

Legal Services Board  
Victoria House  
London

29 October 2009

Dear Sirs

### **Consultation on Internal Governance and Practice Fees Rules**

I am providing comments from IPReg on the Rules the LSB propose to put in place following the consultation earlier this year.

Generally, the principle based rules, together with guidance, are appropriate for the varying AARs and regulatory bodies the LSB will be overseeing. And the balance between the responsibilities of each is right. However, there is one area in which IPReg has concerns. These stem from a practical, rather than theoretical, standpoint.

The area is the decision to define Lay Member as in the LSA. This presents IPReg with a significant immediate problem. The Lay Chair of IPReg does not fit this definition. He was a non practising Barrister. The adoption of the LSA definition therefore put his position into doubt. At this stage we accept that the draft rules and the definitions are unlikely to be changed substantially. However, we would seek the inclusion of a transitional provision within the rules which would enable any current appointee to continue until his/her appointment expired (and that any re-appointment for a period of two years or less which might be incorporated in such an appointee's contract may be honoured). From our point of view this would enable IPReg to establish itself properly and effectively as the regulator for CIPA and ITMA without the distraction of having to seek a new Chair.

For the rest, from the point of view of IPReg, the rules are framed in such a way as to enable us, we believe, to operate at arms length from the two professional Institutes, both in terms of policy setting and the operation of process. We are grateful for the permissive nature of the rules in respect of the ability to share the services of the AARs.

The Practising Fees rules again are based on principles and we support them and believe they will work.

In summary, subject to our very real concern in one area and which we believe can be solved in a transitional provision, we consider the rules are workable.

Yours faithfully

Mike Knight