



LEGAL SERVICES  
**BOARD**

# Rules for applications to cancel designation as an approved regulator

Version 2, April 2018

## A. DEFINITIONS

1. Words defined in these **rules** have the following meanings:

<b>Act</b>	the Legal Services Act 2007
<b>affected authorised person</b>	an <b>authorised person</b> who is regulated by the <b>applicant</b> in relation to a <b>reserved legal activity</b> which is the subject of an <b>application</b>
<b>applicant</b>	a body that submits an <b>application</b>
<b>application</b>	an application to cancel a body's designation as an <b>approved regulator</b> in relation to one or more <b>reserved legal activity</b> that is submitted to the <b>Board</b> in accordance with these <b>rules</b>
<b>approved regulator</b>	has the meaning given in section 20(2) of the <b>Act</b>
<b>authorised person</b>	has the meaning given in section 18 of the <b>Act</b>
<b>Board</b>	the Legal Services Board
<b>cancellation notice</b>	the notice published by the <b>applicant</b> in accordance with Section E of these <b>rules</b>
<b>prescribed fee</b>	the fee that must accompany an <b>application</b> as described in Section D of these <b>rules</b>
<b>reserved legal activity</b>	has the meaning given in section 12 of and Schedule 2 to the <b>Act</b>

## B. WHO DO THESE RULES APPLY TO?

2. These **rules** apply if a body wishes to apply to the **Board**, under section 45(3) of the **Act**, for the **Board** to make a recommendation to the Lord Chancellor that an order be made cancelling a body's designation as an **approved regulator** in relation to one or more **reserved legal activities**.

3. These **rules** set out:
  - a) the required content of any **application** to the **Board** (see Section C);
  - b) the amount of the **prescribed fee** that must accompany any **application** (see Section D);
  - c) the **Board's** requirements in relation to the **applicant's** publication of a notice giving details of the **application** in accordance with section 45(3)(c) of the **Act** (see Section E);
  - d) the processes and procedures that the **Board** will undertake in considering the **application** (see Section F); and
  - e) who a body should contact if it has a question in relation to these **rules** (see Section G).
4. These **rules** are to be read in conjunction with the **Act**, together with any other relevant provisions made by or by virtue of this **Act**, or any other enactment, rules, policies or guidance produced by the **Board** from time to time.
5. In the event of any inconsistency between these **rules** and the provisions of the **Act** the provisions of the **Act** prevail.
6. The **Board** reserves the right to amend these **rules** from time to time. When amendments are made, the **Board** will, when required to do so under section 205 of the **Act**, publish a draft of the amended **rules** and invite representations.

## C. CONTENTS OF APPLICATION

7. An **applicant** must include the following information in their **application**:
  - a) the name, address, telephone number and email address of the person whom the **Board** should contact in relation to the **application**;
  - b) details of the **reserved legal activity** or **activities** to which the **application** relates;
  - c) details as to why the **applicant** is making the **application**;
  - d) details of any alternative courses of action, besides cancellation of designation, that have been considered or explored by the **applicant**;
  - e) details of the **affected authorised persons** and whether any communication as been had with such persons in relation to the **application**; and
  - f) details of what arrangements the **applicant** proposes in relation to:

- (i) the transfer of the regulation of the **affected authorised persons** to another relevant **approved regulator** and whether that **approved regulator** has consented to such transfer;
  - (ii) the transfer of amounts held by the **applicant** which represent amounts paid to it by way of practising fees by the **affected authorised persons** to another relevant **approved regulator** and whether that **approved regulator** has consented to such transfer; and
- g) if the **applicant** is planning on winding-up all its activities, details as to how it proposes to do so in an orderly manner.

#### D. PRESCRIBED FEE

8. Any **application** must be accompanied by the **prescribed fee** set out in **rule 9** below. The **prescribed fee** must be paid by electronic funds transfer to the bank account specified from time to time by the **Board** using the following reference:

Reference:                    **[applicant name]/cancellation application]**

9. The **prescribed fee** that must accompany an **application** will depend on the type of **application** being made. The different levels of the **prescribed fee** are as follows:
- a) if the **application** is in respect of the cancellation of some but not all of the **reserved legal activities** regulated by the **applicant**, the **prescribed fee** is £4,500.
  - b) if the **application** is in respect of the cancellation of all of the **reserved legal activities** regulated by the **applicant**, the **prescribed fee** is £6,000.
10. The amounts specified in **rule 9** above are each the average costs that the **Board** anticipates it will incur in considering these different types of **applications**. In respect of the **prescribed fee** set out in **rule 9(a)** above, this is based on a day rate of £562 over 8 business days. In respect of the **prescribed fee** set out in **rule 9(b)** above, this is based on a day rate of £562 over 11 business days.
11. The **Board** reserves the right to charge an amount in excess of the amounts set out in **rule 9** above in the following circumstances:
- a) if the **Board** requests further information from the **applicant** in accordance with **rule 16**, and the **Board's** costs in processing this information exceeds the relevant amount specified in **rule 9** above. In these circumstances, any such additional costs will be charged at the day rate of £562; and
  - b) the nature of the **application** means that the **Board** has to seek external advice and the cost of this advice would mean that the **Board's** cost in processing the **application** would exceed the relevant amount specified in **rule 9** above.

## E. NOTICE REQUIREMENTS

12. On submitting an **application** to the **Board**, an **applicant** must publish a **cancellation notice** giving the following information:

- a) the date on which the **application** to the **Board** was made
- b) details of the **reserved legal activity** or **activities** to which the **application** relates
- c) details of why the **application** is being made
- d) details of the **affected authorised persons**
- e) details of what arrangements the **applicant** proposes in relation to the:
  - i) transfer of the regulation of the **affected authorised persons** to another relevant **approved regulator**, and
  - ii) transfer of amounts held by the **applicant** which represent amounts paid to it by way of practising fees by the **affected authorised persons** to another relevant **approved regulator**.

13. Any **cancellation notice** given in accordance with **rule** 12 must be published:

- a) on the **applicant's** website on the same day on which an **application** is submitted to the **Board**, and
- b) in any publication that the **Board** may specify from time to time within 5 working days of the **application** being submitted to the **Board**.

## F. PROCESSES AND PROCEDURES

### *Sending the application*

14. The **applicant** must submit their **application** as set out below:

- a) if by email, to: contactus@legalservicesboard.org.uk
- b) if by post or courier, to: the relevant address of the **Board** as set out on its website

For the attention of: Cancellation Administrator.

15. On receipt of the **application** and the **prescribed fee**, an acknowledgement email will be sent to the **applicant** by the **Board**.

16. The **Board** will consider the **application** and may ask the **applicant** for such additional information as the **Board** may reasonably require.

***The Board's decision***

17. After considering the **application** (and any additional information received under **rule 16**) and after satisfying itself that the requirements of Section E have been complied with, the **Board** will recommend to the Lord Chancellor that an order be made to cancel the **applicant's** designation as an **approved regulator** in relation to the one or more **reserved legal activities** set out in the **application**.

**G. FURTHER INFORMATION**

18. If you have any questions about the **application** process or the preparation of an **application**, you should contact the **Board** in the manner set out in **rule 14** above.