

Status: Point in time view as at 06/10/2010.

Changes to legislation: There are currently no known outstanding effects for the Legal Services Act 2007, Paragraph 42. (See end of Document for details)

SCHEDULES

SCHEDULE 16

THE LAW SOCIETY, SOLICITORS, RECOGNISED BODIES AND FOREIGN LAWYERS

PART 1

THE SOLICITORS ACT 1974 (C. 47)

42 (1) Section 43 (control of solicitors' employees and consultants) is amended as follows.

(2) For subsections (1), (1A) and (2) substitute—

“(1) Where a person who is or was involved in a legal practice but is not a solicitor—

- (a) has been convicted of a criminal offence which is such that in the opinion of the Society it would be undesirable for the person to be involved in a legal practice in one or more of the ways mentioned in subsection (1A), or
- (b) has, in the opinion of the Society, occasioned or been a party to, with or without the connivance of a solicitor, an act or default in relation to a legal practice which involved conduct on his part of such a nature that in the opinion of the Society it would be undesirable for him to be involved in a legal practice in one or more of the ways mentioned in subsection (1A),

the Society may either make, or make an application to the Tribunal for it to make, an order under subsection (2) with respect to that person.

(1A) A person is involved in a legal practice for the purposes of this section if the person—

- (a) is employed or remunerated by a solicitor in connection with the solicitor's practice;
- (b) is undertaking work in the name of, or under the direction or supervision of, a solicitor;
- (c) is employed or remunerated by a recognised body;
- (d) is employed or remunerated by a manager or employee of a recognised body in connection with that body's business;
- (e) is a manager of a recognised body;
- (f) has or intends to acquire an interest in such a body.

(2) An order made by the Society or the Tribunal under this subsection is an order which states one or more of the following—

- (a) that as from the specified date—
 - (i) no solicitor shall employ or remunerate, in connection with his practice as a solicitor, the person with respect to whom the order is made,

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- (ii) no employee of a solicitor shall employ or remunerate, in connection with the solicitor's practice, the person with respect to whom the order is made,
- (iii) no recognised body shall employ or remunerate that person, and
- (iv) no manager or employee of a recognised body shall employ or remunerate that person in connection with the business of that body,

except in accordance with a Society permission;

- (b) that as from the specified date no recognised body or manager or employee of such a body shall, except in accordance with a Society permission, permit the person with respect to whom the order is made to be a manager of the body;
- (c) that as from the specified date no recognised body or manager or employee of such a body shall, except in accordance with a Society permission, permit the person with respect to whom the order is made to have an interest in the body.

(2A) The Society may make regulations prescribing charges to be paid to the Society by persons who are the subject of an investigation by the Society as to whether there are grounds for the Society—

- (a) to make an order under subsection (2), or
- (b) to make an application to the Tribunal for it to make such an order.

(2B) Regulations under subsection (2A) may—

- (a) make different provision for different cases or purposes;
- (b) provide for the whole or part of a charge payable under the regulations to be repaid in such circumstances as may be prescribed by the regulations.

(2C) Any charge which a person is required to pay under regulations under subsection (2A) is recoverable by the Society as a debt due to the Society from the person.”

(3) In subsection (5) omit—

- (a) “by any solicitor”, and
- (b) the words from “but” to the end.

(4) After that subsection insert—

“(5A) In this section—

“manager”, in relation to a recognised body, has the same meaning as it has in relation to a body in the Legal Services Act 2007 (see section 207 of that Act);

“recognised body” means a body recognised under section 9 of the Administration of Justice Act 1985;

“specified date” means such date as may be specified in the order;

“Society permission” means permission in writing granted by the Society for such period and subject to such conditions as the Society may think fit to specify in the permission.

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(5B) A person has an interest in a recognised body for the purposes of this section if the person has an interest in that body within the meaning of Part 5 of the Legal Services Act 2007 (see sections 72 and 109 of that Act).”

Commencement Information

II Sch. 16 para. 42 wholly in force at 31.3.2009, see s. 211 and [S.I. 2009/503](#), **art. 2(b)(i)** (subject to [art. 4](#))

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