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15 February 2017

Dear Paul

Formal investigation into the governance arrangements between the Law Society and the Solicitor's Regulation Authority

Following representations made to us by the Solicitors Regulation Authority (SRA) in response to a request from ourselves and taking into account the information that has been provided by both the SRA and the Law Society (TLS), the Legal Services Board (LSB) has decided to commence a formal investigation into the internal governance arrangements between the TLS and the SRA

The investigation will consider whether the current arrangements between the TLS and the SRA are in line with Part 4 of the Schedule to LSB's Internal Governance Rules 2009 (IGR) which require that the internal governance arrangements must not impair the independence and effectiveness of the performance of regulatory functions. In particular we will consider whether the arrangements for the Business and Oversight Board have worked as the parties intended, enabling TLS to exercise appropriate oversight whilst complying with the IGR.

Once the detailed scope of the review has been determined we will share this with you and the SRA.

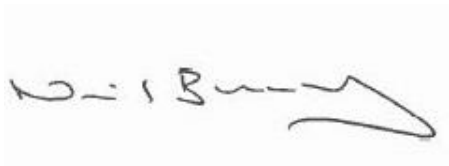
Our IGR and our statement of policy on enforcement are available on our website. Our statement of policy on enforcement sets out our approach to monitoring and information gathering as well as our approach to informal resolution.

The LSB will make this letter public on our website as a matter of public record on Friday 17 February 2017.

If you would like to discuss the matters under consideration, we would be happy to arrange a discussion in due course.

I am sending a copy of this letter to Paul Philip, Chief Executive of the SRA.

Yours sincerely

A handwritten signature in black ink, appearing to read "Neil Buckley", with a stylized flourish at the end.

Neil Buckley
Chief Executive

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