

ACCA has been discussing with its Practitioner Panel how best we can support members who wish to undertake legal services activities now and in the future.

Our discussions covered a range of matters and there's a clear desire that ACCA should endeavour to provide further opportunities for its practitioners to access the legal services market, but to do so in a cost-effective way. ACCA has, for some time, been considering how best to achieve its stated aim to diversify and innovate in relation to new service lines for practitioners.

As you're aware ACCA is only able to authorise firms for non-contentious probate work in England and Wales. In addition, ACCA is only able to authorise firms where all the principals are 'lawyers' (ie authorised for probate or other reserved legal activities) as ACCA is not a licensing authority for ABS - alternative business structures - and this was viewed as a potential blocker for many firms. Therefore, for ACCA to truly open up the legal services market, it would need to gain recognition as a licensing authority for ABS and expand the range of reserved legal activities authorisations (such as the administration of oaths).

Legal services is a separate profession, largely restricted to those who operate in the field on a full-time basis and who have met the stringent licensing requirements (comprising additional examinations and experience requirements). The recent changes in the regulatory environment for legal services in England and Wales will increase the costs faced by ACCA in continuing as an Approved Regulator. These changes will impact, among other things, on ACCA's governance arrangements and will mean that bespoke arrangements will need to be put in place to enable ACCA to comply with them. It's therefore inevitable that non-contentious probate authorisation fees will need to increase substantially.

Against that backdrop and that the provision of legal services sits as an adjunct to general practice, we believe partnering with another legal services regulator provides a

pragmatic and cost-effective way to support practitioners to diversify their service offerings.

ACCA has explored the possibility of a partnership with a number of legal services regulators and we believe CILEx and CILEx Regulation would be suitable partners as their values and ambitions align to those of ACCA. We've therefore held exploratory discussions with CILEx and CILEx Regulation on a possible partnership which would provide ACCA practitioners access to a range of support services and a pathway for eligible ACCA practitioners to achieve legal services authorisation.

In summary, by partnering with CILEx and CILEx Regulation, we can continue to support our members in practice and provide greater opportunities for our small and medium sized practitioners in legal services, while managing the risks posed by changes in the regulatory landscape in this area. We will also be able to offer a pathway for eligible practitioners to achieve reserved legal activities authorisation beyond non-contentious probate work and, in turn, support practitioners to diversify their service offerings in a cost-effective way.

We will, of course, keep you informed of developments.

If you should have any questions, please do not hesitate to contact <u>Glenn Collins</u> (Head of Technical Advisory, ACCA UK) or <u>Laura Murphy</u> (Standards Manager).