

## FURTHER RULES RELATING TO THE REGULATION OF LICENSED BODIES

### Response on behalf of the Master of the Faculties to consultation paper on rules concerning the notification of changes to the holding of interests in, registers of, and ownership of licensed bodies

We welcome the opportunity to respond to this consultation by the Legal Services Board ('LSB').

**Question 1:** What do you think of the proposed information to be held on the register?

Response: The proposed categories of information appear reasonable, both for reasons of transparency and as an aid to supervision on the part of the LA.

We assume that the record of enforcement action against the owner and employees of the ABS is in relation to their role in that particular ABS and not a general record of enforcement action against them in other ABS (perhaps regulated by another LA) or, if an authorised person, disciplinary sanctions taken against them by the Approved Regulator ('AR').

**Question 2:** Do you think any other information should be held?

Response: We have no particular suggestions for further information to be held.

**Question 3:** Do you think that the registers should be publicly available on the LA's websites?

Response: Provided that the technology is in place to do this. The register that you propose contains a large amount of information, some of which may change on a frequent basis. To avoid duplication the LA's database will presumably have to be connected to the public feed available to view on the Internet. The arrangement might involve large expense.

**Question 4:** Do you think that information on the register should be updated in the times suggested?

Response: Is this 28 days after the LA received the information from the Head of Legal Practice or another member of the ABS? If so, this would seem reasonable although it would require the LA to keep adequate staffing, both to check that the changes comply with regulatory rules, to enter the information onto the register in a timely manner, and to maintain adequate IT support to ensure that technological problems are corrected quickly.

There needs to be a requirement that the ABS informs the LA of a need to rectify the register and the details of that change within a specified period.

**Question 5:** Do you have any views on the rules as they are drafted?

Response: We have no comments save that clarification may be needed for information category 5 (c) for the reasons stated in the response to question 3.

**Question 6:** What do you think about the requirement on LAs to notify the LSB of disqualification determinations within 7 calendar days?

Response: This appears a reasonable timeframe.

**Question 7:** What do you think of the proposed details to be held on the list of disqualified persons?

Response: It would appear to be the right approach to follow the practice currently employed in relation to the register of disqualified directors, albeit suitably amended.

**Question 8:** Is it a proportionate amount of information to provide?

Response: We suppose that the information you propose to require would be readily available to the LA and it would not be disproportionate to require it.

**Question 9:** What do you think of our publication proposals?

Response: These would seem to be reasonable.

**Question 10:** What is your view on our approach to the list held under schedule 13 paragraph 51?

Response: We have no comment at this stage.

**Question 11:** What do you think about our approach to specifying the periods in schedule 13 and the draft order? If you wish to provide an alternative approach or specific periods, please provide supporting evidence to justify this.

Response: We have no comment save that we would ask whether the Order needs to explain how the time periods are to be calculated. For example, does the 7 day period include days which are not generally working days including weekends and public holidays? When will the notice to the LA be deemed to be 'received'? Or does the Legal Services Act provide appropriate definitions (if they are required)? The LSB may not consider it necessary to make any more detailed provisions than the Order contains, and we do not feel strongly about the issue.

**Question 12:** What do you think of the proposed 7 day period for notification prior to issuing of licences?

Response: We have no specific comment.

**Question 13:** What do you think of the proposed 7 day period for notification where the ownership changes?

Response: We have no specific comment.

**Question 14:** What do you think of the 28 day period for notification if a limit has been exceeded?

Response: We have no specific comment.

**Question 15:** What are your views on the time periods that we have proposed?

Response: We have no specific comment.

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