



CLC PRACTICE LICENCE APPLICATION LICENSING OUTCOMES

In order for CLC to process applications it will need to understand how the Practice intends to operate, and has, or knows how to, put in place the appropriate corporate policies and procedures to demonstrate to the CLC that it will act responsibly and fairly in its dealings with clients and all third parties.

Before attending a licensing meeting you may find it helpful to have prepared information to the questions below.

Part A: Business Viability

Licensing Outcome	Factors (Risk areas Managed)	Applicant Information - You should provide information/evidence of document	
<p>The CLC is able to license this business model</p> <p>AND</p> <p>The plan for the business indicates that it will provide legal services which protect the interest of clients.</p>	<p>Proposed Activities</p> <p>Identified client base (market and referrals)</p> <p>Financial risk managed</p>	1.	<p>a) Tell us how the business will establish and build reliable sources of work?</p>
	<p>Source of Funds</p> <p>Income exceeds Costs end Yr1</p> <p><i>Client referral strategy</i></p> <p><i>Employer liabilities (costed)</i></p> <p><i>Tax liabilities identified</i></p>	2.	<p>a) What is the source and value of the business set up funds and (if any) repayment terms?</p> <p>AND</p> <p>b) Insure sufficient income to fund the first year's running costs.</p> <p>c) What is the total value of your sources of work? *can you provide evidence of this income, this may include historic payments, or agreements for referrals and volumes.</p> <p>d) What is the total annual cost of any regular:</p> <ul style="list-style-type: none"> • employer liabilities; • professional fees/charges; • loan repayments; <p>e) What will the business' tax liabilities be?</p>



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	<p>Running costs identified</p> <p>Practice fees/contributions (costed)</p> <p>Professional fees/contributions (costed)</p>	3.	<ul style="list-style-type: none"> • Please provide a breakdown of the major items of expenditure included in the set up costs? This may include: • large ticket items (including IT, Case and Accounts Management Systems); • practice fees/contributions; • professional charges/costs; and • premise costs/rental.
	Contingency funds and source	4.	a) Tell us about any financial contingency (value, source, and terms) available to the business in circumstances when planned for income does not materialise, or is delayed in the first year of trading?
	Suitable Premises Client confidentiality	5.	a) Tell us how you will maintain client confidentiality, this may include physical, operational, and governance arrangements?
Conflict (if any managed)		6.	<p>a) Have you identified any potential conflict of interest? YES <input type="checkbox"/> NO <input type="checkbox"/></p> <p>if yes, tell us how you intend to manage any conflicts, this may include physical, operational, and contractual mitigating steps?</p>
		7.	<p>a) Does the Practice intend to source business directly from other linked organisations, such as, property developers, that would involve the selling of products or services to each others' clients? YES <input type="checkbox"/> NO <input type="checkbox"/></p> <p>If yes, please provide details of any circumstance in which the Practice may act for both parties and set out how the Practice intends to manage any conflict of interest.</p>
		8.	<p>a) Does the Practice intend to provide any service (reserved and non-reserved) where it has agreed to the sharing of fees with any third parties? YES <input type="checkbox"/> NO <input type="checkbox"/></p> <p>If yes, please provide the name of person or organisation and the type of work the fee relates to - for any proposed sharing of professional fees with third parties.</p>



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	Lender panel limitations (if any) accounted for	9.	a) Do you anticipate any lender panel limitations? YES <input type="checkbox"/> NO <input type="checkbox"/> If yes, tell us how you intend to manage these limitations?
	Data Security Arrangements		a) Which Client Management System will the business use?

Part B. Business Sustainability

Licensing Outcome	Factors (Risk areas managed)	Applicant information	
The business can operate in a sustainable way	Cover (locums)	1	a) What cover arrangements are in place for key personnel, and key business functions to ensure business continuity is maintained during periods of planned annual leave and unplanned absence, such as sickness or periods of ill-health? *Note, Sole Practitioners MUST provide evidence of a contingency cover agreement for these circumstances.
	Succession planning	2	a) What are the succession plans in place to manage the longer term sustainability of the business?
	P11 affordability – excess x 2 can be afford	3	a) What is the business' strategy for managing (if any) costs incurred in relation to P11 excess payments having to be made?

Part C. Money Handling Arrangements

Licensing Outcome	Factors (Risk areas managed)	Applicant information	
The business has in place compliant governance arrangements	Satisfactory Banking arrangements (including mandate)	1	a) Tell us about your banking arrangements (including mandate) and set out all arrangements for the office and client accounts?



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to keep Client Money safe	Satisfactory Accounting system	2	<p>a) Tell us about your accounting system, for example, will the business manage this bookkeeping and accountancy functions internally, OR externally, AND how will day to day accounting processes be supervised?</p> <p>*Please provide letters of agreement of services from any bookkeeping and accountancy arrangements.</p>
	Separate Office and Client Account Arrangements	3	<p>a) Are bookkeeping or accountancy arrangements connected in ANY way to another existing business, if so how will you ensure the businesses' are managed separately?</p>
	Satisfactory financial oversight arrangements	4	<p>a) Tell us how the business is going to supervise financial probity and security; on behalf of the business AND on behalf of the client?</p>

Part D. Regulatory Compliance

Licensing Outcome	Factors (Risk areas managed)	Applicant information	
The business has in place compliant governance arrangements to protect the interest of the business AND the interest of clients.	Appropriate Polices in place	1	a) How does the business intend to train staff on fraud prevention, client confidentiality, vulnerable clients, and complaints handling?
	Fraud prevention arrangements	2	a) How will the business assess and manage risk in relation to Anti Money Laundering – AND explain what measures will be in place to reduce risk to the business AND risk to the client?
	Cybercrime prevention arrangements	3	a) How will the business assess and manage risk associated to Cybercrime – AND explain what measures will be in place to reduce risk to the business AND risk to the client?
	Client confidentiality arrangements	4	<p>a) How will the business identify vulnerable clients?</p> <p>AND</p>



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	Vulnerable client (identification and subsequent changes to service)		b) After a client has been identified as vulnerable, how will the business ensure its procedures will take proper account of the client needs?
	Complaints handling	5	a) Tell us about your complaints handling procedures?
		6	a) When the services provided is not of the expected standard, how will the business provide appropriate redress for clients?
		7	a) How will the business ensure its complaints handling procedures will take proper account of the client needs?

Part E. Organisational Structure

Licensing Outcome	Factors (Risk areas managed)	Applicant information	
The business has clear lines of accountability (for key personnel)	Key investors Owners HOLP HOFA Non-Authorised Persons Directors, Partners, Members LLB	1	a) Please provide an organigram of the business structure.
		2	a) List the TITLES AND NAMES OF key personnel against their key accountabilities.
The business has suitable (trustworthy, qualified, skilled, experienced) key personnel	Experian Educational Certificates Practising Certificates CVs (Sole Practitioners) Letters of employment (Partner/Director/Member upgrades)	3	a) Fit and proper assessment is covered in the application form under disclosure/checks/searches – and carried out by Experian; AND b) Disciplinary Checks for ‘other lawyers’. c) Applicants provide evidence of their Education and Training – meets the CLC Standards for Education and Training d) Applicants provided evidence of appropriate supervised experience (evidence of employment)