



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Status: Point in time view as at 01/04/2011.

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 01/04/2011.

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 01/04/2011.

Changes to legislation:

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