

Title: Impact assessment for the Legal Services Act 2007 (Commencement No, 10) Order 2011 Lead department or agency: The Ministry of Justice Other departments or agencies:	Impact Assessment (IA)
	IA No: MoJ 065
	Date: 4 March 2010
	Stage: Final
	Source of intervention: Domestic
	Type of measure: Secondary legislation
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Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

Under the Immigration and Asylum Act 1999 (the 1999 Act) the Office for the Immigration Services Commissioner (the OISC) is responsible for the regulatory oversight of the Designated Professional Bodies (DPBs) (the Law Society of England and Wales, the Institute of Legal Executives (ILEX) and the Bar Council of England and Wales) whose members provide immigration advice and services. Under the Legal Services Act 2007 (the 2007 Act) these bodies are also approved regulators and in that capacity regulatory oversight of legal services is exercised by the Legal Services Board (LSB). This dual regulation is thought to be inefficient and contrary to the aims of the 2007 act which sought to simplify the regulatory system. Government intervention is needed for an order to commence Schedule 18 of the 2007 Act which makes provision for the LSB to take over the oversight function from the OISC for these 3 bodies.

What are the policy objectives and the intended effects?

The objective is to have a more streamlined approach to regulation for these three DPBs. This change will enable the LSB to become oversight regulator of the Law Society of England and Wales, ILEX and the Bar Council of England and Wales for immigration advice and services and also to accept applications from other existing approved regulators or bodies that are also applying to become approved regulators wishing to authorise their members to provide immigration advice and services. The OISC would cease to have regulatory oversight for the 3 DPBs.

What policy options have been considered? Please justify preferred option (further details in Evidence Base)

Option 0 (do-nothing option): Do not make Order: The OISC will continue to act as the oversight regulator for Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales in respect of immigration advice and services.

Option 1 (preferred option): Make the order: The LSB takes on oversight functions for the 3 DPBs. in respect of immigration advice and services. The order will also allow the LSB to accept applications from other existing approved regulators or bodies applying to become approved regulators bodies wishing to authorise their members to provide immigration advice and services.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved?	It will be reviewed 01/2015
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?	Yes

Ministerial Sign-off For final proposal stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) the benefits justify the costs.

Signed by the responsible Minister:.......... Date: 9th March 2011

Summary: Analysis and Evidence

Policy Option 1

Description: Make the order under section 211(2) commencing schedule 18 of the Legal Services Act 2007.

Price Base Year 2010	PV Base Year 2011	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low:	High:	Best Estimate: 0
COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Cost (Present Value)
Low					
High					
Best Estimate	0		0.1		0.1
Description and scale of key monetised costs by 'main affected groups' Loss of fee income for OISC of around £0.1m per year (equating to a reduction of operating costs for the OISC)					
Other key non-monetised costs by 'main affected groups'					
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Benefit (Present Value)
Low					
High					
Best Estimate	0		0.1		0.1
Description and scale of key monetised benefits by 'main affected groups' Reduction in ongoing costs for the OISC of around £0.1m per year (equating to the reduction in fee income)					
Other key non-monetised benefits by 'main affected groups' Increased overall economic efficiency as LSB will absorb functions at no extra cost. Financial savings might be passed to some extent from DPBs top legal professionals to final consumers Possible improved exploitation of regulatory synergies fostering more effective regulation Reduced administrative burdens from unification of contact with regulators and complaints systems					
Key assumptions/sensitivities/risks					Discount rate (%)
<ul style="list-style-type: none"> - Assume regulation will be as effective as before in terms of consumer protection. - Assume regulatory burdens for regulated entities will not increase - There is a risk that expertise in relation to the oversight of immigration advice and services could be lost as a result of the transfer of this function to the LSB. This is assumed not to arise. - There is also uncertainty around what the exact cost of taking on this function to the LSB will be - Assume that the LSB can take on the extra functions at no additional cost but that the LSB could not make equivalent efficiencies under the do-nothing option. - Assume no transitional costs from that the transfer of oversight functions from the OISC to the LSB 					N/A
Impact on admin burden (AB) (£m):			Impact on policy cost savings (£m):		In scope
New AB: N/Q	AB savings N/Q	Net: N/Q	Policy cost savings: N/Q		No

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?	England and Wales				
From what date will the policy be implemented?	1 st April 2011				
Which organisation(s) will enforce the policy?	The Legal Services Board				
What is the annual change in enforcement cost (£m)?	n/q				
Does enforcement comply with Hampton principles?	Yes				
Does implementation go beyond minimum EU requirements?	No				
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: n/q		Non-traded: n/q		
Does the proposal have an impact on competition?	No				
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?	Costs: 0		Benefits: 0		
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	Micro N/Q	< 20 N/Q	Small N/Q	Medium N/Q	Large N/Q
Are any of these organisations exempt?	No	No	No	N/A	N/A

Specific Impact Tests: Checklist

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties¹ <u>Statutory Equality Duties Impact Test guidance</u>	No	p.7
Economic impacts		
Competition <u>Competition Assessment Impact Test guidance</u>	No	p.7
Small firms <u>Small Firms Impact Test guidance</u>	No	p.7
Environmental impacts		
Greenhouse gas assessment <u>Greenhouse Gas Assessment Impact Test guidance</u>	No	p.7
Wider environmental issues <u>Wider Environmental Issues Impact Test guidance</u>	No	p.7
Social impacts		
Health and well-being <u>Health and Well-being Impact Test guidance</u>	No	p.7
Human rights <u>Human Rights Impact Test guidance</u>	No	p.8
Justice system <u>Justice Impact Test guidance</u>	No	p.8
Rural proofing <u>Rural Proofing Impact Test guidance</u>	No	p.8
Sustainable development <u>Sustainable Development Impact Test guidance</u>	No	p.9

¹ Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Evidence Base (for summary sheets) – Notes

References

No.	Legislation or publication
1	The Legal Services Act 2007
2	The full Legal Services Act regulatory impact assessment which can be found at: http://www.justice.gov.uk/publications/legalservicesbill.htm
3	
4	

+ Add another row

Evidence Base

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y ₀	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉
Transition costs										
Annual recurring cost	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Total annual costs	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Transition benefits										
Annual recurring benefits	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total annual benefits	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

* For non-monetised benefits please see summary pages and main evidence base section

Evidence Base (for summary sheet)

1. Introduction

Background

- 1.1 The Legal Services Act 2007 (“the 2007 Act”) established the Legal Services Board (“LSB”) as the new oversight regulator of legal services in England and Wales. Under the Act direct regulation of legal services remains, in the first instance, in the hands of the existing regulators, the “approved regulators”. The Law Society of England and Wales, the General Council of the Bar of England and Wales and ILEX (and their regulatory arms) are approved regulators under the 2007 Act. Additionally they are designated professional bodies (DPBs) under the Immigration and Asylum Act 1999 (the “1999 Act”). This means that as well as being regulated by the LSB in their regulation of the legal services sector, they are also regulated by the Office of the Immigration Services Commissioner (the “OISC”) in their regulation of those of their members who provide immigration advice and services.
- 1.2 The current position, under the 1999 Act means that the OISC is responsible for oversight regulation of the Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales as well as direct regulation of immigration advisors who must be regulated by the OISC in order to provide immigration advice and services in accordance with the 1999 Act. During the parliamentary passage of the 2007 Act it was decided that the LSB once fully operational would become the oversight regulator for the 3 bodies listed above with schedule 18 to serve as the vehicle to enable the change. The LSB assumed its statutory functions on 1 January 2010 and has confirmed that it is now in a suitable position to take on this oversight role as envisaged by the 2007 Act.

Problem under consideration

- 1.3 One of the overriding aims of the 2007 Act is to simplify the regulatory framework, which is intended to be delivered through regulatory objectives enshrined in the 2007 Act. These include simplifying the system wherever possible, protecting and promoting the consumer interest, improving access to justice and encouraging an independent, strong, diverse and effective legal profession.
- 1.4 Under the current regulatory regime the Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales are subject to two separate oversight regulators – the OISC and the LSB. This dual oversight is not in accordance with the objective of simplifying the system wherever possible. This dual oversight may be inefficient, as it may be leading to duplication of processes and does not allow potential synergies from a single regulator to be realised.

Rationale for Intervention

- 1.5 The conventional economic approach to government intervention is based on efficiency or equity arguments. The Government may consider intervening if there are strong enough failures in the way markets operate (“market failures”) or if there are strong enough failures in existing intervention (“institutional failures”). In both cases the proposed new intervention itself should avoid creating a further set of disproportionate costs and distortions. The Government may also intervene for equity (fairness) and distributional reasons.
- 1.6 By switching to a single oversight regulator some inefficiency in the system can potentially be removed. The potential for synergies from a single regulator are opened up and potential duplications are removed. These efficiencies are expected to reduce the total regulatory fees faced by DPBs. Some of that reduction in fees may reduce costs for the legal profession and ultimately consumers.

- 1.7 Government intervention is necessary to lay the order enabling the LSB to take on this new oversight function for the 3 DPBs in England and Wales as envisaged by the 2007 Act. Schedule 18 is designed to address this, as it provides for oversight of these three bodies to be brought under a single oversight regulator, (the LSB), but has so far not been commenced. To enable this to happen, an order must be made commencing schedule 18 of the 2007 Act.

Affected Stakeholder groups, Organisations and Sectors

- 1.8 The order will impact:

- The Legal Services Board as it will be taking on an additional oversight function in a new area of work.
- The Office of the Immigration Services Commissioner (OISC) will no longer be responsible for overseeing the Law Society of England and Wales, ILEX, and the Bar Council of England and Wales in respect of immigration advice and services given by members of those bodies.
- The Law Society of England and Wales, as it will no longer be a designated professional body overseen by the OISC, but will instead be a designated qualifying regulator subject to oversight regulation from the LSB in relation to immigration advice and services given by their members.
- The Institute of Legal Executives, as it will no longer be a designated professional body overseen by the OISC, but will instead be a designated qualifying regulator subject to oversight regulation from the LSB in relation to immigration advice and services given by their members
- The General Council of the Bar of England and Wales, as it will no longer be a designated professional body overseen by the OISC, but will instead be a designated qualifying regulator subject to oversight regulation from the LSB in relation to immigration advice and services given by their members.
- Legal Ombudsman (LeO) – currently has a Memorandum of Understanding (MoU) with the OISC in relation to immigration complaints. If the OISC is no longer the oversight regulator for Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales in respect of immigration advice and services the process for handling complaints will change. These changes were put into effect (by way of MoU) on 6 October 2010 when LeO went live in anticipation of Schedule 18 being commenced.
- Legal services providers who are members of the three DPBs – should benefit from a more consistent approach to regulation and potentially savings as their respective regulatory bodies will only be paying towards the cost of one oversight regulator instead of two. As such costs are usually recouped from the profession, it is possible that a portion of this saving from these DPBs could be passed onto legal service providers.
- Consumers of legal services – A portion of the savings in fees for the three DPBS in England and Wales could also potentially be passed onto consumers. The complaints procedure for consumers will be simplified if there is a single oversight regulator.

2. Costs and Benefits

- 2.1 This Impact Assessment identifies both monetised and non-monetised impacts from society's perspective, with the aim of understanding what the net social impact to society might be from implementing these options. The costs and benefits of the preferred option are compared to the do nothing option. Impact Assessments place a strong emphasis on the monetisation of costs and benefits. However, there are important aspects that cannot sensibly be monetised. These might be distributional impacts on certain groups of society or changes in equity or fairness, either positive or negative.

OPTION 0: Base Case (do nothing)

Description

- 2.2 It was always envisaged by the 2007 Act that the LSB would take on the oversight function for immigration advice and services for DPBs in England and Wales once it was fully operational and in a suitable position to do so.
- 2.3 Under the do-nothing scenario, the LSB would not be able to perform this oversight function or accept applications from bodies wishing to authorise their members to provide immigration advice and services (the current system does not allow new bodies to apply to become designated professional bodies). The OISC will continue to oversee members of the three DPBs in England and Wales.
- 2.4 As the 3 DPBs are also overseen by the LSB in their capacity as approved regulators, not making the order has the potential to lead to duplication in processes (which would represent an inefficient use of resources) and costs for the 3 affected bodies (i.e. Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales).

Costs and Benefits of Option 0

- 2.5 Because the do-nothing option is compared against itself its costs and benefits are necessarily zero, as is its Net Present Value (NPV)

OPTION 1: Make an order under section 211(2) commencing schedule 18

Description

- 2.6 Commencing schedule 18 would allow the LSB to act as the oversight regulator for the Law Society of England and Wales, ILEX and the Bar Council of England and Wales for immigration advice and services and also to accept applications from other approved regulators (or those applying to become approved regulators) that wish to authorise their members to provide immigration advice and services. The OISC will continue in its regulatory role for immigration advisors regulated by it.
- 2.7 In readiness for the LSB to be able to accept applications from bodies, the LSB consulted on the rules it is required to make under schedule 18, specifying how it will determine applications from bodies wishing to apply for qualifying regulator status. The rules will apply to existing approved regulators or potential approved regulators, as in order to become a qualifying regulator a body must first be an approved regulator. The Law Society of England and Wales, the General Council of the Bar of England and Wales and ILEX will not need to apply for qualifying regulator status, but instead will be 'passported' into the new regime.

Costs of Option 1

Designated Professional Bodies (i.e. the regulated bodies in this instance)

- 2.8 The LSB is funded by a levy on bodies which it regulates, i.e. the DPBs, which is recouped through the profession and ultimately through final consumers. It is envisaged that the levy charged under option 1 and option 0 would be the same. Therefore there is no additional cost for DPBs over the base case in this regard.
- 2.9 In addition it has been assumed that the regulatory burdens which the LSB places on DPBs would be comparable to those coming from the OISC. These burdens relate to requirements placed on DPBs which affect how they operate (rather than the costs of covering the operating costs of the LSB or OISC).

The OISC and LSB (i.e. the regulatory bodies in this instance)

- 2.10 Relative to the base case, the OISC will lose a stream of revenue as a result of this option. However, the OISC will also be reducing the amount of tasks they perform as it will no longer be responsible for the 3 DPBs in England and Wales. As the fees charged to the DPBs are on a full cost basis, there will be no net effect to OISC from a reduction of these fees.
- 2.11 On the basis of advice provided by the LSB and OISC, it has been assumed that as the transfer is occurring at the end of the OISC's financial year there will be no disruption or transitional arrangements and therefore no transition costs are envisaged.
- 2.12 The LSB considers that it will be able to assume the OISC's functions at no additional cost to the LSB, as efficiencies will be found within existing LSB resources. This would include any costs of building up expertise in this area.
- 2.13 It has been assumed that there would be no increased costs to the OISC and LSB relating to the exchange of information between these two bodies.

Legal professionals (i.e. those regulated by the regulated bodies in this instance)

- 2.14 It has been assumed that there should be no adverse cost implications for legal professionals.

Final consumers

- 2.15 While it is possible that the removal of the dual oversight could weaken consumer protection², it has been assumed that this will not happen. The MoJ considers that the change to a single oversight regulator will not harm incentives for DPBs to maintain acceptable standards of behaviour. It has also been assumed that levels of regulatory expertise and effectiveness would remain the same following the reforms.

Benefits of Option 1

Designated Professional Bodies (i.e. the regulated bodies in this instance)

- 2.16 The Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales paid a combined fee of about £110,000 to the OISC for its regulatory services for the 2008/2009 financial year. The OISC calculates the cost of supervising the DPBs every year based on staff salaries and related overheads. This fee is recouped through the profession and a portion of that cost may be ultimately passed onto the consumer. Once schedule 18 has been commenced these bodies will no longer be required to pay this yearly fee to the OISC (although as the payment is retrospective, the last fee will be taken in 2011/12). The LSB is not going to raise fees as a result of assuming the OISC's responsibilities hence this reduction in fee payments constitutes a benefit to DPBs.
- 2.17 The DPBs will also avoid the administrative cost involved in handling the payment to the OISC and other administrative burdens associated with dealing with two regulators rather than one. These benefits have not been quantified.
- 2.18 It has been assumed regulatory burdens generated by the LSB would be comparable to those generated by the OISC hence no benefits would arise in this area.

The OISC and LSB (i.e. the regulatory bodies in this instance)

- 2.19 As explained the loss of revenue from the OISC would relate to the benefit of a reduction in costs for the OISC as a result of them no longer undertaking particular regulatory functions.

² It may be that oversight by two bodies, rather than one, acts as an additional deterrence against non-compliance with the appropriate standards

- 2.20 It is possible in theory that the LSB may be able to exploit regulatory synergies as a result of assuming a wider range of responsibilities and that this might enhance the overall effectiveness of the LSB..

Legal professionals (i.e. those regulated by the regulated bodies in this instance)

- 2.21 It has been assumed that there would be no particular benefits for legal professionals. Whilst the overall reduction in regulatory costs might be passed to legal professionals to some extent, in turn this benefit might also be passed to final consumers.

Final consumers

- 2.22 The Legal Ombudsman (LeO) currently has a Memorandum of Understanding (MoU) with the OISC in relation to immigration complaints. Under the current position the OISC, as oversight regulator for immigration advice and services, also oversees the way in which the DPBs handle immigration complaints. Since LeO went live on the 6 October 2010 and in anticipation of Schedule 18 being commenced, the OISC has been referring all immigration complaints in relation to these three DPBs to the LeO under the terms of the MoU. Although the MoU will remain in place, commencing schedule 18 will provide a statutory basis for LeO being able to receive these complaints directly, without reliance needing to be placed on the MoU. This will mean that there will be a single point of entry for immigration complaints against DPB members in England and Wales (the LeO), whereas before the LeO went live complaints were routed between the OISC and the 3 DPBs in England and Wales. This should provide greater clarity and a more consistent approach for consumers in the way in which these complaints are handled going forward. The handling of immigration complaints will be streamlined because these complaints will be treated in the same way as complaints about other types of legal services. This should provide greater consistency and clarity for consumers.
- 2.23 Aside from complaints procedures, it has been assumed that standards of consumer protection would remain the same following the reforms.
- 2.24 As mentioned it is possible that some of the benefits from reduced overall regulatory costs might be passed to legal professionals and in turn to final consumers. The extent of this is unknown.

Wider economic efficiency

- 2.25 Although the LSB is taking on this new oversight function, they will be absorbing the cost of any additional work created as a result. The LSB have estimated that the cost of taking on this additional oversight role will be £110,000 based on the figure charged by the OISC in 2008/2009. The LSB are not increasing their overall budget to accommodate the cost of taking on this new function so they will effectively carrying out additional tasks without an increase in cost. These cost reductions would not have been made under the do-nothing option. Therefore the LSB will increase their output, while retaining their original budget. This is represents an increase in productive efficiency for the LSB.
- 2.26 It is possible that the regulatory synergies might be exploited more effectively and more efficiently in future as a result of the merger of regulatory responsibilities. This would constitute a gain in economic efficiency.

Risks and Assumptions of this Option

- 2.27 The main risk associated with this option is that the expertise in relation to oversight regulation for immigration advice and services may be lost. The OISC has been responsible for overseeing the three DPBs in England and Wales since its inception in 2001. The LSB has no prior experience of this area. However, direct regulation of those authorised by those bodies to provide immigration advice and services will be with the direct regulators i.e. the Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales, which should minimise the impact of this risk. Another risk mitigator is that the LSB is currently the oversight regulator for the bodies in all other areas except immigration advice and services – the oversight

regulatory responsibility for the Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales will not be entirely new for the LSB. Here the strong assumption is made expertise will not be lost or if it is, it can be built up at no additional cost at expertise by the LSB.

- 2.28 The costs to the LSB of taking on this additional function are based on an estimate of the current cost to the OISC for undertaking this function. The full costs associated with this function can be fully considered once the policy has been implemented and has been operational for some time.
- 2.29 It is assumed that LSB improve efficiency sufficiently to cancel out any increase in costs as a result of the transfer of the oversight function from the OISC. It is also assumed this efficiency increase will only be possible under Option 1.
- 2.30 It is assumed that the transfer of powers from the OISC to the LSB will occur without disruption and cost. The date for transfer (1 April 2011) was agreed on the basis that as this transfer will be occurring at the end of the financial year, the OISC function in relation to the 3 DPBs will simply cease and the LSB function will start without disruption and without the need for transitional arrangements. If there is disruption or transition arrangements need to be made, there will be transition costs.
- 2.31 There is a risk that the regulations as imposed by the LSB may be more burdensome than those that would have been imposed by OISC. It is assumed there will be no such extra regulatory burdens.
- 2.32 Similarly, there is a risk that protections for consumers may not be as effective under the regime. It has been assumed that the transfer of oversight from the OISC to the LSB will not make consumer protection less effective.

Net impact of Option 1

- 2.33 The policy will result in savings for the three affected DPBs as they will no longer pay a separate fee in relation to oversight regulation for immigration advice and services.
- 2.34 Although it is not possible to quantify the costs and benefits of this option, the benefits of a consistent approach to oversight regulation for legal services provided by these three DPBs including immigration advice and services is considered to outweigh any cost that maybe involved.

3. Enforcement and Implementation

- 3.1 An order will be made by MoJ under section 211(2) commencing schedule 18 of the 2007 Act. This order will amend the 1999 Act and appoint the LSB as oversight regulator for immigration advice and services for the Law Society of England and Wales, ILEX and General Council of the Bar of England and Wales.
- 3.2 The new regime will come into effect from 1 April 2011 and the Law Society of England and Wales, ILEX and General Council of the Bar of England and Wales will automatically become 'designated qualifying regulators' for the purposes of the 1999 Act. The LSB will also have rules in place from 1 April 2011 to allow them to receive applications from bodies wishing to apply for qualifying regulator status.

4. Specific Impact Tests

Statutory equality duties

The screening stage of an Equality Impact Assessment has been completed. As the proposals should have no impact on equality, a full assessment is not considered necessary.

Competition Assessment

It is not considered that there will be any significant impact on competition from the implementation of this policy.

Small Firms Impact Test

It is not considered that there will be any significant impact on small firms from the implementation of this policy

Carbon Assessment

It is not considered that there will be any significant impact on Carbon Emissions from the implementation of this policy.

Other Environment

It is not considered that there will be any significant environmental impact from the implementation of this policy.

Health Impact Assessment

It is not considered that there will be any significant impact on human health from the implementation of this policy.

Human Rights

The policy is Human Rights Act compliant.

Justice Impact Test

The justice impacts of these proposals have been outlined in the main body of this impact assessment.

Rural proofing

It is not considered that there will be any rural impact from the implementation of this policy.

Sustainable Development

These proposals are consistent with the principles of sustainable development.

Privacy Impact Test (an MoJ Specific Impact Test)

It is not considered that there will be any impact on privacy from the implementation of this policy.

Annexes

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added where the Specific Impact Tests yield information relevant to an overall understanding of policy options.

Annex 1: Post Implementation Review (PIR) Plan

<p>Basis of the review:</p> <p>The regulation of immigration advice and services provided by the Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales will be formally reviewed as part of the Legal Services Board's (LSB) tri-annual review in 2015.</p>
<p>Review objective:</p> <p>The objective of the review will be to ensure that immigration advice and services as provided by the three DPBs are being regulated in line with the regulatory objectives as described in the Legal Services Act 2007.</p>
<p>Review approach and rationale:</p> <p>The LSB will examine the issue to provide evidence to support a review. This may include reporting and self-assessment by the approved regulators, reviews of the approved regulators' rules, guidance and enforcement activity and more detailed inspections involving site visits and interviews. The LSB will work closely with the approved regulators to develop an understanding of how they assess compliance and use their enforcement powers.</p>
<p>Baseline:</p> <p>The current position is that the Office of the Immigration Services Commissioner (OISC) is responsible for oversight regulation and that the Law Society of England and Wales, ILEX and the Bar Council of England and Wales must pay a fee to the OISC for oversight regulation of immigration advice and services provided by members of those three bodies in addition to a levy to the LSB for oversight regulation of other areas of law.</p>
<p>Success criteria:</p> <p>The success criteria for the policy will be that immigration advice and services provided by members of the three DPBs is regulated in line with the regulatory objectives.</p>
<p>Monitoring information arrangements:</p> <p>In addition to the approach outlined above, the LSB will seek information from the Legal Ombudsman about the levels of complaints that it receives about immigration advisers who are regulated by the Law Society of England and Wales, ILEX and the General Council of the Bar of England and Wales.</p>
<p>Reasons for not planning a PIR:</p>