

Dear Sirs,

I am responding on behalf of Manchester Law Society.

**LSB – Developing regulatory standards**

The Society agrees with the main thrust of the proposals but would ask that the following be noted:

1. The regulatory approach must be consistent across all regulators; ‘regulator shopping’ should not be an option for firms looking to take the easy option
2. The recent suggestion made by the SRA Chairman that the number of regulators should be reduced should be investigated further
3. The feedback from the SRA and MOJ on the interpretation of the new rules gives us cause for concern in terms of the flexibility and innovation that is supposed to be available under OFR; the new referral fee rules have been stripped out in line with the principles of OFR yet the SRA has said it will expect to see firms providing evidence in the same form as they do under the current referral rules!

OFR cannot be about leaving firms in a position of having to second-guess what the SRA will expect to see; if the SRA is able to say now what it will expect to see in terms of evidence it must clearly say so now.

The MoJ, in relation to CMCs informing clients about a referral arrangement before making a referral to a law firm (a key issue in relation to transparency), has said that it may need to add new rules to the claims management regulations to make up for the deficiency in the new SRA Handbook! It seems somewhat strange that one regulator involved in the same issue is questioning what another regulator has done and suggesting the new rules may need to be changed to ensure clients are given full transparency; the new Handbook has been under review for two years so we question why this issue has not been addressed by the regulators concerned before now!

***The Society has a general concern that firms are having to deal with too much regulatory change at the same time and will be swamped by new requirements; regulators must work together to ensure firms are not asked to do too much at the same time and are able to adapt in a timely, but effective manner, so that the best interests of clients are not jeopardised.***

Kind regards

Brian

Chairman of the Regulatory Affairs Committee