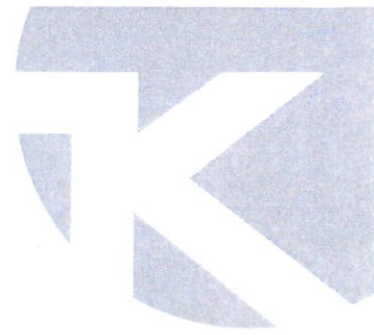




# Key Conveyancing Solicitors

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The Council for Licensed Conveyancers  
CAN Mezzanine  
49 – 51 East Road  
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N1 6AH

Our Ref: DSI/SH/  
Your Ref:  
Date: 11<sup>th</sup> May 2016

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Dear Sirs

## **Response to CLC Consultation paper May 2016 in relation to CLC Professional Indemnity Insurance Code and Guidance**

I am a Solicitor and the Managing Partner of Key Conveyancing Solicitors who run a residential Conveyancing Legal Practice from offices in Northampton, Milton Keynes and Baldock in Hertfordshire.

We have approximately 60 full time employed staff, 3 Solicitors and 2 Fellows of the Institute of Legal Executives on the team.

Our turnover is approximately £2.4 million per year and we complete approximately 2,500 residential conveyancing transactions in each year.

In 2015 we were proposing to move away from being regulated by the Solicitors Regulation Authority to the Regulation of the Council for Licensed Conveyancers but were unable to do so because of issues arising with our professional indemnity insurance.

Our SRA approved Insurers would not, or could not (I am not quite sure which was the case) quote to provide professional indemnity insurance suitable for a Licensed Conveyancing Practice and instead insisted that our Policy had to run until its end date, and then would need to invoke the Run Off Cover stated within the policy.

This would have meant paying a Run Off Cover premium of approximately £160,000.

It was for this reason, and this reason alone, that we did not pursue the conversion to Licensed Conveyancers.



From our experience, we do not believe that the changes proposed by the CLC will go far enough to satisfy the SRA.

The arguments we faced were that the Insurance Policy that we needed to take out under the CLC was not the same policy as was required for Solicitors and therefore we needed to buy run off cover for our Solicitors Insurance policy.

Therefore, unless the policy required under the CLC regulation is identical or better to the SRA wording then I fear that we would face exactly the same arguments from the SRA in the future.

The second question I would raise which I suspect you have already considered at length, is the effect that the proposal to automatically include 6 year run off cover into every premium issued, is the premium that would be charged by the Insurer. The Insurer will need to spread the cost of the run off cover over the period of the continuance of the insurance and I suspect premiums would increase significantly as a result.

Whilst therefore we support the proposals in principle, we do not think that they go far enough in order to remove the barrier to conversion from SRA regulation to CLC regulation.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Douglas Iles', written in a cursive style.

**Douglas Iles**  
**Managing Partner**