



Legal Services (Scotland) Act 2010

2010 asp 16

PART 2

REGULATION OF LICENSED LEGAL SERVICES

CHAPTER 1

APPROVED REGULATORS

Practice rules

18 Practice rules: general

- (1) For the purposes of this Part, the practice rules are rules about—
- (a) the—
 - (i) operation and administration of licensed providers,
 - (ii) standards to be met by licensed providers,
 - (b) the operational positions within licensed providers,
 - (c) accounting and auditing (see section 22),
 - (d) professional indemnity (see section 23),
 - (e) the making and handling of any complaint about—
 - (i) a licensed provider,
 - (ii) a designated or other person within a licensed provider,
 - (f) the measures that may be taken by the approved regulator, in relation to a licensed provider, if—
 - (i) there is a breach of the regulatory scheme, or
 - (ii) a complaint referred to in paragraph (e) is upheld.
- (2) Rules made in pursuance of subsection (1)(f) must allow a licensed provider to make representations to the approved regulator before it takes any of the measures available to it under the rules.

Status: Point in time view as at 01/04/2014.

Changes to legislation: There are currently no known outstanding effects for the Legal Services (Scotland) Act 2010, Cross Heading: Practice rules. (See end of Document for details)

- (3) Practice rules may include such further arrangements as to the professional practice, conduct or discipline of licensed providers for which provision is (in the approved regulator's opinion) necessary or expedient.
- (4) See also sections 55(6)(a), 57(5) and 65(4) (as well as sections 19 to 23).

Commencement Information

I1 [S. 18](#) in force at 1.4.2011 by [S.S.I. 2011/180](#), art. 3, [Sch.](#)

19 Financial sanctions

- (1) Practice rules made in pursuance of section 18(1)(f) may provide for the imposition of a financial penalty.
- (2) A financial penalty provided for by virtue of subsection (1) must not exceed the maximum amount permitted by the Scottish Ministers when giving their approval under section 7.
- (3) A financial penalty imposed by virtue of this section is payable to the Scottish Ministers (but the approved regulator may collect it on their behalf).
- (4) A licensed provider may appeal against a financial penalty (or the amount of a financial penalty) imposed on it by virtue of this section—
- (a) to the sheriff,
 - (b) within the period of 3 months beginning with the date on which the penalty is intimated to it.
- (5) Where an appeal is made under subsection (4), no part of the penalty requires to be paid before the appeal is determined or withdrawn.

Commencement Information

I2 [S. 19](#) in force at 1.4.2011 by [S.S.I. 2011/180](#), art. 3, [Sch.](#)

20 Enforcement of duties

- (1) Practice rules must include provision that it is a breach of the regulatory scheme for a licensed provider to—
- (a) fail to comply with section 50, or
 - (b) fail to comply with its—
 - (i) other duties under this Part, or
 - (ii) duties under any other enactment specified in the scheme.
- (2) Practice rules must require a licensed provider to—
- (a) review and report on its performance (see section 21), and
 - (b) have its performance and that report assessed by the approved regulator.

Status: Point in time view as at 01/04/2014.

Changes to legislation: There are currently no known outstanding effects for the Legal Services (Scotland) Act 2010, Cross Heading: Practice rules. (See end of Document for details)

Commencement Information

I3 S. 20 in force at 1.4.2011 by S.S.I. 2011/180, art. 3, Sch.

21 Performance report

- (1) Practice rules made by reference to section 20(2)(a) are (in particular) to give the Head of Practice of a licensed provider the functions of—
 - (a) carrying out an annual review, and
 - (b) sending a report (in a specified form) on the review to the approved regulator.
- (2) The review must include an examination of—
 - (a) the licensed provider's compliance with section 50(1), and
 - (b) the involvement of any non-solicitor investors in the licensed provider.
- (3) Practice rules made by reference to section 20(2)(b) may describe the approved regulator's functions under section 31.

Commencement Information

I4 S. 21 in force at 1.4.2011 by S.S.I. 2011/180, art. 3, Sch.

22 Accounting and auditing

Practice rules must—

- (a) require licensed providers to keep in place proper accounting and auditing procedures,
- (b) include provision corresponding to that applying under sections 35 to 37 (accounts rules) of the 1980 Act in relation to an incorporated practice.

Commencement Information

I5 S. 22 in force at 1.4.2011 by S.S.I. 2011/180, art. 3, Sch.

23 Professional indemnity

Practice rules must—

- (a) require licensed providers to keep in place sufficient arrangements for professional indemnity,
- (b) include provision corresponding to that applying under section 44 (professional indemnity) of the 1980 Act in relation to an incorporated practice.

Commencement Information

I6 S. 23 in force at 1.4.2011 by S.S.I. 2011/180, art. 3, Sch.

Status:

Point in time view as at 01/04/2014.

Changes to legislation:

There are currently no known outstanding effects for the Legal Services (Scotland) Act 2010,
Cross Heading: Practice rules.