

To:	Board
Date of Meeting:	13 June 2011
Item:	Paper (11) 45

Title:	Rules for licensing authority designations: technical amendment
Workstream(s):	Widening access to the legal market
Introduced by:	Fran Gillon, Director of Regulatory Practice Fran.gillon1@legalservicesboard.org.uk / 020 7271 0087
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Status:	Unclassified

Summary:
<ol style="list-style-type: none"> 1. A drafting error has been identified in the Rules for applications for designation as a licensing authority (“LA designation rules”) made by the Legal Services Board (“the Board”) on 22 February 2010. 2. Paragraph 52 of the LA designation rules is concerned with appellate bodies for licensing authorities and refers to Part 1 of Schedule 10 of the Legal Services Act 2007 (“the Act”). The reference should be to Part 5 of the Act. 3. Paragraph 6 of the LA designation rules allows the Board to amend the rules from time to time. If the amendments are considered to be material, a draft of the amended rules will be published for consultation and comments invited. 4. As this is a change to correct a drafting error, this is not considered a material change requiring consultation. We published notice of our intention to amend the rules (with a copy of the changes) allowing comments to be made by 7 June 2011. No comments were received. 5. Attached to this paper are the two pages of the rules that are have been amended. The full rules will be available at the Board meeting.

Risks and mitigations	
Financial:	N/A
FoIA:	N/A
Legal:	N/A.
Reputational:	N/A.
Resource:	N/A

Consultation	Yes	No	Who / why?
Board Members:		X	Who?
Consumer Panel:		X	Why?
Others:	None (published intentions so that comments could be made)		

Recommendation(s):
The Board is invited to approve the amended rules at Annex A.

A. CRITERIA FOR DETERMINING APPLICATIONS

52. In accordance with paragraph 11(2) and 11(3) of Schedule 10 to the Act, the Board will grant an Application in relation to a particular Reserved Legal Activity only if it is satisfied that:

- the Applicant's proposed Licensing Rules in relation to the Reserved Legal Activity comply with the requirements of Section 83 of the Act;
- if the Lord Chancellor were to make an Order designating the Applicant as a Licensing Authority in relation to the particular Reserved Legal Activity, there would be a body with power to hear and determine appeals which, under ~~Part 1 of Schedule 10~~Part 5 of the Act or the Applicant's proposed Licensing Rules, may be made against the decisions of the Applicant;
- if the Lord Chancellor were to make an Order designating the Applicant as a Licensing Authority in relation to the particular Reserved Legal Activity, the Applicant would have appropriate internal governance arrangements in place at the time the order takes effect and, in particular that the exercise of the Applicant's regulatory functions would not be prejudiced by its representative functions and, so far as is reasonably practicable, regulatory decisions would be taken independently of representative ones;
- if such an Order, were to be made, the Applicant would be competent, and have sufficient resources, to perform the role of Licensing Authority in relation to the Reserved Legal Activity at that time;

SCHEDULE

Part 1 - Administrative Information Needed to Enable Processing of an Application

	What is required	Section of Act	Possible Evidence
10.	The Board may grant an Application in relation to a particular Reserved Legal Activity only if it is satisfied that, if an order were to be made designating the Applicant in relation to the Reserved Legal Activity, there would be a body with power to hear and determine appeals which, under Part 1 of Schedule 10 <u>Part 5</u> of the Act or under the Applicant's proposed Licensing Rules, may be made against decisions of the Applicant	Sch. 10, paragraph 11(2)(b)	The Applicant must include a statement about the appellate body that the Applicant proposes to use for appeals against financial penalties and conditions imposed on a Licensable Body. The Applicant should also include a statement for the appellate body that it agrees to hear those appeals