

# Cancellation of designation: rules for applications to cancel designation

Version 1: 15 December 2009

## A. PREAMBLE

1. These Rules are made by the Board (as defined below) under sections 45(3) of the Act (as defined below). In accordance with section 45(4) of the Act (as defined below), the consent of the Lord Chancellor has been given in respect of these Rules.

## B. DEFINITIONS

2. Words defined in these Rules have the following meanings:

<b>Act</b>	the Legal Services Act 2007
<b>Affected Authorised Person</b>	an Authorised Person who is regulated by the Applicant in relation to a Reserved Legal Activity which is the subject of an Application
<b>Applicant</b>	a body who submits an Application
<b>Application</b>	an application to cancel a body's designation as an Approved Regulator in relation to one or more Reserved Legal Activity that is submitted to the Board in accordance with these Rules
<b>Approved Regulator</b>	has the meaning given in section 20(2) of the Act
<b>Authorised Person</b>	has the meaning given in section 18 of the Act
<b>Board</b>	the Legal Services Board
<b>Cancellation Notice</b>	the notice published by the Applicant in accordance with Section F of these Rules
<b>Prescribed Fee</b>	the fee that must accompany an Application as described in Section E of these Rules
<b>Reserved Legal Activity</b>	has the meaning given in section 12 of and schedule 2 to the Act

### **C. WHO DO THESE RULES APPLY TO?**

3. These are the Rules that 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 Activity.
4. These Rules set out:
  - a) the required content of any Application to the Board (**see Section D**);
  - b) the amount of the Prescribed Fee that must accompany any Application (**see Section E**);
  - 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 F**);
  - d) the processes and procedures that the Board will undertake in considering the Application (**see Section G**); and
  - e) whom a body should contact if it has a question in relation to the Application process (**see Section H**).
5. The Board reserves the right to amend these Rules from time to time. If the amendments made to the Rules are, in the opinion of the Board, material the Board will publish a draft of the amended Rules and will invite consultations in accordance with section 205 of the Act.

### **D. CONTENTS OF APPLICATION**

6. 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 of 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 has been had with such persons in relation to the Application;

- 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;
- g) if the Applicant is planning on winding-up all its activities, details of how it proposes to do so in an orderly manner.

## **E. PRESCRIBED FEE**

7. Any Application must be accompanied by the Prescribed Fee set out in Rule 8 below. The Prescribed Fee must be paid by electronic funds transfer to the following bank account:

Bank: HM Paymaster General

Sort code: 10-14-99

Account No: 10610000

Account Name: Legal Services Board

Reference: *[Insert Applicant name]*/ Cancellation Application

8. 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.
9. The amounts specified in Rule 8 are each the average costs that the Board anticipates it will incur in considering these different types of Application. In respect of the Prescribed Fee set out in Rule 8(a) this is based on a day rate of £562 over 8 business days. In respect of the Prescribed Fee set out in Rule 8(b) this is based on day rate of £562 over 11 business days.

10. The Board reserves the right to charge an amount in excess of the amounts set out in Rule 8 in the following circumstances:

- a) if the Board requests further information from the Applicants in accordance with Rule 16, and the Board's costs in processing this information exceeds the relevant amount specified in Rule 8. In these circumstances, any such additional costs will be charged at the day rate of £562;
- 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 8.

## **F. NOTICE REQUIREMENTS**

11. 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:
  - i) the transfer of the regulation of the Affected Authorised Persons to another relevant Approved Regulator;
  - 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.

12. Any Cancellation Notice given in accordance with Rule 11 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 business days of the Application being submitted to the Board.

## **G. PROCESSES AND PROCEDURE**

### ***Sending the Application***

13. Subject to Rule 14 below, the Applicant must submit their Application (and, proof of transmission of the Prescribed Fee) either by email, post or courier to the relevant address shown below:

a) If by email to: [contactus@legalservicesboard.org.uk](mailto:contactus@legalservicesboard.org.uk)

b) If by post or courier to:

Address: Legal Services Board  
7<sup>th</sup> Floor Victoria House  
Southampton Row  
London WC1B 4AD

For the attention of: Cancellation Administrator

14. The Applicant must, unless otherwise agreed with the Board, submit their Application (and, proof of transmission of the Prescribed Fee) to the Board using the online tool at [www.legalservicesboard.org.uk](http://www.legalservicesboard.org.uk), once this has been developed.

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 G 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 at:

Address: Legal Services Board  
7<sup>th</sup> Floor Victoria House  
Southampton Row  
London WC1B 4AD

Email: [contactus@legalservicesboard.org.uk](mailto:contactus@legalservicesboard.org.uk)

Telephone: 020 7271 0050