EXPLANATORY MEMORANDUM TO

The Legal Complaints and Regulation (Penalty) Order (Northern Ireland) 2025

S.R. 2025 No. 118

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department of Finance to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under section 2(6) of the Legal Complaints and Regulation Act (Northern Ireland) 2016 ("the Act") and is subject to the dtaft affirmative resolution procedure.

2. Purpose

2.1. The purpose of the Statutory Rule is to set the maximum amount the Legal Services Oversight Commissioner may require the Law Society or the Honourable Society of the Inn of Court i.e. Bar Council to pay as a penalty should the professional body either fail to submit a plan which the Commissioner considers adequate for the handling of complaints or fail to handle complaints in accordance with its plan.

3. Background

3.1. The background to, and policy objectives of, the Act can be accessed at https://www.legislation.gov.uk/nia/2016/14/notes/contents.

3.2. The policy of the Act is to create the position of LSOC and set out the powers that office holder should have. Those powers are strategic – the LSOC will not have operational responsibilities in terms of specific complaints – and will be concentrated on oversight of the complaints-handling systems of the Law Society and, for the first time, the Bar.

3.3. Those powers include the power to penalise the professional body in certain circumstances, as detailed at paragraph 2.1 above.

4. Consultation

4.1. The Department of Finance consulted with both the Law Society and Bar Council in the development of this Statutory Rule.

4.2. The Act also provides, at section 2(5), that "Before requiring a professional body to pay a penalty under subsection (4) the Commissioner must consult with the body and afford it a reasonable opportunity of appearing before the Commissioner to make representations."

5. Equality Impact

5.1. There is no evidence of any equality impact in the context of s75 of the Northern Ireland Act 1998.

6. Regulatory Impact

6.1. See above.

7. Financial Implications

7.1. There are no financial implications to the Department.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Statutory Rule is compliant with Section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. Not applicable.

11. Additional Information

11.1. Not applicable.