

LSB Board

28 April 2011

Decision on CLC Licensing Authority application and Handbook approval

Process

- Pre-submission discussion and feedback
- Ongoing engagement
- Scrutiny of LA application against LSB designation rules and guidance on contents of licensing rules
- Advice from mandatory consultees
- Visit to CLC offices
- CLC/LSB/MOJ joint meeting
- Issues log approach for LA application and Handbook approval

Issues tackled

- Advice from the Lord Chief Justice
- Organisational competence and capability
- Regulation of non-reserved legal activities
- Approach to separate businesses
- Standard of proof in disciplinary proceedings

What has changed as a result of the process?

- Standard of proof to ensure consistency with First Tier Tribunal
- CLC Accounts Rules – to ensure clients receive interest payments

Compensation Fund

- Rules provide for single compensation fund
- Obligation to assist clients in making claims against the compensation fund
- Right for clients to request a review of decisions regarding compensation fund claims

Decisions – Licensing Authority application

The Board is invited to:

- (1) Make a recommendation to the Lord Chancellor (under paragraph 14(2) of schedule 10 of the Legal Services Act 2007 (the Act)) that the CLC be designated as a Licensing Authority for its existing reserved legal activities (probate, reserved instrument activities and the administration of oaths)
- (2) Agree that in making a recommendation for the Lord Chancellor to make an order, that the proposed licensing rules are at the same time treated as having been approved by the Board (under paragraph 16(1) of Schedule 10, Part 1 of the Act). This includes the Licensed Body (ABS) Licensing Framework and the entire CLC handbook (with the exception of any proposed amendments made in relation to the extension of reserved legal activity application)
- (3) Agree to delegate authority to approve the Licensing Authority Decision Notice and the wording of the recommendation to the Lord Chancellor to the Chairman and Chief Executive

Decisions – Handbook

The Board is invited to:

- (4) Approve in part the new Handbook and related frameworks as a change to the CLC's regulatory arrangements under schedule 4, part 3 of the Act. Annex 1 to the draft Decision Notice sets out the arrangements that are approved in full and those approved in part
- (5) Note the draft Decision Notice in relation to the schedule 4, part 3 approval and agree to delegate authority for the agreeing the final Decision Notice to the Chairman and Chief Executive