

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

SCHEDULES

SCHEDULE 14

LICENSING AUTHORITY'S POWERS OF INTERVENTION

Modifications etc. (not altering text)

- C1** Sch. 14 applied (with modifications) (9.12.2014) by [The Legal Services Act 2007 \(Chartered Institute of Legal Executives\) \(Modification of Functions\) Order 2014 \(S.I. 2014/3234\)](#), arts. 1(1), **5**
- C1** Sch. 14 applied (with modifications) (9.12.2014) by [The Legal Services Act 2007 \(the Chartered Institute of Patent Attorneys and the Institute of Trade Mark Attorneys\) \(Modification of Functions\) Order 2014 \(S.I. 2014/3238\)](#), art. 2(1), Sch. 2 para. 12, **Sch. 4 para. 12** (as amended (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. 2 para. 13** (with reg. 4))
- C1** Sch. 14 applied (with modifications) (9.12.2014) by [The Legal Services Act 2007 \(The Institute of Chartered Accountants in England and Wales\) \(Modification of Functions\) Order 2014 \(S.I. 2014/3236\)](#), **arts. 1(2), 3**
- C1** Sch. 14 applied (with modifications) (1.10.2018) by [The Legal Services Act 2007 \(General Council of the Bar\) \(Modification of Functions\) Order 2018 \(S.I. 2018/448\)](#), arts. 1, **4**

Introductory

- 1 (1) This Schedule applies—
 - (a) where, in relation to a licensed body and the relevant licensing authority, one or more of the intervention conditions is satisfied;
 - (b) where a licence granted to a body has expired (and has not been renewed or replaced by the relevant licensing authority).
- (2) The intervention conditions are—
 - (a) that the licensing authority is satisfied that one or more of the terms of the licensed body's licence have not been complied with;
 - (b) that a person has been appointed receiver or manager of property of the licensed body;
 - (c) that a relevant insolvency event has occurred in relation to the licensed body;
 - (d) that the licensing authority has reason to suspect dishonesty on the part of any manager or employee of the licensed body in connection with—
 - (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 of the body is or was a trustee in that person's 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;
 - (e) that the licensing authority is satisfied that there has been undue delay—

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- (i) on the part of the licensed body in connection with any matter in which it is or was acting for a client or with any trust of which it is or was a trustee, or
 - (ii) on the part of a person who is or was a manager or employee of the licensed body in connection with any trust of which that person is or was a trustee in that person's capacity as such a manager or employee,

and the notice conditions are satisfied;
- (f) that the licensing authority is satisfied that it is necessary to exercise the powers conferred by this Schedule (or any of them) in relation to a licensed body to protect—
 - (i) the interests of clients (or former or potential clients) of the licensed body,
 - (ii) the interests of the beneficiaries of any trust of which the licensed 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 licensed body is or was a trustee in that person's capacity as such a manager or employee.
- (3) For the purposes of sub-paragraph (2) a relevant insolvency event occurs in relation to a licensed body if—
 - (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 (c. 45);
 - (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;
 - [^{F1}(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.
- (4) The notice conditions referred to in sub-paragraph (2)(e) are—
 - (a) that the licensing authority has given the licensed body a notice inviting it to give an explanation within such period (of not less than 8 days) following the giving of the notice as may be specified in it;
 - (b) that the licensed body has failed within that period to give an explanation which the licensing authority regards as satisfactory; and
 - (c) that the licensing authority gives notice of the failure to the licensed body and (at the same time or later) notice that this Schedule applies in its case by virtue of sub-paragraph (2)(e).
- (5) Where this Schedule applies in relation to a licensed body by virtue of sub-paragraph (1)(a) it continues to apply after the body's licence has been revoked or has otherwise ceased to have effect.
- (6) For the purposes of this Schedule "licensed body" includes—
 - (a) a body whose licence is suspended;
 - (b) a body to whom this Schedule continues to apply by virtue of sub-paragraph (5);
 - (c) except in this paragraph, a body whose licence has ceased to have effect as mentioned in sub-paragraph (1)(b).

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Textual Amendments

- F1** Sch. 14 para. 1(3)(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. 5\(2\)](#) (with reg. 4)
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Commencement Information

- I1** Sch. 14 para. 1 in force at 1.10.2011 by [S.I. 2011/2196](#), [art. 2\(1\)\(e\)](#)

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