



**Proposed Internal Governance Rules
Consultation by the Legal Services Board
Response by the Council for Licensed Conveyancers**

January 2019

Introduction

1. As a legal regulator with no representative function, the CLC agrees with the principles set out in the proposed IGR which follow on the LSB's decision document published in July 2018.
2. The CLC agrees specifically to the removal of the definition of 'Applicable Approved Regulator', since [the original justification](#) for introducing the distinction, namely that the then new approved regulators had 'responsibility only for a very narrow range of reserved legal services (i.e. probate services)' and there were 'very few authorised persons regulated by them – i.e. there will be very few accountants that also have authorisation from an accountancy sector approved regulator to perform probate services' have long since fallen away (at pages 13-14).
3. In our [Response](#) to the LSB's November 2017 IGR consultation, we said:
 - There is continuing confusion where a representative body continues activities which would usually be characterised as regulatory activities. We gave the example of the Conveyancing Quality Scheme which some solicitors continue to believe is managed by the SRA, rather than the Law Society.
 - 'Independent governance needs to be reinforced by clear financial independence and transparency. As long as a regulator does not have financial independence it cannot be truly independent from its representative body parent'.
4. Responding to the Submissions received following publication of the Law Society investigation report in June 2018 [we also said](#) 'All professionals delivering a reserved legal service should be subject to a regime that is independent of representative bodies. Running two different regimes within the legal sector is inequitable, and risks undermining public confidence and reducing the effectiveness of regulation'.
5. It has been our practice since 2010 to appoint a lay chair of the CLC's governing Council. The only amendment the CLC would need to make for it to be fully compliant with the proposed IGR would be to change the definition of Chair in its Appointment Regulations to require the CLC's Council Chair to be a lay person (see response to question 3 below), formalising what has been our practice. We hope this amendment can be effected by an exemption direction, but would welcome confirmation from the LSB on this point.

About the Council for Licensed Conveyancers

6. The CLC was established as a legal regulator by the Administration of Justice Act 1985 and is an Approved Regulator under the Legal Services Act 2007, subject to the oversight regulation of the Legal Services Board. It has no representative function.
7. It licenses and regulates licensed conveyancers and practices in England and Wales in the provision of reserved legal activities, currently conveyancing and probate services, and other non-reserved legal activities, including will writing. It is also a Licensing Authority authorised to license and regulate Alternative Business Structures (ABS). It has no representative function having always been an independent regulator.
8. The CLC's role is to safeguard the public interest and consumers by regulating providers to deliver high quality and accessible legal services.
9. The CLC welcomes the opportunity to respond to this consultation.

CLC's Response to the Questions posed by the LSB in the Consultation

Question 1: Do you agree that the proposed rules would enhance the independence of regulatory functions and improve clarity leading to fewer disputes and more straightforward compliance/enforcement? If not why not?

Yes.

Question 2: Does the proposed guidance provide sufficient detail to help you to interpret and comply with the proposed IGR? Please provide specific comments on any areas of the guidance where further information would improve clarity.

Yes.

Question 3: Is there any reason that your organisation would not be able to comply with the proposed IGR within six months? Please explain your reasons.

No. The only amendment which the CLC has identified that it will need to make in order to comply with the proposed IGR (specifically rule 7) is to amend the definition of 'Chair' in its [Appointment Regulations 2015](#) to make it clear that the Chair of the Council must be a lay person.

Question 4(a): Beyond the usual resources allocated to compliance with the IGR what, if any, additional resource do you anticipate you will need: (i) to assess compliance with the proposed IGR and then to make changes to come into compliance, if any are required; and (ii) to comply with the IGR on an ongoing basis?

None.

Question 4(b): Do you agree with our assessment that the cost of compliance (which includes the costs of dealing with disputes and disagreements) will reduce under the proposed IGR?

No. To date the cost to the CLC of compliance with the IGR has been negligible.

Please provide details of your assessment of the costs and actions associated with the initial assessment of compliance under the transition period and your estimation of the difference in the ongoing cost of compliance with the proposed IGR compared to the existing IGR

N/A

Question 5: Please provide comments regarding equality issues which, in your view/ experience, may arise from implementation of the proposed IGR

The CLC has no comments.