



Licensed Body (ABS) Code

Outcomes-focused

Only those bodies able and willing to deliver the *Code of Conduct's Outcomes* are licensed as **CLC** Licensed Bodies.

Delivering these *Outcomes* requires all Licensed Bodies and their stakeholders to act in a principled way in accordance with the 6 *Overriding Principles*:

1. **Act with independence and integrity;**
2. **Maintain high standards of work;**
3. **Act in the best interests of your *Clients*;**
4. **Comply with your duty to the court;**
5. **Deal with regulators and ombudsmen in an open and co-operative way;**
6. **Promote equality of access and service.**

This Code is in place to help ensure Licensed Bodies meet these responsibilities.

Licensed Body Code

In this Code 'you' refers to Licensed Bodies regulated by the **CLC**, except where 'you' is provided under the heading of a designated role in which case the 'you' refers to that role. Any stakeholders in the **Licensed Body** must not act or fail to act, nor permit anyone else to act or fail to act in such a way as to amount to a breach of this Code.

Governance and operational arrangements

Principles

1. You ensure all persons with a **material interest**, **managers** and **employees** understand and comply with their regulatory responsibilities and do not compromise the body's duty to the Court or **Client**.
2. You enable the **Head of Legal Practice (HoLP)** and **Head of Finance and Administration (HoFA)** to discharge their regulatory responsibilities.
3. You enable **Authorised Persons** to comply with their own regulatory responsibilities.
4. You ensure persons with a **material interest** are unable to exert **improper influence** on the body.
5. You **systematically** prevent, identify and address **improper influence**, allowing independence to be maintained and the rule of law to be upheld.
6. You provide a mechanism by which staff can identify regulatory concerns to the **HoLP**, and any finance-related concerns to the **HoFA** also.
7. You operate **complaints**-handling procedures which consider **complaints** about both lawyers and non-lawyers.

Specific Requirements

8. You have a designated **HoLP** and **HoFA** and have applied for/obtained **CLC** approval of these individuals.
9. Your **HoLP** and **HoFA** have experience and qualifications appropriate to the body's profile.
10. Your **HoLP** and **HoFA** are members of the senior management team or Board, or report to the senior management team or Board.
11. You provide the **HoLP** and **HoFA** with access to the **Licensed Body's managers** and staff and the **CLC** whenever necessary and their views are taken into account and the recommendations taken forward wherever possible.
12. You specifically authorise the **HoLP** and **HoFA** to dissent from collective responsibility when reporting to the **CLC**.
13. You ensure **Non-Authorised Persons** who propose to hold a **material interest** of 10% or more, or a **material interest** holder proposes to acquire an additional kind of interest, notify both the body and the **CLC**.

14. You ensure the **HoLP** is notified of any 'fit and proper' issue concerning the **owner(s)**, the **HoLP**, **HoFA**, other **Managers** or **Authorised Persons**.

Specific Requirements – Non-Authorised Persons with Material interest

15. You are a 'fit and proper' person and declare to the **HoLP** any factors affecting this.
16. You do not attempt to exert **improper influence** over the body or individuals within it.
17. If you intend to acquire an additional kind of **material interest** you inform both the **Licensed Body** and the **CLC**.

Business arrangements

Specific requirements

18. You have at least one **Authorised Person**, authorised to provide each **reserved legal activity** the body delivers.
19. You do not employ any person disqualified from being employed by a **Licensed Body** or any person not fit and proper.
20. You do not share **Client** information with other parts of the business without the **Client's** permission.

Head of Legal Practice

Principles

21. You understand the regulatory responsibilities of the body.
22. You act upon regulatory responsibility concerns raised by staff.
23. You keep up-to-date with legislative and regulatory requirements through targeted Continuous Professional Development.
24. You ensure **Authorised Persons** employed by the body are fit and proper.
25. You report to the **CLC** any governance concerns including **improper influence**.

Specific Requirements - of the Individual

26. You are an **Authorised Person** in relation to one or more of the **reserved legal activities**.
27. You are a '**fit and proper**' person and declare to the **Licensed Body** and the **CLC** any factors affecting this.

Specific Requirements – of responsibility

28. You ensure the **Licensed Body** complies with **CLC regulatory arrangements** and any **licence authorisations, permissions** and **conditions, promptly** reporting any breach to the **CLC**.
29. You ensure **Authorised Persons** are able to comply with their regulatory responsibilities, **promptly** reporting to the **CLC** any breach of this.
30. You ensure all **Non-Authorised Person employees, managers** or **material interest** holders do not cause or substantially contribute to the **Licensed Body** or any of its **employees, managers** or **Authorised Persons**, breaching its/their regulatory responsibilities, **promptly** reporting to the **CLC** any failures to comply.
31. You ensure persons proposing to acquire a **material interest** in the body, or who have already done so are aware of their duty to notify.
32. You ensure you are informed **promptly** of any circumstance identified under the **CLC** Notification Code.

Head of Finance & Administration

Principles

33. You protect **client money** and assets at all times.
34. You understand the regulatory responsibilities of the body.
35. You keep up- to-date with legislative and regulatory requirements through targeted Continuous Professional Development.

Specific Requirements – of the individual

36. You are a **'fit and proper' person** and declare to the **HoLP** any factors affecting this.

Specific Requirements – of responsibility

37. You ensure the body complies with the **CLC's** treatment of money requirements, **promptly** reporting any breach of these.
38. You **promptly** report to the **CLC** when the body is in financial distress or is at significant risk of becoming financially distressed.
39. You provide administrative **arrangements** to support the maintenance of high standards of work.
40. You ensure that proper records are maintained to evidence the body's management and supervision **arrangements** and how they are applied.