



Legal Services (Scotland) Act 2010

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PART 2

REGULATION OF LICENSED LEGAL SERVICES

CHAPTER 1

APPROVED REGULATORS

Internal governance

27 Internal governance arrangements

- (1) The internal governance arrangements of an approved regulator must incorporate such provision as is necessary with a view to ensuring that the approved regulator will—
 - (a) always exercise its regulatory functions—
 - (i) independently of any other person or interest,
 - (ii) properly in other respects (in particular, with a view to achieving public confidence),
 - (b) continue to allocate sufficient resources (financial and otherwise) to the exercise of its regulatory functions,
 - (c) review regularly how effectively it is exercising its regulatory functions (in particular, by reviewing the effectiveness of its regulatory scheme).
- (2) In relation to an approved regulator which has representative functions, relevant factors in connection with subsection (1)(a) include (in particular) the need for—
 - (a) the approved regulator's code of conduct (if any) for its members to be compatible with the regulatory objectives and the professional principles,
 - (b) the approved regulator to—
 - (i) exercise its regulatory functions separately from its other functions (in particular, any representative functions), and
 - (ii) avoid conflicts of interest in relation to its regulatory functions,

Status: This is the original version (as it was originally enacted).

- (c) the approved regulator to secure that a reasonable proportion of the individuals who are responsible for the exercise of its regulatory functions are not qualified legal practitioners.
- (3) The approved regulator's regard to the factor mentioned in subsection (2)(b) is demonstrable by (for example) its securing that within its structure its regulatory functions are clearly demarcated.