

<b>To:</b>	Legal Services Board	
<b>Date of Meeting:</b>	28 November 2012	<b>Item:</b> Paper (12) 77

<b>Title:</b>	Regulation of special bodies/non-commercial bodies	
<b>Workstream(s):</b>	Widening access to the legal services market	
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<b>Status:</b>	Unclassified	

<b>Summary:</b>
<p>Some organisations, such as not for profit agencies (for example Law Centres and Citizens Advice Bureaux) and Community Interest Companies are given protection for a transitional period from the need to have an ABS licence. This means that they can currently provide reserved legal activities without a licence. Only the Legal Services Board (LSB) can make a recommendation to the Lord Chancellor that he should end the transitional protection. The LSB published a public consultation on 23 April 2012 setting out the main issues that it needed to consider in deciding whether to recommend ending the transitional period and when. We received a good level of responses from a wide range of organisations. The draft progress report at <b>Annex A</b> sets out the main points made by respondents and our emerging policy position on each of them.</p> <p>The transitional period should not end before April 2015. However, we recognise the significant concerns about the current regulatory framework and the LSB will not make a recommendation to end the transitional period until it is confident that there is an appropriate regulatory framework in place; no regulator has an appropriate framework at the moment. Before the transitional period ends we want special bodies to be able to apply for licences to try to reduce the likelihood of a bottleneck of applications. We will work with potential licensing authorities, special bodies and MoJ to work out how this can be done in practice with a view to enabling applications from April 2014.</p>

<b>Recommendation(s):</b>
<p>The Board is invited:</p> <ul style="list-style-type: none"> <li>(1) to note and comment on the emerging policy positions in Annex A</li> <li>(2) agree to delegate final sign off for publication to the Chairman and Chief Executive</li> </ul>

<b>Risks and mitigations</b>
<b>Financial:</b> None
<b>Legal:</b> None
<b>Reputational:</b> There is considerable political interest in the role of not for profit

	organisations and any perceived or actual increase in regulation of them is likely to come under scrutiny.
<b>Resource:</b>	Critical – there is no project manager or associate resource for this work. Recruitment is underway and we will update the Board on progress.

<b>Consultation</b>	<b>Yes</b>	<b>No</b>	<b>Who / why?</b>
<b>Board Members:</b>		<b>X</b>	No significant new policy issues
<b>Consumer Panel:</b>		<b>X</b>	They responded to the consultation
<b>Others:</b>			

<b>Freedom of Information Act 2000 (Fol)</b>		
<b>Para ref</b>	<b>Fol exemption and summary</b>	<b>Expires</b>
Annex A	s22 – intended for future publication	None