LEGAL SERVICES BOARD

Summary of decision

The purpose of this summary sheet is to provide a high level and accessible overview of the Legal Services Board's ("LSB") decision. Readers are recommended to read the formal decision notice below for further details. **This summary is not and should not be taken as a formal part of the LSB's decision notice under the Legal Services Act 2007 ("the Act")**.

The LSB's decision is to grant in full the application from CILEx Regulation Limited ("CRL") for approval of alterations to its regulatory arrangements to provide a route for it to authorise and regulate persons previously authorised by ACCA to carry on probate activities. ACCA intends to withdraw from legal services regulation by applying for de-designation as an approved regulator. These arrangements will allow such persons on application, to continue to carry on probate activities authorised by CRL, where they have not chosen to be authorised by an alternative approved regulator. The arrangements will also allow other persons regulated by ACCA in its capacity as an accountancy regulator, to apply to CRL for authorisation to carry on probate activities and other reserved legal activities.

The alterations include:

- the creation of a new class of persons authorised by CRL to carry on probate activities who were previously authorised by ACCA as an approved regulator: CILEx Practitioner (ACCA-Probate), and CILEX-ACCA Probate Entity.
- a new CILEx Regulation-ACCA Handbook ('the Handbook'), which contain the regulatory arrangements, authorising and regulating CILEx Practitioners (ACCA-Probate) and CILEX-ACCA Probate Entities.
- amendments to the CILEx Regulation Enforcement Rules 2020, the Strategic Risk Committee Rules and Admissions and Licensing Committee Rules.

Following assessment of CRL's application, the LSB has concluded that the changes do not meet the conditions for refusal under paragraph 25(3) of Schedule 4 to the Act.

The decision notice explains our assessment of the main issues that we considered in reaching our decision. It also outlines the commitments made by CRL that were relied upon in our assessment, as well as our expectations for CRL as it implements, monitors and evaluates the impact of the alterations.

Decision notice

CILEx Regulation Limited application for approval of alterations to its regulatory arrangements to enable it to authorise and regulate persons previously authorised by ACCA as an approved regulator to carry on probate activities (non-contentious).

1. The Legal Services Board ("LSB") has granted an application from CILEx Regulation Limited ("CRL") for approval of changes to its regulatory arrangements to provide a route for CRL to authorise and regulate persons previously authorised by ACCA to carry on probate activities. The regulatory arrangement approved are: the CILEx Regulation-ACCA Handbook ('the Handbook'), and amendments to the CILEx Regulation Enforcement Rules 2020, the Strategic Risk Committee Rules and Admissions and Licensing Committee Rules.

2. The LSB is required by Part 3 of Schedule 4 to the Legal Services Act 2007 ("the Act") to review and grant or refuse applications by approved regulators to make alterations to their regulatory arrangements. The Chartered Institute of Legal Executives (CILEX) is an approved regulator and CRL is the regulatory body to which CILEX has delegated its regulatory functions.

3. This decision notice sets out the decision taken, including a description of the changes. The notes at page 12 of this notice explain the statutory basis for the decision.

Chronology

- The LSB confirmed receipt of an application from CRL on 23 July 2021.
- The 28-day initial decision period for considering the application ended on 19 August 2021.
- On 12 August 2021 the LSB issued an extension notice which extended the decision period to 20 October 2021.
- This decision notice is effective from 19 October 2021.
- The decision notice will be published on the LSB's website by 21 October 2021.

Background

4. On 23 July, CRL submitted its application in respect of its proposal to provide a route for it to authorise and regulate persons previously authorised by ACCA to carry on probate activities, in light of ACCA's intention to withdraw from legal services regulation[1]. ACCA is currently an approved regulator of the reserved legal activity of probate activities that are non-contentious. The process set out in the application covers the authorisation and regulation of both individuals and firms and how consumer protections will be affected. As of 18 June 2021, there were 65 firms and 88 individuals authorised and regulated by ACCA to carry on probate activities. The creation of this route will not preclude persons so authorised by ACCA from applying to another approved regulator for such authorisation.

[1] This will be subject of an application by ACCA for cancellation of its designation as an approved regulator under the Act which will require approval by the LSB and Lord Chancellor.

5. The application also sets out a pathway for persons otherwise regulated by ACCA in its capacity as a regulator of accountancy, to be authorised by CRL for probate activities as well for its other reserved legal activities[2].

6. Paragraphs 17 to 38 of the application provides background and information on the proposed regulatory arrangements, for CRL and ACCA.

7. Paragraphs 39 to 42 of the application explains ACCA's current approach to regulation of persons it authorises to carry on probate activities ("ACCA probate practitioners"). The application states that as probate is offered by ACCA as an ancillary activity to general accountancy practice, this allows it to be supervised within the normal regulation that ACCA applies to its accountancy firms. The regulatory arrangements comprise the ACCA Rulebook, the ACCA Admissions and Licensing Rules and the course outcomes for individuals to meet to be authorised as a probate practitioner.

Consultation

8. Paragraphs 198 to 207 of the application set out the consultation process which ran from 12 August 2020 to 7 October 2020 and received six responses. The consultation document can be found at Appendix 5 of the application. The analysis of responses and CILEx Regulation's response is attached at Appendix 6[3].

9. CRL held a ACCA probate practitioners' roundtable on 16 October 2020. This gave all ACCA practitioners the opportunity to submit questions prior to the event as well as ask questions of ACCA and CRL. There was also a representative from Locktons present to answer questions on the proposed Professional Indemnity Insurance (PII) changes. The Q & A responses can be found at Appendix 7.

Summary of proposed changes

10. The key changes include:

- the creation of a new class of persons, authorised by CRL to carry on probate activities who were previously authorised by ACCA as an approved regulator: CILEx Practitioner (ACCA-Probate), and CILEX-ACCA Probate Entity.

- the creation of the CILEx Regulation-ACCA Handbook ('the Handbook'), which contains regulatory arrangements, authorising and regulating CILEx Practitioners (ACCA-Probate) and CILEX-ACCA Probate Entities.

[2] Immigration services, conveyancing, rights of audience and conduct of litigation.

[3] The themes raised in consultation related to, choice of regulator, timescales for the transfer, quality and resource, risks to consumer protection/separation of the probate activities from non-reserved activities, creating a two-tier regulation, and qualification recognition.

- consequential amendments to CILEx Regulation Enforcement Rules and the Strategic Risk Committee Rules, which support the Handbook, and a minor drafting correction to the Admissions and Licensing Committee Rules.

Explanation of proposed approach to regulation and changes

Model of regulation

11. Under the proposed model, ACCA will retain responsibility for the firm's unreserved activities of estate administration services, and any unreserved activities associated with the practice of probate, and CRL will authorise individuals to undertake probate activities only if they are working in an ACCA regulated firm or in-house. This has informed CRL's proposed model of regulation for ACCA probate practitioners and firms, set out at paragraphs 50 to 60 of the application. The proposal involves the creation of a new class of persons authorised by CRL to carry on probate activities:

    a) as an individual - CILEx Practitioner (ACCA-Probate), and

    b) as an entity - the CILEX-ACCA Probate Entity.

12. Paragraph 14 of the application explains what CRL consider to be the benefits of the proposal of a new class of entity, which includes: the effective and clear separation of the reserved activity of probate and the main accountancy business, no requirement for Anti-Money Laundering ("AML") supervision as the new entity will not hold client money, and thus avoiding regulatory duplication.

13. Although not all firms authorised by ACCA to carry on probate activities ("ACCA Probate firms ") are currently set up as separate entities from the ACCA regulated accountancy practice, CRL considers that to do so is quick and cost-effective. Whereas to keep the probate and unreserved activities within a single entity (a CILEX-ACCA-Probate Entity ABS authorised by CRL[4]) would increase the costs of providing probate activities and ultimately could increase the costs to the consumer. CRL has explained that its proposed model offers the least risk and cost to the consumer.

14. Currently, there is no practising fee payable to ACCA to register as an individual authorised to provide probate activities, but the fee for a Firm's Legal Activities Certificate in 2020 is £250 per authorised individual. As the majority of affected firms operate as sole traders, with the remainder primarily being two partner firms, CRL is proposing the following fee structure to be in place for 2021:

    - Individual Practising Certificate Fee £100 for a CILEx Practitioner (ACCA Probate)

    - Firm fee £200 (covering annual return checks) for a CILEX-ACCA Probate Entity

[4] This would enable existing ACCA firms to operate both accountancy and legal activities within a single firm regulated by CILEx Regulation.

- Total £300 per firm minimum.

15. CRL has explained that it has been able to keep the fee relatively low as the regulatory infrastructure allows for the absorption of additional regulated firms and individuals with limited additional cost. For individuals, CRL also requires a DBS check prior to authorisation. This will increase the cost to individuals by £37 (including VAT).

16. CRL also propose to increase the minimum level of PII cover to £500,000 for a CILEx-ACCA Probate Entity in line with the standards required by ICAEW for its probate activities. The current ACCA requirement for PII cover starts at £100,000 and increases based on the turnover of the firm. CRL has assessed that the impact of this increase on the 25% of firms that they estimated do not already have this level of PII cover, would be an increase in their annual premium of £126. CRL intends to extend ACCA's existing requirement for Fidelity Guarantee Insurance[5] to CILEX-ACCA Probate Entities rather than require them to contribute to CRL's Compensation Fund, given that the entities will not hold client money and that such a requirement would increase the cost of regulation to those firms by at least £500 each year.

The Handbook

17. CRL states it has sought to adopt, as far as possible, regulatory arrangements consistent with the Legal Activities Regulations 2018 in the ACCA Rulebook[6] that apply to ACCA Accountancy Practices and individuals working for them who carry on probate activities, to provide a proportionate alternative for those who choose to transfer to CRL, while ensuring appropriate consumer protection. The proposed rules governing the authorisation and regulation of CILEX-ACCA Probate Entities are contained in the new CILEx Regulation-ACCA Handbook ("Handbook"). CRL state the proposed rules have been modified from the ACCA's Regulations for the purposes of clarity and the avoidance of inconsistency in regulatory practice. The details of the contents of the Handbook are set out in the tables at pages 18 to 21 of the application.

18. CRL has also proposed amendments to the CILEx Regulation Enforcement Rules 2020 and the Strategic Risk Committee Rules which support the Handbook, (full details of the new rules can be found at paragraphs 90 to 145 of the application) and a minor change to its Admissions and Licensing Committee Rules.

Suitability of CILEx Regulation's regulatory framework to support the regulation of ACCA probate practitioners and probate firms

19. Paragraphs 43 to 49 and 72 to 85 of the application summarises CRL's proposed approach to authorising and regulating persons authorised by ACCA to carry on probate activities and makes clear the requirements of all CILEX-ACCA Probate Entities and CILEx Practitioners (ACCA-Probate), which includes:

[5] To cover dishonesty or fraud by the firm or its employees.
[6] Annex 1 Appendix 4 to the Global Practising Regulations.

- making annual information returns, informing each entity's risk profile.

- being subject to first-tier complaints handling rules within the Code of Conduct which require entities to signpost clients to the Legal Ombudsman for service matters (and to CILEx Regulation for conduct matters)

- having in place appropriate PII, and Fidelity Guarantee Insurance

- complying with required transparency rules; and

- being subject to the requirement for an affiliated ACCA Accountancy Practice.

20. ACCA members authorised to carry on probate activities within a CILEX-ACCA Probate Entity will be required to meet the appropriate standards set by both ACCA and CRL. The ACCA Code of Ethics and Conduct sets out the standards expected of individual ACCA members, while the Handbook will determine the standards expected of authorised persons operating within a CILEX-ACCA Probate Entity.

21. Paragraphs 73 to 85 of the application, set out CRL's approach to regulating and authorising ACCA individuals (including application and supervision).

22. Paragraphs 79 to 81 of the application explains how CRL awards practice rights in regulated legal activities (reserved legal activity and immigration and advice or immigration services), and that applicants must demonstrate competence in their specialist area of practice. There is a competence framework for each reserved and regulated area which sets out the knowledge, skills and experience that applicants must demonstrate. As existing ACCA individuals authorised for probate are authorised persons, through CRL exemptions policy, CRL would be able to transfer their competence from ACCA without any further assessment and would be subject to the annual Continuing Professional Development (CPD) requirements with CRL, to provide for the ongoing development of knowledge and skills to ensure competence to deliver legal services to consumers.

23. The application explains that regulation by CRL allows the opportunity for CILEX-ACCA Probate Entities to expand into other areas of reserved legal work, by becoming authorised as a CILEx Authorised Entity and subsequently licensed as an ABS, as per CRL's rules.

24. Paragraph 107 sets out how CRL will ensure that CILEX-ACCA Probate Entity will meet the appropriate standards of conduct set by both ACCA and CRL.

25. Paragraphs 112 and 113 of the application note that CRL intends to maintain ACCA's existing requirements as regards complaints procedures. These procedures outline the right of the consumer to complain to the Legal Ombudsman and broadly align with the policies and procedures of CRL in this regard.

Risks identified for CILEx- ACCA Probate Entities

26. Paragraphs 148 to 156 set out how CRL intends to mitigate the perceived risk of a two tier system of regulation for firms and individuals wishing to carry probate as an ancillary service and those firms CRL regulate which offer one of the reserved legal activities as their principal

service. The application explains that there is a clear differentiation between the route that an ACCA Accountancy Practice may pursue in becoming authorised for non-contentious probate as an ancillary activity, from that of an applicant seeking to become a CILEx Authorised Entity providing legal services as their main role, that is, to become authorised for any of the reserved and regulated activities.

27. CRL states that to ensure there is no perceived risk as regards inconsistency of regulatory practice between CRL and ACCA, and to avoid any uncertainty over responsibilities, CILEX-ACCA Probate Entities will not be permitted to hold client money, and AML supervision and regulation by OPBAS will continue to be supervised by ACCA under the ACCA Accountancy Practice.

28. Paragraphs 157 to 187 sets out how CRL will manage applications and authorisations.

Key issues considered during the assessment period

29. In carrying out our assessment of the current application, the LSB has considered the following issues and taken account of feedback provided by CRL.

Regulatory conflict

30. CRL's model of regulation involves dual regulation, in that there will be regulatory requirements imposed on the CILEX-ACCA Probate Firm and the CILEx Practitioner (ACCA Probate) as an employee or manager of the firm by CRL, and regulatory requirements imposed on the individual by another approved regulator or an external regulator. To ensure that each regulator avoids taking regulatory actions that are incompatible or even in conflict with each other (and each regulator's objectives), CRL is required under the Act to set out how it will prevent these conflicts so far as is reasonably practicable and appropriate.

Between CILEx Regulation and another approved regulator

31. Section 52 of the Act requires that the regulatory arrangements of an approved regulator must make provision, as is reasonably practicable, to prevent regulatory conflicts between the requirements of one approved regulator and another. Regulation 20.1 of the Handbook sets out how CRL will deal with issues of regulatory conflict. We noted to CRL, that this provision, as submitted with its application, did not align with section 52 nor reflect the circumstances in which regulatory conflict might potentially arise in respect of its proposed model of regulation. CRL has revised regulation 20.1 to clarify that where there is a regulatory conflict between the regulatory arrangements imposed on a CILEX-ACCA-Probate Firm or a CILEX Practitioner (ACCA-Probate) by CRL as the regulator of the firm and individual (as an employee or manage of that firm), and the regulatory arrangements imposed on the individual by another approved regulator, then the requirement imposed by CRL (as the entity regulator) prevails over the requirement imposed on the individual by the other approved regulator.

Between CILEx Regulation and an external regulator

32. Similarly, there is a requirement under section 54 of the Act to make provision, as is reasonably practicable, to prevent and resolve regulatory conflict and prevent the unnecessary duplication of regulatory requirements between those of the approved regulator, and those of an external regulatory body (i.e. not another approved regulator). Regulation 20.2 of the Handbook is intended to address section 54. We noted to CRL that this provision, as submitted with its application, did not align with section 54. CRL has revised regulation 20.2 to make clear that if an external regulatory conflict arises between a requirement imposed on, for example, (i) an ACCA accountancy practice and (ii) a CILEX Practitioner (ACCA-Probate) working within an ACCA accountancy practice, then the requirement imposed by the external regulatory body (in this instance ACCA, as the regulator of this accountancy practice) will prevail over the requirement imposed by the CRL. This is to be distinguished from the scenario where a CILEx Practitioner (ACCA-Probate) is working within a CILEX-ACCA Probate Firm, where the requirement imposed by CRL prevails in accordance with 20.1 above.

33. We consider that these revised paragraphs in the Handbook align more closely with the requirements of both sections 52 and 54 and as such are satisfied that CILEx Regulation has provided clarity on its approach, so far as reasonably practicable in the circumstances, to prevent regulatory conflict between CRL, other approved regulators and external regulators. Further, paragraph 5 of the Memorandum of Understanding ("MoU") between CILEx, CRL and ACCA annexed to the application, provides a framework for co-ordination and data sharing on such matters between CRL and ACCA. We note the MOU to which CILEX as AR is a party, is subject to the Internal Governance Rules made under section 30 of the Act.

<u>Risk of individuals previously authorised by ACCA practising probate unregulated</u>

34. We were concerned about the risk that ACCA Probate practitioners who choose not to transfer to CRL or another regulator, would continue to practise probate once ACCA has been de-designated. This risk is potentially heightened because CRL's model of regulation requires the ACCA probate practitioners, who have not already set up a separate entity, to take active steps before transfer by forming a new type of entity. However, CRL has explained that to do so is not costly (they estimate it costs £10) and is relatively straightforward for accountants.

35. Further, at appendix 11 of the application, CILEX Regulation has set out a process for the transfer of existing ACCA Probate firms and how ACCA and CRL will work together to manage this process including appropriate communication to ACCA Probate firms and practitioners and who will take responsibility for specific actions. Whilst an ACCA probate firm's authorisation with ACCA will expire on 31 December 2021 (unless extended), ACCA have set 30 November 2021 as the last date to submit an online application to enable the processing of all applications for commencement of authorisation as a CILEX-ACCA Probate Entity and CILEx Practitioners (ACCA-Probate) prior to 1 January 2022.

36. We note the steps CRL and ACCA plan to take and the timetable for doing so tomitigate against this risk. We also note that ACCA will be required to make certain commitments concerning any enforcement and disciplinary action they may take against ACCA regulated

probate practitioners who fail to transfer to another approved regulator and continue to practice unregulated, in their de-designation application to the LSB. An important function of a regulator, including CRL is to take appropriate action against those who undermine the regulated community by carrying on activities without incurring the costs of regulation. We expect CRL to take proportionate action in this regard in the public interest; such action may not need to result in criminal prosecution (although conceivably it might and we note regulators in other sectors instigate criminal proceedings). For the avoidance of doubt, responsibility for taking action in these circumstances rests with CRL as the relevant regulatory body and/or ACCA as the former approved regulator.

Monitoring of the proposed separation between the ACCA regulated entity and the CILEx-ACCA Probate Entity

37. We considered carefully how CRL would monitor the proposed separation between the ACCA regulated entity and the CILEx-ACCA Probate Entity in terms of separate reporting requirements, client care letters and external branding to assure consumers.

38. Paragraph 229 of the application notes that during the first year CRL will work closely with the ACCA to refine the working arrangements between them, particularly to address any issues related to:

- Consumer protections
- Client information
- Disciplinary matters and
- Any inconsistency in regulatory practice related to the separation of work for both firms and CILEx Regulation and ACCA.

39. This will be supported by the MoU between CILEx, CILEx Regulation and ACCA that was submitted with the application, which provides a framework for co-ordination of regulatory matters associated to CILEX-ACCA Probate Entities and those Accountancy Professionals[7]. Appendix 10 of the application sets out a Framework for Guidance which CRL will provide to CILEx ACCA Probate Entities on matters such as client care letters and transparency.

Complaints – communicating Legal Ombudsman's jurisdiction and other rights of redress to consumers

40. As set out in paragraph 25 above, the application states that CRL has maintained ACCA's existing requirements as regards consumer complaints procedures to the Legal Ombudsman (LeO) in the CILEx Regulation-ACCA Handbook, which broadly aligns with the policies and procedures of CRL. It also notes that LeO has confirmed that a consumer complaint will be able to be referred to it, whether the work is carried out in the CILEX-ACCA Probate Entity or ACCA Accountancy practice. We asked CRL to confirm that a final position had been reached with LeO to ensure that consumers understand their rights and any potential risk of consumer confusion is mitigated before firms can be permitted to transfer to CRL. In response, CRL has confirmed that LeO will cover complaints about estate administration

[7] This applies to CRL and ACCA alone.

from ACCA practitioners as well as any probate complaints from CILEX-ACCA Probate Firms.

Regulatory impact assessment

41. At paragraph 221 to 227 of the application, CRL considers the impact of the proposal on ACCA Probate Practitioners, and in doing so has made the following points:

- The proposal to change the regulatory arrangements is to bring ACCA-Probate practitioners into (as far as possible) the approach currently taken by ACCA to the regulation of these firms and has only created changes where it is in the interests of the consumer to do so (e.g. minimum PII requirements, need for compliance with transparency rules).
- The application makes clear that this proposal is to enable ACCA firms to continue to offer probate activities but that it is not the only available option to existing ACCA-Probate firms. The alternatives open to ACCA-Probate firms are to:
  - Join CRL as a CILEx Authorised entity (ABS)
  - Join another approved regulator authorised to regulate probate firms
  - Withdraw from the delivery of probate activities
- The increased regulatory cost of the proposal is designed to have minimal impact on firms transferring from ACCA in terms of costs and will impose the least additional regulatory burden on ACCA firms.

42. In the circumstances we consider that the proposed option presented to existing and potential ACCA-Probate firms represents a proportionate and cost-effective model of regulation.

Equality impact assessment

43. Paragraph 218 of the application notes that ACCA has been unable to provide data on all the protected characteristics, other than age and gender of its regulated individuals as it does not currently routinely collect this data. CRL notes that the key consequence of these changes may be an increase in costs, which may disproportionately impact on women (although these have been kept in line with the current costs to the ACCA Probate firms and practitioners as far as possible). However, CRL does not consider that these changes are significant even where the individual works part-time. CRL has stated at paragraph 220 that it will commit to evaluating the actual impacts based on EDI data collected on these individuals once they assume regulatory responsibility for these individuals.

Evaluation and Monitoring

44. Paragraphs 228 to 233 of the application sets out CRL's plans for evaluation and monitoring of the implementation of the proposed route for firms and individual including the transfer arrangements they will have in place, as follows

- Assessing the number of firms that wish to transfer to become a CILEX-ACCA firm at the time that the ACCA propose to withdraw from legal services
- Assessing the number of firms that choose an alternative regulator

- Assessing the number of firms that withdraw from legal services
- Monitor year on year growth of CILEX-ACCA firms against the previous experience of ACCA
- Monitoring the numbers of ACCA firms that become a CILEx Authorised Entity
- Collecting and analysing EDI data across the full LSB required data
- Monitoring and reconciling ACCA individuals with practising certificates to its list of authorised practitioners.

45. CRL has also stated that during the first year it will work closely with the ACCA to refine the working arrangements between them. This will be supported by the MoU and data sharing agreement.

Decision

46. The LSB has considered CRL's application against the refusal criteria in paragraph 25(3) of Schedule 4 to the Act. We consider that there is no reason to refuse this application and accordingly, the application is granted.

47. **Annex A** to this decision notice contains the alterations to the regulatory arrangements approved by the LSB.

Matthew Hill, Chief Executive
Acting under delegated authority granted by the Legal Services Board
19 October 2021

Notes:

1. The LSB is required by Part 3 of Schedule 4 to the Act to review and grant or refuse applications by approved regulators to make alterations to their regulatory arrangements.

2. Paragraph 25(3) of Schedule 4 to the Act explains that the LSB may refuse an application setting out a proposed change to the regulatory arrangements only if it is satisfied that:
   (a) granting the application would be prejudicial to the regulatory objectives
   (b) granting the application would be contrary to any provision made by or by virtue of the Act or any other enactment or would result in any of the designation requirements ceasing to be satisfied in relation to the approved regulator
   (c) granting the application would be contrary to the public interest
   (d) the alteration would enable the approved regulator to authorise persons to carry on activities which are reserved legal activities in relation to which it is not a relevant approved regulator
   (e) the alteration would enable the approved regulator to license persons under Part 5 [of the Act] to carry on activities which are reserved legal activities in relation to which it is not a licensing authority, or
   (f) the alteration has been or is likely to be made otherwise than in accordance with the procedures (whether statutory or otherwise) which apply in relation to the making of the alteration.

3. The designation requirements referred to in paragraph 2(b) above are set out in paragraph 25(4) of Schedule 4 to the Act and are:
   (a) a requirement that the approved regulator has appropriate internal governance arrangements in place
   (b) a requirement that the applicant is competent, and has sufficient resources to perform the role of approved regulator in relation to the reserved legal activities in respect of which it is designated, and
   (c) the requirements set out in paragraphs 13(2)(c) to (e) of Schedule 4, namely that the regulatory arrangements are appropriate, comply with the requirements in respect of resolution of regulatory conflict (imposed by sections 52 and 54 of the Act) and comply with the requirements in relation to the handling of complaints (imposed by sections 112 and 145 of the Act).

4. In accordance with paragraphs 20(1) and 23(3) of Schedule 4 to the Act, the LSB has made rules[8] about the manner and form in which applications to alter regulatory arrangements must be made. Amongst other things, the rules highlight the applicant's obligations under section 28 of the Act to have regard to the Better Regulation Principles. They also require applicants to provide information about each proposed change and details of the consultation undertaken.

5. If the LSB is not satisfied that one or more of the criteria for refusal are met, then it must approve the application in whole, or the parts of it that can be approved.

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[8] LSB's Rules for applications to alter regulatory arrangements – Version 2 April 2018 https://www.legalservicesboard.org.uk/what_we_do/regulation/pdf/New%20folder%20(2)/FINAL_Rules_for_applications_to_alter_regulatory_arrangements.pdf

Annex A

CILEx Regulation-ACCA Handbook 2021

Contents

Interpretation

In these regulations, unless otherwise provided;

ACCA	means the Association of Chartered Certified Accountants
Authorisation	means: a. authorisation by CILEx Regulation as a CILEX -ACCA firm b. authorisation or approval by CILEx Regulation as a Relevant Person / CILEx Practitioner (ACCA-Probate)
Authorised Person	has the same meaning as in section 18 of the Legal Services Act 2007;
Bye-laws	means the bye-laws of CILEx
CILEX	means The Chartered Institute of Legal Executives
CILEX-ACCA Probate Entity	means a limited liability partnership or company authorised by CILEX under the Legal Services Act 2007 to carry on probate activities which is a reserved legal activity.
CILEX Practitioner (ACCA-Probate)	means a person who is authorised by CILEx Regulation to carry on probate activities which is a reserved legal activity
CILEx Regulation	means CILEx Regulation Limited
FGI	means Fidelity Guarantee Insurance
Enforcement Rules	means the Rules of CILEX which are in place from time to time and which govern the complaints handling, misconduct investigation and disciplinary procedures of CILEx Regulation
Legal Ombudsman	means the Legal Ombudsman for England and Wales set up by the Office for Legal Complaints under the Legal Services Act 2007
Non-contentious probate	means probate work that relates to transactions occurring between one or more parties, for which they do not seek or require appearance in a court or tribunal.
PII	means Professional Indemnity Insurance

Regulatory conflict	A regulatory conflict is defined in section 54 Legal Services Act as: ' a conflict between— (a)a requirement of the regulatory arrangements of the approved regulator, and (b)a requirement of any regulatory provision made by an external regulatory body.
Reserved legal activity	has the same meaning as in the Legal Services Act 2007

1. Application, Citation and Commencement

1.1 The regulations contained herein form the CILEx Regulation-ACCA Handbook and shall apply to all ACCA entities and individuals regulated by CILEx Regulation for the reserved legal activity of probate.

1.2 These regulations extend to non-contentious probate business only.

1.3 These regulations extend to England and Wales only.

1.4 These regulations will apply in conjunction with any additional obligations imposed by ACCA and are not intended to replace or supersede any such obligations.

1.5 The regulations and annexes contained herein may be cited as the CILEx Regulation-ACCA Handbook 2021.

1.6 These regulations and annexes shall come into force on _____________.

2. Eligibility for Legal Activities Authorisation

ACCA Members

2.1 ACCA members responsible for a firm's engagements to provide reserved legal activities shall be required to obtain the relevant legal activities qualifications in accordance with regulation 4. A legal activities qualification will convey to the holder the necessary authorisation to carry on that reserved legal activity.

Non-ACCA Members

2.2 Non-ACCA members responsible for engagements to provide reserved legal activities in a firm holding an appropriate legal activities certificate shall be required to obtain the relevant legal activities qualifications in accordance with regulation 4, or otherwise demonstrate their authorisation to carry on those reserved legal activities. A legal activities qualification will convey to the holder the necessary authorisation to carry on that reserved legal activity.

ACCA and Non-ACCA Members

2.3 ACCA and non-ACCA members responsible for a firm's engagements to provide reserved legal activities shall be additionally required to provide undertakings to be bound by the following:

(a) the CILEx Regulation continuing professional development regulations;

(b) the CILEx-ACCA Code of Conduct; and

(c) the CILEx Regulation Enforcement procedures and penalties which may be imposed under such provisions insofar as such penalties could be applicable.

(d) the CILEx Regulation-ACCA Handbook.

3. Eligibility for a Firm's Legal Activities Certificate

3.1 A firm's legal activities certificate will convey to the holder the necessary authorisation to carry on the reserved legal activity or activities to which the certificate relates. A firm shall be eligible for authorisation to carry on a reserved legal activity if:

(a) each of the individuals responsible for the firm's reserved legal activities holds a legal activities qualification, or, in the case of non-members of ACCA, holds an equivalent authorisation; and

(b) it is controlled by authorised persons within the meaning of regulation 5; and

(c) it is fit and proper within the meaning of regulation 6; and

(d) you must not receive, control or handle client money apart from what the client pays you for your services; and

(d) it holds the necessary PII and FGI in accordance with regulation 7; and

(e) it has made arrangements for the continuity of its practice in accordance with regulation 8; and

(f) it undertakes to be bound by the regulations contained within this handbook.

4. Legal Activities Qualifications

Qualifications required to hold a practising certificate issued by CILEx Regulation:

4.1 To be qualified to hold a practising certificate issued by CILEx Regulation, an individual will need to meet the requirements of Annex 1.

Qualifications required to carry on a reserved legal activity:

4.2 To be qualified to carry on a reserved legal activity, an individual must have met the requirements of Annex 2.

5. Meaning of Firm Controlled by Authorised Persons

5.1 Firms controlled by authorised persons are authorised for carrying on reserved legal activities in accordance with regulation 3.

5.2 A firm shall only be regarded as controlled by authorised persons for the purposes of regulation 3 where:

(a) all of the partners or all of the directors and shareholders of the firm, or all of the members and designated members of a limited liability partnership, are authorised persons; and

(b) if the firm's affairs are managed by a board of directors, committee or other management body, all of that body are authorised persons.

5.3 References in regulation 5.2 above to a person being authorised are, in relation to an individual, to their being qualified to carry on reserved legal activities in accordance with regulation 4.2.

6. Fit and Proper Persons

6.1 Annex 3 applies to authorised persons where authorisation to carry on a reserved legal activity is concerned.

6.2 In determining whether a person is "fit and proper", CILEx Regulation:
(a) may take into account whether that person has contravened any provision of law relating to the carrying on of reserved legal activities;
(b) shall take into account whether that person has contravened any law or regulation or undertaken any practices or conduct referred to in relevant law, regulation or guidance issued by a body with responsibility for the regulation of the activities of the holder of the certificate or of CILEx Regulation in its regulation of such activities;
(c) may take into account any matter which relates to the person and any matter relating to any person who is or will be employed by or associated with the person for the purposes of or in connection with the operation of a CILEx-ACCA Probate Entity.

7. Professional Indemnity Insurance

Legal activities certificates held by firms

7.1 Annex 4 applies to applicants for, and firms holding, legal activities certificates.

Limits

7.2 Firms wishing to hold, or continue holding, a legal activities certificate that authorises the firm to carry on the reserved legal activity of probate must effect professional indemnity insurance with minimum limits of indemnity of £500,000 in respect of each and every claim.

Continuity following cessation

7.3 Annex 4(5) applies to all persons subject to the regulations contained within this handbook in respect of their ceasing to operate a CILEx-ACCA firm. In addition, firms that have effected a higher level of indemnity in respect of probate activities should ensure that such cover remains for a period of six years after they cease to engage in probate activities.

8. Continuing Professional Development

8.1 Firms holding a legal activities certificate must require all those responsible for the firm's reserved legal activities who are partners or directors or, in the case of a limited liability partnership, members or designated members, or agents, who are not members but who are responsible for the firm's reserved legal activities to obtain continuing professional development (CPD), and be able to demonstrate that they have obtained CPD. This includes compliance with regulation 8(2) below.

8.2 Individuals authorised to carry on one or more reserved legal activities must maintain competence in those reserved legal activities and comply with the CPD requirements for CILEx Practitioners set out within the CILEx Regulation CPD Regulations.

9. Continuity of Practice

9.1 Annex 5 shall be applicable to all firms holding a legal activities certificate.

10. Notification

10.1 Firms holding a legal activities certificate must comply with Annex 6.

10.2 Additionally, firms shall give written notice forthwith of the commencing of proceedings against any authorised person of the firm or any actions for damages, injunctions or restitution orders connected with regulated work carried on by the individual in question.

11. Conduct of Reserved Legal Activities

11.1 In the conduct of reserved legal activities, authorised individuals and firms holding a legal activities certificate shall comply with all applicable laws and regulations, including:

(a) all applicable sections of this handbook, including the Code of Conduct at Annex 8; and

(b) the Legal Services Act 2007.

12. Monitoring

12.1 Authorised individuals and firms holding a legal activities certificate shall be subject to monitoring by CILEx Regulation in accordance with Annex 7.

13. Complaints Handling by Firms

13.1 Firms holding a legal activities certificate shall establish procedures to deal with complaints.

13.2 The firm's procedures to deal with complaints shall require that:

(a) at the beginning of an engagement (and existing clients, at the next appropriate opportunity), clients are notified, in writing, of:

(i) the client's right to complain to the firm, including how to complain and the name of the individual to be contacted in the event of a complaint; and

(ii) the client's right to complain to the Legal Ombudsman at the end of the firm's complaintshandling process if the client is not satisfied with the outcome; and

(iii) the point at which a complaint may be made to the Legal Ombudsman, and how to contact the Legal Ombudsman; and

(iv) the client's right to complain to CILEx Regulation if the complaint does not fall within the Legal Ombudsman Scheme Rules;

(b) complaints received are acknowledged promptly;

(c) complaints made orally are acknowledged in writing, stating the firm's understanding of the nature of the complaint;

(d) complaints are investigated by a person of sufficient experience, seniority and competence who, where possible, was not directly involved in the particular act or omission giving rise to the complaint;

(e) complaints are investigated in a fair, prompt, constructive and honest manner;

(f) records are maintained of the way in which each complaint is handled;

(g) the client is notified promptly, in writing, of the outcome of the investigation of the complaint and, if the client is not satisfied with the outcome, of:

(i) the client's right to complain to the Legal Ombudsman, the time limit for doing so, and how to contact the Legal Ombudsman; and

(ii) the client's right to complain to CILEx Regulation if the complaint does not fall within the Legal Ombudsman Scheme Rules;

(h) any appropriate remedial action is promptly taken;

(i) if, after eight weeks following the making of the complaint, the client has not been notified, in writing, of the outcome of the investigation, the client is informed, in writing, of

(i) the client's right to complain to the Legal Ombudsman, the time limit for doing so, and how to contact the Legal Ombudsman; and

(ii) the client's right to complain to CILEx Regulation if the complaint does not fall within the Legal Ombudsman Scheme Rules.

14. Investigation of complaints

14.1 Authorised individuals and firms holding a legal activities certificate shall cooperate with any investigation by the Legal Ombudsman and promptly comply with any decision or remedy ordered by the Legal Ombudsman.

14.2 Authorised individuals and firms holding a legal activities certificate must comply with the investigation arrangements of CILEx Regulation, and shall be subject to the enforcement procedures and processes of CILEx Regulation in accordance with the requirements of the CILEx Regulation Enforcement Rules.

15. Disclosure of information

15.1 Authorised individuals and firms holding a legal activities certificate must supply CILEx Regulation with all necessary information to enable CILEx Regulation to comply with its obligations to the Legal Services Board, the Legal Ombudsman and other bodies in its capacity as an approved regulator under the Legal Services Act 2007.

16. Transparency Requirements

16.1 A CILEx-ACCA Probate Entity must

a) publish on, or via a link from, its **website homepage** the information set out at regulation 16. 2-16.7, or

b) if it does not have a website, make available on request the information set out at regulation 16.2-16.7.

c) adhere to the CILEx-ACCA Code of Conduct for the time being in force, including but not limited to, Principles 2, 4 and 5. A **CILEx-ACCA Probate Entity** is bound by the associated regulatory arrangements in force from time to time.

PRICE information

16.2 Price information must include:

a) The **total price** of the legal service being provided.

b) The basis on which the **total price** is calculated, for example, fixed fee or hourly rate.

c) The services that are included in the published **total price**, and services that might reasonably be expected to be included in the published **total price** but are not.

d) The price of all disbursements payable, together with an explanation of the disbursement.

e) The prices and disbursements on which VAT must be paid and the amount of VAT payable.

SERVICE information

16.3 Service information must include:

a) A description of non-contentious probate.

b) The key stages of non-contentious probate.

c) Typical timescales for each stage of non-contentious probate.

COMPLAINTS AND REDRESS information

16.4 A **CILEX-ACCA Probate Entity** must publish details of its free complaints handling procedure including how and when a complaint can be referred to the Legal Ombudsman and to CILEx Regulation.

REGULATORY information

16.5 A **CILEX-ACCA Probate Entity** must state that it is required to have Professional Indemnity Insurance (PII) to cover non-contentious probate and any related work.

16.6 A **CILEX-ACCA Probate Entity** must display on the company's letter headed paper, emails and on the home page of its website the wording that it is 'Authorised and regulated as a CILEX-ACCA Probate Entity' followed by its Authorisation number.

16.7 A **CILEX-ACCA Probate Entity** must display on the home page of its website the **CILEX-ACCA logo** relating to probate for which the firm is authorised.

Interpretation

16.8 In these regulations, unless otherwise provided:

logo:	means any CILEx Regulation logo or smart badge that any **CILEX-ACCA Probate Entity** is authorised to display.
total price:	means all costs that must be paid for a legal service including, but not exclusively, the legal fees, disbursements, any other costs and VAT on these elements where payable.
website homepage	means the website of the **CILEx-ACCA Probate Entity** or the website of the ACCA Accountancy firm

17. Appeals

17.1 An appeal may be made against any of the following decisions made by CILEx Regulation under these rules:

(a) refusal of an application for authorisation;
(b) revocation of authorisation;
(c) refusal of an application to be a CILEx Practitioner (ACCA-Probate);
(d) withdrawal of CILEx Practitioner (ACCA-Probate) designation from an individual.

Entity

17.2 An appeal may be made by giving notice to the Appeals Panel established under the CILEx Regulation Enforcement Rules.

17.3 Any such person or organisation must lodge an application for reconsideration at the CILEx Regulation offices within 20 working days of receiving written notification of the decision. This may be submitted by email to applications@cilexregulation.org.uk. The application must include written reasons why it should be reconsidered.

17.4 Appeals will be considered by an Appeal Panel comprising a professional member and two lay members drawn from the panel of lay and professional members appointed to serve on CILEx Regulation's appeal bodies under the CILEx Regulation Enforcement Rules. The Appeal Panel will have available to it all the powers available to at the original consideration of the application.

Individual

17.5 Whenever the Officer is unable to make a decision on an individual application or takes the view that the matter requires Committee consideration, they may refer the matter to the Admissions and Licensing Committee.

17.6 A person or organisation affected by any decision which the Admissions and Licensing Committee makes pursuant to its powers under the Admissions and Licensing Committee Rules may apply for reconsideration of that decision.

17.7 Any such person or organisation must lodge an application for reconsideration at the CILEx Regulation offices within 20 working days of receiving written notification of the decision. This may be submitted by email to applications@cilexregulation.org.uk. The application must include written reasons why it should be reconsidered.

17.8 Where an application is reconsidered by the Admissions and Licensing Committee it shall have all the powers that were available to it at the original consideration of the application. The applicant shall have a right to be heard by the Committee when it reconsiders their application.

17.9 An appeal may be made against the decision reached by the Admissions and Licensing Committee.

17.10 Any such person or organisation must lodge an application for reconsideration at the CILEx Regulation offices within 20 working days of receiving written notification of the decision. This may be submitted by email to applications@cilexregulation.org.uk. The application must include written reasons why it should be reconsidered.

17.11 Appeals will be considered by an Appeal Panel comprising a professional member and two lay members drawn from the panel of lay and professional members appointed to serve on CILEx Regulation's appeal bodies under the CILEx Regulation Enforcement Rules. The Appeal Panel will have available to it all the powers available to the Admissions and Licensing Committee at the original consideration of the application.

18. Interventions

18.1 For the purposes of intervention under rule 5 (2) (a) of The Legal Services Act 2007 (Chartered Institute of Legal Executives) (Modification of Functions) Order 2014, a CILEx-ACCA Probate Entity will be treated as a CILEx Authorised Entity.

19. Legal Professional Privilege

19.1 CILEx Regulation may inspect material that is subject to a CILEX-ACCA Probate Entities client's legal professional privilege (LPP) or confidentiality but may only use such material for its regulatory purposes.

19.2 CILEx Regulation also protects the LPP and confidentiality of clients. LPP material will not be disclosed by CILEx Regulation to any other person other than where necessary for its regulatory purposes. Material that is not subject to LPP may be disclosable in the public interest, in the absolute discretion of CILEx Regulation, including material comprising communications in furtherance of crime or fraud.

20. Dealing with regulatory conflicts

20.1 A regulatory conflict is a conflict between (i) a requirement of the approved regulator's regulatory arrangements; and (ii) a requirement of the regulatory arrangements of another approved regulator. If a conflict arises between (i) a requirement imposed on a CILEX-ACCA-Probate Firm or a CILEX Practitioner (ACCA-Probate) by CILEx Regulation as the regulator of the firm and individual, and (ii) a requirement imposed on the individual by another approved regulator, then the requirement imposed by CILEx Regulation (as the entity regulator) prevails over the requirement imposed by the other approved regulator. For the avoidance of doubt, where a CILEX Practitioner (ACCA-Probate) is an employee or a manager of a CILEX-ACCA-Probate Firm, then the requirement imposed by CILEx Regulation (as the entity regulator) prevails over the requirement imposed by the other approved regulator.

20.2 An external regulatory conflict is a conflict between (i) a requirement of the regulatory arrangements of an approved regulator; and (ii) a requirement of any regulatory provision made by an external regulatory body. If an external regulatory conflict arises between a requirement imposed on, for example, (i) an ACCA accountancy practice and (ii) a CILEX Practitioner (ACCA-Probate) working within an ACCA accountancy practice, then the requirement imposed by the external regulatory body (in this instance ACCA, as the regulator of this accountancy practice) will prevail over the requirement imposed by the approved regulator. For the avoidance of doubt, if a CILEx Practitioner (ACCA-Probate) is working within a CILEX-ACCA Probate Firm, then the requirement imposed by CILEx Regulation prevails in accordance with 20.1 above. This will help prevent unnecessary duplication of regulatory provisions made by an external regulatory body.

Annexes:

Annex 1 - The Practising Certificate

(1) The practising certificate issued by CILEx Regulation shall authorise the carrying on of the activities as specified in the holder's application.

(2) An individual shall be eligible for a practising certificate where:

(a) they are sufficiently qualified in accordance with Annex 2 to carry on any activity constituting public practice;

(b) they are fit and proper within the meaning of Annex 3;

(c) they hold the necessary PII in accordance with Annex 4; and

(d) they have made arrangements for the continuity of their practice in accordance with Annex 5.

Annex 2 – Qualifications

(1) Qualification required to hold a practising certificate

To be qualified to hold a practising certificate authorising the carrying on the reserved legal activity of probate, an individual must:

(a) if they are an ACCA member,

(i) hold an ACCA practising certificate; and

(ii) have successfully completed a course of training and assessment in the reserved legal activity, as prescribed by CILEx Regulation[9], and provided CILEx

[9] CILEx Regulation currently recognises the ACCA-Probate qualification offered by Altior by BARBRI. It is open to other training providers to apply to become recognised to deliver a training course which meets the requirements prescribed by CILEx Regulation. Further details as to how to apply can be found at Annex 9.

Regulation with evidence of the individual's skill and competence in the reserved legal activity in a manner prescribed by CILEx Regulation; or

(b) if they are not an ACCA member, be a member of another member body of the International Federation of Accountants and be entitled to practise accountancy, and

(i) have successfully completed a course of training and assessment in the reserved legal activity, as prescribed by CILEx Regulation, and provided CILEx Regulation with evidence of the individual's skill and competence in the reserved legal activity in a manner prescribed by CILEx Regulation; or

(ii) hold, or be eligible to hold, authorisation to carry on the reserved legal activity with another approved regulator; or

(ii) be otherwise entitled to carry on the reserved legal activity under the Legal Services Act 2007.

Annex 3 – Fit and Proper Persons

(1) CILEx Regulation shall only issue a practising certificate to an applicant that is fit and proper, as determined by it in accordance with this Annex 3.

(2) In determining whether a person is "fit and proper", CILEx Regulation may, without limitation, take into account whether that person has:

(a) been convicted of a criminal offence; or

(b) been the subject of a disciplinary order made by CILEx Regulation, ACCA or another professional body; or

(c) been or is the subject of an investigation, whether criminal, disciplinary or otherwise, in respect of their conduct; or

(d) committed a material breach of an applicable rule or regulation of CILEx Regulation; or

(e) fallen within any of the criteria set out at Annexes 3(4) and (5); or

(f) on any occasion given CILEx Regulation false, inaccurate or misleading information and/or failed to co-operate with CILEx Regulation.

(3) CILEx Regulation may take into account all current and past matters which impact on the ability to hold a practising certificate.

(4) In the case of individuals, the criteria referred to in Annex 3(2)(e) are whether the person is or has been:

(a) at any time bankrupt, signed a trust deed for creditors or entered into a deed of arrangement, scheme or composition in respect of their financial affairs (or any similar or analogous event); or

(b) removed from the office of liquidator, trustee, administrative receiver, administrator or supervisor; or

(c) the subject of a disqualification order or disqualification undertaking made under the Company Directors Disqualification Act 1986 of the United Kingdom; or

(d) the subject of a bankruptcy restriction order or bankruptcy restriction undertaking under the Insolvency Act 1986 of the United Kingdom; or

(e) excluded from or refused membership of a professional body on disciplinary grounds; or

(f) found to have failed to ensure that the experience and competence of their employees and practice associates are adequate, having regard to the nature of the work involved; or

(g) a patient under the Mental Health Act 1983 of the United Kingdom; or

(h) the equivalent of or similar to the above criteria under the corresponding legislation of any country or jurisdiction.

(5) In the case of firms, the criteria referred to in Annex 3(2)(e) are as for individuals as specified in Annex 3(4), with such amendments as are appropriate to make the criteria applicable to firms.

(6) In determining whether any person is "fit and proper" for the purposes of this Annex 3, CILEx Regulation may take into account any matter which relates to the person and:

(a) any matter relating to any person who is or will be employed by or associated with the person for the purposes of or in connection with public practice;

(b) in the case of a partnership, any matter relating to any of the partners, any director or controller of any of the partners, any body corporate in the same group as any of the partners and any director or controller of any such other body;

(c) in the case of a body corporate, any matter relating to any director or controller of the body, any other body corporate in the same group or any director or controller of any such other body; and

(d) in the case of a limited liability partnership, any matter relating to any of the members or designated members of the limited liability partnership.

Annex 4 – Professional Indemnity Insurance

(1) Holders of a practising certificate

(a) Subject to Annex 4(6), applicants for and holders of a practising certificate must hold professional indemnity insurance ("PII") covering the liabilities and according with the limits set out in this Annex 4 and, in the case of such a person whose firm employs full and/or part time staff, the firm must also hold a policy of fidelity guarantee insurance ("FGI") in respect of all partners, directors, members and designated members of limited liability partnerships and employees in accordance with this regulation. For the avoidance of doubt such FGI may, but need not, form a single policy with such PII and all such PII and FGI must remain in force for all of the period during which a relevant practising certificate is held.

(b) Such PII and FGI may be effected with any reputable insurance company or insurance companies or other underwriter provided that CILEx Regulation reserves the right to require applicants for or holders of a practising certificate not to use certain insurance companies or underwriters, if it so directs.

(2) Liabilities to be covered

PII shall provide cover in respect of all civil liability incurred in connection with the conduct of the firm's business by the partners, directors, members and designated members of limited liability partnerships or employees and FGI shall include cover against any acts of fraud or dishonesty by any partner, director or employee in respect of money or goods held in trust by the firm.

(3) Limits

(a) The limit of indemnity on PII in respect of each and every claim shall be:

(i) in the case of a person whose firm's total income for the accounting year immediately preceding the year in question (the "relevant total income" and "relevant accounting year") is less than or equal to £200,000, at least the greatest of:

(aa) twenty-five times the largest fee raised by the firm during the relevant accounting year; and (bb) £500,000;

(ii) in the case of a person whose firm's relevant total income exceeds £200,000 but is less than or equal to £700,000, at least the greater of:

(aa) the aggregate of £300,000 and the firm's relevant total income; and

(bb) twenty-five times the largest fee raised by the firm during the relevant accounting year;, and

(cc) £500,000

(iii) in the case of a person whose firm's relevant total income exceeds £700,000, at least the greater of:

(aa) £1 million; and

(bb) twenty-five times the largest fee raised by the firm during the relevant accounting year.

(b) The limit of indemnity on PII in respect of year 2021 date recognition claims, where available, may be on an aggregate basis as opposed to an each and every claim basis. The minimum limit on this cover must be calculated in accordance with Annex 4(3)(a).

(c) A firm's "total income" is the aggregate of the firm's professional charges and all other income (including commissions) received by a firm in respect of and in the course of the firm's business, but excluding any commission which the firm passes on to the client.

(d) The "largest fee" raised by a firm relates, in all cases, to the highest cumulative amount of fees raised to a particular client during the year rather than the largest single invoice raised.

(e) Any uninsured excess (that is to say, the amount of any claim which is borne by the firm before there is any payment by the insurer) in accordance with a firm's PII and FGI shall be restricted to 2 per cent of the limit of indemnity in respect of each and every claim provided pursuant to the PII or, as the case may be, FGI or £20,000 per principal in respect of each and every claim, whichever amount is the lesser.

(f) The annual limit of indemnity to be provided by a firm's FGI shall be not less than £50,000 in respect of each and every claim.

(4) Administrative provisions

(a) (i) Each person subject to Annex 4(1) must on request provide CILEx Regulation with a policy and/or certificate from their insurer or broker as evidence that PII and, if required, FGI is in force in accordance with this regulation as at the practising certificate renewal date of each year, and will remain in force for the year covered by the practising certificate, being PII and, as the case may be, FGI which meets the requirements of this regulation.

(ii) In the event that PII is subject to an aggregate limit and claims are notified during the year in question but not met in that year, the aggregate limit for the following year and, if such claims are not by then met, subsequent years should be increased to take account of the amount (or a best estimate of that amount) either paid or reserved for such claims.

(b) The policy terms and wording shall be available for inspection by CILEx Regulation.

(c) Each person subject to Annex 4(1) shall be deemed to have authorised CILEx Regulation to seek, direct from the relevant insurer and/or broker, confirmation of matters of record.

(d) Each person subject to Annex 4(1) must keep a record of insurance claims made by them pursuant to their PII and, as the case may be, FGI.

(e) Such record, together with each annual renewal proposal form, must be available for inspection by CILEx Regulation.

(5) Continuity following cessation

Persons subject to Annex 4(1) shall ensure that arrangements exist for the continued existence of PII and, as the case may be, FGI for a period of six years after they cease to engage in public practice. Such PII and, as the case may be, FGI shall be on terms satisfying the requirements of this regulation as applied to their business during the year immediately preceding such cessation.

(6) Exception

An individual who is not a sole proprietor, partner or director of the firm in which he works, or member or designated member of a limited liability partnership, but holds a practising certificate and is responsible for public practice work carried on by the firm, shall be deemed to hold PII in accordance with Annex 4(1) where the firm (or all of them if more than one) in which he works:

(a) is a person subject to Annex 4(1) and holds PII in compliance with Annex 4(1); or

(b) holds PII which CILEx Regulation regards as adequate.

Annex 5 – Continuity of Practice

(1) Individuals

(a) A holder of a practising certificate must enter into and keep in force for all of the period during which a practising certificate is held a written agreement with another individual or firm (the "nominee"), providing for the nominee, or nominees if more than one, to be responsible for the individual's practice in the event of their death or incapacity.

(b) The nominee or nominees must:

(i) be based in the same country as the individual; and

(ii) hold equivalent qualifications and be authorised to carry on the individual's work for which they have undertaken to be responsible.

(c) Where the individual's practice is based in more than one country, he must comply with this regulation in respect of each country in which he is based, but may appoint different nominees in respect of different countries.

(2) Firms

(a) A firm must make provision for the continuity of its practice in the event of its dissolution, winding-up or liquidation, or the death or incapacity of an individual holder of a practising certificate who is a partner, director or member of the firm by providing for another individual or firm (the "nominee" or "nominees" if more than one) to be responsible for the firm's practice in those circumstances.

(b) Such provision may be made in the partnership agreement (where the firm is partnership) or in the Memorandum and Articles of Association (where a firm is a company) or in the incorporation document (where the firm is a limited liability partnership) or other such agreement as the members of the limited liability partnership may agree or by entering into and keeping in force for all of the period during which a practising certificate is held a written agreement with another firm.

(c) The nominee or nominees must:

(i) be based in the same country as the firm; and

(ii) hold equivalent qualifications and be authorised to carry on the firm's work for which they have undertaken to be responsible.

(d) An individual holder of a practising certificate who is the sole director an shareholder of the firm may not provide nominee services to that firm.

(e) Where the firm's practice is based in more than one country, it must comply with this regulation in respect of each country in which it is based and may appoint different nominees in respect of different countries.

(3) Exception for individuals

An individual holder of a practising certificate who does not carry on public practice on his own account shall not have to comply with Annex 5(1) provided any firm of which he is a partner, director, member or designated member of a limited liability partnership or employee and for whom he works has complied with Annex 5(2) or, if it is not subject to that regulation, has made arrangements for the continuity of its practice which CILEx Regulation regards as adequate.

Annex 6 – Notification

(1) Notification 28 days in advance

(a) A holder of a practising certificate shall notify CILEx Regulation in writing of the following changes not less than 28 days before the change is implemented:

(i) a change in the name of the holder, or where it is a body corporate, its registered name and, in the case of a firm, of any partner, member or designated member or director or controller of it;

(ii) a change in the address of the holder's principal or, in the case of a body corporate, registered office or, if different, the address of the place for service of notices or documents;

(iii) the opening or closure of a branch office of the holder;

(iv) the disposal or cessation of a holder's practice.

(b) Notification of a change of name of a person holding a practising certificate shall be accompanied by an application for a new practising certificate of the relevant type from the stated date.

(2) Notification forthwith

A holder of a practising certificate shall give written notice forthwith to CILEx Regulation of the occurrence of any of the following, setting out in the notice details of the event in question and any other relevant information:

(a) in the case of a partner, member or designated member or director of a firm, a person has become or ceased to be a partner, member or designated member or director of it, and, in the case of a body corporate, a person has become or ceased to be a controller of it and, in the case of a sole practitioner, he has ceased to practise;

(b) the appointment of a receiver, administrator, trustee, judicial factor or sequestrator of the assets of the holder (or the happening of any similar or analogous event) or, in the case of a firm, of any partner, member or designated member or director of it and, in the case of a body corporate, a controller of it;

(c) the making or any proposals for the making of a composition or arrangement with creditors or any one creditor of the holder or, in the case of a firm, of any partner, member or designated member or director of it and, in the case of a body corporate, a controller of it;

(d) where the holder is a partnership, an application or notice to dissolve the partnership and where it is a body corporate, the presentation of a petition for winding-up or the summoning of any meeting to consider a resolution to wind up the body corporate or any other body corporate in its group;
(e) the granting or refusal of any application for, or revocation of, a recognised professional qualification or any certificate entitling the holder or, in the case of a firm, any partner, member or designated member or director of it and, in the case of a body corporate, a controller of it to carry on company audit work from another qualifying or supervisory body or authorisation to carry on insolvency, investment, banking or insurance business;
(f) the appointment of inspectors by a statutory or regulatory authority to investigate the affairs of the holder or, in the case of a firm, any partner, member or designated member or director of it or controller of it;
(g) the imposition of disciplinary measures or sanctions on the holder or, in the case of a firm, any partner, member or designated member or director of it or controller of it by any other regulatory authority or professional body of which he or such a person is a member;
(h) in relation to a holder or, in the case of a firm, any partner, member or designated member or director of it or controller of it:

(i) the institution and abandonment or completion of proceedings in relation to and/or a conviction for any offence involving fraud or other dishonesty;
(ii) the institution and abandonment or completion of proceedings in relation to and/or a conviction for any offence under legislation relating to investment, banking, building societies, companies, consumer credit, credit unions, friendly societies, industrial and provident societies, insolvency, insurance or other financial services;
(iii) the presentation of a petition for a bankruptcy order or an award of sequestration;
(iv) the making of an order by a court disqualifying that individual from serving as director or as a restricted director or as a disqualified director of a company or from being concerned with the management of a company;
(v) the commencement by the police or any other authority of an investigation into any matter related to public practice, or any other matter which might reasonably affect CILEx Regulation's willingness to grant or renew a practising certificate of a type relevant to the activities in question;

(i) the disappearance of a partner, member or designated member of a firm such that he is no longer contactable by the other partners or members of the firm;
(j) the happening of any event which causes the holder to cease to be eligible for the practising certificate;
(k) any changes in any of the information previously supplied to CILEx Regulation;
(l) any other information relevant to the determination by CILEx Regulation of the fitness and propriety of the holder in accordance with Annex 3;
(m) any other information that CILEx Regulation may require in connection with the requirements of these regulations.

(3) Force Majeure

If any event happens or any circumstances arise which make it impossible, impracticable or unreasonable for a person to comply with this Annex 6, provided the person takes all practicable steps to relieve the situation and complies with this regulation as soon as the event or circumstances cease to apply, they will not be regarded as having been in breach of this regulation if they fail to comply with it for so long as the event or circumstances do apply.
(4) Notification obligation
A person who has notified CILEx Regulation that he is carrying on public practice but does not hold a practising certificate when required to do so shall give written notice forthwith to CILEx Regulation of all of the matters referred to in Annex 6 (1)(a) and (2).

Annex 7 – Monitoring and Compliance

(1) Persons subject to these regulations shall be subject to monitoring by CILEx Regulation, in order to monitor compliance with these regulations and with the bye-laws, which may be carried out by post, by email, by visiting the person's business premises and/or by any other form of communication.
(2) For the purposes of Annex 7(1), persons subject to these regulations must supply CILEx Regulation with all the information necessary to enable CILEx Regulation to complete its monitoring process efficiently.
(3) Persons subject to these regulations shall, and shall ensure (insofar as they are able) that all persons associated with them shall, co-operate with CILEx Regulation in its monitoring and enforcement of compliance with these regulations and with the bye-laws.
(4) Persons subject to these regulations shall maintain proper books and records at all times to facilitate the proper performance of their duties.
(5) The requirements of this Annex 7 shall apply to persons for as long as they hold a practising certificate, and for a period of five years after they cease to do so for any reason.
(6) For the purposes of this Annex 7, 'practising certificate' includes all types of practising certificates and licences issued by CILEx Regulation.

Annex 8 - CILEx-ACCA Code of Conduct

This is the Code of Conduct (the Code) for those individuals working in a CILEx-ACCA Probate Entity who are responsible for a firm's engagements to provide reserved legal activities . It sets out the principles for such individuals and sets out the standards to which they must adhere in their conduct, practice and professional performance of legal work, and the outcomes they must meet.
Authorisation and regulated practice carry both privileges and responsibilities. They require that in your conduct, practice and professional performance you must:

- Develop and use your professional knowledge and skills for the benefit of those who use your services
- Maintain good professional relationships with others
- Act in a way that promotes confidence and trust in the legal professions and the provision of legal services.

Core Principles

You must adhere to the following core principles in the legal work you do and the decisions you make. The principles also help the public to know the standards of conduct and professional performance that are expected of you.
You must:

1. Uphold the rule of law and the impartial administration of justice;

2. Maintain high standards of professional and personal conduct and justify public trust in you, your profession and the provision of legal services;

3. Behave with honest and integrity;

4. Comply with your legal and regulatory obligations and deal with regulators and ombudsmen openly, promptly and co-operatively;

5. Act competently, in the best interests of your client and respect client confidentiality;

6. Treat everyone fairly and without prejudice;

7. Ensure your independence is not compromised;

8. Act effectively and in accordance with proper governance and sound financial and risk management principles;

9. Protect client money and assets.

Application
You must comply with the Code whenever it applies to you. Your professional and personal conduct will be judged against it and a breach may lead to action being taken against you. Compliance with the Code will be taken into account in considering information which raises a question about your conduct, practice or professional performance.

The Principles Explained
Each core principle is supported by a series of outcomes. You must adhere to the principles and meet the outcomes.
Where CILEx Regulation provides guidance on the Code of Conduct, this is not exhaustive but is intended to help you to understand our expectations of you. Compliance with any guidance may not be an absolute requirement but you may be called upon to justify a departure from it if your conduct or professional performance is called into question.

Definitions
In the Code: You and your means a CILEx Practitioner (ACCA-Probate) or a CILEx-ACCA Probate Entity.
1. Uphold the rule of law and the impartial administration of justice.
You must:
1.1 understand and comply with your primary and overriding duty to the court, obey court orders and do nothing which would place you in contempt;

1.2 not knowingly or recklessly allow the court to be misled.

2. Maintain high standards of professional and personal conduct and justify public trust in you, your profession and the provision of legal services.

You must:

2.1 advise your client of your professional status and that you are authorised to practise and/or regulated for the provision of legal services by CILEx Regulation. Where your practice is regulated by CILEx Regulation your business communications must confirm that;

2.2 not engage in any conduct that could undermine or affect adversely the confidence and trust placed in you and your profession by your client, your employer, professional colleagues, the public and others.

3 Behave with honesty and integrity.

You must:

3.1 be honest in all your dealings and in all financial matters;

3.2 not intentionally mislead anyone you deal with;

3.3 report to CILEx Regulation without delay any suspicion that a person has breached the Code subject to any relevant duty of confidentiality to clients

3.4 report to the relevant authority any misconduct of a person which falls to be regulated by that authority subject to any relevant duty of confidentiality to clients;

3.5 not hold yourself out as having a qualification or professional status that you do not possess.

4 Comply with your legal and regulatory obligations and deal with regulators and ombudsmen openly, promptly and co-operatively.

You must:

4.1 understand and comply with the law and regulation applicable to you;

4.2 take all practicable steps to ensure you can demonstrate that you have adhered to the core Principles and met the associated Outcomes;

4.3 not place others in breach of any regulatory requirement or rule of professional conduct;

4.4 respond openly, promptly and co-operatively to communications from your regulators and ombudsmen.

5 Act competently, in the best interests of your client and respect client confidentiality.

You must:

5.1 maintain a high level of competence in your legal work and ensure that your legal knowledge is current and of sufficient depth for your role;

5.2 identify and address any deficiencies in your knowledge or training, or that of your staff, so as to maintain a level of competence and knowledge appropriate to the legal work and level of responsibility in which you or your staff are engaged;
5.3 act only on matters that are within your competence;
5.4 not act for a client in an area of law where you have insufficient knowledge or experience;
5.5 act on your client's instructions except when to do so would involve a breach of the law or this Code;
5.6 not act in a matter where you do not have the right or are not authorised to act;
5.7 adequately explain and agree with your client the terms upon which your services are to be provided, including the extent of the services, payment and the likely or anticipated cost, outcome and timescale for the advice and services to be provided;
5.8 provide prompt, clear and accurate information and advice to your client, advise them openly and honestly and keep them up to date with information they need about the legal work you are performing for them within agreed timescales;
5.9 inform your client fully as to your complaints procedure including their right to refer a complaint to the Legal Ombudsman or CILEx Regulation where appropriate;
5.10 not charge a client for the cost of handling a complaint;
5.11 where your practice is regulated by CILEx Regulation for the provision of legal services, include in the terms of business with your client, a statement that CILEx Regulation is your regulator for legal services and may seek access to their papers and that, in these circumstances, you will grant CILEx Regulation access unless the client objects;
5.12 maintain confidentiality in respect of your client's affairs except where to do so would conflict with the law or the Code or where your client explicitly authorises you to disclose confidential information.

6 Treat everyone fairly and without prejudice.
You must:
6.1 ensure your business or your role within it, your business model, processes and practices adequately:
- assist consumers and clients to access justice and the full range of legal services; and
- provide each client with equal opportunity to secure a favourable outcome in their matter, irrespective of their vulnerability or susceptibility to discrimination.

7 Ensure your independence is not compromised.
You must:
7.1 not act or continue to act where there is a conflict of interest or a significant risk that a conflict may arise;
7.2 not act or continue to act for a client if you reasonably consider that they are providing instructions under duress or undue influence, except where to withdraw from acting would be detrimental to the client's interests;
7.3 where instructions are provided by a third party, confirm them with your client to ensure they are your client's own instructions;
7.4 ensure that none of your commercial interests or financial arrangements adversely affect the independence of your advice or your ability to act impartially.

8 Act effectively and in accordance with proper governance and sound financial and risk management principles.
You must:

8.1 maintain proper standards of legal work and keep accurate records. In matters such as communications with clients, professional colleagues and others, your records should be contemporaneous and in any event must be made as soon as practicable thereafter;

8.2 ensure that you properly supervise tasks that you have asked others to perform on your behalf, recognising that you remain accountable for any such legal work;

8.3 ensure that anyone you ask to perform legal work on your behalf is appropriately qualified and authorised to perform it;

8.4 ensure that clients' matters are supervised and regularly checked by those with sufficient competence and experience to assess the quality of the legal work and to ensure issues identified are addressed;

8.5 adhere to effective management, oversight and reporting structures;

8.6 adhere to effective procedures to ensure compliance with your legal and regulatory obligations.

9 Protect client money and assets.
You must:

9.1 identify, assess, manage and promptly address risks to money and assets entrusted to you by clients and others;

9.2 effectively monitor the financial stability of your business or your role within it, so as to protect client money and assets from risks associated with the financial position of your business or the business of your employer.

Further Help and Guidance
If you are unsure how this Code applies to you, contact CILEx Regulation on 01234 845770 or email info@cilexregulation.org.uk.

Annex 9 – Applying to become an approved training provider to deliver the ACCA-Probate qualification

Requirements for approval
Applications to become an approved training provider for delivering the ACCA-Probate qualification should be made using the Training Provider Approved Qualification Policy, with the exception of the requirements in relation to technical knowledge and size and level of the qualification.
In relation to technical knowledge, a training provider applicant must be able to demonstrate that the course of study meets the requirements set out in Annex 10 of this handbook. This replaces pages 5-8 of the Training Provider Handbook.
Size and level of the course of study and assessment is not defined for this course. However, CILEx Regulation will seek assurance that the course and assessment cover the outcomes set out at Annex 10 of this handbook. This replaces pages 9-10 of the Training Provider Handbook.

Annex 10 – Learning Outcomes for Approved Probate Practice course and assessment for CILEx Practitioners (ACCA-Probate)

LO ref	Learning Outcome	Knowledge, understanding and skills and assessment criteria
1	Understand the Legal Services Act 2007 (The Act) as it applies to probate activities.	The delegate should be able to: • understand what is meant by a reserved activity • understand that preparing any probate papers for the purposes of the law of England and Wales or in relation to any proceedings in England and Wales is a reserved activity • understand and apply CILEx Regulation's Code of Conduct • understand the relationships between the LSB, CILEx Regulation, ACCA, LeO and the Act/Government • understand the diversity of frontline legal regulators • understand the principle of regulatory independence, and how CILEx Regulation achieves this • understand the impact of the recent CMA findings on the legal services market (and ongoing push for change, e.g. to address unmet legal need)
2	Understand the main principles of the law of trusts and the law of property in so far as they apply to the practice of probate and administration of estates.	The delegate should be able to: • identify relevant core legal principles or rules, and • apply them appropriately and effectively to the practice of probate and the administration of estates
3	Understand the requirements for a valid will and of testamentary capacity.	The delegate should be able to: • identify and apply the relevant law in scenarios concerning testamentary capacity

		• identify and apply the formal requirements for the execution of wills • identify and apply the relevant law in cases concerning the revocation of wills • identify and apply the law as to the effect of marriage and divorce
4	Understand how to interpret the contents of a will and advise on the distribution of testate, intestate and partially intestate estates	The delegate should be able to: • interpret the individual clauses of a will including the administrative provisions • identify situations where gifts fail • identify cases of total or partial intestacy • apply the intestacy rules to advise on the distribution of the estate • identify property passing outside the estate • explain to whom it passes • understand the effect of letters of wishes
5	Understand the scope for claims under the Inheritance (Family and Dependants) Act 1975	The delegate should be able to: • identify potential applicants • understand the grounds for making a claim • identify possible ways to minimise such claims
6	Understand the different types of will trusts and taxation implications.	The delegate should be able to: • identify the more commonly arising kinds of trust • understand the Inheritance Tax (IHT) rules which apply to these trusts
7	Understand how to apply the law and practice in connection with an application for a grant of representation.	The delegate should be able to: • identify cases where a grant of representation is or is not required • identify cases where either a grant of probate, a grant of letters of administration or a grant of letters of administration with the will annexed is required

		• identify who is entitled to apply for a grant of representation • identify the procedure to apply for a grant of representation identify and be able to complete the documents required to apply for a grant of representation, including the oath and the IHT return
8	Understand how to administer an estate (both testate and intestate)	The delegate should be able to: • understand and apply the requirements for Personal Representatives to collect in the assets of the estate • consider which assets should or should not be sold to raise any funds required to pay funeral and administration expenses, tax, debts and legacies • understand the requirement for Personal Representatives to: i) pay pecuniary legacies, ii) vest gifted property in the beneficiaries, distribute the residue and iii) prepare estate accounts.
9	Understand key aspects of Inheritance Tax	The delegate should be able to: • understand the use of the nil rate and residence nil rate band • understand how the charge to tax on potentially exempt transfers arises • understand the availability of exemptions and reliefs • understand the use and tax consequences of post death variations. • Identify the dates for payment of tax • Identify and select the most appropriate method of raising funds to pay tax before the issue of the grant • Identify the taxable estate on death • complete the relevant IHT returns • give appropriate advice on inheritance tax planning to a client contemplating making a will
10	Understand the duties, powers and liabilities of	The delegate should be able to:

	Personal Representatives	• apply the law and practice relating to the more commonly used powers of Personal Representatives and Trustees. • understand the administrative and fiduciary duties of trustees • understand the rights and remedies of beneficiaries. • explain the liability of Personal Representatives in respect of Income Tax and Capital Gains Tax. • explain the Capital Gains Tax liability of beneficiaries

CILEx REGULATION
ENFORCEMENT RULES
2020

CILEx REGULATION ENFORCEMENT RULES

PART I: GENERAL

Application of Rules, Establishment of Panels and Tribunal

1. (1) These Rules apply to any:

(a) allegation of misconduct made against a Regulated Person; or
(b) declaration of prior conduct made by an Applicant or Relevant Person; or
(c) appeals and reviews in relation to authorisation and licensing procedures.

(2) In these rules **misconduct** means any breach of the Code of Conduct.

(3) The Professional Conduct Panel is established for the purposes set out in Part II.

(4) The Disciplinary Tribunal is established for the purposes set out in Part III.

(5) The Appeals Panel is established for the purposes set out in Part IV.

(6) Responsibility for the application and administration of these Rules is delegated by CILEX to CILEx Regulation.

Panellists

2. (1) CILEx Regulation must appoint and maintain lists of lay and professional members to act as panellists on:

(a) the Professional Conduct Panel;
(b) the Disciplinary Tribunal; and
(c) the Appeals Panel.

(2) A person must not at any one time be included in more than one list maintained under Rule 2 (1).

(3) CILEx Regulation must remove from the relevant list the name of any panellist:

(a) whose term of appointment has ended and not been renewed;
(b) who has resigned by giving notice in writing to that effect to CILEx Regulation; or
(c) who in the opinion of CILEx Regulation has ceased to be a suitable person to act as a panellist.

(4) The term of appointment of a panellist must be not more than three years and no panellist may serve for more than nine years.

Interpretation

3. (1) In these Rules, unless otherwise provided:

allegation:	has the meaning given in Rule 15(1);
Appeals Panel:	means the Appeals Panel established under Rule 1(5) as constituted from time to time;
Applicant:	means a person applying: (a) for Membership or Authorisation; (b) to be an Approved Manager; (c) to be licensed or to be an owner, designated officer or manager of a licensed body;
Approved Manager:	has the meaning given to it in the Authorisation Rules;
Authorisation:	means: (a) authorisation or licensing by CILEx Regulation as an Authorised Entity; or (b) Authorisation or approval by CILEx Regulation as a Relevant Person;
Authorised Entity:	means a partnership (including a limited liability partnership), company or sole principal authorised by CILEx under the Legal Services Act 2007 to: (a) carry on an activity which is a reserved legal activity; or (b) provide immigration advice or immigration services;
Chair:	means the Chair of the Professional Conduct Panel, the Tribunal or Appeals Panel as the case may be;
CILEX:	means the Chartered Institute of Legal Executives;
CILEX-ACCA Probate Entity:	means a limited liability partnership or company authorised by CILEx under the Legal Services Act 2007 to carry on probate activities which is a reserved legal activity.
CILEx Member:	means a person who has been admitted to membership of CILEx in any grade;
CILEx Regulation:	means CILEx Regulation Limited;
CILEx Practitioner:	means a practitioner authorised by CILEx to provide one or more regulated legal activity;

Clerk:	means the Clerk to the Professional Conduct Panel, Tribunal or Appeals Panel as the case may be;
complainant:	means a person who has made a report in respect of a Regulated Person to CILEx Regulation;
Compliance Manager:	has the same meaning given in the Authorisation Rules;
Designated Officer:	has the same meaning given in the Licensing Rules;
Employee:	means an employee of a licensed body;
Investigator:	means a person or persons appointed by CILEx Regulation to conduct investigations and/or make such delegated decisions as may be provided for under these Rules;
lay member:	means a person who is not and who has never been an authorised person (within the meaning of section 18 of the Legal Services Act 2007) or registered by CILEx in any grade of membership;
Licensed Body:	has the same meaning given in the Licensing Rules;
Manager:	has the same meaning given in Section 207 of the Legal Services Act 2007;
Membership:	means enrolment or reinstatement as a CILEx Member;
misconduct:	has the meaning given in Rule 1(2);
Person:	includes an individual, body corporate or other entity;
Practice Management Agreement:	has the meaning given in Rule 30(6);
Professional Conduct Panel:	means the Professional Conduct Panel established under Rule 1(3) as constituted from time to time;
prior conduct:	has the meaning given in Rule 11(4);
professional member:	means a Fellow of CILEx who is not a member of any other governing body, Board or committee of the CILEx Group or the CILEx Regulation Board of Directors and who is otherwise eligible to be appointed to a list of panellists under Rule 2;
regulated legal activity:	means: (a) a reserved legal activity; (b) immigration advice or immigration; services;
Regulated Person:	means either a **Relevant Person** or an Employee;

Relevant address:	has the meaning given in Rule 5(2);
Relevant Person:	means an Approved Manager, Authorised Entity, CILEx-ACCA Probate Entity, CILEx Member, or CILEx Practitioner ;
reserved legal activity:	has the same meaning as in the Legal Services Act 2007;
Respondent:	means a person against whom allegations have been made;
Tribunal	means the Disciplinary Tribunal established under Rule 1 (4) as constituted from time to time.

(2) Subject to Rule 3 (1) and Rules 7, 21 and 33, the Interpretation Act 1978 applies to these Rules as if they were an Act of Parliament.

Extension of Time

4. Where these Rules prescribe a time limit by which a person must act or after which they may not act, an Investigator, the Professional Conduct Panel, the Tribunal or the Appeals Panel (as the case may be) may, upon application to the Panel or Tribunal dealing with the matter, vary that time limit if satisfied that in all the circumstances it is reasonable to do so.

Service of Documents

5. (1) Any notice required to be given under these Rules may be given to a person or that person's representative:

(a) by sending it by first class post to a relevant address; or
(b) by leaving it at a relevant address; or
(c) by personal service, effected by leaving the document with an individual or, in the case of a body corporate or other entity, with a director, officer or manager of that body corporate or entity; or
(d) by such other method as the Professional Conduct Panel, the Tribunal or the Appeals Panel (as the case may be) may direct.

CILEx Regulation may adopt a written policy as to the forms of electronic service which would constitute effective service under this Rule.

(2) For the purpose of Rule 5 (1), a **relevant address** means:

(a) in the case of an individual, the last known address of that person, including their usual or last known residence or usual or last known place of business; or
(b) in the case of a body corporate or other entity, its principal or registered office, its last known address or any other office or place of business which is connected to the proceedings to which the notice relates;

(3) A notice which is served in accordance with Rule 5 (1) is deemed to be served at the time of personal service or delivery or on the second working day after it was posted. In the case of service under the written policy provided under Rule 5 (1) above then the policy may provide for the deemed time of service.

(4) Where it is satisfied on reasonable grounds that it is in the public interest to do so, the Professional Conduct Panel, the Tribunal or the Appeals Panel (as the case may be) may:

(a) deem service to be effective even though the requirements of Rule 5 (1) have not been complied with;
(b) dispense with the requirement of service altogether; or
(c) make an order for substituted or alternative service on such terms as it considers appropriate.

Effect on Membership or Authorisation

6. Where a Relevant Person is the subject of any investigation or proceedings under these Rules termination of Membership or Authorisation will not be valid until any such investigation or proceedings are determined. Determination includes any determination by consent order entered into with the Relevant Person.

PART II: INVESTIGATION OF COMPLAINTS AND THE PROFESSIONAL CONDUCT PANEL

Professional Conduct Panel

7. The Panel must consider:

(a) declarations of prior conduct made by or on behalf of Applicants and Relevant Persons and other information relating to their prior conduct; and
(b) allegations made against Regulated Persons.

Composition of the Panel

8. (1) The quorum for a meeting of the Professional Conduct Panel is three members from the list of panellists maintained under Rule 2(1)(a), of whom two must be lay members and one must be a professional member.

(2) The Panel must:

(a) before the commencement of the meeting elect one of their number to chair the meeting; or
(b) if different members are to chair different parts of the meeting, elect the different Chairs before considering each particular matter.

(3) If during the course of any consideration of a matter by the Panel, a member of the Panel is unable to continue to attend the meeting, then subject to there being two remaining members, the Panel may, with the consent of the parties continue with the meeting.

(4) Where under Rule 8 (3), a matter is considered by the remaining two members and they are unable to reach a determination, the matter must be re-considered by a new Panel;

(5) The validity of any proceedings of the Panel shall not be affected by any defect in the appointment of a member.

Conduct of Meetings

9. (1) The Panel may determine its own procedure in accordance with these Rules, the guidance published from time to time by CILEx Regulation and the overriding requirement that proceedings are fair;

(2) Meetings of the Panel are to be held in private.

(3) Subject to Rule 9(3)(a)-(d) meetings are to be held remotely using a suitable online video and audio conference platform unless the Panel decides otherwise.

(a) Where, in accordance with Rule 14(1)(c) or 17(6) the Panel has requested that an Applicant or Relevant Person attend the meeting or where the Relevant Person and/or CILEx Regulation have the right to attend the meeting in accordance with Rule 19(3) or 19(4), the Applicant or Relevant Person and/or CILEx Regulation may request the meeting is held in person if they are of the opinion that it would be unfair to hold the meeting remotely;

(b) any such request made shall be in writing addressed to the Panel at the offices of CILEx Regulation within 14 days of a request to attend in accordance with Rule 14(1)(c) or 17(6) or within a reasonable time of notification of a right to attend in accordance with Rule 19(3) or 19(4);

(c) the Panel will decide whether the meeting is held remotely or in person after considering representations from both parties, in the event that a meeting is held in person nothing in these Rules requires any meeting to be held outside the United Kingdom;

(d) nothing in these Rules shall prevent the Panel from deciding the meeting shall be held in person on the grounds of fairness even if both parties agree it should be held remotely.

(4) Minutes and a record of the decisions of the Panel must be made by the Clerk.

(5) The Panel may resolve to consider and determine a matter without a meeting and, in that event, a decision signed by the members of the Panel is as valid as if it was made at a meeting.

(6) In considering a matter, subject to 10(2) below the Panel:

(a) may take account of, but is not bound by, the findings, views or analysis of an Investigator who may submit their views in writing and/or orally at a meeting of the Panel;
(b) may seek further information from the Relevant Person;
(c) may take account of any further representations and material adduced by the Applicant or Regulated Person.

(7) Where, in accordance with Rule 14(1)(c) or 17(6), the Panel has requested that:

(a) an Applicant or Relevant Person attend a meeting of the Panel; or
(b) where the Applicant or Relevant Person is an entity, that a representative of that entity attend a meeting of the Panel;

an Applicant or Relevant Person may be represented, but the Panel may refuse to permit a particular person to assist or represent a party if the Panel is satisfied that there are good and sufficient reasons for doing so.

(8) Decisions at a meeting of the Panel are to be made by a majority vote of the panellists present.

(9) The Panel must give reasons for its decisions and inform the parties of any right of appeal.

(10) Within 14 days of a decision made by the Panel:

(a) the Clerk shall deliver to CILEx Regulation any decision and reasons of the Panel; and
(b) within seven days of receipt of the decision of the Panel, CILEx Regulation shall notify the Applicant or Relevant Person of that decision.

Evidence

10. (1) The burden of proof rests upon CILEx Regulation and the standard of proof is the balance of probabilities.

(2) Subject to the requirements of a fair decision, the strict rules of evidence do not apply and the Panel may:

(a) admit evidence whether or not it would be admissible in civil proceedings; and

(b) exclude evidence that would otherwise be admissible.

Duty to Declare Prior Conduct

11. (1) Every Applicant or Relevant Person who is an individual must declare in writing to CILEx Regulation if that individual has at any time:

(a) been convicted or accepted a caution in the United Kingdom for a criminal offence, or been convicted elsewhere for an offence which, if committed in England and Wales, would constitute a criminal offence;
(b) been removed from being a trustee of, or being concerned with the management or control of, a charity;
(c) been removed from office as a member, director or manager of any public body;
(d) been adjudged bankrupt or made a composition with creditors;
(e) been disqualified from acting as a director of a company;
(f) been the subject of a civil judgment;
(g) been subject to any investigation or proceedings concerning the person's fitness to practise by any regulatory or professional body;
(h) been involved in any other matter which may be relevant to a decision by CILEx Regulation to admit, authorise or approve that Applicant.

(2) Paragraph (1)(a) applies subject to the Rehabilitation of Offenders Act 1974.

(3) Every Applicant or Relevant Person that is not an individual, must declare in writing to CILEx Regulation if:

(a) a resolution for its voluntary winding-up has ever been passed without a declaration of solvency under section 89 of the Insolvency Act 1986;
(b) it has ever entered administration within the meaning of paragraph 1(2)(b) of Schedule B1 to that Act;
(c) an administrative receiver within the meaning of section 251 of that Act has been appointed in respect of it;
(d) a meeting of creditors has been held in relation to it under section 95 of that Act;
(e) an order for its winding up has been made;
(f) a civil judgment has been made against it;
(g) it has been the subject of any investigation or proceedings conducted by any regulatory or professional body;
(h) been involved in any other matter which may be relevant to a decision by CILEx Regulation to authorise or approve it.

(4) Each of the matters in Rule 11 (1) and (3) is referred to in these Rules as **prior conduct**.

(5) In Rules 11 (1)(f) and (3)(f) references to a **civil judgment** are to a judgment of a court in the United Kingdom or elsewhere.

(6) A declaration of prior conduct is to be considered and determined in accordance with Rules 13 and 14.

Timing of Declaration

12. (1) Every Applicant must disclose full details of prior conduct at the earliest opportunity and, unless the conduct occurs later, in any application for Membership or Authorisation.

(2) Every Relevant Person must disclose full details of prior conduct at the earliest opportunity and in any event:

(a) in any application for Membership;
(b) in any application for a change in Membership grade;
(c) in any other application to CILEx or CILEx Regulation; and
(d) in an annual return.

(3) Where requested to do so by CILEx Regulation, an Applicant or Relevant Person must provide further details of any prior conduct.

(4) Failure by a Relevant Person to comply with this Rule and Rule 11 may be treated as misconduct.

Investigator Decisions: Prior Conduct

13. In considering any declaration or any other information relating to prior conduct the Investigator should have regard to any guidance published by CILEx Regulation.

(1) An Investigator may determine that no action is to be taken in relation to a declaration of prior conduct where:

(a) the Applicant or Relevant Person has declared an outstanding judgment and there is no evidence of:

(i) persistent or deliberate failure to meet financial obligations;
(ii) a related criminal offence; or
(iii) failure to make arrangements to pay off any debts;

(b) the Applicant or Relevant Person has declared a caution or spent conviction and is not a CILEx Fellow or CILEx Practitioner, or applying for CILEx Fellowship or CILEx Practitioner;

(c) the Applicant or Relevant Person has declared a driving offence and:

(i) there is no evidence of a persistent pattern of offending,

(ii) a custodial sentence was not imposed; and
(iii) the duration of any disqualification imposed was not 18 months or more;

(d) the Applicant or Relevant Person is or has been subject to a bankruptcy Order or has entered into an arrangement with their creditors; or

(e) the prior conduct is of a kind which the Panel has given the Investigator delegated authority to determine.

(2) The Investigator must, within 21 days of making a decision, notify the Applicant or Relevant Person of that decision and, in respect of a decision made under Rule 13 (1)(e), must at the same time inform the Panel of that decision.

(3) An Investigator may decline to make a determination under this Rule if, in the opinion of the Investigator, it would be more appropriate for the declaration to be determined by the Panel, in which case the investigator will make a referral to the Panel and notify the Applicant or Relevant Person within seven days of the referral.

(4) This Rule does not apply when an opinion in relation to prior conduct is sought by CILEx Regulation under the Licensing Rules.

Panel Decisions: Prior Conduct

14. (1) In considering any declaration or other information relating to prior conduct, the Panel must have regard to any guidance published by CILEx Regulation and may:

(a) seek advice from or refer the matter to an Investigator or any CILEx or CILEx Regulation committee it considers appropriate;
(b) request that the Applicant or Relevant Person provide such further information as the Panel may reasonably require; and
(c) request that the Applicant or Relevant Person or, where the Applicant or Relevant person is an entity, a representative of that entity, attend a meeting of the Panel. If the Relevant Person and/or their representative attends the meeting of the Panel then CILEx Regulation shall be represented if it considers it appropriate.

(2) Failure by an Applicant or Relevant Person to comply with a request under Rule 14 (1)(b) or (c) may be treated as misconduct.

(3) In respect of any prior conduct the Panel may:

(a) refuse any application for Membership or Authorisation or any other application to which the prior conduct relates;
(b) determine that the prior conduct does not affect any application for Membership or Authorisation or any other application to which the prior conduct relates;

(c) decide to take no further action and make a direction to an Investigator as to how to deal with the matter under Rule 13(1)(e) above;

(d) impose conditions on the Applicant or Relevant Person as it may think appropriate in respect of their future conduct and, in the case of an individual, their employment;

(e) require the Applicant or Relevant Person to give an undertaking as to their future conduct;

(f) reprimand the Relevant Person, warn the Applicant or Relevant Person as to their future conduct or both;

(g) refer the matter to the Tribunal as if it was an allegation;

(h) in the case of an application under the Licensing Rules provide an opinion to CILEx Regulation when required by those Rules.

Investigating Misconduct: Initial Procedure

15. (1) Where CILEx Regulation receives information to the effect that a Regulated Person may have engaged in misconduct (an **allegation**) it may investigate the allegation in accordance with these Rules.

(2) An Investigator may investigate an allegation as follows:

(a) by gathering information about and investigating the issues involved including, where the information is provided by a complainant, obtaining:

(i) any further factual information about the allegation that the complainant wishes to provide; and

(ii) the consent of the complainant to provide a copy of the allegation and any supporting information to the Regulated Person;

(b) the Investigator must at an appropriate stage notify the Regulated Person that an allegation has been made against them, provide the Regulated Person with details of the allegation (including a copy of any complaint or supporting information) and a copy of the Rules and invite the Regulated Person to submit representations to the Investigator within 14 days;

(c) the Investigator may seek information or advice from third parties.

(3) In order to assist in the investigation, the Investigator may supply the complainant with a copy of all or part of any response from the Relevant Person and, in that event:

(a) must allow the complainant a period of 14 days in which to provide any further relevant information; and

(b) the Regulated Person a period of 14 days in which to comment on further information received from the complainant.

(4) At the conclusion of the investigation, the Investigator must prepare a report containing a summary of the information obtained and an analysis of the issues for consideration and must forward the same to the Regulated Person and invite them within a period of 14 days to comment in writing on the report.

(5) Upon receipt of comments from the Regulated Person or the expiry of the time allowed for comments (whichever is the sooner), the Investigator must either determine the matter or refer it to the Panel.

(6) The investigator may provide a copy of the report to the complainant and invite their comments where that would assist the inquiry or if it is in the public interest to do so;

(7) A Relevant Person is obliged to comply with and respond to reasonable enquiries made by an Investigator and failure to do so may be treated as misconduct.

Decisions by Investigators in Certain Cases

16. (1) Where an Investigator is of the opinion that:

(a) there is no evidence available to substantiate an allegation;
(b) the facts alleged do not disclose any misconduct by the Regulated Person;
(c) CILEx Regulation has no jurisdiction to consider the allegation; or
(d) the time which has elapsed since the events (or knowledge of those events, if later) giving rise to the allegation exceeds the prescribed period;

the Investigator may reject the allegation without further reference to the Panel.

(2) For the purpose of Rule 16 (1)(d), the **prescribed period** means such period of not less than one year or as CILEx Regulation may prescribe.

(3) Where an Investigator is of the opinion that the evidence available indicates that the Regulated Person has a case to answer in respect of an allegation; and either:

(a) the allegation is of a serious nature; or
(b) an adverse finding has previously been made against the Regulated Person by the Panel or Tribunal in respect of an allegation of a similar nature;

the Investigator may refer the allegation directly to the Tribunal without further reference to the Panel.

(4) An Investigator must:
(a) provide reasons for rejecting or referring to the Tribunal any allegation under this Rule;
(b) notify the Regulated Person and any complainant of the decision within 21 days; and
(c) report any such decision to the Panel.

Powers of the Professional Conduct Panel

17. (1) The Panel must consider any allegation which is referred to it and determine whether the Regulated Person has a case to answer.

(2) In determining whether there is a case to answer, the Panel must consider whether, based upon the available evidence, there is a realistic prospect that CILEx Regulation would be able to prove the allegation of misconduct before the Tribunal.

(3) In respect of an allegation, the Panel may determine that:

(a) there is no case to answer; or
(b) there is a case to answer and:

(i) refer the allegation to the Tribunal; or
(ii) with the admission and consent of the Regulated Person, dispose of the allegation in accordance with Rule 17 (4).

(4) Where the Regulated Person admits an allegation and consents to the Panel doing so, the Panel may dispose of the matter by:

(a) requiring the Regulated Person to give undertakings as to their future conduct;
(b) imposing conditions on the Regulated Person in respect of their conduct or, in the case of an individual, their employment;
(c) reprimanding the Regulated Person, warning them as to their future conduct or both.

(5) Where the Panel makes a determination under (3)(b)(i) above and the Regulated Person admits the allegation within 14 days of notification of the Panel's decision and consents to the Panel dealing with the matter under Rule 17(4) then the Panel may consider whether to substitute its determination with a disposal under Rule 17 (4).

(6) Before reaching a decision under Rule 17(4), the Panel may request that the Regulated Person or, where the Regulated Person is an entity, a representative of that entity, attend a meeting of the Panel. Failure to comply with such a request may constitute misconduct. If the Regulated Person attends or is represented at the meeting of the Panel, then CILEx Regulation shall be represented if it considers it appropriate.

(7) If at any time after allegation(s) have been referred under Rules 16(3) or 17(3)(b)(i), but before any proceedings have been commenced in accordance with Rule 24(1) below, CILEx Regulation considers that the matter should no longer be referred then it can withdraw the allegations.

Determination by Consent

18. (1) Where, in respect of any allegation:

(a) an Investigator is of the opinion that the Regulated Person has a case to answer; and
(b) the Regulated Person admits the allegation;

then subject to Rule 18(3), the Investigator and the Regulated Person may agree to determine the allegation by consent and agree a sanction that would be available to the Panel or Tribunal considering the matter.

(2) The terms of any determination by consent must include:

(a) the allegation(s) and a statement to the effect that the Regulated Person admits the allegation(s);
(b) the imposition on the Regulated Person of one or more of the sanctions available to the Panel under Rule 17 or the Tribunal under Rule 30 (other than the imposition of costs); and
(c) a provision that CILEx Regulation may in its absolute discretion notify any person or publish the terms of the determination by consent.

(3) A determination by consent will not take effect until:

(a) it has been approved by order of the Panel who have the power to approve any sanction as agreed by the Investigator with the Regulated Person; and
(b) the determination by consent is signed by the Chair of the Panel.

(4) Failure by a Regulated Person to comply with the terms of a determination by consent constitutes misconduct.

Interim Orders

19. (1) The Panel may at any time, on the application of an Investigator or of its own motion, consider whether it is necessary for the protection of the public, in the interests of the Relevant Person concerned or otherwise in the public interest to suspend or restrict a Relevant Person's Membership or Authorisation pending a hearing before the Tribunal.

(2) CILEx Regulation must give the Relevant Person reasonable notice of an application for an Interim Order. If, however, the Panel is satisfied that notice is not possible or is inappropriate due to the seriousness or urgency of the matter, then the Interim Order will become immediately effective. In this event, CILEx Regulation must arrange for the Interim Order to be reviewed by the Panel following notification to the Relevant Person.

(3) The notice under Rule 19(2) must inform the Relevant Person of the time, date and place of the hearing, brief details of the matters giving rise to the application for an interim order and of the right to appear before and be heard by the Panel.

(4) In considering whether to make an Interim Order, the Panel may determine its own procedure in accordance with these Rules, any guidance published by CILEx Regulation and the overriding requirement of fairness. CILEx Regulation shall be represented at the meeting of the Panel if it considers it appropriate.

(5) The Panel may order that the Relevant Person's Membership or Authorisation be:
(a) suspended; or
(b) subject to such restrictions as the Panel considers appropriate.

(6) Where the Panel makes an Interim Order it shall provide:

(a) that the order can only be in force for a maximum period of 18 months;
(b) a review date for the Interim Order which is not later than six months from the date of the Interim Order;
(c) for subsequent review dates;
(d) for the review date being vacated with the consent of CILEx Regulation and the Relevant Person;
(e) liberty for the Relevant Person to apply to set the Interim Order aside if there is a change in circumstances.

(7) Where the Panel makes an Interim Order against a Relevant Person that is an Authorised Entity, it may also require the Relevant Person to enter into a Practice Management Agreement, the terms of which will be determined by the Panel.

Appeals

20. (1) An Applicant, Relevant Person or CILEx Regulation may appeal against any decision or order of the Panel other than a decision to refer a matter to the Tribunal.

(2) A complainant may make an application to the Panel seeking the review of a decision of an Investigator under Rule 16 to reject an allegation.

(3) An application under Rule 20(2) must be made in writing within 21 days of notification of the decision of the Investigator and, in conducting any review, the Panel may confirm the Investigator's decision, require the Investigator to investigate the matter further or consider the matter as if it was a referral made under Rule 17, but subject to such modifications as the Panel consider appropriate.

(4) An appeal under Rule 20(2) must be made in accordance with Part IV.

(5) The Panel may make an order that its decision is stayed pending an appeal on such terms as it considers appropriate.

PART III: THE DISCIPLINARY TRIBUNAL

Interpretation of Part III

21. (1) In this Part, unless the context otherwise requires:

first hearing date:	means the hearing date set under Rule 24(1);
finalised hearing date:	means either the first hearing date or, where the first hearing date is varied by the Tribunal, that varied hearing date;
Party and parties:	means CILEx Regulation and the Respondent(s); and

(2) Any reference to the Panel or Investigator having referred a matter to the Tribunal includes a decision by an Appeals Panel under Part IV to refer a matter to the Tribunal.

Disciplinary Tribunal

22. (1) The Tribunal has jurisdiction to hear:

(a) those matters referred to it under Part II by the Professional Conduct Panel or Investigator or by an Appeals Panel under Part IV;

(b) reviews of disqualification decisions under Rule 25 of the Licensing Rules in which case Rule 32 applies to such reviews

(2) The Tribunal may determine its own procedure in accordance with these Rules, the guidance published from time to time by CILEx Regulation and the overriding requirement of fairness.

Disciplinary Tribunal Panel

23. (1) A matter that has been referred to the Tribunal must be heard by a Tribunal of three members from the list of panellists maintained under Rule 2(1)(b), of whom two must be lay members and one must be a professional member.

(2) The members of the Tribunal must, prior to commencement of the hearing, choose one of their number to act as Chair for the purposes of the hearing.

(3) If, during the course of any hearing, a member of the Tribunal is unable to continue to attend the hearing, the remaining members may, with the consent of the parties, continue with the hearing.

(4) Where, under Rule 23(3), a matter is heard by the remaining two members and they are unable to reach a determination, the matter must be re-heard by a new Tribunal.

(5) The validity of any proceedings of the Tribunal shall not be affected by any defect in the appointment of a member.

Proceedings

24. (1) Where a matter has been referred to the Tribunal, CILEx Regulation must, as soon as reasonably practicable:

(a) notify the parties that the matter has been referred to the Tribunal; and
(b) fix a date, time and venue for the hearing of the matter by the Tribunal.

(2) Subject to Rule 24(2)(a)-(c) hearings are to be held remotely using a suitable online video and audio conference platform.

(a) The Respondent and/or CILEx Regulation may request at least 14 days before the hearing that it is held in person if they are of the opinion that it would be unfair to hold the hearing remotely;

(b) any such a request must be made in writing to the Tribunal addressed to Tribunal at offices of CILEx Regulation. The Tribunal will decide whether the hearing is held remotely or in person after considering representations from both parties, nothing in these Rules requires any hearing to be held outside the United Kingdom;

(c) nothing in these Rules shall prevent the Tribunal from deciding the meeting shall be held in person on the grounds of fairness even if both parties agree it should be held remotely.

(3) CILEx Regulation must, not less than 42 days before the first hearing date, serve a notice on the Respondent setting out:

(a) the charges, including particulars of the allegations, against the Respondent that are to be heard by the Tribunal; and
(b) the evidence that CILEx Regulation will present to the Tribunal.

(4) CILEx Regulation must, at the same time that any notice is lodged under Rule 24(3), lodge a copy of that notice with the Clerk.

(5) Not less than 28 days before the first hearing date, each party will serve on the other copies of any documentary evidence in their possession or control relating to the allegations and any witness statements upon which they intend to rely.

(6) Any fact which needs to be proved at a hearing by the evidence of witnesses may be proved by evidence given in a witness statement, and a party who requires a witness to attend a hearing, for the purpose of cross-examination upon the content of a witness statement served in accordance with Rule 24(5), must serve notice to that effect upon the opposing party within seven days of disclosure of the statement.

(7) A party is deemed to admit the authenticity of any document disclosed under Rule 24(5) above unless, within seven days of disclosure of the document, that party serves notice requiring the document to be proved at a hearing.

Directions and Preliminary Matters

25. (1) The Tribunal may at any time give directions for the management and conduct of proceedings (and the consequences of failing to comply with such directions) and determine any preliminary issues raised by any party.

(2) The Tribunal may give directions or determine issues under Rule 25 (1) without a meeting of the Tribunal but by two or more of the Tribunal advising the Clerk of their decision and, in that event, the Clerk must notify the parties of the decision within three days of the date on which the decision was made.

(3) Where the parties consent, a single Tribunal member may give directions or determine an issue under Rule 25 (1).

(4) When giving directions or determining issues in accordance with Rule 25(2) and (3) above the Tribunal or a single Tribunal member may also direct that submissions or evidence at the substantive hearing be heard by video link or telephone, or in person, as the case may be.

Additional Allegations

26. Where the Tribunal is satisfied that it would not cause unfairness to the Respondent, the Tribunal may permit CILEx Regulation to add or amend allegations to the matter referred to the Tribunal, and those additional or amended allegations may be treated as if they were included in the original matter referred to the Tribunal.

Hearing Documentation

27. Not less than seven days before the finalised hearing date, CILEx Regulation must produce and provide the Clerk and the Respondent with copies of an indexed and paginated hearing bundle comprising:

(a) the allegations;
(b) any documents relied upon by the parties;
(c) any witness statements; and

(d) any relevant notices.

Conduct of Hearings

28. (1) Hearings must be held in public unless the Tribunal is satisfied that, in the interests of justice or for the protection of the private life of the Respondent, the complainant, a person giving evidence or any other person, the public should be excluded from all or part of a hearing.

(2) The Tribunal must give CILEx Regulation and the Respondent and, in its discretion any other person, the opportunity of being heard.

(3) A party may be represented at a hearing by any person, whether or not legally qualified, but the Tribunal may refuse to permit a particular person to assist or represent a party if the Tribunal is satisfied that there are good and sufficient reasons for doing so.

Evidence

29. (1) The Tribunal may control the evidence by giving directions as to:

(a) the issues on which it requires evidence;
(b) the nature of the evidence which it requires to decide those issues; and
(c) the way in which the evidence is to be placed before the Tribunal.

(2) The burden of proof rests upon CILEx Regulation and the standard of proof is the balance of probabilities.

(3) Subject to the requirements of a fair hearing, the Tribunal may:

(a) admit evidence whether or not it would be admissible in civil proceedings; and
(b) exclude evidence that would otherwise be admissible.

(4) The Tribunal may limit cross-examination.

(5) Subject to any other provisions of these Rules, the Civil Evidence Act 1968 and the Civil Evidence Act 1995 apply in relation to the hearing of a matter as they apply in relation to civil proceedings.

(6) Production before the Tribunal of:

(a) a certificate purporting to be under the hand of a competent officer of a Court in the United Kingdom or overseas that a Respondent has been convicted of a criminal offence is conclusive evidence of the offence committed;

(b) a copy of the determination of any body in or outside England and Wales exercising a professional disciplinary jurisdiction is conclusive evidence of the facts found proved in relation to that determination;
(c) a copy of the judgment of any court or statutory tribunal is conclusive evidence of the facts found proved in relation to that judgment.

Decisions

30. (1) Decisions of the Tribunal are to be made by a majority vote of the panellists present.

(2) The Tribunal may:

(a) announce its decision and reasons at the conclusion of the parties' cases;
(b) announce its decision at the conclusion of the parties' cases and give its reasons on a later date; or
(c) reserve its decision and reasons to a later date.

(3) Where the Tribunal reserves its decision or reasons or the Regulated Person does not attend, the Tribunal must notify the parties of its decision, reasons and any order made within 21 days of the conclusion of the hearing and, where necessary, the notice must specify a date, not more than 21 days after the date of the notice, for any further hearing.

(4) Where the Tribunal's decision is that one or more of the allegations against the Respondent has been proved:

(a) CILEx Regulation must inform the Tribunal of any previous disciplinary proceedings in which any allegation has been proved against the Respondent; and
(b) the Respondent may then make submissions in mitigation and, where appropriate, in respect of costs.

(5) Where the Tribunal finds that one or more of the allegations against the Respondent has been proved the Tribunal:

(a) may:

(i) take no further action;
(ii) reprimand the Respondent, warn the Respondent as to their future conduct or both;
(iii) impose conditions on the Respondent as it may think appropriate in respect of the Respondent's conduct or, where the Respondent is an individual, their employment (and such conditions may be imposed in addition to any reprimand or warning); or

(iv) order that the Respondent be excluded from Membership or Authorisation for such period (which may be a minimum fixed or indefinite period) as it may decide; and

(b) may order the Respondent:

(i) except where the Panel has ordered that the Respondent be excluded from Membership or Authorisation, to pay a fine not exceeding an amount determined by CILEx Regulation from time to time; and
(ii) to pay costs to CILEx Regulation in respect of the proceedings; and

(c) may, in the case of a Respondent that is an Authorised Entity or CILEx-ACCA firm which has been excluded from Authorisation, also require the Respondent to enter into a Practice Management Agreement.

(6) For the purpose of these Rules a **Practice Management Agreement** means an agreement between CILEx Regulation and an Authorised Entity or CILEx-ACCA firm imposing such requirements as CILEx Regulation considers appropriate in the circumstances for the orderly conduct or transfer of the Authorised Entity's business, funds and client files and the terms of such an agreement may include (but are not limited to) requirements that:

(a) the Authorised Entity or CILEx-ACCA firm cease to accept new business or clients;
(b) the business of the Authorised Entity or CILEx-ACCA firm be managed or supervised by a person appointed by CILEx Regulation;
(c) the Authorised Entity or CILEx-ACCA firm and those responsible for its management to execute powers of attorney, bank mandates or other instruments and take such other steps as are required to enable any person appointed by CILEx Regulation to perform their functions under a Practice Management Agreement, including safeguarding client funds, files and other assets; and
(d) the Authorised Entity or CILEx-ACCA firm meet the costs of any steps taken by CILEx Regulation or any person appointed by it under a Practice Management Agreement.

(7) Where the Tribunal finds that one or more of the allegations against the Respondent has not been proved, it may order CILEx Regulation to pay the reasonable costs of the respondent.

(8) An Order of the Tribunal takes effect on the date of the hearing unless the Tribunal orders otherwise.

(9) Where the Tribunal makes an Order under Rule 30(5) any certificate previously issued to the Relevant Person by CILEx or CILEx Regulation ceases to have effect and must be delivered by the Respondent to CILEx Regulation within 14 days of the date of the Tribunal's decision.

(10) A Regulated Person who has neither attended nor been represented at the hearing of their case may apply of a re-hearing within 28 days of the notification of the decision. If the Tribunal

is satisfied that it is just to do so, it may direct a re-hearing upon such terms as it things appropriate.

Interim Orders

31. (1) The Tribunal may at any time, on the application of the Investigator or of its own motion, consider whether it is necessary for the protection of the public, in the interests of the Respondent concerned or otherwise in the public interest to suspend or restrict a Respondent's Membership or Authorisation pending the conclusion of proceedings before the Tribunal.

(2) The Tribunal must give the Respondent reasonable notice before an Interim Order is made by the Tribunal. If, however the Tribunal is satisfied that notice is not possible or inappropriate due to the seriousness or urgency of the case, then the Interim Order will become immediately effective. In this event, CILEx Regulation must arrange for the Interim Order to be reviewed by the Tribunal following notification to the Respondent

(3) The notice under Rule 31 (2) must inform the Respondent of the time, date and place of the hearing, brief details of the matters giving rise to the application for an Interim Order for suspension and of the right to appear before and be heard by the Tribunal.

(4) In considering whether to make an Interim Order, the Tribunal may determine its own procedure in accordance with these Rules, any guidance published by CILEx Regulation and the overriding requirement of fairness. CILEx Regulation shall be represented at the meeting of the Tribunal if it considers it appropriate.

(5) The Tribunal may order that the Respondent's Membership or Authorisation be:

(a) suspended; or
(b) subject to such restrictions as the Tribunal considers appropriate.

(6) Where the Tribunal makes an Interim Order, it shall provide:

(a) that the Order can only be in force for a maximum period of 18 months;
(b) a review date for the Interim Order which is not later than six months from the date of the Interim Order;
(c) for subsequent review dates;
(d) for the review date being vacated with the consent of CILEx Regulation and the Respondent;
(e) liberty for the Respondent to apply to set the Interim Order aside if there is a change in circumstances.

(7) Where the Tribunal makes an Interim Order against a Respondent that is an Authorised Entity or CILEx-ACCA firm it may also require the Respondent to enter into a Practice Management Agreement, the terms of which will be determined by the Tribunal.

Procedure in relation to Disqualification Reviews

32. (1) Where a person seeks a review of a disqualification made pursuant to Rule 25(h) of the Licensing Rules then they shall serve on CILEx Regulation a document setting out the basis of their application and any evidence or other documents relied upon in support of the review.

(2) Upon receipt of the application for a review, CILEx Regulation shall set a date, time and venue for a hearing before the Tribunal.

(3) the following Rules shall apply in relation to the procedure for the determination of the application for a review:

(a) Rules 23, 24(2) and (5) to (7);
(b) Rules 25,27 and 28;
(c) Rule 29 save that the burden of proof shall be on the person seeking the review; and
(d) Rule 30(1) to (3).

Appeals

33. (1) Decisions of the Tribunal (other than a decision to impose an Interim Order which takes effect immediately) only take effect after the period for lodging an appeal against the decision has expired or, where an appeal is made, after the appeal has been disposed of or withdrawn.

(2) The Respondent may appeal against:

(a) a finding by the Tribunal that one or more allegations has been proved; or
(b) any sanction or costs imposed by the Tribunal.

(3) CILEx Regulation may appeal against:

(a) a decision of the Tribunal which, in the opinion of CILEx Regulation, was made based upon a manifest error, is irrational or similarly flawed; or
(b) the imposition by the Tribunal of a sanction which, in the opinion of CILEx Regulation, is unduly lenient.

(4) An appeal must be made in accordance with Part IV.

PART IV: THE APPEALS PANEL

Interpretation of Part IV

Notice of Appeal

34. (1) An appeal must be made by giving notice in writing in accordance with this Rule.

(2) The notice must be addressed to the Appeals Panel at the offices of CILEx Regulation and must:

(a) state that it is a notice of appeal and whether the appeal is made under:

(i) Rule 20;
(ii) Rule 32;
(iii) Rule 26 of the Licensing Rules;
(iv) Rule 5, 7 and 8 of the Admissions and Licensing Committee Rules; or
(v) Rule 9 of the Authorisation Rules.

(b) include:

(i) the name and address of the appellant;
(ii) the date, nature and other relevant details of the decision which is the subject of the appeal;
(iii) a concise statement of the grounds of the appeal; and
(iv) the name and address of the appellant's representative (if any) and state whether correspondence concerning the appeal should be sent to the representative instead of the appellant;

(c) be signed by or on behalf of the appellant; and

(d) be accompanied by a copy of any documents on which the appellant proposes to rely for the purposes of the appeal.

(3) A notice of appeal must be lodged no later than 42 days after the date on which the decision that is the subject of the appeal was made. In the case of appeals under Rule 26 of the Licensing Rules then an appeal must be lodged in accordance with those Rules.

(4) An appeal complying with Rule 34(2) above may be served by email to an address specified from time to time by CILEx Regulation. Service by email is not effective unless receipt is acknowledged by CILEx Regulation.

Appeals Panel

35. (1) The Appeals Panel must comprise two lay members and one professional member from the list maintained under Rule 2(1)(c).

(2) The members of the Appeals Panel must choose one of their number to act as Chair for the purposes of the appeal.

(3) An Appeals Panel must consider and determine any appeal made in accordance with Rules set out at Rule 34 (2)(a) above.

(4) At the beginning of the hearing the Chair must explain to the parties the order of proceedings which the Appeal Panel proposes to adopt.

(5) The Appeals Panel may conduct the hearing in such manner as it considers most suitable to the clarification of the issues before it and generally to the just handling of the proceedings and the parties may be heard in such order as the Panel determines, taking into account that the burden of proof rests upon the appellant.

(6) In determining an appeal, the Appeals Panel may admit any evidence it considers fair and relevant to the case before it, whether or not such evidence would be admissible in civil proceedings.

(7) Having considered an appeal, the Appeals Panel may:

(a) dismiss the appeal;
(b) allow the appeal and make such further orders to enable it to give effect to its decision including:

(i) quash the decision appealed against;
(ii) remit the matter, to the Tribunal, Admissions and Licensing Committee or CILEx Regulation (as the case may be), for reconsideration on such terms as the Appeals Panel considers appropriate;
(iii) substitute for the decision appealed against any other decision that, the Professional Conduct Panel, Tribunal, Admissions and Licensing Committee or CILEx Regulation (as the case may be), could have made;

and may make such ancillary orders, including orders for costs, as it considers just and appropriate, at any stage after a notice of appeal has been given pursuant to Rule 34.

(8) Decisions of the Appeals Panel are to be made by a majority vote of the panellists present.

(9) Notice of the decision of the Appeals Panel must be given in writing to the appellant within 21 days and takes effect 28 days after the date on which it was made.

(10) Where the decision in an Appeal under Rule 20(1) has the effect of referring a matter to the Disciplinary Tribunal, that referral may be treated for all purposes as if it was made by the Professional Conduct Panel.

(11) Appeals under Rule 20 of these Rules, Rule 26 of the Licensing Rules or Rule 5 and 7 of the Admissions and Licensing Committee Rules, Rule 9 of the Authorisation Rules are to be heard in private unless the appellant requests otherwise.

(12) Appeals under Rule 32 are to be heard in public, unless the Appeals Panel is satisfied that, in the interests of justice or for the protection of the private life of the appellant, any complainant, person giving evidence or any other person, the public should be excluded from all or part of a hearing.

Representation

36. A party may be represented at a hearing by any person, but the Appeals Panel may refuse to permit a particular person to assist or represent a party if the Appeals Panel is satisfied that there are good and sufficient reasons for doing so.

Determination without Convening Hearing

37. The Appeals Panel may determine an appeal without convening a hearing, on the basis of any documents or written representations provided by the parties, where:

(a) the Appeals Panel has notified the parties of its intention to do so; and
(b) the parties have consented.

PART V: OTHER MATTERS

Publication of decisions etc.

38. (1) CILEx Regulation must cause all adverse findings and orders of the Panel, Tribunal and Appeals Panel (decisions) to be recorded against the relevant entry in the relevant CILEx Regulation register.

(2) Where a Regulated Person against whom a decision is made is:

(a) employed; or
(b) is a partner, director, manager of, or holds a financial interest in, a relevant body,

CILEx Regulation must notify the employer or relevant body of the decision.

(3) In this Rule **relevant body** means:

(a) an Authorised Entity;
(b) a legal services body within the meaning of s.9A of the Administration of Justice Act 1985; or
(c) a body licensed under Part 5 of the Legal Services Act 2007.

(4) CILEx Regulation must give notice of all decisions to such other regulatory and oversight bodies as it considers appropriate.

(5) CILEx Regulation must cause all decisions and the name of the Relevant Person concerned to be published in such manner as it considers appropriate.

(6) Rule 38(2), (4) and (5) do not apply to the extent that the Professional Conduct Panel, Tribunal or Appeals Panel directs otherwise.

Recovery of Fines and Costs

39. Any fine or costs order imposed under these Rules is recoverable as a debt.

Maintenance of Exhibits and Transcripts

40. Any exhibits produced or used at a hearing of the Panel, Tribunal or Appeals Panel and any recording or transcript of those proceedings must be kept by CILEx Regulation for a period of at least one year after the proceedings to which they relate.

Annual Report

41. An annual report must be made to the CILEx Regulation Board of the work of the Investigators, Panel, Tribunal and Appeals Panel during the previous year.

Transitional Provisions

42. (1) These Rules come into force on 17 November 2020 (the **Commencement Date**).

(2) Any allegation or prior conduct declaration received by CILEx Regulation on or after the Commencement Date must be dealt with in accordance with these Rules.

(3) Any allegation or prior conduct declaration received by CILEx Regulation before the Commencement Date but which on that date has not been referred to the Panel, Tribunal or Appeals Panel in accordance with previous enforcement rules must be dealt with under these Rules.

(4) Any allegation or prior conduct declaration received by CILEx Regulation which has been referred to the Panel, Tribunal or Appeals Tribunal between 1 August 2018 and 12 August 2019 must continue to be dealt with in accordance with the Enforcement Rules 2018.

(5) Any allegation or prior conduct declaration received by CILEx Regulation which has been referred to the Panel, Tribunal or Appeals Tribunal between 13 August 2019 and the

Commencement Date must continue to be dealt with in accordance with the Enforcement Rules 2019.

STRATEGIC RISK

COMMITTEE RULES

STRATEGIC RISK COMMITTEE RULES

1. CILEx Regulation shall establish a Strategic Risk Committee.

2. The Strategic Risk Committee shall:

- oversee the application of CILEx Regulation risk based and outcomes focused regulatory strategy and its adaptation to meet changing market conditions;
- review operation of the risk framework and update/supplement risk rating criteria;
- determine how the framework should be applied across impact and probability scoring ranges;
- receive and review data from CILEx Regulation risk operations and receive summaries on risk data assessments on the wider market for legal services;
- consider and decide whether to endorse decisions made by Operational Risk Group Managers to reject authorisation;
- consider and decide whether to endorse decisions made by Operational Risk Group Managers to revoke authorisation;
- consider and decide whether to endorse decisions made by Operational Risk Group Managers to reject designation as an Approved Manager or CILEx Practitioner (ACCA-Probate);
- consider and decide whether to endorse decisions made by Operational Risk Group Managers to withdraw designation as an Approved Manager or CILEx Practitioner (ACCA-Probate);
- consider and decide whether to endorse decisions made by Operational Risk Group Managers to:
  - refuse to grant a licence;
  - impose special licence conditions upon a licence;
  - revoke or suspend a licence;
  - refuse an application for approval to be an owner, designated officer or manager of a licensed body; or
  - withdraw approval to be an owner, designated officer or manager of a licensed body.

3. A person or organisation (the applicant) affected by any decision by CILEx Regulation to:

   (1) reject an application for authorisation;

   (2) revoke authorisation;

   (3) reject an application for Approved Manager or CILEx Practitioner (ACCA-Probate) designation; or

   (4) withdraw Approved Manager or CILEx Practitioner (ACCA-Probate) designation;

   may appeal against that decision to the Appeals Panel constituted under Part IV of the CILEx Regulation Enforcement Rules.

4. A person or organisation (the applicant) affected by any decision by CILEx Regulation to:

   (1) refuse to grant a licence;

   (2) impose special licence conditions upon a licence;

   (3) revoke or suspend a licence;

   (4) refuse an application for approval to be an owner, designated officer or manager of a licensed body; or

   (5) withdraw approval to be an owner, designated officer or manager of a licensed body

   may appeal against that decision under Part 10 of the CILEx Regulation Licensing Rules.

5. The Strategic Risk Committee shall report annually to the CILEx Regulation Board on its work during the preceding calendar year and make such recommendations as it thinks fit concerning the operation of the risk framework falling within its remit.

6. The Strategic Risk Committee will comprise:

   - Fellows of CILEx; and

   - Independent members, at least one of whom shall have knowledge or experience of risk management

   who shall not be members of any governing body, Board or committee of the Chartered Institute of Legal Executives or the CILEx Regulation Board and provided that the independent members are in the majority.

7. A Fellow who is a member of CILEx Regulation's Professional Conduct, Disciplinary or Appeals Panel shall not be eligible to serve as a member of the Strategic Risk Committee.

8. Appointments of independent members and Fellows shall be made by the CILEx Regulation Board.

9. Each independent member and Fellow will be appointed to the Strategic Risk Committee by CILEx Regulation for a period of five years. Upon the termination of the five-year period of their appointment the Board may reappoint them or make a new appointment.

10. No Fellow or independent member may serve more than two consecutive terms as a member of the Strategic Risk Committee. Where they fail without good reason to fulfil their duties set out in these Rules CILEx Regulation may terminate their appointment whether or not they have completed their current term of office.

11. Where necessary the Strategic Risk Committee may seek advice on matters under its consideration from other persons or sources.

12. At least three members of the Strategic Risk Committee must be present at a meeting to constitute a quorum.

13. The Strategic Risk Committee will appoint one of its members as Chair. The Chair will be appointed for a period of one year. The Chair will be eligible for reappointment but may not serve as Chair for more than three consecutive years.

14. Decisions of the Strategic Risk Committee will be reached by a majority vote. In the case of an equality of votes the Chair shall have a casting vote.

15. The Strategic Risk Committee shall meet at least once each year. Subject to this, where the Committee deems it appropriate it may perform its functions by way of a postal agenda or telephone conference.

16. CILEx Regulation shall have the power to pay fees to members of the Strategic Risk Committee and shall from time to time, determine the amount and basis of payments of such fees.

17. These rules came into force on 5th January 2015 and were subject to changes on 13th August 2019 and XXXX.

ADMISSIONS AND LICENSING COMMITTEE RULES

1. CILEx Regulation shall establish an Admissions and Licensing Committee.

2. The Admissions and Licensing Committee shall:

   - apply and monitor the Certification Rules, Fellowship Rules, guidance and criteria for the reserved legal activity and regulated legal activity schemes;

   - consider and determine applications by applicants for reserved or regulated legal activity rights, applications for Certificates of Eligibility for rights of audience, applications for the assessment of qualifying employment and applications for admission as a Chartered Legal Executive referred to it;

   - consider and determine applications for the renewal of advocacy certificates, including lapsed certificates, referred to it;

   - consider and determine applications by prospective or current course providers for accreditation or renewal of accreditation to provide courses referred to it by the Officer;

   - consider whether or not an authorised person may continue to hold a Certificate which authorises them to undertake a reserved or regulated legal activity;

   - determine whether accreditation of a course provider to provide a course should be withdrawn;

   - receive reports of inspections of courses from the external advisors and the Officer;

   - receive reports of the moderation of course assessments from the external advisors;

   - receive annual reports from course providers;

   - submit an annual report to the CILEx Regulation Board;

   - Consider referrals under the QASA relating to the competence of an advocate.

3. The Officers will report all decisions made by them to the Admissions and Licensing Committee.

4. Wherever the Officer is unable to make a decision or takes the view that the matter requires Committee consideration they may refer the matter to the Admissions and Licensing Committee.

5. A person or organisation affected by any decision which the Admissions and Licensing Committee makes pursuant to its powers under these Rules may apply for reconsideration of that decision. Any such person or organisation must lodge an application for reconsideration at the CILEx Regulation offices within 20 working days of receiving written notification of the decision. The application must include written reasons why it should be reconsidered. The applicant shall have a right to be heard by the Committee when it reconsiders their application.

6. Where an application is reconsidered by the Admissions and Licensing Committee it shall have all the powers that were available to it at the original consideration of the application.

7. An appeal may be made against the decision reached by the Admissions and Licensing Committee in accordance with Rule 5. Appeals will be considered by an Appeal Panel comprising a professional member and two lay members drawn from the panel of lay and professional members appointed to serve on CILEx Regulation's appeal bodies under the Enforcement Rules. The Appeal Panel will have available to it all the powers available to the Admissions and Licensing Committee at the original consideration of the application.

8. Appeals against decisions to refuse or revoke reaccreditation or certification of a Chartered Legal Executive Litigator and Advocate who holds or has held a Criminal Proceedings Certificate will be made to the Appeals Panel.

9. The Admissions and Licensing Committee shall report annually to the CILEx Regulation Board on its work during the preceding calendar year, and make such recommendations as it thinks fit concerning the operation of the scheme Rules falling within its remit.

10. The Admissions and Licensing Committee will comprise:
    - Fellows of CILEx; and
    - Independent members, at least 1 of whom shall have knowledge or experience of consumer issues, who are not members of CILEx Council or the CILEx Regulation Board and provided that the independent members are in the majority.

11. A Fellow who is a member of CILEx Regulation's Professional Conduct, Disciplinary or Appeals Panel shall not be eligible to serve as a member of the Admissions and Licensing Committee.

12. Appointments of independent members and Fellows shall be made by the CILEx Regulation Board.

13. Each independent member and Fellow will be appointed to the Admissions and Licensing Committee by CILEx Regulation for a period of up to five years. Upon the termination of the five year period of their appointment the Board may reappoint them for a further period of up to five years or make a new appointment.

14. No Fellow or independent member may serve more than two consecutive terms as a member of the Admissions and Licensing Committee. Where they fail without good reason to fulfil their duties set out in these Rules CILEx Regulation may terminate their appointment whether or not they have completed their current term of office.

15. The external advisors shall be invited to attend meetings of the Admissions and Licensing Committee. Where necessary the Committee may seek advice on matters under its consideration from other persons or sources.

16. At least three members of the Admissions and Licensing Committee must be present at a meeting to constitute a quorum. The external advisors will not form part of the quorum.

17. The Admissions and Licensing Committee will appoint one of its members as Chair. The Chair will be appointed for a period of one year. The Chair will be eligible for reappointment, but may not serve as Chair for more than three consecutive years.

18. Decisions of the Admissions and Licensing Committee will be reached by a majority vote. In the case of an equality of votes the Chair shall have a casting vote. External advisors may not vote on any matter at a meeting.

19. The Admissions and Licensing Committee shall meet at least once each year. Subject to this, where the Committee deems it appropriate it may consider applications and any other matter by way of a postal agenda or telephone conference.

20. CILEx Regulation shall have the power to pay fees to members of the Admissions and Licensing Committee and shall from time to time, determine the amount and basis of payments of such fees.