



The Law Society

General Regulations

April 2013



THE LAW SOCIETY'S GENERAL REGULATIONS 2013

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THE LAW SOCIETY'S GENERAL REGULATIONS 2013

[Made 27 March 2013, coming into force 1 April 2013]

INTERPRETATION

- 1(1) An expression defined in the Charter or the Bye-Laws has the same meaning in these Regulations, unless the context otherwise requires.
- (2) In these Regulations -
 - (a) "the Act" means the Solicitors Act 1974;
 - (b) "the 2007 Act" means the Legal Services Act 2007;
 - (c) "the Charter" means the Royal Charter of 26 February 1845, as supplemented by Charters of 1872, 1903, 1909 and 1954 and as amended subsequently;
 - (d) "Chief Executive" means the Chief Executive of the Society;
 - (e) "Society" means the Law Society;
 - (f) "SRA" means the Solicitors Regulation Authority; and
 - (g) "SRA Board" means the Solicitors Regulation Authority Board, constituted under Regulation 15(1)(f).
- (3) Any reference in these Regulations to the Act, the 2007 Act, any other Act, any Statutory Instrument or rules or regulations made by the Council or the SRA Board is a reference to that Act, Statutory Instrument, rules or regulations, as subsequently amended, re-enacted or replaced.
- (4) The Interpretation Act 1978 applies to these Regulations as to an Act of Parliament.

COUNCIL MEETINGS AND PROCEDURES

Dates of Council meetings

- 2 The dates of regular Council meetings shall be fixed by the Council.
- 3 The President may -
 - (a) alter any date for a regular Council meeting; or
 - (b) cancel a regular meeting which has been scheduled.
- 4 A special Council meeting may be called by –
 - (a) the President;
 - (b) any 25 Council members by giving notice to the Chief Executive; or

- (c) the Chief Executive.
- 5 The date and business of a special Council meeting shall be specified by the person or persons calling it and no business other than that so specified shall be taken at the meeting.

Chairing of Council meetings

- 6(1) The President shall take the chair at all Council meetings.
- (2) In the absence of the President, or if he or she declines to take the chair, the Vice President shall take the chair.
- (3) In the absence of both the President and the Vice President, or if both decline to take the chair, the Deputy Vice President shall take the chair.
- (4) If the President, Vice President and Deputy Vice President are absent, or if all of them decline to take the chair, the Council members present shall choose one of their number to preside.

Quorum at Council meetings

- 7(1) A Council meeting shall be adjourned if fewer than 25 Council members are present.
- (2) If a quorum ceases to exist at any Council meeting and the meeting is adjourned under (1), this shall not affect the validity of any business transacted when a quorum was present.
- (3) In determining whether a quorum is present at any Council meeting, any member shall be excluded from the quorum for the consideration of any item of business if he or she is disqualified from participating in the consideration of that item in accordance with the Code of Practice on Conflicts of Interest.

Admission to Council meetings

- 8(1) Any member of the Society or legal journalist shall be entitled to attend, and to receive agenda papers for, the non-confidential part of Council meetings, subject to obtaining a ticket in advance if the Chief Executive considers this necessary.
- (2) The chair of the SRA Board or, in his or her absence, another member of the Board, shall be entitled to -
 - (a) attend and receive agenda papers for Council meetings (including business designated as confidential relating to work of the Board);
 - (b) move resolutions on behalf of the Board; and
 - (c) otherwise speak, with the permission of the chair of the meeting.
- (3) Members of the SRA Board shall be entitled to attend and receive agenda papers for Council meetings (including business designated as confidential relating to the work of the Board).

- (4) Non-Council members of the Business and Oversight Board shall be entitled to attend and receive agenda papers for Council meetings (including business designated as confidential) relating to the work of the Board.

Order of business at Council meetings

- 9 Unless the chair directs otherwise, the order of business at Council meetings shall be –
- (a) the chair shall be taken in accordance with Regulation 6;
 - (b) the minutes of the preceding meeting shall be taken as read and, subject to any correction, confirmed;
 - (c) answers shall be given to questions; and
 - (d) other business shall be taken in the order directed by the chair.

Motions at Council meetings

- 10(1) Motions may be proposed at Council meetings by –
- (a) the chair;
 - (b) the Law Society boards;
 - (c) the Business and Oversight Board;
 - (d) the SRA Board; and
 - (e) individual Council members.
- (2) No motion may be proposed by a Law Society board or the Business and Oversight Board inviting the Council to take action on any matter exclusively within the terms of reference of the SRA Board, but a Law Society board and the Business and Oversight Board may propose a motion to request the SRA Board to consider an issue exclusively within the latter's terms of reference.
- (3) A motion proposed by a Law Society board or the Business and Oversight Board may be moved by the chair of that board, or by any Council member who is a member of it, and shall not be seconded.
- (4) A motion proposed on behalf of the SRA Board shall be moved by the chair of the Board, or a member of the Board acting on his or her behalf, and shall not be seconded.
- (5) A motion by the chair of the Council meeting shall not be seconded.
- (6) Subject to (7), a motion to be proposed by a Council member shall be included in the agenda for the meeting only if –
- (a) notice of the motion has been received by the Chief Executive not less than 12 clear working days before the meeting; and

- (b) in the opinion of the chair the motion relates to the affairs of the Society or of the solicitors' profession.
- (7) A Council member's motion which has been received within 12 clear working days before a Council meeting shall be taken only in case of urgency, as determined by the chair.

Closure of debate

- 11(1) A member who has not spoken in a debate and who wishes to move the closure of the debate shall do so by moving a motion (a "closure motion") either-
 - (a) that the question be put; or
 - (b) that the meeting proceeds to the next business.
- (2) A closure motion shall be seconded by a member who has not spoken in the debate.
- (3) No debate on a closure motion shall take place, and the closure motion shall be put to the vote immediately after it has been proposed and seconded.
- (4) If a closure motion is carried which is in the form of a motion that the question be put, the mover of the motion being discussed shall, unless the chair directs otherwise, have the right to reply before that motion is put.
- (5) Unless the chair otherwise directs before the closure motion is put to the vote the passing of a motion to close the debate on an amendment to a motion shall not prevent -
 - (a) the continuation of the debate on the motion; or
 - (b) any further amendments to the motion being moved.
- (6) A closure motion under this Regulation shall be passed if at least two-thirds of the members present and voting vote for it.

Voting

- 12(1) Unless the Charter, the Bye-Laws or these Regulations otherwise provide, all questions before the Council shall be decided by a majority of the members present and voting.
- (2) In the event of an equality of voting, the chair shall have a second, or casting, vote.

Rescission of resolutions

- 13 No resolution of the Council shall be rescinded (wholly or partly) within one year, unless -
 - (a) written notice has been sent to all Council members; or

- (b) the rescission is, or arises from, a recommendation in a report from a board or committee.

Adjournment of Council meetings

- 14(1) The chair may adjourn a Council meeting to a future fixed day and time, and shall do so if directed by the meeting.
- (2) No business shall be transacted at an adjourned Council meeting other than business left unfinished at the meeting that was adjourned.
- (3) If a Council meeting is adjourned for seven days or more, notice of the adjourned meeting, and of the business to be transacted at the adjourned meeting, shall be given to all Council members.
- (4) If a Council meeting is adjourned for less than seven days, no notice need be given of the adjournment, or of the business to be transacted at the adjourned meeting.

BOARD STRUCTURE AND DELEGATION

Establishment of boards

- 15(1) There shall be the following boards -
 - (a) the Business and Oversight Board;
 - (b) the Legal Affairs and Policy Board;
 - (c) the Management Board;
 - (d) the Membership Board;
 - (e) the Regulatory Affairs Board; and
 - (f) the Solicitors Regulation Authority Board.
- (2) The Legal Affairs and Policy Board, Management Board, Membership Board and Regulatory Affairs Board are referred to in these Regulations as “Law Society boards”.
- (3) The President, Vice President and Deputy Vice President shall be *ex officio* members of the Law Society boards, but shall not be eligible to serve as chair of those boards while serving as President, Vice President or Deputy Vice President.

Discharge of functions

- 16(1) The boards listed in Regulation 15(1) shall be deemed to be committees of the Council for the purpose of Section 79(1)(a) of the Act, and as such shall be empowered to carry out such of the Council’s functions as are referred to in their terms of reference.
- (2) The boards listed in Regulation 15(1) may arrange by resolution for functions which may be discharged by them to be discharged by –

(a) sub-units of the board (by whatever name known) which shall be deemed to be sub-committees of committees of the Council for the purpose of Section 79(2)(a) of the Act; or

(b) individuals (whether or not members of the Society's staff);

but the functions delegated to the SRA Board under the following provisions shall be exercised only by that Board and shall not be sub-delegated –

(c) Regulation 31(18);

(d) Regulation 31(20); and

(e) Regulation 31(21).

(3) Sub-units of boards may arrange for functions which may be discharged by them in accordance with Regulation 16(2)(a) to be discharged by members of the Society's staff.

(4) Where functions may be discharged in accordance with this Regulation by the holder of a post or office, they may be discharged by the holder of that post or office for the time being, or by any person temporarily filling that post or office.

(5) This Regulation does not preclude the Council, the boards, or any sub-unit of any of the boards, from directly discharging a function which has been delegated in accordance with this Regulation, but the Council shall not discharge any function delegated under these Regulations to the SRA Board except –

(a) where the Board has failed to comply with a direction under Regulation 35 within the time specified for compliance in that direction; or

(b) in relation to functions delegated under Regulations 31(21), 31(23), 31(26) and 31(27), but this exception only applies in respect of the functions delegated under Regulation 31(23) in relation to -

(i) actual or forthcoming litigation between the Council and the Board; and

(ii) to the extent necessary to enable the Council to deal with such litigation.

(6) This Regulation does not affect the terms under which the Chief Executive, the SRA Chief Executive and other members of the Society's staff (including those working for the SRA) perform their duties in accordance with their contracts of employment, job descriptions or internal office procedures.

Equality and Diversity Training

17(1) No Council or non-Council member shall take office (whether for the first time or on re-election or re-appointment) as a member of any board (including any sub-unit of a board but excluding the SRA Board), Special Committee or Law Society Committee unless he or she has undertaken prescribed equality and diversity training.

- (2) No Council or non-Council member shall take office as chair of any of the bodies referred to in (1) or of any recruitment panel within the Society unless he or she has undertaken prescribed training on unconscious bias and disability issues.
- (3) No chair or member of the SRA Board shall exercise any functions until he or she has undertaken prescribed equality and diversity training.
- (4) Council and non-Council members of the bodies referred to in (1) holding office as such on the date this Regulation came into effect shall have completed prescribed equality and diversity training (whether undertaken before or after that date) not later than 30 April 2013, in default of which they shall cease to hold office.
- (5) Chairs of the bodies referred to in (1) holding office as such on the date this Regulation came into effect shall have completed prescribed training on unconscious bias and disability issues (whether undertaken before or after that date) not later than 30 April 2013, in default of which they shall cease to hold office.
- (6) In this Regulation, "prescribed" means prescribed by the Council, and the training prescribed for Council members as a condition for taking office as a member of the bodies referred to in (1), or as a chair of the bodies referred to in (2), shall be additional to that which is mandatory for all Council members under the relevant Bye-Law provisions.

PROFESSIONAL BODY MATTERS

Membership of the Legal Affairs and Policy Board

- 18 The Legal Affairs and Policy Board shall consist of –
- (a) a Chair, who shall be a Council member elected by ballot of the Council;
 - (b) the President;
 - (c) the Vice President;
 - (d) the Deputy Vice President;
 - (e) seven other Council members, elected by ballot of the Council; and
 - (f) up to two members, co-opted by the Board, who may be Council or non-Council members.

Terms of reference of the Legal Affairs and Policy Board

- 19 The terms of reference of the Legal Affairs and Policy Board are -
- (1) To set and oversee the implementation of policy to promote and protect solicitors' interests in all matters other than those covered by other boards.
 - (2) To set and oversee the implementation of policy to promote the Society as a leading voice on law reform, the effective operation of legal institutions and access to justice, domestically and internationally.

- (3) To set and oversee the implementation of policy to promote access by solicitors to other jurisdictions.
- (4) To set and oversee the implementation of policy to promote the protection of human rights and fundamental freedoms in other jurisdictions.
- (5) To appoint Law Society Committee chairs and members; and to make recommendations to the Council for establishing and disestablishing Law Society committees.
- (6) To recommend to the Council the nomination by the Society of representatives to serve on external bodies.

Membership of the Management Board

20(1) The Management Board shall consist of –

- (a) a Council member as chair ("the Treasurer"), elected by ballot of the Council;
 - (b) the President;
 - (c) the Vice President;
 - (d) the Deputy Vice President;
 - (e) five other Council members elected by ballot of the Council;
 - (f) the Chief Executive, who shall be entitled to attend and speak at meetings of the Board, but not to vote; and
 - (g) up to two members co-opted by the Board, who may be Council members or non-Council members.
- (2) The chair of the SRA Board and the SRA Chief Executive shall be entitled to attend meetings of the Management Board for items affecting the SRA Board, but shall not be entitled to vote and shall not be counted as part of the quorum

Terms of reference of the Management Board

21 The terms of reference of the Management Board are –

Approved regulator functions

- (1) To advise the Council on the exercise of the Society's functions as an approved regulator, except for -
 - (a) matters delegated to the Business and Oversight Board under Regulation 39; and
 - (b) matters delegated to the SRA Board under Regulation 31;
 and, in cases of urgency (as defined in Regulation 38), to exercise those functions.

Representative board business plans and budgets

- (2) To scrutinise the other Law Society boards' draft business plans, budget bids and budgetary controls, ensuring that in their activities they secure value for money.

Society's overall budget

- (3) To recommend to the Council the Society's budget and business plan, except in relation to matters delegated to the Business and Oversight Board under Regulation 39.
- (4) To recommend to the Council the amount to be collected through practising fees and to advise the Council on the amount which needs to be raised through contributions to the Compensation Fund.
- (5) For the avoidance of doubt, nothing in these Regulations is intended to preclude the Board from expressing a view to the Council on any matter on which it is the responsibility of the SRA Board or the Business and Oversight Board to make formal recommendations to the Council.

Remuneration

- (6) Having received recommendations from the Remuneration Committee in respect of the relevant matter, and only in the light of those recommendations, to decide -
 - (a) The performance management frameworks for the Chief Executive and the senior managers reporting directly to him or her;
 - (b) The pay policy, terms and conditions and incentive arrangements for the Chief Executive;
 - (c) Any bonuses and incentive payments to be paid to the Chief Executive, pursuant to the pay policy and contractual arrangements set under (b);
 - (d) Non-contractual severance payments to the Chief Executive and the senior managers reporting directly to him or her; and
 - (e) The pay policy and terms and conditions of employment of senior managers reporting directly to the Chief Executive and the policy and processes by which the Chief Executive determines and bonuses or incentive arrangements to be paid to those senior managers;

Provided that the Board must, if it does not follow the recommendations of the Remuneration Committee as presented -

- (f) Record fully in the minutes the reasons for not following those recommendations; and
- (g) Report to the Business and Oversight Board at the earliest opportunity that it has departed from the recommendations of the Committee, giving those reasons.

Finances

- (7) Subject to the powers and responsibilities of the Business and Oversight Board and the regulatory independence of the SRA Board, to deal with all matters relating to the finances, facilities, property, subsidiary companies, trusts, bursaries and bequests and the common seal of the Society, and the effective management of resources, including-
- (a) financial controls;
 - (b) human resources;
 - (c) capital expenditure;
 - (d) investment management;
 - (e) the Society's personnel policies and the staff pension scheme; and
 - (f) approving bids for unbudgeted expenditure, subject (save in the case of an emergency) to a maximum of £1 million.

Risk management

- (8) To approve and monitor the Society's risk register.
- (9) To oversee the handling of litigation arising from the Society's functions, save where this has been delegated to the SRA Board.

Governance

- (10) To hold the Chief Executive accountable for the efficient discharge of his or her duties.
- (11) To hold the office-holders to account against the Presidential Plan.
- (12) To take all reasonable steps necessary to ensure the proper governance of the Society, including bringing proposals to the Council as necessary.

Membership of the Membership Board

22 The Membership Board shall consist of –

- (a) a chair, who shall be a Council member elected by ballot of the Council;
- (b) the President;
- (c) the Vice President;
- (d) the Deputy Vice President;
- (e) seven other Council members, elected by ballot of the Council; and
- (f) up to two members co-opted by the Board, who may be Council members or non-Council members.

Terms of reference of the Membership Board

23 The terms of reference of the Membership Board are –

- (1) To set and oversee the implementation of policy for managing relationships with the profession, including (but not limited to) local law societies, Law Society groups, associations, sections, networks and divisions.
- (2) To set and oversee the implementation of policy relating to services for members and others to include, but not be limited to, family members, potential entrants to the profession, non-solicitor employees of firms and to the public.
- (3) To set and oversee the implementation of policy to support Council members in their work.

Membership of the Regulatory Affairs Board

24(1) The Regulatory Affairs Board shall consist of –

- (a) a Council member as chair, elected by ballot of the Council;
- (b) the President;
- (c) the Vice President;
- (d) the Deputy Vice President
- (e) seven other Council members, elected by ballot of the Council; and
- (f) up to two members co-opted by the Board, who may be Council members or non-Council members.

Terms of reference of the Regulatory Affairs Board

25 The terms of reference of the Regulatory Affairs Board are –

- (1) To set and oversee the implementation of policy for the promotion of solicitors' interests in all regulatory matters.
- (2) To assist the Management Board in making recommendations to the Council under Regulation 21(1) on the exercise of approved regulator functions.

General functions of the Law Society boards

26 In addition to the functions set out in their terms of reference, the Law Society boards shall have the following general functions -

- (a) Developing an annual business plan within a timetable agreed by the Council.
- (b) Developing an annual work-plan.
- (c) Reporting to the Council regularly on progress against its business plan.

- (d) Advising the Council on any new or urgent activities arising within its terms of reference which fall outside its current business plan or work-plan.
- (e) Keeping its performance under regular review.
- (f) Establishing and disestablishing sub-units to assist it in its work, whether or not these are deemed to be sub-committees exercising functions under Regulation 16(2)(a).

Eligibility to serve on Law Society boards

- 27 No Council member shall be eligible to serve on more than one Law Society board at a time.

Term of office of chairs and members of Law Society boards

- 28(1) The term of office of the chairs of the Law Society boards shall be three years, running from the date of election until the third 31 August thereafter, and the chairs shall not be eligible for re-election at the end of that period.
- (2) The term of office of the other members of the Law Society boards shall be three years, running from the date of election until the third 31 August thereafter, and the other members shall be eligible for re-election for one further period of three years only.

REGULATION MATTERS

Membership of the SRA Board

- 29 The SRA Board shall consist of -
- (a) a chair, who shall not be a Council member and may be either a solicitor or a lay person, appointed by the Council following an open recruitment process taking into account guidelines issued by the Commissioner for Public Appointments;
 - (b) no fewer than six, and no more than eight, non-Council members, who shall be lay persons, appointed in the manner described in (a);
 - (c) no fewer than five, and no more than seven, non-Council members, who shall be solicitors, appointed in the manner described in (a)

but the number of lay members of the Board (including the Chair if he or she is not a solicitor) shall at all times (other than when there is a casual vacancy) be one more than the number of solicitor-members (including the Chair if he or she is a solicitor).

Term of office of chair and members of the SRA Board

- 30(1) Subject to (2) and (3), the terms of office of the chair and members of the SRA Board shall be up to four years, and they shall be eligible for re-appointment (without any guarantee) for one or more further terms, up to a total of six years.

- (2) A member of the Board eligible for re-appointment may be re-appointed by the Society either –
 - (a) following the recruitment process described in Regulation 29(1)(a); or
 - (b) on the recommendation of the chair.
- (3) Re-appointments on the recommendation of the chair may be for such proportion of the members retiring at any one time as the Society, after consultation with the chair, may from time to time determine.

Terms of reference of the SRA Board

31 The terms of reference of the SRA Board ("the Board") are –

- (1) In relation to the individuals and entities ("persons") listed in (2), to exercise all monitoring, regulatory, investigative, adjudication, disciplinary, intervention, enforcement, supervisory, admission, authorisation, licensing, civil litigation and cost recovery powers and functions vested in the Society or the Council under –
 - (a) the Act;
 - (b) the Administration of Justice Act 1985;
 - (c) the Courts and Legal Services Act 1990;
 - (d) the Access to Justice Act 1999;
 - (e) the 2007 Act;
 - (f) the European Communities (Services of Lawyers) Order 1978; and
 - (g) the European Communities (Lawyer's Practice) Regulations 2000
- (2) The persons within the scope of (1) are -
 - (a) solicitors;
 - (b) recognised bodies;
 - (c) licensed bodies;
 - (d) registered European lawyers;
 - (e) registered foreign lawyers;
 - (f) persons employed or remunerated in connection with the practices of any of those listed in (a) to (e);
 - (g) European lawyers providing services under the European Communities (Services of Lawyers) Order 1978;
 - (h) managers of recognised bodies ("manager" as defined in Section 207 of the 2007 Act); and

- (i) persons having, or intending to acquire, interests in recognised bodies or licensed bodies ("interest" as defined in Sections 72(3) and 72(6) of the 2007 Act).
- (3) To exercise the following other functions under the 2007 Act -
 - (a) consenting on behalf of the Society in its approved regulator capacity to Legal Services Board recommendations, provided that such consent relates to regulatory functions delegated to the Board under this Regulation or to regulatory arrangements (as defined in Section 21 of the 2007 Act) related to the discharge of those functions, and
 - (b) making any application that relates to regulatory functions delegated to the Board or to regulatory arrangements relating to the discharge of those functions and providing the application is not -
 - (i) to regulate persons not presently regulated or to cease to regulate persons; or
 - (ii) to change the Society's position as an approved regulator.
- (4) To deal with all matters relating to the setting of standards for entry into the profession and the education and training of solicitors, including monitoring of training institutions and those providing authorised courses.
- (5) To deal with all matters relating to –
 - (a) the keeping of the Roll
 - (b) the certification of solicitors;
 - (c) the registration of European and foreign lawyers;
 - (d) the recognition of bodies under Section 9 of the Administration of Justice Act 1985;
 - (e) the authorisation of licensed bodies;
 - (f) the approval under Schedule 13 to the 2007 Act of persons to hold restricted interests in licensed bodies; and
 - (g) the recognition of European lawyers providing services under the European Communities (Services of Lawyers) Order 1978.
- (6) Subject to (7), (8) and (9), to deal with all matters relating to the setting and maintenance of ethical, conduct and quality standards for the persons mentioned in (2).
- (7) In relation to accreditation schemes and panels the membership of which is a requirement of statute or Practice Rules the power -
 - (a) to set standards for them;

- (b) to quality assure their operation including oversight of assessments; and
 - (c) to administer them.
- (8) In relation to accreditation schemes and panels the membership of which is not a requirement of statute or Practice Rules ('voluntary schemes and panels'), and where the conditions in (9) are satisfied, the power –
 - (a) to set standards for them;
 - (b) to quality assure their operation including oversight of assessments and
 - (c) to administer them.
- (9) (a) the powers in (8) apply only where -
 - (i) the Board considers that there is a regulatory need for the relevant voluntary scheme or panel to exist; and
 - (ii) the Board considers that there is no accreditation scheme or panel being operated currently in the relevant area of law which would meet the objectives of the Board or if any scheme or panel is being operated which the Board considers does not meet its objectives those running the scheme will not agree to modify it to meet those objectives; and
- (b) the power in (8)(c) additionally applies only where neither the representative part of the Society nor any other reputable provider is able and willing to operate a scheme or panel in the relevant area of law which would meet the objectives of the Board.
- (10) To issue guidance on the interpretation and application of rules and regulations and on matters of professional conduct and standards.
- (11) To deal with all applications for waivers of rules or other dispensations under rules or under statute.
- (12) To deal with all regulatory matters relating to practice improvement and client care in relation to the persons mentioned in (2).
- (13) To deal with all regulatory matters relating to professional indemnity for the persons mentioned in (2), including the making, revocation or amendment of indemnity rules.
- (14) To deal with all matters relating to monitoring, securing or enforcing compliance by the persons mentioned in (2) with requirements imposed by primary or secondary legislation (including for the avoidance of doubt rules and rules and regulations made by the Council or the Board) or guidance issued by the Council or the Board.
- (15) To deal with all proceedings before the Solicitors Disciplinary Tribunal, and all litigation arising from such proceedings.
- (16) Subject to (18), to make Compensation Fund Rules and to deal with all other matters relating to the Compensation Fund, including the financial management of that Fund.

- (17) To deal with all matters relating to monies held on statutory trust following intervention, including the authorisation of the transfer of funds held on statutory trust to the Compensation Fund subject to rights of subrogation.
- (18) Subject to Regulation 32, to make, amend and revoke rules, regulations and codes under any primary or secondary legislation (including amending or revoking rules and regulations made by the Council before the coming into effect of this Regulation) and relating to regulatory matters.
- (19) Subject to (16) and (20), to exercise the powers of the Society and of the Council under all primary and secondary legislation on all matters within its terms of reference.
- (20) Subject to Regulation 36, to set and amend from time to time the level of fees and charges payable by any person or body in relation to the discharge of its functions.
- (21) Having received recommendations from the Remuneration Committee in respect of the relevant matter, and only in the light of those recommendations, to decide -
 - (a) The performance management frameworks for the SRA Chief Executive and the senior managers reporting directly to him or her;
 - (b) The pay policy, terms and conditions and incentive arrangements for the SRA Chief Executive;
 - (c) Any bonuses and incentive payments to be paid to the SRA Chief Executive, pursuant to the pay policy and contractual arrangements set under (b);
 - (d) Non-contractual severance payments to the SRA Chief Executive and the senior managers reporting directly to him or her; and
 - (e) The pay policy and terms and conditions of employment of senior managers reporting directly to the SRA Chief Executive of the and the policy and processes by which the SRA Chief Executive determines any bonuses or incentive arrangements to be paid to those senior managers;

Provided that the Board must, if it does not follow the recommendations of the Remuneration Committee as presented -

 - (f) Record fully in the minutes the reasons for not following those recommendations; and
 - (g) Report to the Business and Oversight Board at the earliest opportunity that it has not followed the recommendations of the Committee, giving those reasons.
- (22) To set, implement and review policy on matters within its terms of reference.
- (23) To deal with any actual or forthcoming litigation directly arising from –
 - (a) regulatory or disciplinary decisions;
 - (b) any legal challenge to the validity of any exercise of its functions; and
 - (c) any other matter related to the discharge of its functions, unless the Council considers that in the Society's capacity as approved regulator the relevant

litigation should be dealt with by the Management Board in accordance with Regulation 21(8).

- (24) To monitor casework decisions made under delegated powers from the Board, with a view to ensuring appropriate quality and consistency, taking account, where applicable, of any relevant policies and guidelines it may set.
- (25) To respond to external consultations on all matters within its terms of reference.
- (26) To deal with the making of representations to the Legal Services Board under paragraph 9 of Schedule 10 of the 2007 Act, and any other communications with the Legal Services Board, arising from an application by the Society to the Legal Services Board to become a licensing authority for alternative business structures under that Act.
- (27) To investigate and prosecute offences under any enactments, subordinate legislation, rules, regulations or other provisions mentioned in this Regulation and to pursue any ancillary activity such as enforcement or recovery of penalties and costs.
- (28) Nothing in these Regulations prevents the Board from expressing a view to the Council on any matter concerning the exercise of approved regulator functions other than those delegated under these Regulations.

Rule-making by the SRA Board

- 32(1) Subject to (4) and (6), the SRA Board may exercise the powers in Regulation 31(18) in relation to a particular proposal only if -
 - (a) the Board has consulted the Council on the proposal, and on any significant changes to it, in accordance with a protocol to be approved by the Council after consultation between the Board and the Management Board;
 - (b) the Board is satisfied that –
 - (i) there has been adequate consultation with those bodies and individuals with a legitimate expectation of being consulted on the proposal concerned; and
 - (ii) an appropriate period has been allowed for such consultation to take place;
 - (c) an appropriate assessment has been made of the impact of the proposal on those regulated by the Board;
 - (d) the Council has not issued a direction under Regulation 35 requiring the proposal not to be implemented.
- (2) Subject to (5), the President shall be notified promptly of the text of the rule, amendment or other wording agreed by the Board.
- (3) Where a rule, amendment or other wording requires approval by an external authority, it shall not be submitted to such an authority until not less than seven days (or such lesser period as the President may allow) have elapsed after the date on which the notification to the President of the final wording takes place under (2).

- (4) The Board shall not be required to comply with the procedures set out in (1)(a) and (1)(b) where the Chair of the Board (or in his or her absence the SRA Chief Executive) certifies that there is an urgent need to exercise the powers which makes it impracticable to follow them.
- (5) Any exercise of the powers in a case of urgency in accordance with (4) shall be notified promptly to the President.
- (6) The exercise by the Board of the powers in Regulation 31(18) shall not be invalidated by any irregularity or non-compliance with the procedures set out in (1)(a) and (1)(b) or (1)(c).
- (7) Any function or power of the President under this Regulation may be exercised in his or her absence by the Vice President, the Deputy Vice President or the Chief Executive.

General functions of the SRA Board

33 The SRA Board shall -

- (a) Set the strategic objectives for the Society in its regulatory role, monitor performance against those objectives and prepare an operational plan and budget for presentation to the Business and Oversight Board.
- (b) Take into account the recommendations of the Better Regulation Task Force in exercising its functions.
- (c) Comply with such oversight and scrutiny arrangements as the Council shall lay down from time to time, following appropriate consultation with the Board.
- (d) Ensure that the need to obtain value for money is recognised in all matters for which it is responsible.
- (e) Ensure that the principles of equality and diversity are incorporated in every aspect of its work.
- (f) Ensure that the principles of “Turnbull” risk analysis are incorporated in every aspect of its work.
- (g) Report to the Council when required by the Council to do so on the discharge of its functions, including (but without limitation) risk management and budgetary issues.
- (h) Monitor expenditure against budget.
- (i) Monitor compliance with any external regulatory provisions or obligations which are applicable.

Conduct of members of the SRA Board

- 34(1) If circumstances arise which would, if disclosed to the Society prior to appointment, have disqualified a member of the SRA Board ("the member") from appointment, then subject to (2) –
- (a) the SRA Chief Executive shall so certify to the Council; and
 - (b) the Council shall be entitled, on receipt of the certificate and subject to affording the member the right to make written representations, to remove that member from office.
- (2) The chair of the SRA Board may direct the SRA Chief Executive not to certify the circumstances to the Council under (1), if he or she considers the matters concerned to be of a minor nature.
- (3) Any complaint against a member of the SRA Board (other than one falling under (1)) shall be referred by the chair of the Board to a body established by the Board to investigate complaints ("the investigating body"), but a complaint shall not be so referred if the Chair considers that it can be resolved by informal conciliation or is trivial or vexatious.
- (4) The investigating body may investigate and determine the complaint according to such procedure as it shall decide, which shall include affording the member the right to make representations. The investigating body shall report to the chair of the SRA Board whether it considers the complaint to be substantiated and, if so, what sanction should be recommended to the Board.
- (5) The report and the decision of the SRA Board on it shall also be sent to the Chief Executive.
- (6) Removal of membership of the SRA Board can be imposed by the Council only.
- (7) The Council may substitute its own procedure for investigating and determining complaints if it believes that the procedure established by the SRA Board is inadequate.

Directions to the SRA Board

- 35 The SRA Board shall comply with a direction by the Council, within the time specified for compliance in the direction where such a time is specified, as to the exercise of any functions delegated to it under these Regulations if, and to the extent that, the exercise of the functions concerned in the manner specified in the direction is in the opinion of the Council reasonably necessary in order to–
- (1) Comply with, or avoid breaching, any specific or general rules or other requirements imposed on the Society by –
 - (a) the Legal Services Board under the Act or the 2007 Act;

- (b) the Office of Fair Trading under the Competition Act 1998; or
 - (c) any other body having statutory power to issue directions or impose requirements on the Society in the exercise of any of its functions;
- (2) Prevent the imposition of, or reduce the amount of, any fine or any other financial or non-financial penalty by any of the bodies referred to in (1); or
 - (3) Comply with the directions of any court or tribunal.

Applications for approval of practising certificate fee

36(1) The Council shall approve applications to the Legal Services Board under Section 51(5) of the 2007 Act for approval of practising fees, and in drawing up such applications the following determinations shall be incorporated -

- (a) by the Council, of -
 - (i) the total amount to be raised through practising fees; and
 - (ii) the proportions of that total amount to be attributable to regulatory and non-regulatory functions and the proportion of shared support services attributable to those functions.
- (b) by the SRA Board, in relation to the proportion set by the Council under (a)(ii) attributable to regulatory functions, of the respective amounts that should be payable by such categories of solicitor or firm as the Board shall define for this purpose; and
- (c) by the Council, in relation to the proportion it has set under (a)(ii) attributable to non-regulatory functions (including shared support services costs attributable to those functions), of the respective amounts that should be payable by the categories of solicitor or firm defined by the Board under (b).

(2) In this Regulation –

- (a) "practising fees" includes the practising fee payable under Section 11 of the Act, the fee payable by recognised bodies under Section 9 of the Administration of Justice Act 1985 and the periodical fee payable by licensed bodies under paragraph 21 of Schedule 11 to the 2007 Act; and
- (b) "regulatory functions" includes the functions of the SRA and the payment of levies under Section 173 of the 2007 Act and any other statutory provision.

Setting of Compensation Fund contributions

37 The Council shall set the total amount which needs to be raised through contributions to the Compensation Fund under paragraph 2 of Schedule 2 to the Act, and the SRA Board shall determine the respective amounts which should be payable by such categories of solicitor or firm as the Board shall define for this purpose.

Management Board exercise of approved regulator functions

- 38(1) The Management Board may only exercise approved regulator functions ("the functions") under Regulation 21(1) –
- (a) if it is not practicable for the matter in relation to which the functions would be exercisable to be dealt with by the Council at its next meeting; and
 - (b) after notifying the chair of the SRA Board and the SRA Chief Executive of its intention to exercise the functions and offering the SRA Board such opportunity as the circumstances permit to make representations before it decides the matter.
- (2) The chair of the SRA Board and the SRA Chief Executive shall be notified promptly of the actual exercise of approved regulator functions by the Management Board in relation to the matter in question.

SHARED SUPPORT SERVICES AND OVERSIGHT OF REGULATION

Membership of the Business and Oversight Board

- 39(1) Subject to (2) and (3), the Business and Oversight Board shall consist of the following, all of whom shall be voting members -
- (a) the President;
 - (b) the Treasurer;
 - (c) a Council member elected by ballot of the Council;
 - (d) the Chief Executive;
 - (e) the chair of the SRA Board;
 - (f) two members of the SRA Board, one being the chair of the Board's Finance and Resources Committee, and the other being nominated by the chair of the Board;
 - (g) the SRA Chief Executive; and
 - (h) three external members, who shall be neither Council members nor members of the SRA Board, appointed by an appointments panel consisting of -
 - (i) the President (or his or her respective nominee);
 - (ii) the chair of the SRA Board (or his or her respective nominee); and
 - (iii) if both the President and the Chair of the SRA Board so agree on that occasion, an external member nominated by both the President and the chair of the SRA Board.
- (2) Alternates, who shall for the purposes of the meeting in question be treated as full members of the Board, may be nominated to attend a particular meeting of the Business and Oversight Board by -

- (a) the President, if he or she, or any of the other members referred to in (1)(b), (1)(c) and (1)(d), is unable to attend the meeting; and
 - (b) the chair of the SRA Board, if he or she, or any of the members referred to in (1)(f) and (1)(g), is unable to attend the meeting.
- (3) The chair of the Business and Oversight Board shall be elected by the members of the Board from among their own number.

Term of office of members of the Business and Oversight Board

- 40(1) Each of the external members of the Business and Oversight Board shall serve for three years, running from the date of appointment until the fourth 31 August thereafter, and shall be eligible for re-appointment for one further period of three years only.
- (2) The Council and the chair of the SRA Board shall respectively set the terms of office of the members of the Business and Oversight Board referred to in Regulations 39(1)(c) and 39(1)(f).

Terms of reference of the Business and Oversight Board

- 41 The terms of reference of the Business and Oversight Board are -
- (1) To deal with all matters relating to the provision of shared support services to the Law Society and the SRA and to advise the Council on the budget for such services;
 - (2) To recommend to the Council the budget for the SRA and to deal with all matters of budgetary control within the SRA;
 - (3) To oversee the appointment of and hold to account the Director of Organisation Services;
 - (4) Having received recommendations from the Remuneration Committee in respect of the relevant matter, and only in the light of those recommendations, to decide -
 - (a) The performance management framework for the Director of Organisation Services;
 - (b) The pay policy, bonus and conditions and incentive arrangements for the Director of Organisation Services;
 - (c) Any bonuses and incentive payments to be paid to the Director of Organisation Services, pursuant to the pay policy and contractual arrangements set under (b);
 - (d) Non-contractual severance payments to the Director of Organisation Services;
 - (e) The remuneration and terms and conditions of the chair of the SRA Board; and
 - (f) The remuneration and terms and conditions of the members of the SRA Board;

Provided that the Board must, if it does not follow the recommendations of the Remuneration Committee as presented -

- (g) Record fully in the minutes the reasons for not following those recommendations; and
 - (h) Report to the Council at the earliest opportunity that it has not followed the recommendations of the Committee, giving those reasons.
- (5) To exercise the Society's approved regulator function of oversight of the SRA, in accordance with such protocols as may be agreed from time to time by the Council following consultation with the SRA Board, including (without limitation)-
 - (a) scrutiny of the business plan of the SRA and monitoring performance against that plan, taking into account the regulatory objectives set out in the 2007 Act and the principles of good regulation;
 - (b) scrutiny of the strategic risk register of the SRA; and
 - (c) keeping under review the arrangements agreed between the Society in its approved regulator capacity and the SRA for oversight of the latter's functions.
- (6) To delegate to a sub-committee the function of advising the Council directly on policy issues concerning the appointment of the chair and members of the SRA Board, but -
 - (a) the sub-committee shall not itself carry out the appointment process; and
 - (b) no member who would be eligible for re-appointment to the SRA Board in accordance with Regulation 30(2) may serve on the sub-committee.
- (7) In this Regulation, "shared support services" means -
 - (a) information and communications technology systems (including ensuring compliance with data protection legislation);
 - (b) finance;
 - (c) management information support and programme management, where these are provided by shared services;
 - (d) risk management, including maintenance and oversight of the Group Risk Register and oversight of the strategic risk register;
 - (e) premises and facilities management;
 - (f) human resources; and
 - (g) any other service, where it is agreed by the Business and Oversight Board that it should be managed by the Director of Organisation Services.
- (8) Nothing in these Regulations prevents the Board from expressing a view to the Council on any matter concerning the exercise of approved regulator functions other than those which are delegated under these Regulations.

GENERAL GOVERNANCE AND REVIEW

Appointment of Special Committees

- 42(1) There shall be the following Special Committees of the Council -
- (a) the Audit Committee;
 - (b) the Council Members' Conduct Committee;
 - (c) the Council Membership Committee;
 - (d) the Equality and Diversity Committee
 - (e) the Remuneration Committee; and
 - (f) the Scrutiny and Performance Review Committee.
- (2) With the exception of the Remuneration Committee in regard to matters where the Committee has powers of approval under Regulation 52, the work of the Special Committees of the Council shall be advisory only and they shall exercise no delegated powers in the name of the Council unless the Council specifically so resolves.

Membership of the Audit Committee and term of office of chair and members

- 43(1) The membership of the Audit Committee shall be -
- (a) a chair, who shall not be a Council member, appointed by the Council on the recommendation of the Management Board;
 - (b) one Council member, appointed by the Council on the recommendation of the Management Board;
 - (c) five members, who shall not be Council members, appointed by the Council on the recommendation of the Management Board; and
 - (d) one other member, who shall be a member of the SRA Board, appointed by the Council on the recommendation of that Board.
- (2) The Chair of the Audit Committee shall serve a single three-year term of office, renewable exceptionally for one further year at a time up to a maximum of three years.
- (3) The other members of the Audit Committee shall serve a three-year period of office, renewable for two further periods of three years only.

Terms of reference of the Audit Committee

- 44(1) The terms of reference of the Audit Committee are –
- (a) to assist and advise the Management Board and the Business and Oversight Board in ensuring that the accounts and financial statements of the Society are balanced, fair and in conformity with the applicable accounting standards;

- (b) to advise the Management Board on the appointment of the Society's auditors and generally to oversee their work and the value for money of the services they provide;
 - (c) to liaise with the auditors as required, to oversee any action to be taken in the light of the auditors' management letter, to confirm where appropriate that there are no outstanding matters raised by the auditors, and to inform the Council, the Business and Oversight Board and the Management Board accordingly;
 - (d) to keep under review the systems of internal control, risk management and internal audit within the Society, including whether those systems are properly resourced;
 - (e) to keep under review compliance by the Society with the Combined Code on Corporate Governance and Guidance on Internal Control and to advise the Council, the Business and Oversight Board and the Management Board generally on all corporate governance matters; and
 - (f) to advise the Council, the Business and Oversight Board and the Management Board generally on all aspects of audit and financial control within the Society.
- (2) The Audit Committee may obtain advice from any external source on any aspect of its terms of reference, taking proper account of budget availability, and may invite outside advisers to attend its meetings.
 - (3) The Audit Committee may report directly to the Council on any aspect of its terms of reference and may report to the SRA Board on any aspect of its terms of reference affecting that Board.
 - (4) The Audit Committee may seek information and copies of any papers relevant to any aspect of its terms of reference as it may stipulate from any Council, board or committee member (including members of the SRA Board), or from any member of the Society's staff (including members of the staff of the SRA); reporting any failure to comply with such requests to the Council for decision.
 - (5) The Audit Committee shall be empowered to direct any member of the Society's staff (including members of the staff of the SRA) to attend any of its meetings for the purpose of giving information on any aspect of its terms of reference, reporting any failure to comply with such a direction to the Chief Executive or the SRA Chief Executive, as the case may be, as a matter for possible disciplinary action.

Membership of the Council Members' Conduct Committee and term of office of chair and members

- 45(1) Subject to (2), the membership of the Council Members' Conduct Committee shall be -
 - (a) a chair who shall be a Council member, elected by ballot by the Council; and
 - (b) six other Council members, elected by ballot by the Council.
- (2) Panels of the Council Members' Conduct Committee investigating complaints against individual members shall each have as an additional member for the purposes of that

investigation a non-Council member of the Council Membership Committee nominated by the chair of the Council Membership Committee.

- (3) The chair of the Council Members' Conduct Committee shall serve a three-year period of office, renewable exceptionally for one further year at a time up to a maximum of three years.
- (4) The other members of the Council Members' Conduct Committee shall serve a three-year period of office, renewable for one further period of three years only.

Terms of reference of the Council Members' Conduct Committee

46 The terms of reference of the Council Members' Conduct Committee are -

- (a) To keep under review, promote and give guidance on the Code of Conduct for Council Members ("the Code") and related documents, and to report to the Council from time to time with proposals for amendment to them.
- (b) Subject to (c) and (d), to investigate and report to the Council on all complaints made by any Council member or the Chief Executive regarding the conduct as such of Council members, and non-Council members of boards (with the exception of the chair and members of the SRA Board and the sub-units of that Board), committees, sub-committees and working parties.
- (c) The Council Members' Conduct Committee shall when dealing with complaints within the scope of (b) sit in panels of three or five of its members, as decided by the chair of the Committee, and the chair or vice chair of the Committee shall normally be a member of each such panel. Each panel shall include a non-Council member of the Council Membership Committee nominated in accordance with Regulation 45(2).
- (d) The Council Members' Conduct Committee may incorporate in its procedures provision -
 - (i) for summary determination by the chair (or in his or her absence or unavailability the vice chair) of complaints designated by the chair (or vice chair), with the consent of the member complained against, as suitable for summary determination,
 - (ii) that any determination accordingly that a complaint be dealt with summarily shall be conclusive; and
 - (iii) that where a complaint has been determined summarily, no report shall be made to the Council.

Membership of the Council Membership Committee and term of office of chair and members

- 47(1) The chair of the Council Membership Committee shall be elected by the Council, and shall hold office for a single term of three years running from 1 September in his or her year of appointment, save that exceptionally the chair of the Council Membership Committee may have his or her term extended for a further period of one year at a time up to a maximum of three years.

- (2) The Council members of the Council Membership Committee shall be elected by the Council and the non-Council members of the Council Membership Committee shall be appointed by the Legal Affairs and Policy Board.
- (3) Council members of the Council Membership Committee shall hold office for three years from the date of their appointment, and may be re-appointed for any number of further terms.
- (4) Non-Council members of the Council Membership Committee shall hold office for three years from the date of their appointment. Where a non-Council member of the Council Membership Committee takes office on a date other than 1 September, the appointment shall run until the third 31 August following his or her appointment.
- (5) Non-Council members of the Council Membership Committee may be appointed for up to two further terms of three years, provided that exceptionally the Legal Affairs and Policy Board may extend the term of office of a non-Council member of the Council Membership Committee beyond a total of nine years, any such extension being for only one year at a time.

Terms of reference of the Council Membership Committee

48 The terms of reference of the Council Membership Committee are -

- (a) To keep under review the representative nature of the Council, taking into account the views of recognised groups and associations.
- (b) Before the end of the term of office of each Council member who is not a geographical constituency member, and also on a casual vacancy arising for such a member, to consider the composition of the Council and to recommend to the Council the type of solicitor or registered European lawyer who should be elected to fill the vacancy, and the appropriate means of doing so.
- (c) To keep under review the constituency boundary descriptions in Appendix 1 to the Bye-Laws and the numbers of Council members allocated to each constituency, consulting local law societies and members of the Society as necessary.
- (d) To keep under review the multi-member geographical constituencies.
- (e) To report to the Council, at least once every four years, with any recommendations the Committee considers necessary for the revision of the constituency boundary descriptions set out in Appendix 1 to the Bye-Laws.
- (f) To keep under review the size of the Council, and to advise the Council if the Charter should be amended to alter the permitted size of the Council.

Membership of the Equality and Diversity Committee and term of office of chair and members

49(1) The membership of the Equality and Diversity Committee shall be –

- (a) a chair who shall be a Council member, elected by ballot by the Council;
- (b) four other Council members appointed by the Council; and

- (c) five other members, who shall not be Council members, appointed by the Council.
- (2) Subject to (3), the chair and members of the Equality and Diversity Committee shall serve a three-year period of office, renewable for one further period of three years only.
- (3) The chair and members of the Equality and Diversity Committee holding office at 14 July 2010 shall serve until 31 August 2010, and shall be eligible to serve for one further period of three years only.

Terms of reference of the Equality and Diversity Committee

50 The terms of reference of the Equality and Diversity Committee are –

- (1) To advise the Council, its boards and committees on matters of equality, diversity and inclusion, including –
 - (a) assisting the Council in discharging its oversight responsibility for equality and diversity issues;
 - (b) setting the direction and framework for diversity issues and ensuring a co-ordinated approach to diversity work;
 - (c) monitoring progress towards the Society's commitment to playing a leading role in the elimination of discrimination in all its activities as a regulator and representative body;
 - (d) reviewing progress against the Law Society Group's equality and diversity framework and action plan and the Single Equality Scheme;
 - (e) advising on emerging diversity issues for the profession and clients and engaging in dialogue with the profession on such issues; and
 - (f) advising on equality and diversity training for Council, board and committee members.
- (2) When the Committee makes a recommendation, the Council, board or committee to whom it is directed must consider the recommendation at the first practicable opportunity and if it does not accept the recommendation, or accepts it only in part, must give reasons for doing so.

Membership of the Remuneration Committee and term of office of chair and members

51(1) The membership of the Remuneration Committee are –

- (a) the three external members of the Business and Oversight Board appointed under Regulation 39(1)(h) *ex officio*, one of whom shall be elected by the Business and Oversight Board as chair of the Committee;
- (b) the Treasurer, as a non-voting member; and

- (c) one member of the SRA Board, appointed by that Board, as a non-voting member.
- (2) Alternates, who shall for the purposes of the meeting in question be treated as full members of the Committee, may be nominated to attend a particular meeting of the Remuneration Committee by -
 - (a) the President, if the Treasurer is unable to attend the meeting. and
 - (b) the Chair of the SRA Board, if the member referred to in (1)(c) is unable to attend the meeting.

Terms of reference of the Remuneration Committee

52 The terms of reference of the Remuneration Committee are –

- (1) Subject to the following provisions of this Regulation, to advise the Council on general pay policy and terms and conditions of employment for all employees of the Society.
- (2) To make recommendations to the relevant board on the performance management frameworks for the Chief Executive and the SRA Chief Executive ("the Chief Executives"), the senior managers reporting directly to them and the Director of Organisation Services.
- (3) To make recommendations to the relevant board on the pay policy, terms and conditions and any incentive arrangements for the Chief Executives and the Director of Organisation Services.
- (4) To make recommendations to the relevant board on whether proposals by the President or the chair of the relevant board, as the case may be, as to any proposed bonuses and incentive payments to be paid to the Chief Executives and the Director of Organisation Services -
 - (a) Are reasonable in the light of the pay policies and contractual arrangements applicable to them; and
 - (b) Have been arrived at following a reasonable process.
- (5) To make recommendations to the relevant board on any non-contractual severance payments to be made to the Chief Executives, the senior managers reporting directly to them and the Director of Organisation Services.
- (6) To make recommendations to the Business and Oversight Board -
 - (a) After consultation with the Society, on the remuneration and terms and conditions of the Chair of the SRA Board; and
 - (b) After consultation with the Chair of the SRA Board, on the remuneration and terms and conditions of the members of the SRA Board to apply for the duration of their standard terms of office.
- (7) To make recommendations to the relevant board on the pay policy and conditions of employment of senior managers reporting directly to the Chief Executives, and the

policy and processes by which the Chief Executives determine any bonuses or incentive payments to be paid to those senior managers.

- (8) To advise on the amount of any compensation payable to Council members, the Treasurer, members of the Management Board and Law Society board chairs and members.
- (9) To report annually to the Council, highlighting particularly any instances where its recommendations under any of the foregoing paragraphs have not been accepted by the board to which they were made.
- (10) In this Regulation, "the relevant board" means -
 - (a) The Business and Oversight Board, for matters relating to the Director of Organisation Services;
 - (b) The Management Board, for matters relating to the Chief Executive and senior managers reporting directly to him or her; and
 - (c) The SRA Board, for matters relating to the SRA Chief Executive and senior managers reporting directly to him or her.

Membership of the Scrutiny and Performance Review Committee and term of office of chair and members

- 53(1) Subject to (2), the membership of the Scrutiny and Performance Review Committee shall be -
- (a) a chair, who shall be a Council member elected by the Council by ballot; and
 - (b) eight other Council members (at least two of whom shall be geographical constituency members) elected by the Council by ballot.
- (2) The President, Vice President, Deputy Vice President and the chairs and members of Law Society boards shall not be eligible to serve on the Scrutiny and Performance Review Committee.
- (3) The Chair of the Scrutiny and Performance Review Committee shall serve a three-year term of office, renewable exceptionally for one further year at a time up to a maximum of three years.
- (4) The other members of the Scrutiny and Performance Review Committee shall serve a three-year period of office, renewable for one further period of three years only.

Terms of reference of the Scrutiny and Performance Review Committee

- 54(1) The terms of reference of the Scrutiny and Performance Review Committee are:
- (a) to review or scrutinise decisions or action taken under delegated powers by the President or any of the Law Society boards;
 - (b) to make reports or recommendations to the Council on the exercise of delegated powers as mentioned in (a), and to make reports or recommendations to the relevant board in respect of policy matters, except in

relation to matters within the terms of reference of the SRA Board and the Business and Oversight Board; and

- (c) to review or scrutinise decisions or actions taken under delegated powers other than in (a) provided that no decision by or on behalf of the SRA Board and the Business and Oversight Board shall be reviewed or scrutinised under this subparagraph.
- (2) Subject to the following provisions of this Regulation, the Scrutiny and Performance Review Committee may recommend to the appropriate board or to the Council that a decision should be reconsidered by the person or body that made the decision, or that the Council should itself review the decision.
- (3) A recommendation under (2) may only be made within five working days after the publication of the decision on Corporate Business (or any successor to that system), and in order to be effective must be supported by not less than five members of the Scrutiny and Performance Review Committee, whose names and reasons for doing so shall be published on Corporate Business (or any successor to that system).
- (4) Where the Scrutiny and Performance Review Committee has recommended to the Council that a decision should be reconsidered or that the Council should itself review the decision, the Council shall consider that recommendation at the next meeting.
- (5) No recommendation under (2) may be made where the decision concerned was made by the SRA Board or the Business and Oversight Board, or the decision relates to -
 - (a) a casework determination;
 - (b) the work of the Audit Committee; or
 - (c) any matter which the President (or in his or her absence, the Vice President or, in the absence of both the President and the Vice President, the Deputy Vice President) has ruled is urgent and where the decision should be implemented as originally agreed.
- (6) Any ruling under (5)(c) by the President or other office-holder shall be reported to the next meeting of the Council.
- (7) The Scrutiny and Performance Review Committee may call in the chairs of the Law Society boards and the senior members of staff responsible to each of those boards to discuss the operation of delegated powers or any specific matter where the Committee is considering making a recommendation under (2).
- (8) The Scrutiny and Performance Review Committee may call for any documentation related to the operation of specific delegated powers (except those taken by or on behalf of the SRA Board and the Business and Oversight Board) or any matter where the Committee is considering making a recommendation under (1).
- (9) The Scrutiny and Performance Review Committee shall report to the Council any failure to comply with a request made under (8).
- (10) The terms of reference of the Scrutiny and Performance Review Committee in relation to performance review are to review the performance of any board other than the SRA Board and the Business and Oversight Board, and to draw any matters of concern to

the attention of the chairs of the relevant boards, the President, Vice President or Deputy Vice President (as appropriate), or where deemed necessary to the attention of Council members, in a timely manner.

GENERAL PROCEDURAL MATTERS

Council Operating Manual

55(1) There shall be a Council Operating Manual ("the Manual") which, so far as not inconsistent with any statute, the Charter, Bye-Laws and these Regulations, shall govern the general procedures applicable to the work and meetings of the Council, its boards, committees and other subordinate bodies.

(2) The Manual may be amended from time to time as necessary.

Quorum of board and committee meetings

56(1) The quorum for meetings of the Law Society boards shall be four.

(2) The quorum for meetings of the SRA Board shall be seven (including four solicitor members).

(3) The quorum for meetings of the Business and Oversight Board shall be five, including -

(a) any two of the members referred to in any of Regulations 39(1)(a), 39(1)(b), 39(1)(c) and 39(1)(d); and

(b) any two of the members referred to in any of 39(1)(e), 39(1)(f) and 39(1)(g); and

(c) any one of the members referred to in Regulation 39(1)(h).

(4) The quorum for meetings of the Audit Committee shall be three (including at least one Council member or the chair).

(5) The quorum for meetings of the Council Members' Conduct Committee shall be three, and the quorum for meetings of the Equality and Diversity Committee, the Remuneration Committee and the Scrutiny and Performance Review Committee shall be three (including at least one Council member).

(6) The quorum for meetings of the Council Membership Committee shall be three.

(7) The quorum for any meetings of committees, sub-committees or other bodies established by a board to exercise delegated functions shall be fixed by the board concerned.

(8) If a quorum ceases to exist at any meeting of a board, committee or a sub-committee, the meeting shall be abandoned, but this shall not affect the validity of any business transacted when a quorum was present.

(9) In determining whether a quorum is present at any meeting referred to in this Regulation, any member who would otherwise be entitled to attend that meeting shall be excluded from the quorum for the consideration of any item of business if he or she

is disqualified from participating in the consideration of that item in accordance with the Code of Practice on Conflicts of Interest.

Notices

- 57 Any notice to be given or other step to be taken under these Regulations may be given in writing or electronically.

Revocation, suspension and amendment

- 58 The Council may by resolution passed by not less than two-thirds of the members present and voting revoke, suspend or amend these Regulations, with effect either at once or on some future date.

Commencement and citation

- 59(1) These Regulations shall come into effect on 1 March 2013, when the previous Regulations, and all amendments to them, shall be revoked, without affecting the validity of anything done under their authority.
- (2) These Regulations may be referred to as the Law Society's General Regulations 2013.