

Annex 1 : Tracked Rule changes

SRA Authorisation Rules for Legal Services Bodies and Licensable Bodies (2011)

Part 2 : Authorisation applications and decision period

Rule 4: Applications for authorisation

4.1 A *licensable body* or a *legal services body* may make an application for *authorisation* in accordance with these rules.

~~4.2 An application by a licensable body for authorisation must include a statement about what reserved legal activities the body seeks authorisation for.~~

~~4.3 Where an application by a licensable body for authorisation relates to more than one reserved legal activity, the~~ The SRA may grant the application in relation to one or more reserved legal activity ~~all or any of them.~~

Part 3: Conditions of Authorisation

Rule 8.6: Management and control

8.6 Management and control

(a) An *authorised body* must ensure that:

- (i) any *manager* or *owner* of the *authorised body*; or
- (ii) any manager of a *body corporate* which is a manager ~~or owner~~ of the *authorised body*;

has been approved by the SRA under Part 4

Guidance Note following Rule 8

~~(vii)(A) The obligations to record non-material breaches under Rule 8.5(c)(i)(C) and Rule 8.5(e)(i)(B) do not require a record to be kept in any particular form nor do they require the COLP or COFA to make a separate record of each non-material breach of which a record already exists in the firm's papers. How such breaches are recorded and monitored is a matter for firms to decide as part of their compliance plan bearing in mind that it is necessary for a firm to be able to detect patterns of non-material breaches which when taken together amount to material non-compliance which the firm is required to report. (Licensed bodies also need to bear in mind the obligations upon the COLP and COFA to report non-material failures as part of the annual information report).~~

Part 4: Approval of managers, owners and compliance managers

Rule 13: Application for approval

Rule 13.2

13.2 The SRA will deem a *person* to be approved as suitable to be a *manager* or *owner* of an *authorised body* under this Part if:

(a) that *person* is:

- (i) a *solicitor* who holds a current practising certificate;
- (ii) an *authorised body*;
- (iii) an *REL*; or
- (iv) an *RFL*;

- (b) there is no condition on the *person's* practising certificate, registration or *authorisation* as appropriate, preventing or restricting them from being a *manager*, *owner* or *interest holder* of an *authorised body* or being a *sole practitioner*;
- (c) the *SRA* is notified on the *prescribed form* ~~at least seven days~~ in advance of the *person* becoming a *manager* or *owner* of the *authorised body*; and
- (d) the *SRA* has not ~~previously~~ withdrawn its approval of that *person* to be a *manager* or *owner* under Rule 17.

New Rule 13.3

13.3 The *SRA* will deem a *person* to be approved as suitable to be a *compliance officer* of an *authorised body* under this Part if:

- (a) that *person* is an individual who is a *sole practitioner* or a *lawyer* who is a *manager* of the *authorised body*;
- (b) the *authorised body* has an annual turnover of no more than £600,000;
- (c) the *SRA* is notified of the appointment of the *person* on the *prescribed form*, correctly completed, in advance of the appointment commencing;
- (d) that *person* is not subject to a regulatory investigation or finding, including a *disciplinary decision* or a *SRA finding*, or an application to or a finding of the *Tribunal*, or any equivalent investigation or finding of another regulatory body;
- (e) notwithstanding the generality of sub paragraph (d), the *SRA* has not previously refused or withdrawn its approval of that *person* to be a *compliance officer* under Rule 17; and
- (f) the *person* is not a *compliance officer* of any other *authorised body*.

Rule 14: Approval process and production of information or documentation

Rule 14.3

~~14.3 The *candidate* must declare in the application that the information supplied about them is correct and complete.~~

Rule 14.4

14.4 The *SRA's* decision to approve or refuse approval must be notified in writing to the *applicant body* or *authorised body* as appropriate, ~~and separately to the *candidate*~~, as soon as possible.

Rule 14.8

14.8 The *SRA* may at any time require the production of information or documentation from:
(a) a *person* who has been approved as an *owner*, *manager* or *compliance officer* under this Part (including a deemed approval under Rule 13.2 or 13.3);

..

in order to satisfy the *SRA* that the *person* met, meets, or continues to meet the criteria for approval.

Rule 17: Withdrawal of approval

17.1 Where the *SRA* has granted an approval of a *person* to be a *manager*, *owner* or *compliance officer* of a body (including a deemed approval under Rule 13.2 or Rule 13.3), it may subsequently withdraw that approval if:...

Rule 18: Temporary emergency approvals for compliance officers

18.1 If an *authorised body* ceases to have a *COLP* or *COFA* whose designation has been approved by the *SRA* (including a deemed approval under Rule 13.3), the *authorised body* must immediately and in any event within seven days:...

Part 5: Notification, effect and duration of authorisation

Rule 22: Revocation and suspension of authorisation

22.1 Subject to Rule 23, the *SRA* may revoke or suspend a body's *authorisation*, where:

(a) in the case of an authorised body:

(i) authorisation was granted as a result of error, misleading or inaccurate information, or fraud;

(ii) the body is or becomes ineligible to be authorised in accordance with the criteria set out in Rule 6;

~~(iii) the SRA is satisfied that the body has no intention of carrying on the legal activities for which it has been authorised under these rules;~~

(iv)...

SRA Practising Regulations 2011

Part 1: Applications, conditions and appeals

Regulation 3: Application following certain events

3.1 Regulation 3 applies to an initial application for a practising certificate, an application for replacement of a practising certificate, an initial application for registration in the *register of European lawyers* and an application for renewal of registration in the *register of European lawyers*, in any of the following circumstances, subject to exceptions set out in 3.3 below, relating for example to a previously declared event.

(a) ..

(k) The applicant:

(i) has been adjudged bankrupt and discharged;

(ii) has entered into an individual voluntary arrangement or a partnership voluntary arrangement under the Insolvency Act 1986;

(iii) has at any time during the last 36 months of trading of a recognised body, a licensed body or an authorised non-SRA firm which **has been the subject of a winding up order, an administration order or administrative receivership, or** has entered into a voluntary arrangement under the Insolvency Act 1986, **or has been voluntarily wound up in circumstances of insolvency**, been a manager of that recognised body, licensed body or authorised non-SRA firm;

(iv) has at any time during the last 36 months of trading of a company or of an LLP which has been the subject of a winding up order, an administration order or administrative receivership; or has entered into a voluntary arrangement under the Insolvency Act 1986; or has been voluntarily wound up in circumstances of insolvency, been a director of that company or a member of that LLP.

SRA Code of Conduct 2011

1st section: You and your client Chapter 2: Equality and Diversity Outcomes

You must achieve these outcomes:

O(2.1) you do not discriminate unlawfully, or victimise or harass anyone, in the course of your professional dealings;

O(2.2) you provide services to *clients* in a way that respects diversity;

O(2.3) you make reasonable adjustments to ensure that disabled *clients*, *employees* or *managers* are not placed at a substantial disadvantage compared to those who are not disabled, and you do not pass on the costs of these adjustments to these disabled *clients*, *employees* or *managers*;

O(2.4) your approach to recruitment and employment encourages equality of opportunity and respect for diversity;

O(2.5) *complaints* of discrimination are dealt with promptly, fairly, openly, and effectively; and

O(2.6) you have appropriate arrangements in place to ensure that you monitor, report and, where appropriate, publish workforce diversity data'.

Note: For more information on collecting, reporting and publishing diversity data, including compliance with data protection legislation, please see guidance.

Indicative behaviours

Acting in the following way(s) may tend to show that you have achieved these outcomes and therefore complied with the *Principles*:

IB(2.1) having a written equality and diversity policy (which may be contained within one or more documents, including one or more other policy documents, as appropriate) which is appropriate to the size and nature of the *firm* and includes the following features:

(a) a commitment to the principles of equality and diversity and legislative requirements;

(b) a requirement that all employees and managers comply with the outcomes;

(c) provisions to encompass your recruitment and interview processes;

(d) details of how the firm will implement, monitor, evaluate and update the policy;

(e) details of how the firm will ensure equality in relation to the treatment of employees, managers, clients and third parties instructed in connection with client matters;

(f) details of how complaints and disciplinary issues are to be dealt with; and

(g) details of the firm's arrangements for workforce diversity monitoring, and

(h) details of how the firm will communicate the policy to employees, managers and clients;

IB(2.2)...

SRA Training Regulations 2014 - Qualification and Provider Regulations

Part 2: Education and training requirements

2.1 We will admit you as a *solicitor* if:

(a) you have completed

i the *academic stage* and *vocational stage*; or

ii. an apprenticeship;

~~(b) you have completed the vocational stage;~~

(c) you have complied with the *SRA Admission Regulations*; and

(d) we are satisfied as to your *character and suitability* to be a *solicitor* in accordance with Part 1 of the *SRA Suitability Test*.

2.2 We may admit you as a *solicitor* if you have completed all or any part of 2.1(a)(i) by equivalent means.

2.3 Where 2.2 applies *you* must apply to *us* in writing in the *prescribed form* and support *your* application with such evidence as *we* consider necessary.

2.4 If *you* are subject to the *QLTSR* those regulations apply to *your* admission as a *solicitor* and *you* are not subject to these regulations.

2.5 *You will have completed an apprenticeship for the purposes of 2.1(a)(ii) if you have met the requirements set out in the assessment plan for the Apprenticeship Standard for a Solicitor (England) or set out in the Apprenticeship Framework specified in the Level 7 Higher Apprenticeship in Legal Practice (Wales), including successfully passing an assessment which is either conducted by the SRA or approved by the SRA as suitable for the purpose.*

Regulation 5: Recognised training

5.1 Subject to regulation 2.2, **and unless you fall within regulation 2.1(a)(ii) or 2.2**, you must complete a period of recognised training before we admit you as a solicitor.

SRA Handbook Glossary 2012

Apprenticeship Standard for a Solicitor (England) means the standard approved by the Department for Business, Innovation and Skills in 2014 and as varied from time to time.

Level 7 Higher Apprenticeship in Legal Practice (Wales) means the standard approved by the Welsh Government in March 2015 and as varied from time to time.