

**From:** [Ania Nourish](#)  
**To:** [Legal Services](#)  
**Subject:** CMA market study into legal services in England and Wales  
**Date:** 04 February 2016 13:50:50

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Dear Sir

The Society of Licensed Conveyancers (SLC) is the professional body that represents individual Licensed Conveyancers and other legal professionals who are associate members of the Society. The SLC is not for profit and is completely independent of the Council for Licensed Conveyancers (CLC) which regulates the profession.

The SLC broadly welcomes the launch by the Competition and Markets Authority (CMA) of a market study into legal services in England and Wales. We would however propose to the CMA that the study takes on a wider remit with reference to conveyancing to include instructions from mortgage lenders and interaction with third parties. The Society believes that the current operation of the market has implications on transparency, cost and choice in respect of the provision of legal services.

In particular the Society wishes to draw the CMAs attention to:

- The fact that conveyancers routinely act on behalf of home buyers and mortgage lenders on the same transaction, which is unique in UK law and arguably results in conflict of interest
- Mortgage lenders expect conveyancers to act on their behalf without any consideration. In fact conveyancers are now required to pay fees to be included on lenders conveyancing panel so are in effect paying for the privilege of acting on behalf of lenders. This appears not to be in accord with contract law which requires a consideration to be paid
- On the basis mortgage lenders expect conveyancers to cover the cost of acting for them from fees paid by the home buyer there is no transparency as to the legal costs associated with procuring a mortgage, or the fact that consumers are indirectly paying for the fees charged to property lawyers for mortgage lender panel membership.
- Mortgage lenders pass on unreasonable risk and responsibility to conveyancers which can cause tensions with third party relationships (the duty to recommend home buyers procure an independent survey being an example).

The SLC has met with the Legal Services Board on this matter and has been disappointed that their reaction was to direct the Society to the FCA call for inputs on the competitive operation of the mortgage market. The Society has accordingly input to the FCA Call for inputs.

From the Society's perspective there is a very real issue which seems to fall between the individual remit of the respective regulators and the CMA Market Study would appear to offer an opportunity for it to be given proper attention.

Yours sincerely

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Chairman of the Society of Licensed Conveyancers

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**The Society of Licensed Conveyancers**

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