STATUTORY INSTRUMENTS

## 2011 No. 1716

# The Legal Services Act 2007 (The Law Society and The Council for Licensed Conveyancers) (Modification of Functions) Order 2011

Functions of the Council for Licensed Conveyancers

#### Power to issue licence for fixed or indefinite period

7. In section 15 of the 1985 Act (issue of licences by Council)(1), after subsection (4) insert—

"(4A) The period specified in a licence under subsection (4) may be a fixed or indefinite period.".

## **Compensation payments**

**8.** In section 21 of the 1985 Act (professional indemnity and compensation)(**2**), for subsections (2A) and (2B) substitute—

"(2A) The power of the Council to make rules under subsection (2) shall apply in relation to the practices of licensed conveyancers mentioned in subsection (2B) as it applies to their practices as licensed conveyancers.

(2B) The practices referred to in subsection (2A) are the practices of licensed conveyancers which consist of carrying on a relevant activity by virtue of a licence issued under section 53 of the Courts and Legal Services Act 1990(3) (which provides for the Council to authorise the carrying on of certain reserved legal activities in relation to which the Council is designated as an approved regulator).

(2C) For the purposes of subsection (2B) "relevant activity" has the same meaning as in section 53 of the Courts and Legal Services Act 1990.".

### **Constitution of the Council**

**9.**—(1) Schedule 3 to the 1985 Act (the Council for Licensed Conveyancers: supplementary provisions)(**4**) is amended as follows.

(2) For paragraph 2 (membership of the Council for Licensed Conveyancers) substitute—

"2.—(1) The Council shall consist of—

(a) not more than ten persons who are—

Section 15 was amended by paragraph 23 of Schedule 8 to the Courts and Legal Services Act 1990 and paragraphs 1 and 4 of Schedule 17, and Schedule 23, to the Legal Services Act 2007.

<sup>(2)</sup> Section 21 was amended by S.I. 2001/3649 and 2008/537.

<sup>(3)</sup> Section 53 was amended by paragraphs 33 and 34 of Schedule 17, and Schedule 23, to the Legal Services Act 2007.

<sup>(4)</sup> Paragraph 2 of Schedule 3 was amended by paragraphs 1 and 29(1) to (4) of Schedule 17, and Schedule 23, to the Legal Services Act 2007. Paragraph 4(2) of Schedule 3 was amended by paragraphs 1 and 29(1) and (7) of Schedule 17 to the Legal Services Act 2007.

- (i) licensed conveyancers; or
- (ii) other persons practising as authorised persons in the course of a business which is carried on by a recognised body; and
- (b) not more than eleven persons who are lay persons,

being persons appointed as members of the Council in accordance with a scheme under paragraph 4.

(2) The Council shall in accordance with any such scheme appoint one of its members to be chairman of the Council.

(3) In sub-paragraph (1)—

"authorised person" has the meaning given by section 32A(5);

"lay person" has the same meaning as in Schedule 1 to the Legal Services Act 2007 (see paragraph 2 of that Schedule).".

- (3) In paragraph 2, as substituted by paragraph (2) above—
  - (a) in sub-paragraph (1)(a)(ii), for the words "by a recognised body" substitute "either by a recognised body or by a licensed body which holds a licence granted by the Council"; and
  - (b) after the definition of "lay person" in sub-paragraph (3), insert—

""licensed body" has the same meaning as in the Legal Services Act 2007 (see section 71).".

(4) For paragraph 4(2) (requirements applying to scheme for appointment of Council members) substitute—

"(2) A scheme under this paragraph shall secure that (except during any casual vacancy) the total number of persons appointed for the purposes of paragraph (b) of paragraph 2(1) exceeds by one the total number of persons appointed for the purposes of paragraph (a) of that provision."

#### Power to make licensing rules to require payment of certain costs

**10.**—(1) Licensing rules made by the Council for Licensed Conveyancers may make provision requiring a relevant person to pay charges to the Council in respect of costs incurred by the Council in ascertaining whether—

- (a) the terms of a licensed body's licence are being, or have been, complied with; or
- (b) the relevant person otherwise complies, or has complied, with any requirement imposed on the person by or under the 2007 Act or by licensing rules made by the Council for Licensed Conveyancers.

(2) The provision which may be made under paragraph (1) includes provision as to the circumstances in which—

- (a) charges may be imposed on a relevant person;
- (b) the whole or part of any charge payable under the licensing rules is to be repaid.

(3) Any charge which a relevant person is required to pay under licensing rules made under paragraph (1) is recoverable by the Council for Licensed Conveyancers as a debt due to the Council from the relevant person.

- (4) In this article—
  - (a) references to the Council for Licensed Conveyancers are to the Council for Licensed Conveyancers in its capacity as a licensing authority;

<sup>(5)</sup> Section 32A was inserted by paragraphs 1 and 21 of Schedule 17 to the Legal Services Act 2007.

- (b) references to a licensed body are to a licensed body which holds a licence granted by the Council for Licensed Conveyancers; and
- (c) references to a relevant person, in relation to a licensed body, are to-
  - (i) the licensed body;
  - (ii) any employee or manager (or former employee or manager) of the licensed body;
  - (iii) the Head of Legal Practice of the licensed body;
  - (iv) the Head of Finance and Administration of the licensed body;
  - (v) any person who has an interest or an indirect interest, or holds a material interest, in the licensed body.