

**Direction 123 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:

*Amendments to the Investigation Committee Regulations, Disciplinary Committee Regulations, Appeal Committee Regulations and Fitness Committee Regulations*

***Proposed changes***

4. The ICAEW has agreed a number of changes to these committee regulations which supplement its Disciplinary Byelaws. The changes that are most relevant to its role as an approved regulator (of probate activities) under the Legal Services Act 2007 are:
  - The deletion of regulation 23(a) of the Investigation Committee Regulations concerning the quorum requirements for the Legal Services Sub-Committee in considering legal services complaints, which duplicate existing requirements in the Disciplinary Byelaws.
  - Amendments to regulation 24 of the Fitness Committee Regulations concerning the disclosure of information supplied during the disciplinary process for consistency with the other committee regulations.
5. Other proposed amendments are intended to clarify and/or streamline complaints-handling and disciplinary processes and the fitness regime, and for consistency between the committee regulations and the Disciplinary Byelaws. The amendments also remove duplication where requirements in the committee regulations are already contained in the Disciplinary Byelaws.

***Reason for exemption direction***

6. The alterations that mostly have an impact on ICAEW members undertaking probate activities are minor and procedural and do not represent a significant shift in regulatory policy or approach.
7. The LSB has issued exemption directions in respect of three previous changes to ICAEW's Disciplinary Byelaws, which these committee regulations supplement, and there were no outstanding concerns from these decisions.
8. A copy of the alteration was submitted to the Board on 15 May 2018.
9. This direction is to be deemed made on and to be effective from 24 May 2018.

**For and on behalf of the Legal Services Board**  
**24 May 2018**