

From: MARK FROST
Sent: 18 May 2009 11:35
To: Consultations
Subject: Regulatory Independence Consultation

Dear Sirs,

This is my response to your consultation from a solicitors point of view:

Q1 I would use your proposals in paragraphs 3.11 and 3.12. However the representative-controlled approved regulator should not be allowed to unilaterally take away the responsibilities of the regulatory arm. This has happened recently when the Law Society (LS) took away the accreditation responsibilities of the Solicitors Regulation Authority (SRA) without any consultation whatsoever - like a baby spitting it's dummy out!.

Q2 I agree with para 3.15. The SRA must be independent from the LS. At the present the SRA says it is "the independent regulatory body of the LS". But they cannot be as the LS funds them. The word "independent" needs to be deleted. Public perception? Public interest? Interests of justice? Not only should justice be done but also be seen to be done.

Q3 No.

Q4 Yes to your first question and the only other issue to consider is would there be any conflict of interest?

Q5 Yes to your first question and how about updated emails sent to subscribers? The LS and SRA do that now.

Q6 There needs to be controls in place so the the approved regulator cannot dictate to the regulatory arm what needs to be done. Each has to have it's own remit and what procedures need to be followed. The voice in para 3.29 should be "very loud".

Q7 Very good and needed.

Q8 I am being simplistic here but both the LS and SRA need to agree a remit and checks made to see whether it has been complied with and if not, why not? The Legal Services Ombudsman does this to the Legal Complaints Service.

Q9 Yes. In para 4.2 I would say the permitted purposes should be both regulatory AND (not or) operate in the public interest.

Q10 No - you have covered the relevant points.

Q11 I agree with them.

Q12 See your para 4.14.

Q13 No response.

Q14 SRA consults LS. that needs to be done to see if the LS have any comments or other matters that need to be included. In response to your last part of this question - No.

Q15 You have the balance right. Other details would include "Why has the fee increased?", "What is it being spent on?" Proposals for the future.

Q16 No.

Q17 You have "hit the nail on the head" with the proposed rules.

Q18 I agree with Annex C but would add in relation to para 14 the principle of no conflict of interest should also be adhered to particularly with regard to the LS and SRA. Further we need more regulation, not less. Just see what has happened to the Banks with less regulation. If there is to be regulation it must be monitored regularly, independently and thoroughly. At the moment the perception is that the City firms are pressurising the LS who seem to succumb to that pressure. We need a robust and independent body (LSB?) to monitor this.

Q19 I repeat that the LS and SRA must be seen to be independent. There must be procedures in place to stop the LS "at the swoop of a pen" to take powers/responsibilities away from the SRA. It needs the LSB to monitor them.

Yours Faithfully,

Mark Frost
Solicitor-Advocate.

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