



Solicitors Act 1974

1974 CHAPTER 47

PART II

PROFESSIONAL PRACTICE, CONDUCT AND DISCIPLINE OF SOLICITORS AND CLERKS

Intervention in solicitor's practice, Compensation Fund and professional indemnity

[^{F1}36 Compensation grants.

- (1) The Society may make rules concerning the grant of compensation by the Society in respect of loss that a person has suffered, or is likely to suffer, as a result of—
 - (a) an act or omission of a solicitor or former solicitor;
 - (b) an act or omission of an employee or former employee of a solicitor or former solicitor;
 - (c) the exercise by the Society of any of its powers under Part 2 of Schedule 1.
- (2) The rules may (among other things) make provision—
 - (a) as to the circumstances in which such grants may and may not be made;
 - (b) as to the form and manner in which a compensation claim is to be made;
 - (c) as to the procedure for determining compensation claims;
 - (d) for the making of grants in respect of a compensation claim before it is finally determined;
 - (e) for a grant to be made by way of loan in such circumstances and on such terms as may be prescribed in, or determined in accordance with, the rules;
 - (f) for a grant to be made by way of making good a deficiency in monies held in trust by the Society under paragraph 6 or 6A of Schedule 1;
 - (g) as to the minimum and maximum grants payable in respect of a compensation claim (or a claim of a prescribed description);
 - (h) for the Society to be subrogated, to such extent as may be prescribed, to any rights and remedies of a person to whom a grant is made in relation to the loss in respect of which the grant is made.

Changes to legislation: There are currently no known outstanding effects for the Solicitors Act 1974, Section 36. (See end of Document for details)

- (3) The circumstances which may be prescribed by virtue of subsection (2)(a) include in particular—
- (a) the nature of the loss;
 - (b) in a case within subsection (1)(a) or (b), the nature of the act or omission.
- (4) For the purposes of subsection (2)(f), there is a deficiency if the monies mentioned in that subsection are insufficient to satisfy the claims of all persons with a beneficial interest in the monies.
- (5) The Society may prepare and publish guidance as to the criteria it will apply in deciding whether to make a grant in respect of a compensation claim, or any part of a compensation claim.
- (6) Where the Society decides—
- (a) not to make a grant in respect of a compensation claim or any part of a compensation claim, or
 - (b) to make a grant of less than the amount claimed,
- it must give reasons for its decision.
- (7) Rules under subsection (1) which are not regulatory arrangements within the meaning of the Legal Services Act 2007 are to be treated as such arrangements for the purposes of that Act.
- (8) In this section—
- “compensation claim” means a claim for the Society to make a grant of the kind mentioned in subsection (1);
- “prescribed” means prescribed in rules under subsection (1).]

Textual Amendments

- F1** Ss. 36, 36A substituted (31.3.2009) for s. 36 by [Legal Services Act 2007 \(c. 29\)](#), 177, 211, {Sch. 16 para. 37} (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(b\)\(i\)](#) (subject to arts. 4, 5)

Modifications etc. (not altering text)

- C1** S. 36 modified (13.7.2011) by [Legal Services Act 2007 \(The Law Society and The Council for Licensed Conveyancers\) \(Modification of Functions\) Order 2011 \(S.I. 2011/1716\)](#), art. 2(1), [Sch. para. 3](#)
- C2** S. 36 extended (14.10.1991) by [Courts and Legal Services Act 1990 \(c. 41, SIF 76:1\)](#), [s. 89\(3\)\(a\)\(iv\) \(4\)](#); S.I. 1991/1883, art. 3, [Sch. \(4\)](#); S.I. 2000/1119, regs. 1, 37(3), Sch. 4 paras. 1(3), 8 (as amended (1.7.2009) by [The Legal Services Act 2007 \(Registered European Lawyers\) Order 2009 \(S.I. 2009/1587\)](#), [art. 3\(8\)\(a\)\(i\)](#))
- S. 36 extended (22.5.2000) by S.I. 2000/1119, regs. 1, 37(3), Sch. 4 paras. 1(3), 8 (as amended (1.7.2009) by [The Legal Services Act 2007 \(Registered European Lawyers\) Order 2009 \(S.I. 2009/1587\)](#), [art. 3\(4\)](#))
- C3** S. 36 applied (with modifications) (14.10.1991) by [Courts and Legal Services Act 1990 \(c. 41, SIF 76:1\)](#), s. 89, Sch. 14 para. 6; S.I. 1991/1883, art. 3, Sch. (as substituted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 177, 211, [Sch. 16 para. 132](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(b\)\(iii\)](#) (subject to art. 5))
- C4** S. 36 applied (with modifications) by [Administration of Justice Act 1985 \(c. 61\)](#), Sch. 2 para. 6(1) (as substituted (31.3.2004) by [Legal Services Act 2007 \(c. 29\)](#), ss. 177, 211, [Sch. 16 para. 94](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(b\)\(ii\)](#) (subject to art. 5))

Changes to legislation:

There are currently no known outstanding effects for the Solicitors Act 1974, Section 36.