

The Institute of Chartered Accountants in England and Wales' (ICAEW) regulatory standards action plan

LSB regulatory standards requirement ¹	ICAEW actions	Review date(s)
Outcomes-focused regulation		
ICAEW has high quality, up-to-date and reliable evidence on what legal services consumers need and how they use the services.	<p>1. <i>LSB asked all regulators to consider what activities they could undertake to contribute to this requirement. ICAEW's response:</i></p> <ol style="list-style-type: none"> 1) Continued participation in the joint regulator research into client care letters. In the future ICAEW may explore whether a joint regulator initiative could be launched to target the needs and experience of consumers in probate matters specifically. 2) Continued participation in quarterly Regulators' Forum discussions on consumer issues. 3) Regular liaison with the Legal Services Consumer Panel (LSCP) and Legal Ombudsman (LeO) on thematic consumer issues and complaints. 	April 2017
ICAEW has effective engagement with consumers.	<p>2. <i>LSB asked ICAEW to seek to understand how it can improve its work with consumers and how it can help the regulated community to engage with consumers, as part of its consumer interest project. ICAEW's response:</i></p> <p><u>Initiatives to improve ICAEW's work with consumers:</u></p> <ol style="list-style-type: none"> 1) Guidance for consumers will be developed and published on ICAEW's website covering: <ul style="list-style-type: none"> • A general overview of the regulatory regime informing consumers of ICAEW's role as a regulator in authorising and supervising accredited probate firms, enforcing compliance, dealing with complaints and protecting consumers. • The Probate Compensation Scheme – what it covers and how to make an application. • ICAEW's approach to intervention powers. • Specific guidance on appeal arrangements to the First-tier Tribunal (FTT). • How ICAEW approaches risk (a structured framework). 2) Accredited probate firms will be required to highlight to clients in their letters of engagement the availability of these resources on ICAEW's website. 3) Progressing the joint regulator research into client care letters. 	April 2017

¹ Please refer to *The Institute of Chartered Accountants in England and Wales' regulatory standards report 2015/16*, available at www.legalservicesboard.org.uk.

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	<p>4) Continued involvement in consumer-focused activities as part of the Regulators' Forum. 5) Liaison with the LSCP and LeO on thematic consumer issues.</p> <p><u>Assisting the regulated community in engaging with consumers</u></p> <p>1) Sharing tips with practitioners on how to deal positively with complaints (circulation with consent of the LeO webinar). 2) Encouraging the use of consumer satisfaction surveys amongst practitioners and collating and analysing the results. 3) Developing further ICAEW's existing guidance on working with vulnerable consumers.</p>	
<p>ICAEW can demonstrate that outcomes are being achieved.</p>	<p><i>3. LSB asked all regulators to consider best practice from other regulatory regimes to find a mechanism to demonstrate that regulation is delivering the outcomes consumers expect and rules are having the desired impact. ICAEW's response:</i></p> <p><u>Assessing risk</u></p> <p>1) ICAEW will monitor the number and type of complaints about accredited probate firms (through information sharing with LeO and targeted questions about complaints on the annual return). This will be reported at appropriate intervals to the Probate Committee (at least every 6 months). 2) ICAEW will monitor enforcement activity in relation to accredited probate firms conducting probate and estate administration. This will be reported to the Probate Committee at appropriate intervals (at least every 6 months).</p> <p><u>Monitoring effectiveness</u></p> <p>3) ICAEW's Probate Committee will encourage the use by probate practitioners of customer feedback questionnaires. ICAEW will collate the results of these surveys in order to identify key themes in relation to consumer needs and experience. 4) ICAEW will invite feedback from consumers on its approach to probate regulation on the website.</p>	<p>April 2017</p>

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ICAEW reviews and updates arrangements based on the evidence gathered.	<p>4. LSB asked all regulators to consider what activities they could undertake to contribute to this requirement. For ICAEW we suggested that this could include: gathering evidence from other areas of work including, but not limited to, supervision (practice assurance) to use to test the appropriateness of regulatory arrangements. ICAEW's response:</p> <p>As set out above, ICAEW will monitor the incidence of complaints and enforcement activity in relation to accredited probate firms and will report to the Probate Committee at regular intervals (at least every 6 months)</p> <p>Feedback from colleagues across Professional Standards (encompassing authorisation, monitoring and supervision) will continue to inform the development of legal services regulatory policy.</p>	April 2017
Risk		
ICAEW has formal, structured, transparent, evidence-based approaches to the collection, identification and mitigation of current and future risks which inform all regulatory processes.	<p>5. LSB asked ICAEW to publish a framework setting out how ICAEW conducts its risk assessments, such as that of an applicant firm. ICAEW's response:</p> <p>As set out above, a risk framework will be developed and published on ICAEW's website.</p>	April 2017
ICAEW focuses risk analysis on vulnerable consumers and consumer detriment.	<p>6. As part of the consumer interest project, LSB asked ICAEW to consider how to address the lack of information available to assist with focusing risk assessment on consumer detriment. ICAEW's response:</p> <p>The risk framework, to be published on ICAEW's website, will take account of consumer detriment and the particular risks posed to vulnerable consumers.</p>	April 2017
ICAEW can demonstrate that outcomes for risk are being achieved.	<p>7. LSB asked all regulators to develop a way to monitor and assess whether risk-based approach is working in practice and achieving the expected outcomes. ICAEW's response:</p> <ol style="list-style-type: none"> 1) ICAEW's Probate Committee will monitor the incidence of complaints about accredited probate firms through reports from the Professional Conduct Department and LeO. 2) ICAEW's Probate Committee will monitor enforcement activity in relation to accredited probate firms through periodic reports from the Professional Conduct Department. 3) ICAEW's PII Committee will continue to liaise with the lead insurers via the Joint Advisory Panel to ensure that any claims trends in relation to probate are identified and responded to accordingly. 4) The Probate Committee will monitor the frequency of applications for grants from the Probate Compensation Scheme. 	April 2017

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Supervision		
<p>ICAEW has a supervision policy that is carried out with reference to identified risks and is underpinned by an evidence base.</p>	<p>8. <i>LSB asked ICAEW to monitor and report on risk-based approach to supervision of probate firms. ICAEW's response:</i></p> <p>ICAEW will publish its approach to risk on its website.</p>	<p>April 2017</p>
<p>ICAEW has processes in place to enable learning to be shared and performance to be monitored.</p>	<p>9. <i>LSB asked ICAEW's Probate Committee to review whether supervision processes and procedures are effective and represent value for money. ICAEW's response:</i></p> <p>ICAEW's Quality Assurance Department will provide the Probate Committee with an annual report on its supervisory activities in relation to accredited probate firms. This will provide a summary of activities including, inter alia –</p> <ul style="list-style-type: none"> • the number of reviews conducted • the number of conduct referrals arising from these reviews • thematic risk issues that have been identified. 	<p>April 2017</p>
Enforcement		
<p>ICAEW has published policies and guidance that enable others to understand the regulator's criteria for taking or not taking actions.</p>	<p>10. <i>LSB asked ICAEW to publish the finalised approach to interventions. ICAEW's response:</i></p> <p>ICAEW will publish on its website its approach to interventions once this workstream has been developed.</p>	<p>April 2017</p>
	<p>11. <i>LSB asked ICAEW to develop consumer facing guidance about all stages of the enforcement process including the appeals stage as part of its consumer interest project. ICAEW's response:</i></p> <p>ICAEW will publish guidance on its website regarding its approach to regulation. This will include, in plain English, an overview of enforcement process, including the right of affected parties to appeal decisions on regulatory and disciplinary matters to the General Regulatory Chamber of the First-tier Tribunal (FTT).</p>	<p>April 2017</p>

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ICAEW has appeal processes which are independent from the body or persons who made the original decision.	<p>12. <i>LSB suggested that if ICAEW is designated for a wider range of reserved legal activities, it should direct all appeals related to those activities to the First Tier Tribunal. ICAEW's response is:</i></p> <p>As part of its application to regulate the other five reserved legal activities, ICAEW is proposing that all appeals in relation to disciplinary and regulatory matters be referred to the FTT.</p>	April 2017
ICAEW has processes in place to ensure that learning is shared and performance is monitored.	<p>13. <i>LSB suggested that once ICAEW had considered a disciplinary case, the Probate Committee should scrutinise performance of the enforcement process. ICAEW's response:</i></p> <p>The Probate Committee will review the performance of the enforcement process once the first disciplinary case has been dealt with. Staff will provide the committee with a report outlining the background to the complaint, how it was dealt with and the timescales involved.</p>	April 2017
Capability and capacity		
ICAEW has clear and consistent leadership that ensures the whole organisation has a strong consumer focus.	<p>14. <i>LSB asked ICAEW to consider how the Probate Committee could to be clearer about its commitment to being consumer-focused. ICAEW's response:</i></p> <p>A policy document setting out the Probate Committee's commitment to protecting consumers – particularly those who are vulnerable – will be published on ICAEW's website.</p>	April 2017
ICAEW has a culture of transparency and improvement.	<p>15. <i>LSB suggested the ICAEW could enhance the transparency of the Probate Committee work by including a summary of Probate Committee work, information about how the Probate Committee has held the executive to account over the previous 12 months and performance management information in the annual Probate Committee report. ICAEW's response:</i></p> <p>The Probate Committee's annual report will continue to be published on ICAEW's website for transparency. The report will include a summary of the committee's work and measures undertaken by the committee to hold the executive to account.</p>	April 2017