STATUTORY INSTRUMENTS

2009 No. 3249

LEGAL SERVICES, ENGLAND AND WALES

The Legal Services Act 2007 (Maximum Penalty for Approved Regulators) Rules 2009

Made - - - -	*8th December 2009*
Laid before Parliament	*9th December 2009*
Coming into force - -	*1st January 2010*

The Legal Services Board with the consent of the Lord Chancellor makes the following Rules in exercise of the powers conferred by sections 37(4) and 204(2), (3) and (4)(b) of the Legal Services Act 2007(**a**).

The Legal Services Board has complied with the consultation requirements in section 205 of that Act.

Citation and commencement

1.—(1) These Rules may be cited as the Legal Services Act 2007 (Maximum Penalty for Approved Regulators) Rules 2009.

(2) These Rules come into force on 1st January 2010.

Maximum penalty

2.—(1) For the purposes of section 37(3) of the Legal Services Act 2007 (financial penalties), the maximum amount of any financial penalty which the Legal Services Board may impose on an approved regulator is an amount equal to 5 per cent. of all income which the regulator derived from its regulatory functions in respect of its most recent accounting period.

(2) The reference to the approved regulator's most recent accounting period is to the most recent accounting period—

(a) which ended before the imposition of the financial penalty; and

(b) for which the regulator has audited accounts which have been drawn up in accordance with generally accepted accounting practice.

(3) The amount of the income referred to in paragraph (1) is to be determined by reference to the audited accounts referred to in paragraph (2)(b).

(**a**) 2007 c.29.

Made by the Legal Services Board at its meeting on 30th November 2009

Terence Connor
Stephen Green
Rosemary Martin
Bill Moyes
Barbara Saunders OBE
Nicole Smith
Andrew Whittaker
David Wolfe
Chris Kenny

I consent
Signed by authority of the Lord Chancellor

Bridget Prentice
Parliamentary Under Secretary of State
Ministry of Justice

8th December 2009

EXPLANATORY NOTE

(This note is not part of the Rules)

These Rules set out the method to be used in determining the maximum amount of the penalty which the Legal Services Board may impose under section 37(3) of the Legal Services Act 2007 (c. 29) on an approved regulator. Section 37 of that Act provides for the imposition of financial penalties on approved regulators for failure to comply with any requirement imposed on them by or under certain specified provisions of that Act (namely, section 30 (rules relating to the exercise of regulatory functions), section 32 (directions) and section 51 (control of practising fees charged by approved regulators)).

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