
Changes to legislation: There are currently no known outstanding effects for the Administration of Justice Act 1985, Cross Heading: Intervention by Council. (See end of Document for details)

SCHEDULES

SCHEDULE 6

BODIES RECOGNISED UNDER S.32: SUPPLEMENTARY PROVISIONS

Intervention by Council

- 10 (1) Subject to sub-paragraph (2), where—
- (a) the Council is satisfied that a recognised body [^{F1}or a manager of such a body] has failed to comply with any rules applicable to it by virtue of section 32; or
 - [^{F2}(aa) the Council is satisfied that a recognised body has been carrying on business in breach of any condition subject to which the body's recognition under section 32 of this Act has effect; or]
 - (b) a person has been appointed receiver or manager of property of a recognised body ; or
 - [^{F3}(c) a relevant insolvency event occurs in relation to a recognised body; or]
 - (d) the Council has reason to suspect dishonesty on the part of any [^{F4}manager] or employee of a recognised body in connection with
 - [^{F5}(i) that body's business,
 - (ii) any trust of which that body is or was a trustee,
 - (iii) any trust of which the manager or employee is or was a trustee in his capacity as such a manager or employee, or
 - (iv) the business of another body in which the manager or employee is or was a manager or employee or the practice (or former practice) of the manager or employee;]
 - [^{F6}or
 - (e) the Council is satisfied that it is necessary to exercise the powers conferred by Part 2 of Schedule 5 (or any of them) in relation to a recognised body to protect—
 - (i) the interests of clients (or former or potential clients) of the recognised body,
 - (ii) the interests of the beneficiaries of any trust of which the recognised body is or was a trustee, or
 - (iii) the interests of the beneficiaries of any trust of which a person who is or was a manager or employee of the recognised body is or was a trustee in that person's capacity as such a manager or employee.]
- the powers conferred by Part II of Schedule 5 shall be exercisable in relation to the recognised body and its business in like manner as they are exercisable in relation to a licensed conveyancer and his practice.
- [^{F7}(1A) For the purposes of this paragraph a relevant insolvency event occurs in relation to a recognised body if—

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- (a) a resolution for a voluntary winding-up of the body is passed without a declaration of solvency under section 89 of the Insolvency Act 1986;
- (b) the body enters administration within the meaning of paragraph 1(2)(b) of Schedule B1 to that Act;
- (c) an administrative receiver within the meaning of section 251 of that Act is appointed;
- [^{F8}(d) a winding up becomes a creditors' voluntary winding up under section 96 of that Act (conversion to creditors' voluntary winding up);]
- (e) an order for the winding up of the body is made.]

(2) ^{F9}

Textual Amendments

- F1** Words in Sch. 6 para. 10(1)(a) inserted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(a\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F2** Sch. 6 para. 10(1)(aa) inserted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(b\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F3** Sch. 6 para. 10(1)(c) substituted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(c\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F4** Word in Sch. 6 para. 10(1)(d) substituted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(d\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F5** Words in Sch. 6 para. 10(1)(d) substituted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(e\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F6** Sch. 6 para. 10(1)(e) and preceding word inserted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(f\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F7** Sch. 6 para. 10(1A) inserted (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 211, [Sch. 17 para. 32\(12\)\(g\)](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)](#)
- F8** Sch. 6 para. 10(1A)(d) substituted (6.4.2017) by [The Deregulation Act 2015 and Small Business, Enterprise and Employment Act 2015 \(Consequential Amendments\) \(Savings\) Regulations 2017 \(S.I. 2017/540\)](#), reg. 1, [Sch. 1 para. 1\(3\)](#) (with reg. 4)
- F9** Sch. 6 para. 10(2) repealed (31.3.2009) by [Legal Services Act 2007 \(c. 29\)](#), ss. 182, 210, 211, [Sch. 17 para. 32\(12\)\(h\)](#), [Sch. 23](#) (with ss. 29, 192, 193); S.I. 2009/503, [art. 2\(c\)\(i\)\(f\)\(v\)\(ff\)](#)

11 The powers conferred by Part II of Schedule 5 shall also be exercisable as mentioned in paragraph 10(1) of this Schedule where—

- [^{F10}(a) the Council is satisfied that there has been undue delay on the part of—
 - (i) a recognised body in connection with any matter in which it is or was acting on behalf of a client or with any trust of which it is or was a trustee, or
 - (ii) a person who is or was a manager or employee of a recognised body in connection with any trust of which he is or was a trustee in his capacity as such a manager or employee; and]
- (b) the Council by notice in writing invites the body to give an explanation within such period following the giving of the notice as may be specified in it, being a period of not less than eight days; and
- (c) the body fails within that period to give an explanation which the Council regards as satisfactory; and
- (d) the Council gives notice of the failure to the body and (at the same or any later time) notice that the powers conferred by Part II of Schedule 5 are accordingly exercisable in its case by virtue of this paragraph.

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Textual Amendments

F10 Sch. 6 para. 11(a) substituted (31.3.2009) by Legal Services Act 2007 (c. 29), ss. 182, 211, Sch. 17 para. 32(13) (with ss. 29, 192, 193); S.I. 2009/503, art. 2(c)(i)

- 12 (1) Where the recognition of a body ^{F11} . . . under section 32—
- (a) has been revoked by an order of the Discipline and Appeals Committee under this Schedule; or
 - (b) has expired and no further recognition of that body has been granted under that section,
- the powers conferred by Part II of Schedule 5 shall be exercisable in relation to the body ^{F11} . . . and its former business as a recognised body as they are exercisable in relation to a licensed conveyancer and his practice.
- (2) Where the powers conferred by Part II of Schedule 5 are exercisable in relation to a recognised body in accordance with paragraph 10 or 11 of this Schedule they shall continue to be exercisable after that body's recognition under section 32 has been revoked or has otherwise ceased to be in force.

Textual Amendments

F11 Words in Sch. 6 para. 12(1) repealed (31.3.2009) by Legal Services Act 2007 (c. 29), ss. 182, 210, 211, Sch. 17 para. 32(14), Sch. 23 (with ss. 29, 192, 193); S.I. 2009/503, art. 2(c)(i)(f)(v)(ff)

- 13 In connection with the application of Part II of Schedule 5 for the purposes of this Schedule, in that Part of that Schedule—
- (a) any reference to the licensed conveyancer or to his practice shall be construed as including a reference to the body ^{F12} . . . in relation to which the powers conferred by that Part of that Schedule are exercisable by virtue of paragraph 10, 11 or 12(1) of this Schedule or to its business (or former business) as a recognised body;
 - (b) any reference to paragraph 1 of that Schedule shall be construed as including a reference to paragraph 10 or 12(1) of this Schedule; ^{F13} . . .
 - (c) any reference to paragraph 3 of that Schedule shall be construed as including a reference to paragraph 11 of this Schedule.
 - [^{F14}(d) paragraph 6(2)(a) of that Schedule is to be construed as including a reference to sums of money held by or on behalf of the recognised body in connection with any trust of which a person who is or was manager or employee of that body is or was a trustee in his capacity as such a manager or employee;
 - (e) paragraph 9 of that Schedule is to be construed—
 - (i) as if sub-paragraph (1) included a reference to documents in the possession or under the control of the recognised body in connection with any trust of which a person who is or was a manager or employee of that body is or was a trustee in his capacity as such a manager or employee, and
 - (ii) as applying to a person who is or was a manager or employee of the recognised body and documents and property in his possession or under his control in connection with such a trust as it applies to

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- a recognised body and documents and property in the possession or under the control of that body;
- (f) paragraph 10A(1) of that Schedule is to be construed as including power for the Council to apply to the High Court for an order for the appointment of a new trustee to a trust in substitution for a person who is a trustee in his capacity as a manager or employee of the recognised body; and
- (g) paragraph 12A of that Schedule is to be read as if the references to a former partner were references—
- (i) in the case of a recognised body which is a partnership, to a former partner in the partnership, and
 - (ii) in any other case to a manager or former manager of the recognised body.]

Textual Amendments

- F12** Word in Sch. 6 para. 13(a) repealed (31.3.2009) by Legal Services Act 2007 (c. 29), ss. 182, 210, 211, Sch. 17 para. 32(15)(a), **Sch. 23** (with ss. 29, 192, 193); S.I. 2009/503, **art. 2(c)(i)(f)(v)(ff)**
- F13** Word in Sch. 6 para. 13(b) repealed (31.3.2009) by Legal Services Act 2007 (c. 29), ss. 182, 210, 211, Sch. 17 para. 32(15)(b), **Sch. 23** (with ss. 29, 192, 193); S.I. 2009/503, **art. 2(c)(i)(f)(v)(ff)**
- F14** Sch. 6 para. 13(d)-(g) inserted (31.3.2009) by Legal Services Act 2007 (c. 29), ss. 182, 211, **Sch. 17 para. 32(15)(b)** (with ss. 29, 192, 193); S.I. 2009/503, **art. 2(c)(i)**

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