



THE LAW SOCIETY
of SCOTLAND

www.lawscot.org.uk

12 February 2010

Dear Colleagues,

A Consultation Paper on the Regulatory Scheme for Licensed Legal Services Providers

The Legal Services (Scotland) Bill, which is set to allow alternative business structures to provide legal services in Scotland, is currently at stage one of the Parliamentary process. It is important that the profession has considered the potential new business models, called Licensed Legal Services Providers (LPs) in the Bill, and regulatory issues before it is due to be enacted. For that reason the Society is consulting its members now on regulatory principles for firms and organisations which might apply for LPs status through the Society as a regulator.

The attached consultation paper invites you to comment on the types of business models which may be regulated by the Society once the Bill has been passed and our initial proposals for the Society's regulatory framework. Your responses will help the Society develop its policy paper on regulating LPs. The policy paper will then be placed before the 2010 AGM for approval.

The Society has already stated that when the Bill is passed it aims to apply for Approved Regulator status. It is vital that the profession now indicates clearly what they wish those working at the Society to deliver on their behalf.

In regulating ABSs the Society has to ensure that there is no compromise on either client protection or professional principle. Only with your assistance can we hope to achieve that.

Background information and frequently asked questions about alternative business structures and the Bill can be found on the Society's ABS pages on the website: http://www.lawscot.org.uk/Members_Information/abs/

In addition, during March the Society intends to hold a series of roadshows throughout Scotland, to allow members to raise their questions directly with us.

Details of these events were sent to members in January have been published on the Society's Update section on the website. The Edinburgh and Glasgow events are now full but names are being taken for waiting lists and few places remain available elsewhere.

I hope that you will take the time to respond to this consultation before its close on **16 April 2010**. Please send your comments to absconsultation@lawscot.org.uk.

As the Society intends to apply for Approved Regulator status, we are currently updating the constitution and standing orders. A draft paper will be available for comment on our website in the week commencing 22 February. It will then be discussed by Council before being presented at the AGM.

Yours faithfully,

Ian Smart

President
The Law Society of Scotland