

Sent by email only: Lucas Ford:
lucas.ford@legalservicesboard.org.uk

Your ref	Direct line	(020) 7211 8149
Our ref	Fax	(020) 7211 8505
Date 5 April 2011	Email	david.stallibrass@oft.gsi.gov.uk

Dear Lucas,

Application by the Council for Licensed Conveyancers (CLC) to become an approved regulator to award rights to conduct litigation and rights of audience to members of CLC

Thank you for sending us the above application and formally requesting our advice in accordance with the provisions of the Legal Services Act 2007 (LSA07).

As you are aware, the OFT has a statutory duty under the LSA07 to review applications for approved regulator status and provide the Legal Services Board (LSB) with such advice as we 'think fit' regarding whether the application should be granted. In providing our advice we have to consider whether any given application, if granted, would, (or would be likely to) prevent, restrict or distort competition within the market for reserved legal services to any significant extent¹.

As previously conveyed to the LSB, the OFT's default position, in this regard, is that applications to become an approved regulator, unless there is compelling evidence to show a significant detriment to competition through foreclosure and/or a substantial degradation of consumer protection, is unlikely to raise any substantive concerns since it is likely to increase choice for consumers and professionals. However, where an application to become an approved regulator does include a provision that has the potential to restrict competition, the OFT would expect them to only be permissible when evidently justified by one of the objectives set out in the LSA07.

¹ Schedule 4 Part 2 section 6(2) of the Act



In light of the OFT's default position, we have considered the application by the Council for Licensed Conveyancers (CLC) and, if granted, we advise that we find no evidence or theory to suggest that the CLC becoming an approved regulator to award rights to conduct litigation and rights of audience to members of the CLC would (or would be likely to) prevent, restrict or distort competition within the market.

The OFT, therefore, considers that allowing CLC members authorisation to conduct litigation and to have rights of audience, within the parameters outlined in the application, may strengthen competition for these services. For example, CLC members could act as an alternative supply to solicitors in the conduct of litigation and solicitors and barristers for advocacy services in court proceedings. This could, potentially, place competitive pressure on the pricing of these services and broaden access to justice.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Stallibrass', with a stylized flourish at the end.

David Stallibrass
Markets and Projects (Services) - Director