

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

29 October 1984

CONVEYANCING FOR REWARD

The Prime Minister was grateful for the Lord President's minute of 24 October reporting on the further consideration given by members of H Committee to the subject of conveyancing for reward.

The Prime Minister has also seen the Chief Secretary's minute of 18 October, the Lord Chancellor's of 22 October, and the Secretary of State for the Environment's of 24 October.

The Prime Minister is content with the arrangements for non-solicitor conveyancers which have now been agreed on the understanding that the Lord Chancellor will at the appropriate stage consult the Secretary of State for Trade and Industry and other colleagues on the rules proposed by the council.

The Prime Minister is also content with the conclusion reached by H Committee on conveyancing by employed solicitors. She believes, however, that a decision to postpone legislation on this subject would be ill-received, and she hopes that the Government's commitment to early legislation can be reaffirmed.

I am sending copies of this letter to Private Secretaries to Members of the Cabinet, other members of H Committee, Henry Steel (Law Officers Department), Iain Jack (Lord Advocate), Alex Galloway (Paymaster General's Office), Dilwyn Griffiths (Permanent Under Secretary of State's Office, Department of Trade and Industry), and Richard Hatfield (Cabinet Office).

David Barclay

Miss Janet Lewis-Jones

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PRIME MINISTER

CONVEYANCING FOR REWARD

In my minute of 8 October I reported that the Home and Social Affairs Committee (H) had discussed conveyancing for reward in the light of the first report from the Farrand Committee on conveyancing by non-solicitors and the results of the consultations which the Lord Chancellor had undertaken on conveyancing by employed solicitors. H's conclusions were that, to retain the initiative on conveyancing for reward, the Government should, subject to further consideration by the Treasury and the Department of Trade and Industry, bring forward legislation on conveyancing by non-solicitors broadly on the lines recommended by the Farrand Report early in the 1984-85 Session. Provisions on conveyancing by employed solicitors should, however, be deferred until a later Session so that further consideration could be given to the severe problems of conflict of interest which seemed likely to arise. My earlier minute set out the background to these conclusions.

[FLAC B]

2. Subsequently, the Chief Secretary wrote to you on 18 October with the considered views of Alex Fletcher and himself in the light of further discussion between their officials and those of the Lord Chancellor, and the Lord Chancellor wrote on 22 October with some further comments.

[FLAC C]

3. To take the issues in turn, on non-solicitor conveyancing the Chief Secretary and DTI Ministers are content to proceed with early legislation subject to a number of particular points mostly relating to the proposed Council on Conveyancing which will regulate the new profession. In so far as they bear on the legislation itself, the Lord Chancellor is content and I am sure that H Committee would wish legislation to be prepared on this basis.



4. The Chief Secretary also proposed that the Government should affirm its belief during the passage of the Bill in the scope for a simple conveyancing service for house buyers and indicate that in its view Farrand is too restrictive in certain respects. The Lord Chancellor observes that simplicity of conveyancing depends upon the general law and the nature of the individual transaction, rather than on the will of the conveyancer, and that he sees dangers in commenting on some aspects only of the detail of the Farrand recommendations in advance of that Committee's second report (on conveyancing itself) which is due at the end of the year. As the legislation will provide for a Government veto on the rules which the Council will make for regulating non-solicitor conveyancers, it is neither necessary nor wise for the Government to express detailed views on this aspect until we have Farrand's second report and the Council has formulated its rules in the light of it. There seems to me to be little point in trying to reach a final view on this before we have Farrand's next report and in my view this point should not be allowed to be a stumbling block to preparing and introducing the legislation.

5. On conveyancing by employed solicitors, the Chief Secretary suggests that officials should be asked to press ahead urgently with consideration of how best to overcome the problems of conflict of interest and anti-competitive practices so that we can reconsider the position by the end of the year, and that we should not yet close the door to the possibility of legislation in 1984-85. The Lord Chancellor is content with this and I am sure that H would be too. I should, however, say as a business manager, that I believe we will have difficulty in Parliament on this aspect if the legislation we introduce is not carefully thought through and well-drafted. I should have reservations about introducing perhaps ill-digested legislation on this well into the Session.



6. I am sending copies of this minute to Cabinet colleagues, other members of H Committee, the Attorney General, the Solicitor General, the Lord Advocate, the Paymaster General, the Parliamentary Under Secretary of State for Corporate and Consumer Affairs, and Sir Robert Armstrong.

Lord

24 October 1984