

<b>To:</b>	Board	
<b>Date of Meeting:</b>	22 February 2010	<b>Item:</b> Paper (10) 10

<b>Title:</b>	ABS: - designating Approved Regulators as Licensing Authorities - Statement of Policy in relation to cancellation of designation as a Licensing Authority
<b>Workstream(s):</b>	Widening access to the legal services market
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<b>Status:</b>	Restricted – policy development

<b>Summary:</b>
<p>The Annexes to this Paper set out:</p> <ul style="list-style-type: none"> <li>- consideration of the responses to our consultation and the final rules to govern the process by which an Approved Regulator (<b>AR</b>) can apply to LSB to become a Licensing Authority (<b>LA</b>). This includes the prescribed fee that the AR must pay. <b>(Annex 1)</b></li> <li>- consideration of the responses to our consultation and the final rules for cancelling the designation as a LA. This includes the prescribed fee that the LA must pay when it requests a cancellation. It also includes LSB's enforcement Statement of Policy on such cancellations. <b>(Annex 2)</b></li> </ul> <p>Full copies of the responses will be available at the Board meeting.</p> <p>The level of the prescribed fee has to be agreed by the Lord Chancellor. We are working with Ministry of Justice to facilitate this process, which has to involve agreement with HM Treasury.</p>

<b>Risks and mitigations</b>	
<b>Financial:</b>	N/A.
<b>FoIA:</b>	Exempt – policy development.
<b>Legal:</b>	There is a risk that the speed with which we have had to consider the responses to the consultation and the production of Board papers could be seen as too rushed. However, the fact that the responses were all relatively brief and broadly supportive of our approach, under-pinned by our engagement with ARs throughout the consultation process, mitigate the risk.
<b>Reputational:</b>	N/A.
<b>Resource:</b>	Resource overall for the ABS project is stretched. New starters should help to ease this once they are up to speed.

Consultation	Yes	No	Who / why?
Board Members:		✓	
Consumer Panel:		✓	
Others:			

**Recommendation(s):**

The Board is invited:

- (1) To note the consultation responses and our consideration of them;
- (2) *Designation of ARs as LAs* – to agree the:
  - a. Rules for Licensing Authority designation applications, including the form of written and oral representations;
  - b. Proposed level of prescribed fee of £22,000, if the applicant is a new applicant;
  - c. Proposed level of prescribed fee of £16,000 for applications to add a reserved legal activity to an existing LA’s regulatory powers, or if the applicant is applying at the same time to be a AR;
- (3) *Cancellation of designation as an LA* – to agree the:
  - a. Statement of Policy – Cancellation of designation as a Licensing Authority;
  - b. Cancellation of designation: rules for application to cancel designation as a Licensing Authority;
  - c. Proposed level of prescribed fee of £4,500 for cancellation of some but not all reserved legal activities;
  - d. Proposed level of prescribed fee of £6,000 for cancellation of all reserved legal activities;
  - e. Cancellation of designation: rules on powers of entry;
  - f. Cancellation of designation: rules on oral and written representations;
- (4) To delegate authority to approve publication to the Chairman and the Chief Executive; and
- (5) To note that we will develop our processes for assessing LA applications over the coming months.