

Direction 158 issued under Part 3 of Schedule 4 to the Legal Services Act 2007 to the Chartered Institute of Patent Attorneys

1. This is a direction issued pursuant to paragraph 19(3) of Schedule 4 to the Legal Services Act 2007 (the “**Act**”).
2. Unless stated otherwise, words in this direction are used as they are defined in the Act.
3. In accordance with paragraph 19(3) of Schedule 4 to the Act, the Legal Services Board has directed that the following alterations by the Chartered Institute of Patent Attorneys (CIPA) to its regulatory arrangements be treated as exempt alterations for the purposes of paragraph 19(2)(c) to Schedule 4:

A new Delegation Agreement between CIPA and the Intellectual Property Regulation Board Limited (IPReg) (“the new Delegation Agreement”)

Proposed changes

4. CIPA seeks approval of alterations to its regulatory arrangements in order to comply with the LSB’s Internal Governance Rules 2019 (IGR). The alterations focus in particular on rule 2 of the IGR (the duty to delegate) and rule 3 (the requirement for regulatory bodies to provide assurance of compliance with section 28 of the Act).
5. In order to comply with the IGR, CIPA has, in collaboration with IPReg proposed a new Delegation Agreement that explains the delegation of regulatory functions to IPReg. It will replace the current Amended Delegation Agreement of May 2012 in its entirety.
6. The new Delegation Agreement provides:
 - a) Confirmation that CIPA, as an approved regulator under the Act has delegated the discharge of its regulatory functions to IPReg (rather than to the Patent Regulation Board); and
 - b) Further provisions dealing with delegation and assurance to comply with the IGR.
7. The new Delegation Agreement, which is exempt under this direction, is set out at **Annex A** to this notice. The new Delegation Agreement is supplemented by an Information Sharing Protocol (at **Annex B**) which sets out the key duties to be undertaken by each of CIPA and IPReg. The current Delegation Agreement deals with the delegation of regulatory arrangements to the regulatory body from CIPA, and the Chartered Institute of Trade Mark Attorneys (an approved regulator under the Act). This new Delegation Agreement is between CIPA and IPReg only, to better align with the IGR.

Reason for exemption direction

8. The LSB has considered the proposed alterations against our Significance, Impact and Risk Assessment Framework (“SIR Framework”) and is satisfied that, in accordance with the SIR, the proposed alterations are suitable for exemption.

9. The new Delegation Agreement does not represent a substantial change in regulatory policy or approach and is necessary for compliance with the IGR.
10. This direction is limited to the new Delegation Agreement between CIPA and IPReg as is set out in the application. It does not cover CIPA and IPReg's compliance with other provisions of the IGR.
11. A copy of the alteration was submitted to the Board on 8 July 2020.
12. This direction is to be deemed made on and to be effective from 22 July 2020.

For and on behalf of the Legal Services Board

22 July 2020