



# ***LSB Consultation on Ongoing Consultation***

## **STATUS**

1. Open.

## **EXECUTIVE SUMMARY**

1. On 8 December 2021, the LSB launched a consultation on its draft policy statement on ongoing competence seeking responses on its proposed policy on ongoing competence. The Regulatory Policy team is coordinating a response with colleagues from QAD. The deadline for responses is 7 March 2022.
2. In accordance with the IRB Consultation Protocol, the Board is requested to take note of the attached consultation, the draft working response and agree on the sign off process for the final response.

## **BACKGROUND**

3. The LSB is **consulting** on a draft policy statement on ongoing competence. The consultation follows the outcome of the January 2020 LSB **call for evidence** on how legal regulators ensure the professionals they regulate remain competent throughout their careers. Links to both consultations have been provided in the appendices. It is noted that ongoing competence is one of the LSB's five-year priority policy objectives set out in September 2018. It considers the ongoing competence of all regulated legal professionals to be a central strand of its strategy to ensure high-quality legal services and strong professional ethics.
4. The ICAEW responded to the 2020 Call for Evidence providing details on the institute's approach to assuring professional competence in the accountancy profession. The response included details of the IAESB's Framework for International Education for Professional Accountants and Aspiring Professional Accountants, initial assessment, ongoing CPD requirements, the support provided by the Institute, and approach to ongoing assessment. The response was supportive of the LSB, including the development of standards to maintain and sustain the quality of service for the consumers of legal services as a part of its remit.
5. The consultation outlines four essential outcomes as a proposed policy standard that authorised regulators for legal services would be expected to deliver. These are to:
  - Set minimum standards of competence for authorisation

- Show that there is a mechanism in place to assess and understand ongoing levels of competence
- Be able to intervene effectively to ensure that the required standards are maintained
- Take remedial action if the required standards of competence are not met

## ICAEW Response

6. Notably, the ICAEW has recently been exploring with the Financial Reporting Council options for a more comprehensive structured framework for the application of CPD for audit and separately for accountancy. The work with the FRC will be noted in our response.
7. While we are supportive of what is proposed by the LSB and believe that our existing structures for the maintenance and monitoring of ongoing competency in accountancy place us in a position to add value to this work, we are mindful of the need to manage the relationship with the LSB. Accordingly, we are looking at how what is proposed by the LSB will fit with our current approach and approach to continuing professional development.
8. This is an area where we have supported further development and feel that our approach to ongoing competence in accountancy represents best practice. In light of the timing of the consultation and the stated desire of the IRB to have oversight of responses to consultations a copy of the current working document is attached at Appendix D. The Regulatory Policy Team is coordinating a response with colleagues from QAD. This also provides an opportunity to for the Board, should it wish to do so, to comment on the overall position adopted, to any specific question or part of the document.

## Next steps

9. In accordance with the consultation protocol final review of the ICAEW response to be undertaken by a member of the board. A copy of the final response will be provided on 3 March 2022. The consultation ends on 7 March 2022.

## APPENDICES

**Appendix A: [LSB Consultation on Ongoing Competence \(weblink\)](#)**

**Appendix B: [LSB January 2020 Call for Evidence on Ongoing competence \(weblink\)](#)**

**Appendix C: ICAEW response to LSB 2020 Call for Evidence**

**Appendix D: Draft working version of ICAEW response to LSB Consultation**

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