTC

**69%**

of complaints were concluded or referred to disciplinary action within agreed service standards (against a target of 80%)

We undertook

**6**

site visits to monitor the performance of BPTC providers

**13**

barristers were disbarred during 2014/15 and **eight** barristers were suspended

In 2014, we handled a significant spike in applications to the Bar of England & Wales from foreign qualified lawyers, most of whom were required to undertake parts of the Bar Transfer Test.

**293**

candidates took the Test, compared with 151 in 2013

In 2014  
**1,494**  
students were enrolled onto the BPTC

We took steps to delegate more decision-making on applications from our Qualifications Committee to staff.

**1,500**

applications of diverse types handled each year, from waivers of the standard qualification requirements to authorisation to conduct litigation

**441**

complaints against barristers were received during 2014/15...

...of these complaints, enforcement action was taken in **80** cases; **11** resulting in administrative sanctions and **70** being referred to disciplinary action



## In focus: Future Bar Training – A Professional Statement

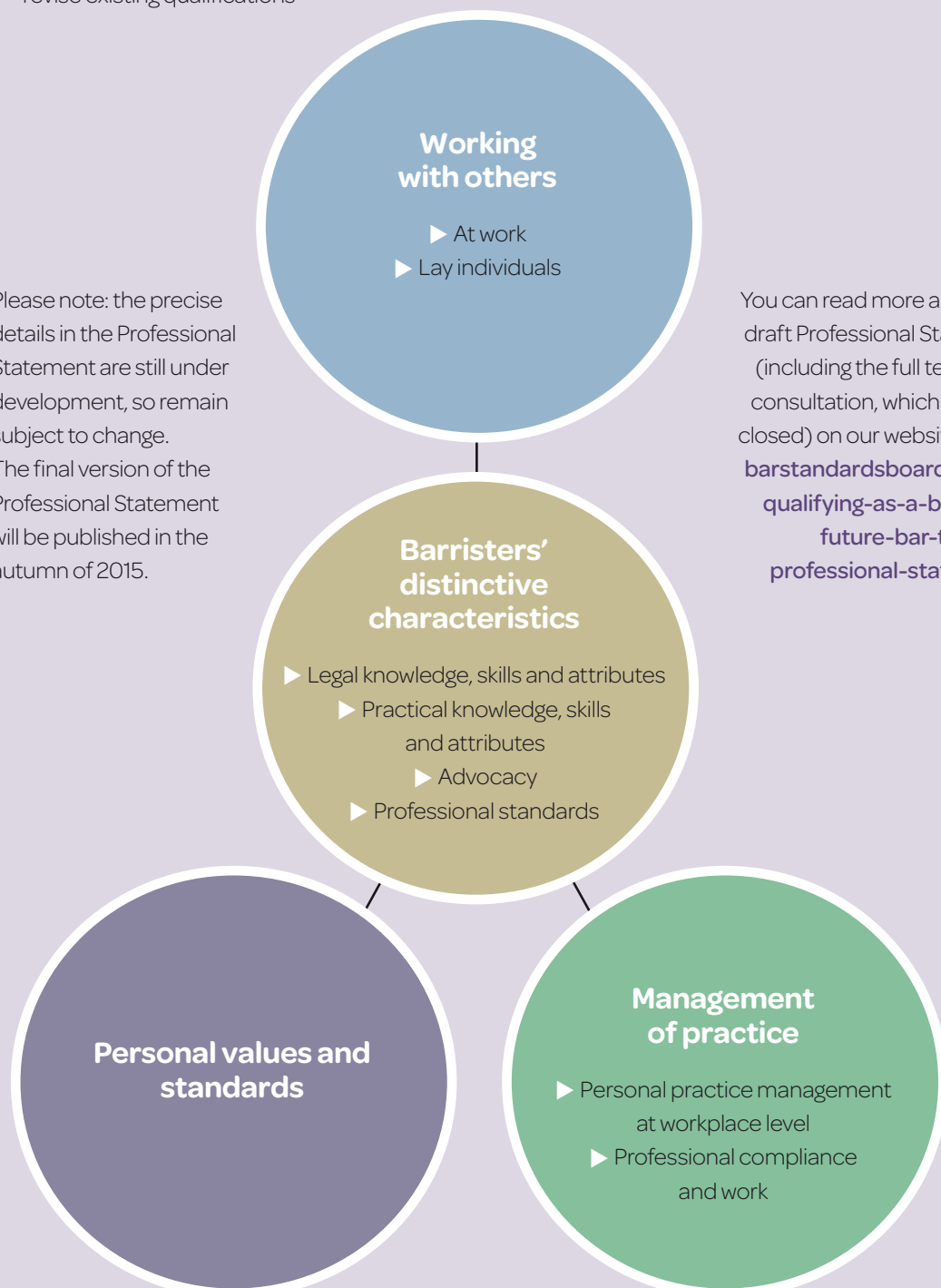
We are developing a Professional Statement that will describe the knowledge, skills and characteristics that all barristers should possess in order to operate effectively on their first day of fully authorised practice. The diagram below represents an overview of the key elements within the Professional Statement.

The Professional Statement will help the profession, those who aspire to join it, the public who use the services provided by barristers, and others such as training providers, to:

- ▶ understand the minimum standard required for those called to the Bar
- ▶ develop new qualifications
- ▶ revise existing qualifications

Please note: the precise details in the Professional Statement are still under development, so remain subject to change. The final version of the Professional Statement will be published in the autumn of 2015.

You can read more about the draft Professional Statement (including the full text of our consultation, which has now closed) on our website: [www.barstandardsboard.org.uk/qualifying-as-a-barrister/future-bar-training/professional-statement/](http://www.barstandardsboard.org.uk/qualifying-as-a-barrister/future-bar-training/professional-statement/)





## Further reading

Our research and statistics: [www.barstandardsboard.org.uk/media-centre/research-and-statistics/](http://www.barstandardsboard.org.uk/media-centre/research-and-statistics/)

Future Bar Training: [www.barstandardsboard.org.uk/qualifying-as-a-barrister/future-bar-training/](http://www.barstandardsboard.org.uk/qualifying-as-a-barrister/future-bar-training/)

QASA: [www.barstandardsboard.org.uk/regulatory-requirements/for-barristers/quality-assurance-scheme-for-advocates/](http://www.barstandardsboard.org.uk/regulatory-requirements/for-barristers/quality-assurance-scheme-for-advocates/)

Authorisation to conduct litigation: [www.barstandardsboard.org.uk/regulatory-requirements/for-barristers/authorisation-to-conduct-litigation/](http://www.barstandardsboard.org.uk/regulatory-requirements/for-barristers/authorisation-to-conduct-litigation/)

Complaints about barristers: [www.barstandardsboard.org.uk/complaints-and-professional-conduct/](http://www.barstandardsboard.org.uk/complaints-and-professional-conduct/) (including annual and quarterly reports covering the performance of our Professional Conduct department [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-staff/professional-conduct-department/performance-reports/annual-and-quarterly-performance-reports/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-staff/professional-conduct-department/performance-reports/annual-and-quarterly-performance-reports/))

Please note that, as in all of our work, we aim for an open and transparent approach. You can monitor all of our progress by reading our detailed Board papers on our website at: [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/). In particular, the Director General's report to every meeting is a good way to keep tabs on our progress.

## Strategic aim 4

### Become more evidence- and risk-based in all we do in the context of a globalised legal services market

The LSB framework for regulatory standards requires us to identify risk and use evidence as the basis for our regulatory decisions. Becoming more risk- and evidence-based is therefore a priority for the BSB and is a theme that runs through all of our objectives. It also requires us to establish systems to enable us to gather evidence and assess risk.

## 2014/15 Progress Report

### At a glance:

- ▶ The Supervision team begins monitoring high-impact, high-risk chambers
- ▶ The new policy development framework was introduced
- ▶ Work begins in earnest to develop a regulatory risk index

We have already covered several key developments during 2014/15 that show our shift towards becoming a more evidenced-based regulator; for example, the formation of our consumer engagement group and the research project we commissioned to help us conduct our review of Youth Court Advocacy. We recognise the importance of gathering evidence and assimilating knowledge, before we make policy decisions.

One such way in which we have sought to embed this evidence-based approach is via the introduction of a new policy development framework. This is an internal procedure that all staff now follow whenever new policies are introduced or existing policies reviewed. A clear component of the framework is the need to gather appropriate evidence. Externally, one of the ways in which this new approach may be evident is in the number of consultations and “calls for evidence” across a wide range of topics that we have issued recently. This volume of consultations is set to continue into 2015/16 and beyond.

Having been formed in early 2014, our new Supervision team has had a very busy year assessing almost 800 chambers and sole practitioners according to “impact”. Assessing impact is an important part of our risk-based approach to regulation. Almost one in four chambers were assessed as “high” impact. These chambers then conducted a self-assessment to help us determine the likelihood of something going wrong. This allows us to focus our attention on chambers where the most significant risks to the achievement of the regulatory objectives exist.

The team began visiting a selection of the highest impact, highest risk chambers during 2014/15. Such supervisory visits are a key tool in our new approach. They provide the basis for constructive engagement between the regulator and the regulated. A pilot programme of visits took place over the summer of 2014. Chambers received the visits very positively and demonstrated an appetite to work with us to improve their management of risk and compliance. Please see the inset “In focus” section for more detail about our supervisory approach.

Our three-year strategic plan intentionally prioritised the establishment of a supervisory function, because we knew that starting to monitor chambers effectively was a key component of the type of regulator we needed to become. However, we also knew that we would need to develop the thinking, systems and evidence base to build a more comprehensive picture of risks across the organisation.

During 2014/15, a lot of work was done behind the scenes in preparation for this crucial area of our work. Specialist staff were recruited and we sought to embed the necessary thinking across our teams.

We refreshed our Risk Framework which sets out the basis by which we will monitor and respond to threats and risks to the regulatory objectives which exist in the market. We have also been working on a common way to describe these risks which can be used across all areas of BSB activity – our Risk Index. We will publish the Framework and Index in 2015 in the run up to our first Risk Outlook report which will draw on all the evidence we gather through all of the antennae we have into the market we regulate, and distil this into an easy to digest summary of where the greatest threats exist.

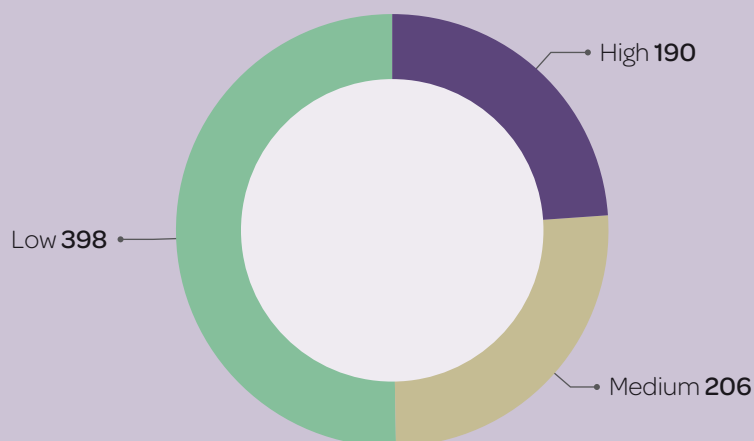
The Outlook will explain how we are focusing our attention and resources on issues which pose the biggest risk to the public we serve and invites engagement from those who have views to inform us or who may want to work together on areas of common interest. In short, it will be a key tool to help us explain how we intend to protect members of the public who come into contact with barristers and the justice system in general and will also help to equip the Bar in managing those risks and market changes.



### In focus: Supervising chambers

794 chambers and sole practitioners were assessed according to “impact” during the year. Assessing “impact” allows us to focus our attention on chambers where the most significant risks to the achievement of the regulatory objectives exist. For example, inadequate complaints handling processes would have more significant consequences at a chambers with a large and vulnerable client base than at a chambers with a very small corporate client base. “Impact” is a different measurement to “risk”. “Impact” shows only what the impact would be were things to go wrong; it is not an indication as to how likely this is to happen or how effectively a chambers is managing risk.

Chambers rated as high, medium or low impact  
as at 31 March 2015





## In focus: Supervising chambers (continued)

All chambers and entities must ensure that they are compliant with the regulatory requirements set out in the BSB Handbook. This includes a requirement to have appropriate risk management procedures in place. We have identified a number of key processes that we expect competently administered chambers to be managing in order to ensure compliance with the BSB Handbook. These can be summarised into the following five key areas:

1. Governance and administration of chambers
2. Provision of services to clients
3. Equality and diversity
4. Pupillage
5. Financial management

Through the Supervision Return, 190 “high-impact” chambers were asked to submit a self-assessment about how they are administered and how regulatory compliance is achieved in these five areas. Essentially, this was an opportunity for them to describe their key risks and explain how effectively they are being managed; this in turn helped us to determine the likelihood of these risks materialising and to establish the level of supervision and support that chambers might need.

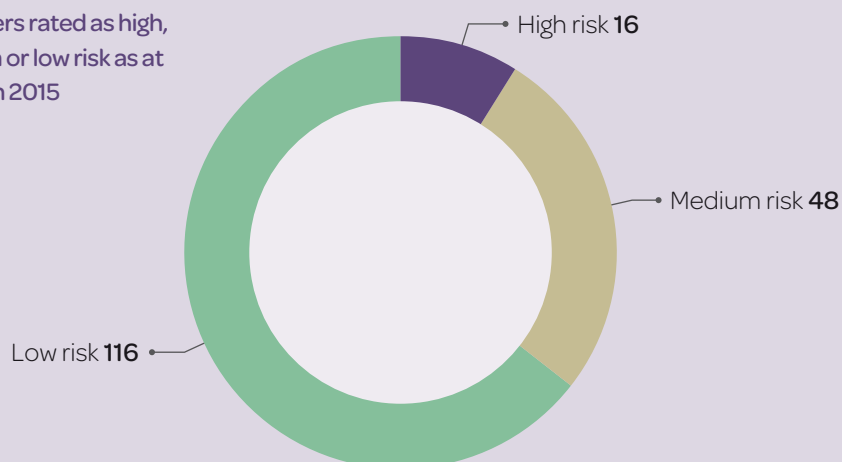
A pilot programme of Supervision visits to chambers was rolled out to test the new approach, with a focus on the five key areas described above. Chambers received the visits positively and have shown an appetite to work with the Supervision Team to improve their management of risk and compliance with the BSB Handbook.

*“We were able to have an open conversation about the issues that all chambers face these days.”*

Following the pilot, a full programme of visits commenced to chambers identified as “high risk” through the assessment of the Supervision Returns and other incoming information. 24 chambers were visited in the year.

By the year end, we had risk-assessed 180 chambers through the Supervision Returns and on the basis of other incoming information.

**Chambers rated as high,  
medium or low risk as at  
31 March 2015**



We are already seeing tangible improvements in policies, procedures and controls as a result of the Supervision work with chambers. A number of chambers have had their risk rating reassessed and the level of risk reduced as a result of action taken to improve key risks identified. We believe that the Supervision programme can help to drive significant improvements in the market. The work is also helping us to identify the themes that we want to focus our efforts on in the future.

## Further reading

You can read more about some of the topics in this section on our website:

**Supervision:** [www.barstandardsboard.org.uk/regulatory-requirements/for-barristers/supervision/](http://www.barstandardsboard.org.uk/regulatory-requirements/for-barristers/supervision/)

**Our research and statistics:** [www.barstandardsboard.org.uk/media-centre/research-and-statistics/](http://www.barstandardsboard.org.uk/media-centre/research-and-statistics/)

Please note that, as in all of our work, we aim for an open and transparent approach. You can monitor all of our progress by reading our detailed Board papers on our website at: [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/). In particular, the Director General's report to every meeting is a good way to keep tabs on our progress.

## Strategic aim 5

### Strive for “best practice” as an organisation for those whom we serve and those who work for us

In order to deliver on our strategy and meet our obligations as a regulator, we need people who are equipped to do the job, processes that are efficient and effective, and sufficient resources to support the implementation of our work programme.

## 2014/15 Progress Report

### At a glance:

- ▶ The internal change programme (known to us as “TRIP”) formally closed after successful delivery
- ▶ Key HR policies were implemented
- ▶ The Bar Tribunals and Adjudication Service contractual arrangements deliver effective results

Our drive towards excellence and best practice in everything we do, gathered momentum during 2014/15.

Most notably our internal change programme, known as “The Regulatory Improvement Programme” or “TRIP” for short, was formally closed, but not before it had successfully delivered its key remaining objectives, during the early part of 2014.

TRIP encompassed a number of broad areas for improvement throughout the BSB. These included “capacity and capability”, which increased training and support for staff and Board members to enable us to work more effectively. In addition it set us on our way to becoming a more “outcomes-focused regulator” and the primary delivery in this area was the introduction of the new BSB Handbook discussed above; and in addition to establishing our Supervision function, we achieved all of this in a way which delivered value for money to the profession that funds us.

This year saw two key appointments being made that will undoubtedly help us achieve this particular strategic aim. A new Human Resources (HR) Director and a new Chief Information Officer (CIO) both took up their roles in the autumn of 2014. Subsequently, a major information architecture project has been launched by the new CIO, which aims to review all of our information and data systems and to make key improvements, where necessary. This is a key step in helping us to become more evidence-based, because it will allow us to better store the data we acquire about the market and to share it consistently around our organisation. On the HR side, 2014 saw the introduction of a new staff competency framework and a revised appraisal system; initial feedback has been encouraging. Internal communications have been revitalised with a new intranet launching in April 2015.

Progress has been made too in relation to many of our business critical contractual arrangements. The most notable is the successful operations of the independent Bar Tribunals and Adjudication Service (BTAS), which arranges and hears disciplinary tribunals for barristers. The majority of recommendations made in the 2012 Browne Report have been implemented; recently completed ones include improvements to the governance status of BTAS, including it having been made a separate but integral arm of The Council of the Inns of Court (COIC), and the launch of the BTAS website (see link overleaf).

These improvements, together with our robust complaints handling processes, mean that the public can continue to have confidence that if a barrister behaves inappropriately, then disciplinary proceedings can be instigated where this is the appropriate course of action. Our move to become a more risk-based, outcomes-focused regulator also means that if it is more appropriate to do so, a Supervisory approach may be adopted instead.

### Further reading

You can read more about some of the topics in this section on our website:

**Annual report on the Browne Review recommendations:** [www.barstandardsboard.org.uk/media/1629201/08\\_bsb\\_083\\_\\_14\\_\\_\\_bsb\\_annual\\_report\\_on\\_btas\\_and\\_update\\_on\\_browne\\_review\\_recommendations.pdf](http://www.barstandardsboard.org.uk/media/1629201/08_bsb_083__14___bsb_annual_report_on_btas_and_update_on_browne_review_recommendations.pdf)

**BTAS website:** [www.tbta.org.uk/](http://www.tbta.org.uk/)

**Complaints about barristers:** [www.barstandardsboard.org.uk/complaints-and-professional-conduct/](http://www.barstandardsboard.org.uk/complaints-and-professional-conduct/) (including annual and quarterly reports covering the performance of our Professional Conduct department [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-staff/professional-conduct-department/performance-reports/annual-and-quarterly-performance-reports/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-staff/professional-conduct-department/performance-reports/annual-and-quarterly-performance-reports/))

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# Equality update

**The BSB is committed to encouraging an independent, strong, diverse and effective legal profession. It is important that the composition of the Bar reflects the community it serves and that the public has confidence in the legal system and the role of barristers within it.**

We are committed to improving diversity - both externally in the profession and internally within our organisation - and to ensuring that equality is taken into account in everything we do. We have a legal duty to pay due regard to the need to:

- ▶ eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- ▶ advance equality of opportunity between people who share a protected characteristic and those who do not
- ▶ foster good relations between people who share a protected characteristic and those who do not

The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, sex, sexual orientation, religion or belief and marriage and civil partnership.

During 2014/15 we took action in a number of areas in order to meet that duty, including:

- ▶ Conducting a monitoring project at barristers' chambers. This focused on the implementation of the Equality Rules of the Code of Conduct for the Bar, which came into force in September 2012. Equality and diversity was positively discussed with chambers and our team produced sample action plans and policies to help chambers comply with the Equality Rules
- ▶ Producing equality and diversity online training materials for our Board and committee members. This focused on updating their knowledge and ensuring that the principles of equality are upheld in our governance structures
- ▶ Publishing a diversity report on the profession in January 2015. The report highlighted important diversity trends at the Bar from pupillage to QC level. We will be taking steps to implement recommendations from the report to improve disclosure rates and carrying out research into the retention and progression of women
- ▶ Embedding equality and diversity considerations into our new policy development framework and our ongoing work around risk
- ▶ Working with the Institute of Barristers Clerks (IBC) to understand further the challenges clerks and barristers have faced when implementing the equality rules

## Further reading

You can read more about some of the topics in this section on our website:

**Equality and Diversity:** [www.barstandardsboard.org.uk/about-bar-standards-board/equality-and-diversity/](http://www.barstandardsboard.org.uk/about-bar-standards-board/equality-and-diversity/)

**Diversity information about the profession (Jan 2015):** [www.barstandardsboard.org.uk/about-bar-standards-board/equality-and-diversity/equality-act-2010-publication-of-information/](http://www.barstandardsboard.org.uk/about-bar-standards-board/equality-and-diversity/equality-act-2010-publication-of-information/)



# Governance

**The Board is responsible for shaping our strategy; it has ultimate responsibility for what we do, and for carrying out all regulatory functions of the Bar Council.**

In 2014/15 our Board consisted of 15 people, a combination of lay members (non-barristers) and barristers. The Board met 12 times during the year: there were 10 ordinary meetings, and two Away Days.

During 2014/15 the following people sat on our Board:

**Chair:** Baroness Ruth Deech QC (Hon) – term ended in December 2014  
Sir Andrew Burns KCMG – term commenced January 2015

**Vice-Chair:** Patricia Robertson QC

**Barrister Members:**

Sarah Clarke – term ended in December 2014  
Justine Davidge  
Simon Lofthouse QC  
Andrew Mitchell QC – term commenced in January 2015  
Adam Solomon – term commenced in January 2015  
Sam Stein QC

**Lay Members:**

Rolande Anderson  
Rob Behrens  
Dr Malcolm Cohen  
Tim Robinson  
Prof Andrew Sanders  
Richard Thompson OBE  
Dr Anne Wright CBE

**Special Advisors to the Board (with no voting powers)**

Keith Baldwin – commenced as advisor in January 2015  
Sarah Brown  
Matthew Nicklin QC  
Emily Windsor

## Further reading

You can read more about some of the topics in this section on our website:

**More about our Board members:** [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-member-biographies/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-member-biographies/)

**Board meeting agendas and minutes:**

**2014:** [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/board-meetings-2014/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/board-meetings-2014/)

**2015:** [www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-board/board-meetings-2015/)

# Accountability

**This section sets out some of the changes we made to the way in which we manage and govern ourselves. Our committee and governance arrangements are now due to be reviewed during 2015/16.**

The BSB has its own constitution and standing orders and some minor revision were made to these instruments throughout the year. For example, Board and committee members' terms of office were reviewed; for the former some flexibility has been given to extend terms beyond six years, but not beyond nine; and for the latter, the terms were extended so that a Governance Review scheduled to take place during 2015/16 could be conducted seamlessly. A new Scheme of Delegations was approved to complement the Governance Manual that was published in 2013/14.

In addition, the Board approved the principles on which information from its meetings would be made public or kept private. In essence, we have made a presumption that all material should be made public unless there are obvious reasons that justify private discussion.

The BSB has a protocol in place with The Bar Council to ensure that the profession's representative functions do not exert undue influence over the regulatory functions. Minor revisions were made to this protocol to state that the Bar Council is entitled to be provided with assurance by the BSB that it is fulfilling its undertakings made to the LSB.

We independently control our allocated resources, and these operations are monitored quarterly by the Planning, Resources and Performance (PRP) Committee. The Committee also scrutinised performance of the executive on the implementation of projects and of end-to-end time indicators (such as how quickly we deal with complaints about barristers). The Committee oversaw the development and monitoring of a revised Service Level Agreement between the Bar Council's Resources Group and the BSB. This arrangement sets out how the Bar Council provides resources (eg HR, IT and Finance etc) to the BSB. PRP members noted that performance levels were good.

The Governance, Risk and Audit (GRA) Committee keeps under review, and advises the Board, on the corporate risk management framework. The Director General and senior managers are responsible for the areas of risk that relate to their departments. The corporate risk register is reviewed at least quarterly by our Senior Management Team, GRA Committee and the Board as set out in the Risk Management policy. The GRA Committee also conducts in-depth risk reviews at each ordinary meeting.

The BSB's lay Independent Observer provides independent assurance that our enforcement system is operating in line with its aims and objectives; currently Isobel Leaviss is employed in this role. The GRA Committee received two of her reports in 2014/15 which can be found on the BSB's website.

## Further reading

Independent Observer reports: [www.barstandardsboard.org.uk/complaints-and-professional-conduct/professional-conduct-resources/](http://www.barstandardsboard.org.uk/complaints-and-professional-conduct/professional-conduct-resources/)

# Measuring our performance

This report has already covered the progress that we have made against the activities set out in our 2014/15 Business Plan. However, for the sake of completeness, this section provides a brief overview of progress against the objectives that were set in our three-year Strategic Plan (2013/16). This identified what success would look like, so the following tables summarise the progress made by the end of year two.

## Strategic aim 1:

What success will look like by 2016	Progress made against measure in 2014/15
a) <b>We will be a licensing authority under the Legal Services Act 2007</b>	We are expecting to have been approved as a licensing authority by the LSB by the end of 2015/16, although the legislation designating us as such may not have been passed by then.
b) <b>We will be regulating barrister-led / advocacy focused entities</b>	This was achieved on 8 April 2015.
c) <b>In a timely and financially sustainable way (both to regulator and regulated)</b>	We expect to complete all applications within the six-month service standard, and typically within two to three months. Our agreed cost recovery model is dependent on the accuracy of our projections for the volume of entities we authorise. If volume turns out to be lower than projected, a review may be needed of this financial model.
<b>We spent £448k on Strategic aim 1 (9% of total BSB direct spend)</b>	

## Strategic aim 2:

What success will look like by 2016	Progress made against measure in 2014/15
a) <b>An increased percentage of the profession will have a positive view of the role and effectiveness of the BSB</b>	We are due to measure our progress in the form of a biennial survey and this monitoring is scheduled for 2015/16.
b) <b>We will have established collaborative relationships with the public and consumers through our user network</b>	We established good working relationships with a variety of consumer organisations during this year, with a view to increased engagement with them during the next financial year.
<b>We spent £348k on Strategic aim 2 (7% of total BSB direct spend)</b>	

### Strategic aim 3:

What success will look like by 2016	Progress made against measure in 2014/15
a) We will be supervising and enforcing on the basis of a new Code of Conduct/Handbook	The new handbook was launched in January 2014 and as this report has highlighted, supervision activity has taken great strides
b) The regulated community, including education and training providers, will be achieving high levels of compliance, and delivering quality services to the public	We assessed all chambers and self-employed barristers for "impact" and "risk" during 2014/15 and are now working closely with high-impact, high-risk chambers to help them achieve compliance.  Six monitoring visits took place with BPTC providers during 2014/15.
c) We will have more complete information on the diverse make-up of the regulated community	Information on the diverse make-up of the profession was published in January 2015 and as mentioned in the Equality Update further work is being undertaken to improve disclosure rates
<b>We spent £3,125k on Strategic aim 3 (60% of total BSB direct spend)</b>	

### Strategic aim 4:

What success will look like by 2016	Progress made against measure in 2014/15
a) We will have established systems, including research programmes, for collecting and managing information and evidence to support regulatory policy and decision making	We have made some progress in this area, commencing a number of research activities. This will be allied to our risk programme in the coming year, when we expect to make more systematic progress.
b) We will have attained a "satisfactory" rating against the LSB's standards framework in this area	The "mid-term" assessment by the LSB indicated we were making good progress.  We hope and expect to attain a "satisfactory" rating from the LSB in 2016.
<b>We spent £722k on Strategic aim 4 (14% of total BSB direct spend)</b>	

## Strategic aim 5:

What success will look like by 2016	Progress made against measure in 2014/15
<p>a) <b>We will have established a baseline for regulatory costs and steadied the rate of increase compared to the previous three years</b></p>	<p>Please see information on page 32.</p>
<p>b) <b>We will have improved turnaround times in relation to case handling in complaints and qualifications / waivers</b></p>	<p>In terms of qualifications and waivers, our performance measures for handling applications were first reported in 2014 and met in the first full annual cycle. The measures are due to be reviewed in light of this first full year of monitoring.</p>
<p>c) <b>The organisation will have a different, improved “feel” for users and staff</b></p>	<p>We have established a new complaints system to enable people to make complaints about our service. To date we have received very few, perhaps indicating a good “feel” for users. Anecdotal feedback from users, especially through our supervisory work, indicates a positive response to our changed approach.</p> <p>We undertook a staff engagement survey at the end of the year and received generally positive results. An action plan is in place to address the issues raised.</p>
<p><b>We spent £553k on Strategic aim 5 (11% of total BSB direct spend)</b></p>	

### Further reading

Our **complaints handling performance against service standard targets** is reported regularly and published here:

[www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-staff/professional-conduct-department/performance-reports/annual-and-quarterly-performance-reports/](http://www.barstandardsboard.org.uk/about-bar-standards-board/how-we-do-it/our-staff/professional-conduct-department/performance-reports/annual-and-quarterly-performance-reports/)

# Our income and expenditure

Our budget year ran from 1 April 2014 to 31 March 2015. The Bar Council's and BSB's full financial statements can be found on the Bar Council's website (normally published in September).

- ▶ 2014/15 Direct expenditure: £5,195k (meaning we spent 2% less than we had in the budget)
- ▶ 2014/15 Direct income from sources other than Practising Certificate Fee (PCF): £1,611k (meaning we received 11% less from income sources other than the PCF than we thought we would)

## Some financial context

The Legal Services Act 2007 requires the Bar Council (as Approved Regulator) to provide "such resources as are reasonably required for or in connection with the exercise of regulatory functions". In practice that means that funds are raised by the Bar Council through the PCF to fund the BSB's activities. However, the Practising Certificate Fee raises money for some of the BSB's regulatory activity as well as for some of the Bar Council's activities (as permitted under s51 of the Legal Services Act 2007).

## How much of the PCF fund did we spend?

As mentioned above, a proportion of the PCF is spent on regulation by the BSB and a proportion is also spent by the Bar Council on its functions.

What was the PCF spent on?	£k
Regulation (Bar Standards Board)	5,863
Bar Council statutory activities (Representation and policy)	3,641
<b>Total</b>	<b>9,504</b>



The demands on the regulator, whether driven by statutory obligations or public and professional expectations, are increasing. Even with these challenges, we have been able to steady the rate of increase of the overall regulatory costs as we set out to do in our Strategic Plan, and this can be seen in the three-year trend diagram on page 32. In addition, we have been working on a more strategic approach to revenue-raising. We have already adopted broad brush principles which mean that where regulatory activity can be clearly attributed to only one sector of the profession, as opposed to being in the interests of or on behalf of the profession as a whole, the direct costs of that specific activity are recovered from the relevant sector of the profession. We will be undertaking more detailed analysis on this during 2015/16 and expect to consult on a number of different potential approaches to charging. Over time we expect to see a PCF based on both an individual and a chambers- or entity-based contribution, better reflecting our evolving approach to regulation.

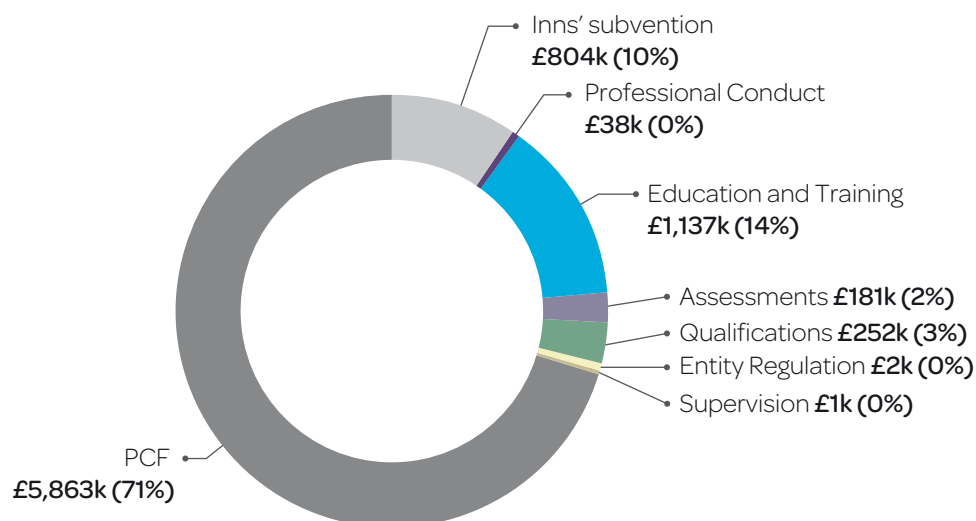
# Income

## How is the BSB funded?

Part of our income comes from charges we make for the services we provide. We describe this kind of income as "income streams directly controlled by the BSB". Directly controlled income streams include the fees from Bar Professional Training Course (BPTC) providers, the Bar Transfer Test (BTT) and Continuing Professional Development (CPD) accreditation. The remainder of the BSB's funding comes from the PCF fees together with contributions from the Inns of Court. These latter two income streams are not directly controlled by the BSB.

## Where did the BSB get its income from?

<i>Income streams directly controlled by the BSB</i>	£k
Fines & Cost Recovery (Enforcement)	38
Education and Training (Professional Conduct including CPD Accreditation)	1,137
Exams and Assessments (including BPTC, BTT, BCAT)	181
Qualifications Regulations (including Qualifications Committee applications)	252
Entity Regulation	2
Supervision	1
<b>Total BSB generated income</b>	<b>1,611</b>
<i>Income not directly controlled by the BSB</i>	
PCF contributions	5,863
Inns' subvention	804
<b>Total regulatory income</b>	<b>8,278</b>



NB: Numbers have been rounded



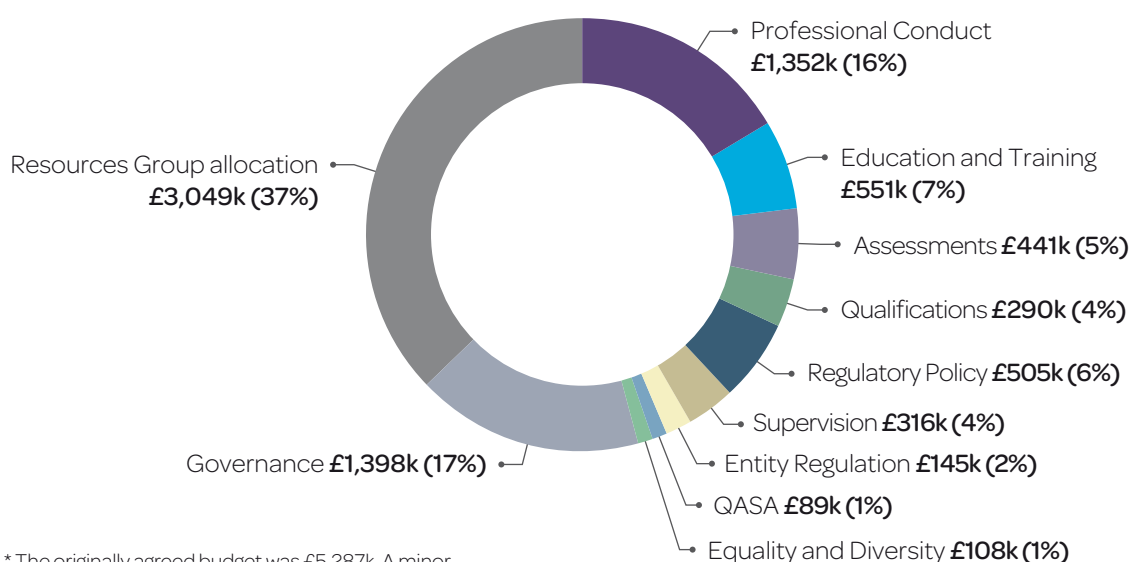
# Expenditure

## Regulation – the costs explained

The Bar Standards Board spent £5,195k against a budget\* of £5,313k meaning that we were underspent by 2%. However, this does not reflect the full cost of regulation. We share the costs of common services with the Bar Council including a share of the premises at 289-293 High Holborn, as well as relying upon the Resources Group (previously Central Services) to carry out support work (eg HR, IT and Finance etc). The Resources Group budget is managed separately and part of it is apportioned to the BSB.

### What is the BSB's budget spent on?

<i>Expenditure budgets controlled directly by the BSB</i>	£k
Professional Conduct (Enforcement)	1,352
Education and Training	551
Exams and Assessments	441
Qualifications	290
Regulatory Policy	505
Supervision	316
Entity Regulation	145
QASA	89
Equality and Diversity	108
Governance / Management (Executive, Strategy and Communications, Research)	1,398
<b>Total BSB expenditure</b>	<b>5,195</b>
<i>Expenditure budgets not directly controlled by the BSB</i>	
Resources Group allocation (including premises costs)	3,049
<b>Total cost of regulation</b>	<b>8,244</b>
<b>Surplus for the period</b>	<b>34</b>

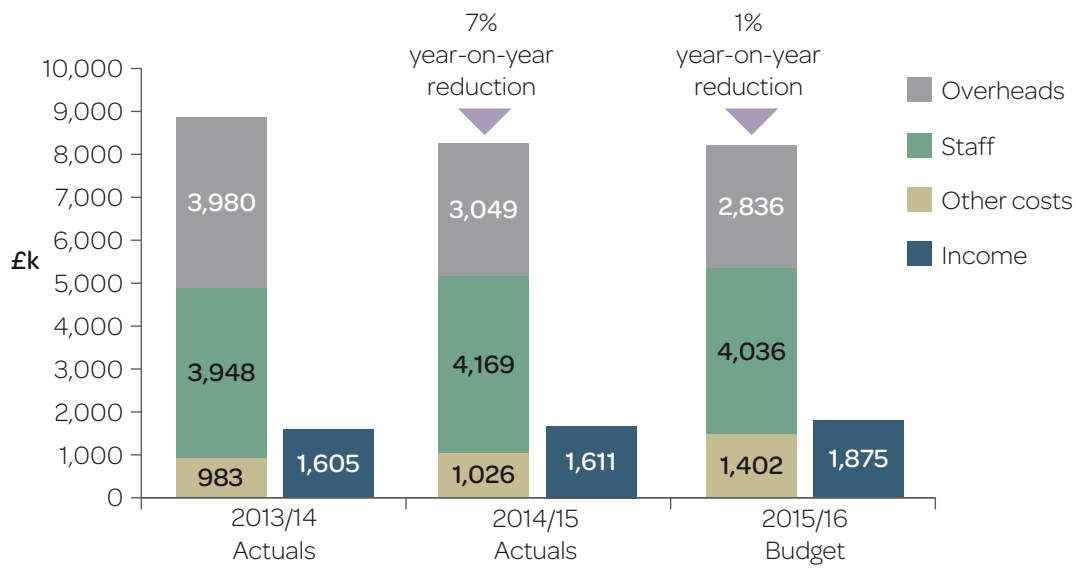


\* The originally agreed budget was £5,287k. A minor adjustment was made to include an apportionment of staff training provision; this gave an uplift to £5,313k.

## Three-year trend for BSB actuals and budget

Our Strategic aim 5 sets out that we will have by 2016 steadied the rate of increase of our regulatory costs; this three-year trend diagram shows the reasons why:

- ▶ Our overheads have significantly decreased and the main reason for this is reduction in property costs
- ▶ Staff costs remain steady
- ▶ Other costs (non-staff costs) have significantly increased as we have changed the way we contract services



## Commentary on 2014/15 budget performance

Overall, our performance against the directly controlled budget broadly reflects delivery of the Business Plan ie where there have been delays to projects, our accounts show a delay in spend and receipt of income.

Explanations of the main variances are set out below:

### Education and Training

The number of Bar Course Aptitude Test (BCAT) applications was down around 20% on 2013/14, meaning that we generated a shortfall in this area. At first glance, it looks like a similar trend has been experienced across the education market. Next year's projection is set at a much more modest level.

### Qualifications

Although the number of Qualification Committee applications increased in 2014, the fees collected decreased significantly compared to those received in 2013; this was because of a one-off "spike" in the numbers of applications for "Admission to the Bar for Qualified Foreign Lawyers". Also the number of applications for the right to conduct litigation was much fewer than originally projected. This resulted in a shortfall in expected revenue.

### Entity Regulation

The delay in becoming an entity authoriser has meant that in the first three months of operation, we did not receive many entity related fees and there is still some uncertainty on our forecast for 2015/16.

### Staffing

In total there was a staff overspend mainly due to additional resource required for a number of key project areas such as Communications and Education and Training. Temporary members of staff were recruited in the Professional Conduct Department to alleviate some one-off pressures there.

### Project delays

The delays caused to the Entity Regulation and Alternative Business Structures (ABS) programmes meant that expenditure was also delayed. The monies we would have spent in 2014/15 have been re-phased pushing the planned expenditure into the future, leaving the "other costs" budget underspent.

The QASA judicial review appeals process continued, meaning we did not spend the 2014/15 QASA operational budget. Staffing changes and redeployments were carried out to reflect the current situation. This led to an underspend, and in addition we did not receive any income in 2014/15 in this area.

# Remuneration and expenses

	Salary	Pension and Life Assurance	Expenses	Allowance
Baroness Ruth Deech QC (Hon) – term ended in December 2014	£67,014	£0+£58	£1,618	–
Sir Andrew Burns KCMG – term commenced January 2015	£22,639	£0 + £60	–	–
Patricia Robertson QC	£35,525	£0 + £118	–	–
Sarah Clarke – term ended in December 2014	–	–	–	–
Justine Davidge	–	–	–	–
Simon Lofthouse QC	–	–	–	–
Andrew Mitchell QC – term commenced in January 2015	–	–	–	–
Adam Solomon – term commenced in January 2015	–	–	–	–
Sam Stein QC	–	–	–	–
Rolande Anderson	£9,135	–	£350	–
Rob Behrens	£9,135	–	£32	–
Dr Malcolm Cohen	£9,135	–	–	–
Tim Robinson	£9,135	–	–	–
Prof Andrew Sanders	£9,135	–	£1,326	–
Richard Thompson OBE	£9,135	–	–	–
Dr Anne Wright CBE	£9,135	–	–	–
Keith Baldwin – commenced as advisor in January 2015	–	–	£16	–
Sarah Brown	£456	–	–	–
Matthew Nicklin QC	–	–	–	–
Emily Windsor	–	–	–	–
Dr Vanessa Davies	£131,950	£18,473+ £118	£12	£1,294

#### Notes:

- Barrister members are not paid a salary (exception of Vice Chair)
- Board member positions do not attract a pension
- Professor Sanders commutes from Birmingham
- All staff members receive this allowance in addition to basic salary
- Special advisors receive a fee not a salary

# Annex 1

## Professional Conduct Department: Enforcement statistics

<b>Total new complaints opened</b>	<b>441</b>
New external complaints opened	297
New internal complaints opened	144

<b>Total risk assessments completed*</b>	<b>282</b>
High	95
Medium	88
Low / no risk	99

<b>Complaints where enforcement action was taken</b>	<b>80</b>
Administrative sanctions	11
Referrals to disciplinary action	70

<b>Disciplinary action against</b>	<b>41</b>
Disbarred barristers	13
Suspended barristers	8

### KPI Performance

<b>Percentage of complaints concluded or referred to disciplinary action within service standards</b>	<b>69%</b>
Target	80%

The service standards are as follows:

Complaints concluded without an investigation: 8 weeks

External complaints concluded or referred to disciplinary action following investigation: 8 months

Internal complaints concluded or referred to disciplinary action following investigation: 5 months

\*Noting that risk assessments are only carried out where there is evidence of a breach of the Handbook or an outcome affected

## Contact us

We are committed to providing a high standard of service and dealing with everyone in a way that is fair, transparent and proportionate. We welcome feedback on our services, particularly where the level of service has exceeded or fallen below expectations. Comments and suggestions are important to us as they will help us to meet our obligations and improve our performance.

### Write to us:

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289-293 High Holborn  
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Fax: 020 7831 9217

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