

To:	Legal Services Board	Agenda Item:	N/A
Date of Meeting:	9 June 2017	Item:	Paper (17) 44

Title:	Institute of Chartered Accountants in England and Wales (ICAEW) applications for designation as an approved regulator and licensing authority for reserved legal activities
Workstream(s):	Performance, evaluation and oversight: statutory decisions
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Status:	Official

Summary:

At its meeting in April the Board considered a paper (**Annex A**) which proposed that a recommendation be made to the Lord Chancellor that the ICAEW be designated as an approved regulator and licensing authority for the reserved legal activities of conduct of litigation, rights of audience, reserved instrument activities, notarial activities and administration of oaths.

Before making the decision, the Board asked that the executive consider how to respond to Lord Chief Justice (LCJ) in the light of the concerns and objections he had noted in his advice to the LSB on the application.

This paper summarises the approach that has been adopted and proposes that, having taken note the approach, the Board approves the applications for recommendations for designation.

If the Board agrees to make the recommendation, the intention will be that a formal submission would be made to the Lord Chancellor within a week of 15 June.

Recommendation(s):

Having taken note of the steps taken in relation to the Lord Chief Justice's advice, the Board is invited to:

- (1) Determine (under paragraph 14(1) of Schedule 4 to the Act) the ICAEW's application for a recommendation to the Lord Chancellor for designation as an approved regulator for further reserved legal activities.
- (2) To approve the proposed regulatory arrangements (which will come into effect in the event that a designation order is made).
- (3) If the first application is granted, to determine (under paragraph 12(1) of Schedule 10 to Act) the ICAEW's application for a recommendation to the

Lord Chancellor for designation as a licensing authority for further reserved legal activities.

(4) To approve the proposed licensing rules (which will come into effect in the event that a designation order is made).

Risks and mitigations

Financial: N/A

Legal: [Redacted text]

Reputational: If the Board grants the application (and assuming that the recommendation is accepted by the Lord Chancellor) the timetable for designation will not be within the control of the LSB. The LSB may nevertheless be seen as the cause of the delays should they arise.

Resource: N/A

Consultation	Yes	No	Who / why?
Board Members:		√	N/A
Consumer Panel:		√	N/A
Others:			

Freedom of Information Act 2000 (Fol)

Para ref	Fol exemption and summary	Expires
Risks and mitigations: Legal	Section 42: information subject to legal professional privilege	
Annex B	Section 22: information intended for future publication	N/A

LEGAL SERVICES BOARD

To:	Legal Services Board	Agenda Item:	N/A
Date of Meeting:	Out of Board Decision	Item:	Paper (17) 44

Institute of Chartered Accountants in England and Wales (ICAEW) applications for designation as an approved regulator and licensing authority for reserved legal activities

Background

1. At its meeting on 28 April 2017, the Board was asked to approve (**Annex A**) applications from the ICAEW that the LSB make a recommendation to the Lord Chancellor that ICAEW be designated as an approved regulator and licensing authority for the reserved legal activities of conduct of litigation, rights of audience, reserved instrument activities, notarial activities and administration of oaths.
2. Before determining the application, the Board asked that the executive consider how we might respond to the Lord Chief Justice in the light of the objections he had noted in his advice to the LSB on the application.

Feedback to the Lord Chief Justice

3. As part of the regular round of stakeholder meetings, the Interim Chair and Chief Executive were scheduled to have a meeting with the Lord Chief Justice and Lady Justice Hallett on 19 May 2017. Unfortunately, that meeting had to be postponed so there has so far been no opportunity to explain directly to the Lord Chief Justice how we have considered the advice. The meeting has been rescheduled for Friday 16 June 2017.
4. Taking into consideration the need to conclude this application, the Interim Chair and Chief Executive have agreed that the Board should proceed with making the decision after which we will write to the Lord Chief Justice drawing his attention to the decision notice which will explain how we have responded to his advice. A copy of the draft decision notice is included at **Annex B** (please note, this copy of the notice does not contain all of the annexes that will be included in the final published version).

Conclusion and recommendations

5. Having taken note of the agreed approach in relation to the Lord Chief Justice's advice, the Board is invited to:
 - (1) Determine (under paragraph 14(1) of Schedule 4 to the Act) the ICAEW's application for a recommendation to the Lord Chancellor for designation as an approved regulator for further reserved legal activities.

- (2) To approve the proposed regulatory arrangements (which will come into effect in the event that a designation order is made).
- (3) If the first application is granted, to determine (under paragraph 12(1) of Schedule 10 to Act) the ICAEW's application for a recommendation to the Lord Chancellor for designation as a licensing authority for further reserved legal activities.
- (4) To approve the proposed licensing rules (which will come into effect in the event that a designation order is made).

9 June 2017