



**Message from the CEO, Megan Pitt**

**Welcome to the second issue of the Legal Services Council newsletter.**

The Legal Services Council (LSC) has been busy finalising several amendments to the Uniform Law (UL) and Uniform Rules (Rules) in the areas of Managed Investment Schemes and Practical Legal Training. As you will see from our new online flowcharts, which visually detail the processes of making and amending the UL and Rules, the work of the Council is inextricably linked with our stakeholders. I urge you to take a look at what how the UL Law and Rules are made and changed via the link below.

This quarter I continued to meet with regulatory authorities and the profession regarding a number of matters such as costs disclosure, Australian-registered foreign lawyers and the review of the external examiners' course.

Thank you for your feedback on our inaugural issue. As always, I welcome the opportunity to hear from you and your views on how the UL operates in practice.

**Council news**

**Uniform Law and Rule making process**

The LSC has developed a range of visual flowcharts to explain the process involved in making and changing the Uniform Law and Rules and making Guidelines and Directions under the UL. These information sheets are now available on our website at:

[www.legalservicescouncil.org.au/Pages/uniform-framework/uniform-law.aspx](http://www.legalservicescouncil.org.au/Pages/uniform-framework/uniform-law.aspx)

[www.legalservicescouncil.org.au/Pages/uniform-framework/guidelines-directions.aspx](http://www.legalservicescouncil.org.au/Pages/uniform-framework/guidelines-directions.aspx)

**Consultations**

In the interests of transparency, we may publish on our website submissions received during consultations, unless otherwise requested at the time of submitting.

**Working with our stakeholders**

**Law Society of NSW (LSNSW)**

In March, the LSC met with the LSNSW Costs Committee to invite feedback on proposals relating to costs disclosure under the UL. The role of the Costs Committee is to review and comment on costs issues and costs law and to educate the profession.

The proposals, which are at an early stage of development, seek to harmonise the UL with the laws of non-participating jurisdictions, in the context of other jurisdictions joining the UL scheme.

The proposals also aim to help reduce costs disputes through increased transparency along with simpler, more user-friendly forms. The Costs Committee provided useful feedback about the LSC's proposals and new costs disclosure forms.



*From Left: LSC Senior Policy Adviser, Sonya Kim, Chair LSNSW Costs Committee, Hugh Macken and LSC CEO, Megan Pitt.*

**Law Society of NSW Regional Presidents**

In May, the LSC CEO met with the LSNSW Regional Presidents; a network of 29 regional law societies in NSW that ensures the work of the Law Society is directly relevant and accessible to practitioners throughout the State. At the

meeting, Ms Pitt raised costs disclosure with the Regional Presidents and sought their views about UL cost harmonisation and the new forms.

The LSC appreciates the detailed feedback received to date and looks forward to continuing the engagement with the Regional Presidents on future UL issues.



*Con Ktenas, President of the City of Sydney Law Society and Chair of the Regional Presidents Meeting with Megan Pitt.*

### **Law Society of NSW Council**

On 17 May, Megan Pitt met with the President, CEO and Councillors of the Law Society of NSW (LSNSW) over a dinner that was also attended by John McKenzie, NSW Legal Services Commissioner.

The LSNSW President, Doug Humphreys was a welcoming host who spoke favourably about the relationship between the legal regulators in NSW. Ms Pitt spoke about the LSC's priorities for the next three years, being: national implementation of the UL; ensuring the UL is a responsive regulatory system for the legal profession and building awareness of the UL by working collaboratively with our stakeholders.

Ms Pitt also emphasised the vital importance of the productive working relationships that have developed between the LSC, the LSNSW and the Office of the Legal Services Commissioner, in ensuring the effective operation of the UL in NSW. She referred to several LSC projects where the LSNSW's support has been invaluable including the external examiners course review and reporting regime, the registration of foreign lawyers as in-house counsel, the data sharing project and review of managed investment schemes.

### **Law Council of Australia**

On 4 May, Megan Pitt met with Morry Bailes, President of the Law Council of Australia (LCA) and discussed interactions between the LSC and LCA, past, present and future. The Australian Solicitors' Conduct Rules were discussed, as were cost disclosure thresholds and the regulation of money laundering and counter terrorism.



*From left: LSC Senior Executive Officer, Bridget Sordo, LCA President, Morry Bailes and Megan Pitt.*

### **NSW Bar Association**

In April, Megan Pitt and LSC Senior Policy Adviser, Sonya Kim met with the Chair of the NSW Bar Association Costs and Fees Committee, Mark Brabazon SC and Senior Policy Lawyer, Roshana Wikramanayake to discuss costs disclosure for barristers who are briefed directly by clients. The LSC also acknowledges Mr Brabazon's assistance with improving an earlier version of the proposed form for barristers and welcomes further feedback from members of the NSW Bar Association.

### **Legal Practitioners' Liability Committee**

In May, Megan Pitt and members of the LSC Secretariat, met with Justin Toohey, CEO of the Legal Practitioners' Liability Committee (LPLC) and Matthew Rose, Risk Manager of the LPLC. The LPLC provides statutory professional indemnity insurance for Victorian lawyers and firms operating in Victoria. Matters discussed included the growing concern over cybercrime and the importance of practitioners verifying the authenticity of email instructions personally by phone.



*LPLC CEO, Justin Toohey with Megan Pitt and Sonya Kim.*

### **Uniform Law Strategic Roundtable Group**

On 29 May, the LSC brought together the NSW DLRA for a roundtable strategy meeting to discuss the operation of the UL over the last three years, and to set a direction for the future.

The roundtable was chaired by LSC CEO and Commissioner, Megan Pitt who was joined by LSNSW CEO, Michael Tidball and LSNSW Director Professional Standards, Anne-Marie Foord; Legal Services Commissioner, John McKenzie; NSW Bar Association Executive Director, Greg Tolhurst; Legal

Practitioners Admission Board Executive Officer, Louise Pritchard and the Director and Prothonotary, Supreme Court of NSW, Rebel Kenna.

The positive and collegiate discussions covered the LSC's strategic priorities for the next three years, the processes and timeframes for UL and rule changes, DLRA perspectives on the UL and the process for future changes to the UL and rules. The meeting agreed on a more strategic streamlined approach to UL issues in NSW that will also be discussed with the Victorian DLRA's in the near future.



From left: Michael Tidball, Rebel Kenna, Greg Tolhurst, Megan Pitt, John McKenzie, Anne-Marie Foord and Louise Pritchard.

## NSW Department of Justice (DOJ)

The LSC meets regularly with the DOJ Management Accounting and Finance teams to discuss LSC budgetary and finance issues. These meetings have assisted in streamlining financial reporting and finalising the LSC's triennial budget.

In April, the LSC's Risk & Audit Committee Chair, Fiona Bennett attended a meeting with LSC and the DOJ Finance.



From left: Harry Lan and Lindsay Beresford ((DOJ Finance), Fiona Bennett, Megan Pitt, Ashley Hawkins (DOJ Finance) and Bridget Sordo.

## E-conveyancing and Property Exchange Australia (PEXA)

In April, the CEO of PEXA, Marcus Price and the Chief Transformation Officer, Justin Schmitt met with the LSC Council members in Melbourne. These discussions assisted the LSC to better understand the legal framework of the PEXA platform that facilitates electronic conveyancing in UL jurisdictions. The LSC has resolved to keep a close watching brief on developments impacting the legal profession in the lead up to mandatory e-conveyancing in NSW by 1 July 2019 and in Victoria by 1 August 2019.

# Strategic initiatives

## External Examiners' Working Group

In early 2016 the LSC convened a working group of delegates from the LSNSW, The Victorian Legal Services Board + Commissioner (VLSB+C) and the Law Institute of Victoria (LIV) to prepare the External Examiners' Course of Education. This Course was approved in December 2016 by the then Commissioner for Uniform Legal Services Regulation and CEO of the LSC and was rolled out during 2017 to over 1,000 participants across NSW and Victoria.

In April, 2018 the External Examiners' Working Group met to review the feedback on the Course which was generally well received.

The working group also used the opportunity to brainstorm on how technical questions arising from accounting treatment of trust transactions may be addressed consistently under the UL. The LSC thanks the DLRA's involved for their diligence and cooperation in achieving harmonisation in this complex area.



From left: Gavin Connor (LSNSW), Marco Zanon (LIV), Daniel Lynch (LSNSW), Bridget Sordo and Megan Pitt (LSC), Jim Sofiak (LSNSW), Christine Bell and Chellene Smith (VLSB+C)

# Uniform Law changes

## MIS law changes

On 1 July 2018, new laws restricting lawyers' involvement in Managed Investment Schemes (MIS) and mortgage practices are expected to commence. The LSC is consulting on Uniform Rules for the implementation of the new MIS amendments and changes following an inquiry conducted in 2017. Articles detailing the proposed changes have appeared in the [Law Society Journal](#) and the [Law Institute Journal](#) this month. Check the LSC website for updates from 1 July including legislative changes which will be published under [Recent Changes](#).

## For more information

Visit the LSC website:

[www.legalservicescouncil.org.au](http://www.legalservicescouncil.org.au)

or contact us at:

[lsc@legalservicescouncil.org.au](mailto:lsc@legalservicescouncil.org.au)