

SRA/Cons/LSB/RC/mh



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Dear Michael

**LSB Consultation on Draft Statement of Policy under s.49 of the LSA
Use of Powers to make and Order under s.69 (3) (c)**

The SRA is grateful for the opportunity to respond to the LSB's consultation on the Draft Statement of Policy on the use of powers to make Orders under s.69 (3) (c) of the LSA.

We are content with the Statement of Policy as drafted and believe it is helpful for the LSB to publish such a Statement. In practice we believe that the effective consideration and use of s.69 Orders is likely to depend both on the content of the Statement *and* on an open and pragmatic dialogue between the LSB and any Regulator which considers the exercise of the Board's powers to be necessary.

Underpinning that dialogue there must be a clear focus on the regulatory objectives established by the LSA and, particularly, the interests of consumers and the wider public interest. Within such an environment, the SRA believes that the s.69 procedure has the capability to provide the controlled flexibility to the wider regulatory framework that it was designed to deliver.

Our discussions to date have focused on areas where the separate statutory provisions under which we operate have provided for different powers in respect of different types of regulated, or potential regulated, organisations. Without the exercise of the s.69 provisions these differences could result in the SRA having to regulate different entities in different ways, with the potential for negative impacts on competition within the market or confusion for consumers. The use of the s.69 procedure, to enable these underlying (and we believe unforeseen) inconsistencies to be remedied, is consistent with the LSA regulatory objectives, in the public interest and consistent with the Policy Statement.

Yours sincerely

A handwritten signature in black ink that reads "Richard Collins". The signature is written in a cursive style.

Richard Collins
Head of Standards, SRA