

LSB Consultation concerning Schedule 12 rules: Law Society response

1. The Law Society is pleased to have the opportunity to respond to the Legal Services Board's consultation document about how the LSB will review decisions about licence applications made to it.
2. The Law Society generally supports the approach taken in the draft rules. In particular, the Law Society welcomes the Legal Services Board's recognition that the Board should only license ABS firms direct if there is no competent or potentially competent licensing authority willing to do so. The Society supports the expression of that policy in Rule 8 of the draft rules, which enables the Legal Services Board to review any decision that an applicant may apply to the Board direct if the ground on which the application was granted ceases to be made out.
3. The Law Society would welcome clarification from the Legal Services Board about whether it intends that applications from licensable bodies should be public. In the Law Society's view, it is imperative that they should be public. It may well be that approved regulators (or others) may have information relevant to the question on whether the statutory grounds are made out. The Legal Services Board should ensure it is made aware of any such information before coming to a decision on the application.
4. The Law Society wishes to comment on the reference in paragraph 1 of the consultation paper to the LSB and the approved regulators having the same regulatory objectives - "including an objective to promote competition within the provision of legal services." Whilst the Law Society recognises that that is accurate as a statement of the law, the Society does not consider it appropriate in this context to give greater weight to the objective of promoting competition than to any of the other regulatory objectives. The Society is concerned that singling out the objective of promoting competition might give a misleading impression in that regard.
5. The Society would be happy to expand on its views about the issues covered in the consultation paper if that would be helpful.

18 July 2011