

Ms Cathryn Hannah
Legal Services Board
7th Floor, Victoria House
Southampton Row
London WC1B 4AD

By e-mail and post

26 June 2009

Dear Sirs,

Response to consultation paper “The Levy – funding legal services regulation”

The Society of Scrivener Notaries would like to thank the Legal Services Board for meeting with us in order to discuss the funding of legal services regulation. We recognise the importance of proper regulation for there to be a healthy competitive market, in which the needs of consumers and notaries are fairly balanced. We will welcome the opportunity for continued dialogue on such issues.

The Society of Scrivener Notaries makes the following response to those questions in the consultation paper that are its concern as an association of legal practitioners. (We are not responding to those questions that are either addressed directly to Approved Regulators or relate to matters in which our own Regulator is primarily affected).

1. *Can respondents see any areas where our definition of “fair principles” could be improved?*

We think the definition is satisfactory.

6. *Do respondents agree that there are no suitable metrics for the assessment of regulatory risk to enable it to be used as an apportionment tool for LSB costs in the short term?*

We agree.

7. *Do respondents agree that there are no suitable metrics for the assessment of volume activity to enable it to be used as an apportionment tool for LSB costs in the short term?*

We agree.

8. *We would welcome views on the apportionment of cost based on the number of authorised persons and whether 1 April is a suitable date at which numbers of authorised persons are defined.*

The proposed apportionment of cost based on the number of authorised persons would not impose a significant burden on notaries, although this assumes that the level of cost remains as stated in the consultation paper. However, we feel that it is rather naive to assume that practitioners will not pass on to the consumer any increase in the cost of an annual practising certificate. If the Levy is here to stay and is unlikely to decrease, most notaries will treat it as another "overhead".

10. *Do respondents agree that apportionment based on the number of authorised persons in relation to OLC costs does not fit the fairness principles set out in Chapter 3?*

Yes. The annual volume of complaints made against notaries is minimal. It would be extremely unfair to apply OLC costs *per capita*.

11. *We would welcome views on the suggested approach for collection of implementation costs for the OLC based on the number of complaints.*

We welcome the suggested approach. Under this method, the professions which generate the most complaints will contribute proportionately towards the cost of providing redress. This will prove to be an incentive to increase professional standards.

12. *Are there options other than those canvassed in this paper which should be explored further for the apportioning of implementation costs for the OLC?*

As indicated in the response to Question 11, we think the suggested approach is suitable.

Yours sincerely,

Jonathan Coutts
Secretary
The Society of Scrivener Notaries

