

Direction 114 issued under Part 3 of Schedule 4 to the Legal Services Act 2007 to the Institute of Chartered Accountants in England and Wales (ICAEW)

1. This is a direction issued pursuant to paragraph 19(3) of Schedule 4 to the Legal Services Act 2007 (the Act).
2. Unless stated otherwise, words in this direction are used as they are defined in the Act.
3. In accordance with paragraph 19(3) of Schedule 4 to the Act, the Board has directed that the following alterations by ICAEW to its regulatory arrangements be treated as exempt alterations for the purposes of paragraph 19(2)(c) of Schedule 4:

ICAEW Professional Indemnity Insurance (PII) Regulations: Dispensation - Right of Review

Proposed changes

4. The ICAEW PII Committee has powers, under the ICAEW's PII Regulation 5.3, to provide dispensations from the requirements of the regulations in certain circumstances. Currently there is nothing in the regulations providing applicants with a right of review in cases where applications for dispensation are either refused or granted subject to conditions.
5. In order to provide a right of review, it is proposed that new regulations and reference to guidance be inserted after PII Regulation 5.3, to enable accredited probate firms and others affected by a decision of the committee to apply to ICAEW's Review Committee for a review of the decision within 10 business days.
6. Consequential amendments have also been made to the definitions section of the rules (PII Regulation 1.8) and new regulations have been inserted at PII Regulations 1.6 and 1.7 concerning the service of notices and other documents under the regulations.

Reason for exemption direction

7. The alterations do not represent a major shift in ICAEW's regulatory approach or policy to PII. They simply introduce a right of review in cases where dispensation applications have been refused or granted.
8. The ICAEW also submitted alterations to guidance supporting the PII regulations which the LSB is not required to approve.
9. A copy of the alteration was submitted to the Board on 29 June 2017.
10. This direction is to be deemed made on and to be effective from 10 July 2017.

**For and on behalf of the Legal Services Board
10 July 2017**