

OPERATIONAL PROTOCOL

1. Introduction

This Operational Protocol (OP), agreed between the Association of Costs Lawyers (ACL) and the Costs Lawyers Standards Board (CLSB), allocates responsibility for certain duties or tasks to each of the parties from the effective date. It supplements (and should be read together with) the MOU agreed by the parties on the same date. Terms used in the MOU have the same meaning in this OP.

For the purposes of the Internal Governance Rules 2019, ACL is the approved regulator of the Costs Lawyer profession with a residual role under the IGRs and CLSB is the profession's regulatory body.

2. Regulatory arrangements

CLSB will:

- 2.1 Set professional standards for Costs Lawyers by way of a Code of Conduct and other such regulatory arrangements as it considers appropriate, dealing with issues such as continuing professional development, practising rights and disciplinary processes.
- 2.2 Implement appropriate processes for supervising compliance with those regulatory arrangements.
- 2.3 Determine whether any amendments to the regulatory arrangements is necessary and, if so, what form the amendment should take.
- 2.4 Make all implemented regulatory arrangements available to ACL and inform ACL of consultations regarding changes to regulatory arrangements.

ACL will:

- 2.5 Only seek to influence determinations about CLSB's regulatory arrangements in the exercise of its representative functions.
- 2.6 Not prejudice the independent judgement of CLSB in determining its regulatory arrangements.
- 2.7 Promptly inform CLSB if ACL makes or intends to make a decision, plan, communication or other arrangement which may reasonably be considered likely to undermine the discharge of regulatory functions in compliance with section 28 of the LSA.

3. Competency

CLSB will:

- 3.1 Set training standards for Costs Lawyers, for the purposes of both initial qualification and continuing professional development (CPD).
- 3.2 Accredite the providers of training to Trainee Costs Lawyers and review this accreditation on a needs be basis.
- 3.3 Set entry level requirements that a person must meet before they can become a Trainee Costs Lawyer.

- 3.4 Monitor compliance of Costs Lawyers with ongoing competency requirements, for example by auditing CPD attainment.

ACL will:

- 3.5 Retain records of ACL membership and event attendance for at least three years and provide such information to CLSB upon request to facilitate a CLSB audit of CPD attainment.

4. Finance and governance

CLSB will:

- 4.1 Comply with its obligations under section 51 of the LSA in relation to seeking approval of the Legal Services Board for the level of its practising certificate fee.
- 4.2 Collect practising fees independently of ACL membership fees.
- 4.3 Collect the levies payable to the Legal Services Board and Office for Legal Complaints as part of the practising fee and pay these levies to the relevant bodies.
- 4.4 Provide the following information as a matter of course, either on its website or directly to ACL where it is not otherwise published, to enable ACL to perform its residual role:
- financial accounts (annual);
 - budget (annual);
 - business plan (annual);
 - strategy (ad hoc);
 - material changes to governance arrangements (ad hoc);
 - material changes to structure or staffing arrangements (ad hoc);
 - risk registers (quarterly);
 - performance indicators (ad hoc);
 - board minutes (quarterly and ad hoc).

A consolidated set of these documents will be provided to ACL annually, at least one month prior to the financial year end, unless ACL asks for the documents to be provided on a different date by giving CLSB at least two weeks' written notice.

- 4.5 Promptly notify ACL of any insolvency event.
- 4.6 Promptly notify ACL of any issues regarding non-compliance with the Internal Governance Rules 2019.

ACL will:

- 4.7 Collect ACL membership fees independently of practising fees.
- 4.8 Provide a copy of its annual accounts to CLSB on request.
- 4.9 Promptly notify CLSB of any insolvency event.
- 4.10 Maintain a log of all issues regarding non-compliance with the Internal Governance Rules 2019, including the action taken and the result.

5. Practicing certificates

CLSB will:

- 5.1 Establish the criteria for the issue of a Costs Lawyer practising certificate and issue practising certificates to practitioners who meet those criteria.
- 5.2 Maintain the register of authorised and regulated Costs Lawyers in compliance with the LSA.

- 5.3 Inform ACL of any Costs Lawyers who have indicated an intention not to renew their practising certificate for the following practising year.

ACL will:

- 5.4 Notify CLSB of successful completion of the Costs Lawyer qualification by a Trainee Costs Lawyer and send CLSB a copy of the qualification certificate together with the qualifying Costs Lawyer's contact details.

6. Professional conduct complaints

CLSB will:

- 6.1 Deal with professional conduct complaints against a Costs Lawyer, in accordance with its regulatory arrangements, independently of ACL.

ACL will:

- 6.2 Promptly forward any professional conduct complaints against a Costs Lawyer to CLSB.
- 6.3 Provide to CLSB any reasonably required documentation or other information in relation to a conduct complaint within seven days of request.
- 6.4 Provide the Legal Ombudsman with any reasonably required documentation or information in relation to a service complaint within seven days of request.

7. General

- 7.1 ACL will invite CLSB to attend relevant events and conferences to facilitate two-way communication between CLSB and the regulated community.
- 7.2 Both parties will promptly send to the other any communications relevant to their respective roles.
- 7.3 Both parties will copy to the other any notification received on change of name, address, employer or email to ensure respective databases are kept up to date.
- 7.4 Both parties will ensure that any exchange of personal data envisaged in the MOU or OP is carried out in compliance with data protection laws and will take all reasonable measures to ensure that the envisaged exchange of personal data can lawfully take place (for example, by informing data subjects that personal data will be shared between ACL and CLSB for specified purposes and obtaining consent where necessary).
- 7.5 All introductions, headings and attachments form part of this OP.
- 7.6 This OP will be reviewed on an annual basis to ensure it is current and fit for purpose. Either party may request that it be reviewed on an ad hoc basis if a need arises. Any changes will be approved by the ACL Council and CLSB board and signed by an authorised representative.