



## ***Recognised Body Code***

This Code must be read with the Code of Conduct. The Code of Conduct is the parent document of the CLC Handbook and Frameworks; it sits above all other Codes in our regulatory arrangements. The Code of Conduct prescribes six Ethical Principles of behaviour which are essential to delivering the specific Outcomes which sit beneath each of the Ethical Principles. All CLC regulated individuals and bodies are expected to comply with the Code of Conduct in the delivery of authorised reserved legal activities and permitted non-reserved legal activities.

The CLC also publishes several other topic specific Codes addressing important areas of practice, including this Recognised Body Code. Topic specific Codes underpin the Code of Conduct and support regulated individuals and bodies in delivering the Ethical Principles and Outcomes of behaviour defined in the Code of Conduct. Topic specific Codes apply to all regulated activities carried out by the individuals or bodies specified in that Code.

In this Code 'you' refers to *Recognised 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 stakeholder in the *Recognised 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. You must ensure that you always comply with the Code of Conduct and topic specific Codes and must not permit anyone else to act or fail to act in such a way as to amount to a breach of this Code, the Code of Conduct, or the Ethical Principles.

Should circumstances arise in which there is an apparent conflict between a topic specific Code, the Code of Conduct, or any other regulatory requirement, you must ensure that you comply with the Code of Conduct. If in doubt, contact the CLC for advice.

### **Governance and operational arrangements**

You must ensure that:

1. You ensure all **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 **Managers** to discharge their regulatory responsibilities.
3. You enable **Authorised Persons** to comply with their own regulatory responsibilities.
4. You **systematically** prevent, identify and address **improper influence**, allowing independence to be maintained and the rule of law to be upheld.

5. You provide a mechanism by which staff can identify regulatory concerns, and any finance-related concerns to any **Manager**.
6. You operate **complaints**-handling procedures which consider **complaints** about the **Recognised Body** and any of its **Managers** or **employees**.

#### **Specific Requirements**

7. You have at least one **Manager** who is a **CLC Lawyer** and have applied for/obtained CLC approval of any such individual.
8. At least one **Manager** has experience and qualifications appropriate to the body's profile.
9. At least one **Manager** is a member of the senior management team.
10. You provide at least one **Manager** with access to the **Recognised Body's managers** and staff and the CLC whenever necessary and their views are taken into account and the recommendations taken forward wherever possible.
11. You specifically authorise at least one **Manager** to dissent from collective responsibility when reporting to the CLC.
12. You ensure the at least one **Manager** is notified of any 'fit and proper' issue concerning any **owner**, or Authorised Person.

#### **Business arrangements**

##### **Specific requirements**

13. You have at least one Authorised Person, authorised to provide each **reserved legal activity** the **Recognised Body** delivers.
14. You do not employ any person disqualified from being employed by a CLC Body or any person who is not fit and proper.

#### **Manager**

##### **Principles**

15. You understand the regulatory responsibilities of the **Recognised Body**.
16. You act upon regulatory responsibility concerns raised by staff.
17. You keep up to date with legislative and regulatory requirements through targeted Continuous Professional Development.
18. You ensure Authorised Persons employed by the body are fit and proper.

19. You report to the CLC any governance concerns including ***improper influence***.

**Specific Requirements - of the Individual**

20. You are an Authorised Person in relation to one or more ***reserved legal activity***.

21. You are a 'fit and proper' person and declare to the ***Recognised Body*** and the CLC any factors affecting this.

**Specific Requirements – of responsibility**

22. You ensure the ***Recognised Body*** complies with CLC ***regulatory arrangements*** and any ***authorisations, permissions*** and ***conditions*** on its Certificate of Recognition, ***promptly*** reporting any breach to the CLC.

23. You ensure Authorised Persons are able to comply with their regulatory responsibilities, ***promptly*** reporting to the CLC any breach of this.

24. You ensure that no ***Non-Authorised Person employee*** causes or substantially contributes to the ***Recognised Body*** or any of its ***employees***, breaching any regulatory responsibility, ***promptly*** reporting to the CLC any failures to comply.

25. You ensure you are informed ***promptly*** of any circumstance identified under the CLC Notification Code.

26. You protect client money and assets at all times.

27. You provide administrative arrangements to support the maintenance of high standard of work.

28. You ensure the ***Recognised Body*** complies with the CLC's treatment of money requirements, ***promptly*** reporting any breach of these.

29. You ensure that proper records are maintained to evidence the ***Recognised Body's*** management and supervision arrangements and how they are applied.

30. You ***promptly*** report to the CLC when the body is in financial distress or is at significant risk of becoming financially distressed.