Legal Aid, Sentencing and Punishment of Offenders Act 2012

2012 CHAPTER 10

PART 2

LITIGATION FUNDING AND COSTS

Payments for legal services in civil cases

44  Conditional fee agreements: success fees

(1) In section 58 of the Courts and Legal Services Act 1990 (conditional fee agreements), in subsection (2)—
   (a) omit “and” after paragraph (a), and
   (b) after paragraph (b) insert “and
       (c) references to a success fee, in relation to a conditional fee agreement, are to the amount of the increase.”

(2) After subsection (4) of that section insert—

“(4A) The additional conditions are applicable to a conditional fee agreement which—
   (a) provides for a success fee, and
   (b) relates to proceedings of a description specified by order made by the Lord Chancellor for the purposes of this subsection.

(4B) The additional conditions are that—
   (a) the agreement must provide that the success fee is subject to a maximum limit,
   (b) the maximum limit must be expressed as a percentage of the descriptions of damages awarded in the proceedings that are specified in the agreement,
(c) that percentage must not exceed the percentage specified by order made by the Lord Chancellor in relation to the proceedings or calculated in a manner so specified, and
(d) those descriptions of damages may only include descriptions of damages specified by order made by the Lord Chancellor in relation to the proceedings.”

(3) In section 58A of that Act (conditional fee agreements: supplementary), in subsection (5) after “section 58(4)” insert “, (4A) or (4B)”.

(4) For subsection (6) of that section substitute—
“(6) A costs order made in proceedings may not include provision requiring the payment by one party of all or part of a success fee payable by another party under a conditional fee agreement.”

(5) In section 120(4) of that Act (regulations and orders subject to parliamentary approval) after “58(4),” insert “(4A) or (4B),”.

(6) The amendment made by subsection (4) does not prevent a costs order including provision in relation to a success fee payable by a person (“P”) under a conditional fee agreement entered into before the day on which that subsection comes into force (“the commencement day”) if—
(a) the agreement was entered into specifically for the purposes of the provision to P of advocacy or litigation services in connection with the matter that is the subject of the proceedings in which the costs order is made, or
(b) advocacy or litigation services were provided to P under the agreement in connection with that matter before the commencement day.

45 Damages-based agreements

(1) Section 58AA of the Courts and Legal Services Act 1990 (damages-based agreements) is amended as follows.

(2) In subsection (1) omit “relates to an employment matter and”.

(3) In subsection (2)—
(a) after “But” insert “(subject to subsection (9))”, and
(b) omit “relates to an employment matter and”.

(4) Omit subsection (3)(b).

(5) After subsection (4)(a) insert—
“(aa) must not relate to proceedings which by virtue of section 58A(1) and (2) cannot be the subject of an enforceable conditional fee agreement or to proceedings of a description prescribed by the Lord Chancellor;”.

(6) In subsection (4)(b), at the beginning insert “if regulations so provide,.”.

(7) In subsection (4)(d) for “has provided prescribed information” substitute “has complied with such requirements (if any) as may be prescribed as to the provision of information”.

(8) After subsection (6) insert—
“(6A) Rules of court may make provision with respect to the assessment of costs in proceedings where a party in whose favour a costs order is made has entered into a damages-based agreement in connection with the proceedings.”

(9) After subsection (7) insert—

“(7A) In this section (and in the definitions of “advocacy services” and “litigation services” as they apply for the purposes of this section) “proceedings” includes any sort of proceedings for resolving disputes (and not just proceedings in a court), whether commenced or contemplated.”

(10) After subsection (8) insert—

“(9) Where section 57 of the Solicitors Act 1974 (non-contentious business agreements between solicitor and client) applies to a damages-based agreement other than one relating to an employment matter, subsections (1) and (2) of this section do not make it unenforceable.

(10) For the purposes of subsection (9) a damages-based agreement relates to an employment matter if the matter in relation to which the services are provided is a matter that is, or could become, the subject of proceedings before an employment tribunal.”

(11) In the heading of that section omit “relating to employment matters”.

(12) In section 120(4) of that Act (regulations and orders subject to parliamentary approval) for “58AA” substitute “58AA(4)”.

(13) The amendments made by subsections (1) to (11) do not apply in relation to an agreement entered into before this section comes into force.

46 Recovery of insurance premiums by way of costs

(1) In the Courts and Legal Services Act 1990, after section 58B insert—

“58C Recovery of insurance premiums by way of costs

(1) A costs order made in favour of a party to proceedings who has taken out a costs insurance policy may not include provision requiring the payment of an amount in respect of all or part of the premium of the policy, unless such provision is permitted by regulations under subsection (2).

(2) The Lord Chancellor may by regulations provide that a costs order may include provision requiring the payment of such an amount where—

(a) the order is made in favour of a party to clinical negligence proceedings of a prescribed description,

(b) the party has taken out a costs insurance policy insuring against the risk of incurring a liability to pay for one or more expert reports in respect of clinical negligence in connection with the proceedings (or against that risk and other risks),

(c) the policy is of a prescribed description,

(d) the policy states how much of the premium relates to the liability to pay for an expert report or reports in respect of clinical negligence (“the relevant part of the premium”), and
(e) the amount is to be paid in respect of the relevant part of the premium.

(3) Regulations under subsection (2) may include provision about the amount that may be required to be paid by the costs order, including provision that the amount must not exceed a prescribed maximum amount.

(4) The regulations may prescribe a maximum amount, in particular, by specifying—
   (a) a percentage of the relevant part of the premium;
   (b) an amount calculated in a prescribed manner.

(5) In this section—
   “clinical negligence” means breach of a duty of care or trespass to the person committed in the course of the provision of clinical or medical services (including dental or nursing services);
   “clinical negligence proceedings” means proceedings which include a claim for damages in respect of clinical negligence;
   “costs insurance policy”, in relation to a party to proceedings, means a policy insuring against the risk of the party incurring a liability in those proceedings;
   “expert report” means a report by a person qualified to give expert advice on all or most of the matters that are the subject of the report;
   “proceedings” includes any sort of proceedings for resolving disputes (and not just proceedings in court), whether commenced or contemplated.”

(2) In the Access to Justice Act 1999, omit section 29 (recovery of insurance premiums by way of costs).

(3) The amendments made by this section do not apply in relation to a costs order made in favour of a party to proceedings who took out a costs insurance policy in relation to the proceedings before the day on which this section comes into force.

47 Recovery where body undertakes to meet costs liabilities

(1) In the Access to Justice Act 1999, omit section 30 (recovery where body undertakes to meet costs liabilities).

(2) The repeal made by subsection (1) does not apply in relation to a costs order made in favour of a person to whom a body gave an undertaking before the day on which this section comes into force if the undertaking was given specifically in respect of the costs of other parties to proceedings relating to the matter which is the subject of the proceedings in which the costs order is made.

48 Sections 44 and 46 and diffuse mesothelioma proceedings

(1) Sections 44 and 46 may not be brought into force in relation to proceedings relating to a claim for damages in respect of diffuse mesothelioma until the Lord Chancellor has—
   (a) carried out a review of the likely effect of those sections in relation to such proceedings, and
   (b) published a report of the conclusions of the review.
(2) In this section “diffuse mesothelioma” has the same meaning as in the Pneumoconiosis etc (Workers’ Compensation) Act 1979.

49 Divorce etc proceedings: orders for payment in respect of legal services

(1) In section 22 of the Matrimonial Causes Act 1973 (maintenance pending suit)—

(a) number the existing provision subsection (1), and

(b) after that subsection insert—

“(2) An order under this section may not require a party to a marriage to pay to the other party any amount in respect of legal services for the purposes of the proceedings.

(3) In subsection (2) “legal services” has the same meaning as in section 22ZA.”

(2) After that section insert—

“22ZA Orders for payment in respect of legal services

(1) In proceedings for divorce, nullity of marriage or judicial separation, the court may make an order or orders requiring one party to the marriage to pay to the other (“the applicant”) an amount for the purpose of enabling the applicant to obtain legal services for the purposes of the proceedings.

(2) The court may also make such an order or orders in proceedings under this Part for financial relief in connection with proceedings for divorce, nullity of marriage or judicial separation.

(3) The court must not make an order under this section unless it is satisfied that, without the amount, the applicant would not reasonably be able to obtain appropriate legal services for the purposes of the proceedings or any part of the proceedings.

(4) For the purposes of subsection (3), the court must be satisfied, in particular, that—

(a) the applicant is not reasonably able to secure a loan to pay for the services, and

(b) the applicant is unlikely to be able to obtain the services by granting a charge over any assets recovered in the proceedings.

(5) An order under this section may be made for the purpose of enabling the applicant to obtain legal services of a specified description, including legal services provided in a specified period or for the purposes of a specified part of the proceedings.

(6) An order under this section may—

(a) provide for the payment of all or part of the amount by instalments of specified amounts, and

(b) require the instalments to be secured to the satisfaction of the court.

(7) An order under this section may direct that payment of all or part of the amount is to be deferred.
(8) The court may at any time in the proceedings vary an order made under this section if it considers that there has been a material change of circumstances since the order was made.

(9) For the purposes of the assessment of costs in the proceedings, the applicant’s costs are to be treated as reduced by any amount paid to the applicant pursuant to an order under this section for the purposes of those proceedings.

(10) In this section “legal services”, in relation to proceedings, means the following types of services—

(a) providing advice as to how the law applies in the particular circumstances,
(b) providing advice and assistance in relation to the proceedings,
(c) providing other advice and assistance in relation to the settlement or other resolution of the dispute that is the subject of the proceedings, and
(d) providing advice and assistance in relation to the enforcement of decisions in the proceedings or as part of the settlement or resolution of the dispute,

and they include, in particular, advice and assistance in the form of representation and any form of dispute resolution, including mediation.

(11) In subsections (5) and (6) “specified” means specified in the order concerned.”

50 Divorce etc proceedings: matters to be considered by court making legal services order

After section 22ZA of the Matrimonial Causes Act 1973 insert—

“22ZB Matters to which court is to have regard in deciding how to exercise power under section 22ZA

(1) When considering whether to make or vary an order under section 22ZA, the court must have regard to—

(a) the income, earning capacity, property and other financial resources which each of the applicant and the paying party has or is likely to have in the foreseeable future,
(b) the financial needs, obligations and responsibilities which each of the applicant and the paying party has or is likely to have in the foreseeable future,
(c) the subject matter of the proceedings, including the matters in issue in them,
(d) whether the paying party is legally represented in the proceedings,
(e) any steps taken by the applicant to avoid all or part of the proceedings, whether by proposing or considering mediation or otherwise,
(f) the applicant’s conduct in relation to the proceedings,
(g) any amount owed by the applicant to the paying party in respect of costs in the proceedings or other proceedings to which both the applicant and the paying party are or were party, and
(h) the effect of the order or variation on the paying party.
(2) In subsection (1)(a) “earning capacity”, in relation to the applicant or the paying party, includes any increase in earning capacity which, in the opinion of the court, it would be reasonable to expect the applicant or the paying party to take steps to acquire.

(3) For the purposes of subsection (1)(h), the court must have regard, in particular, to whether the making or variation of the order is likely to—
   (a) cause undue hardship to the paying party, or
   (b) prevent the paying party from obtaining legal services for the purposes of the proceedings.

(4) The Lord Chancellor may by order amend this section by adding to, omitting or varying the matters mentioned in subsections (1) to (3).

(5) An order under subsection (4) must be made by statutory instrument.

(6) A statutory instrument containing an order under subsection (4) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(7) In this section “legal services” has the same meaning as in section 22ZA.”

51 Divorce etc proceedings: orders for sale of property

In section 24A(1) of the Matrimonial Causes Act 1973 (orders for sale of property), after “makes” insert “an order under section 22ZA or makes”.

52 Dissolution etc proceedings: orders for payment in respect of legal services

(1) Part 8 of Schedule 5 to the Civil Partnership Act 2004 (maintenance pending outcome of dissolution etc proceedings) is amended as follows.

(2) In the heading of that Part after “Maintenance” insert “and other payments”.

(3) Before paragraph 38 insert—

   “Maintenance orders”.

(4) In that paragraph—
   (a) number the existing provision sub-paragraph (1), and
   (b) after that sub-paragraph insert—

   “(2) An order under this paragraph may not require one civil partner to pay to the other any amount in respect of legal services for the purposes of the proceedings.

   (3) In sub-paragraph (2) “legal services” has the same meaning as in paragraph 38A.”

(5) After that paragraph insert—
"Orders in respect of legal services"

38A (1) In proceedings for a dissolution, nullity or separation order, the court may make an order or orders requiring one civil partner to pay to the other ("the applicant") an amount for the purpose of enabling the applicant to obtain legal services for the purposes of the proceedings.

(2) The court may also make such an order or orders in proceedings under this Schedule for financial relief in connection with proceedings for a dissolution, nullity or separation order.

(3) The court must not make an order under this paragraph unless it is satisfied that, without the amount, the applicant would not reasonably be able to obtain appropriate legal services for the purposes of the proceedings or any part of the proceedings.

(4) For the purposes of sub-paragraph (3), the court must be satisfied, in particular, that—
   (a) the applicant is not reasonably able to secure a loan to pay for the services, and
   (b) the applicant is unlikely to be able to obtain the services by granting a charge over any assets recovered in the proceedings.

(5) An order under this paragraph may be made for the purpose of enabling the applicant to obtain legal services of a specified description, including legal services provided in a specified period or for the purposes of a specified part of the proceedings.

(6) An order under this paragraph may—
   (a) provide for the payment of all or part of the amount by instalments of specified amounts, and
   (b) require the instalments to be secured to the satisfaction of the court.

(7) An order under this paragraph may direct that payment of all or part of the amount is to be deferred.

(8) The court may at any time in the proceedings vary an order made under this paragraph if it considers that there has been a material change of circumstances since the order was made.

(9) For the purposes of the assessment of costs in the proceedings, the applicant's costs are to be treated as reduced by any amount paid to the applicant pursuant to an order under this section for the purposes of those proceedings.

(10) In this paragraph "legal services", in relation to proceedings, means the following types of services—
   (a) providing advice as to how the law applies in the particular circumstances,
   (b) providing advice and assistance in relation to the proceedings,
   (c) providing other advice and assistance in relation to the settlement or other resolution of the dispute that is the subject of the proceedings, and
Providing advice and assistance in relation to the enforcement of decisions in the proceedings or as part of the settlement or resolution of the dispute, and they include, in particular, advice and assistance in the form of representation and any form of dispute resolution, including mediation.

(11) In sub-paragraphs (5) and (6) “specified” means specified in the order concerned.”

53 Dissolution etc proceedings: matters to be considered by court making legal services order

After paragraph 38A of Schedule 5 to the Civil Partnership Act 2004 insert—

“38B (1) When considering whether to make or vary an order under paragraph 38A, the court must have regard to—

(a) the income, earning capacity, property and other financial resources which each of the applicant and the paying party has or is likely to have in the foreseeable future,
(b) the financial needs, obligations and responsibilities which each of the applicant and the paying party has or is likely to have in the foreseeable future,
(c) the subject matter of the proceedings, including the matters in issue in them,
(d) whether the paying party is legally represented in the proceedings,
(e) any steps taken by the applicant to avoid all or part of the proceedings, whether by proposing or considering mediation or otherwise,
(f) the applicant’s conduct in relation to the proceedings,
(g) any amount owed by the applicant to the paying party in respect of costs in the proceedings or other proceedings to which both the applicant and the paying party are or were party, and
(h) the effect of the order or variation on the paying party.

(2) In sub-paragraph (1)(a) “earning capacity”, in relation to the applicant or the paying party, includes any increase in earning capacity which, in the opinion of the court, it would be reasonable to expect the applicant or the paying party to take steps to acquire.

(3) For the purposes of sub-paragraph (1)(h), the court must have regard, in particular, to whether the making or variation of the order is likely to—

(a) cause undue hardship to the paying party, or
(b) prevent the paying party from obtaining legal services for the purposes of the proceedings.

(4) The Lord Chancellor may by order amend this paragraph by adding to, omitting or varying the matters mentioned in sub-paragraphs (1) to (3).

(5) An order under sub-paragraph (4) must be made by statutory instrument.

(6) A statutory instrument containing an order under sub-paragraph (4) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.
(7) In this paragraph “legal services” has the same meaning as in paragraph 38A.”

54 Dissolution etc proceedings: orders for sale of property

(1) Paragraph 10(1)(a) of Schedule 5 to the Civil Partnership Act 2004 (sale of property orders) is amended as follows.

(2) Omit the “or” at the end of sub-paragraph (i).

(3) After sub-paragraph (ii) insert—

“(iii) an order under paragraph 38A for a payment in respect of legal services, or”.

Offers to settle

55 Payment of additional amount to successful claimant

(1) Rules of court may make provision for a court to order a defendant in civil proceedings to pay an additional amount to a claimant in those proceedings where—

(a) the claim is a claim for (and only for) an amount of money,

(b) judgment is given in favour of the claimant,

(c) the judgment in respect of the claim is at least as advantageous as an offer to settle the claim which the claimant made in accordance with rules of court and has not withdrawn in accordance with those rules, and

(d) any prescribed conditions are satisfied.

(2) Rules made under subsection (1) may include provision as to the assessment of whether a judgment is at least as advantageous as an offer to settle.

(3) In subsection (1) “additional amount” means an amount not exceeding a prescribed percentage of the amount awarded to the claimant by the court (excluding any amount awarded in respect of the claimant’s costs).

(4) The Lord Chancellor may by order provide that rules of court may make provision for a court to order a defendant in civil proceedings to pay an amount calculated in a prescribed manner to a claimant in those proceedings where—

(a) the claim is or includes a non-monetary claim,

(b) judgment is given in favour of the claimant,

(c) the judgment in respect of the claim is at least as advantageous as an offer to settle the claim which the claimant made in accordance with rules of court and has not withdrawn in accordance with those rules, and

(d) any prescribed conditions are satisfied.

(5) An order under subsection (4) must provide for the amount to be calculated by reference to one or more of the following—

(a) any costs ordered by the court to be paid to the claimant by the defendant in the proceedings;

(b) any amount awarded to the claimant by the court in respect of so much of the claim as is for an amount of money (excluding any amount awarded in respect of the claimant’s costs);
(c) the value of any non-monetary benefit awarded to the claimant.

(6) An order under subsection (4)—
(a) must provide that rules made under the order may include provision as to the assessment of whether a judgment is at least as advantageous as an offer to settle, and
(b) may provide that such rules may make provision as to the calculation of the value of a non-monetary benefit awarded to a claimant.

(7) Conditions prescribed under subsection (1)(d) or (4)(d) may, in particular, include conditions relating to—
(a) the nature of the claim;
(b) the amount of money awarded to the claimant;
(c) the value of the non-monetary benefit awarded to the claimant.

(8) Orders under this section are to be made by the Lord Chancellor by statutory instrument.

(9) A statutory instrument containing an order under this section is subject to annulment in pursuance of a resolution of either House of Parliament.

(10) Rules of court and orders made under this section may make different provision in relation to different cases.

(11) In this section—
“civil proceedings” means proceedings to which rules of court made under the Civil Procedure Act 1997 apply;
“non-monetary claim” means a claim for a benefit other than an amount of money;
“prescribed” means prescribed by order made by the Lord Chancellor.

Referral fees

56 Rules against referral fees

(1) A regulated person is in breach of this section if—
(a) the regulated person refers prescribed legal business to another person and is paid or has been paid for the referral, or
(b) prescribed legal business is referred to the regulated person, and the regulated person pays or has paid for the referral.

(2) A regulated person is also in breach of this section if in providing legal services in the course of prescribed legal business the regulated person—
(a) arranges for another person to provide services to the client, and
(b) is paid or has been paid for making the arrangement.

(3) Section 59 defines “regulated person”.

(4) “Prescribed legal business” means business that involves the provision of legal services to a client, where—
(a) the legal services relate to a claim or potential claim for damages for personal injury or death,
(b) the legal services relate to any other claim or potential claim for damages arising out of circumstances involving personal injury or death, or
(c) the business is of a description specified in regulations made by the Lord Chancellor.

(5) There is a referral of prescribed legal business if—
(a) a person provides information to another,
(b) it is information that a provider of legal services would need to make an offer to the client to provide relevant services, and
(c) the person providing the information is not the client;
and “relevant services” means any of the legal services that the business involves.

(6) “Legal services” means services provided by a person which consist of or include legal activities (within the meaning of the Legal Services Act 2007) carried on by or on behalf of that person; and a provider of legal services is a person authorised to carry on a reserved legal activity within the meaning of that Act.

(7) “Client”—
(a) where subsection (4)(a) applies, means the person who makes or would make the claim;
(b) where subsection (4)(c) applies, has the meaning given by the regulations.

(8) Payment includes any form of consideration whether any benefit is received by the regulated person or by a third party (but does not include the provision of hospitality that is reasonable in the circumstances).

57 Effect of rules against referral fees

(1) The relevant regulator must ensure that it has appropriate arrangements for monitoring and enforcing the restrictions imposed on regulated persons by section 56.

(2) A regulator may make rules for the purposes of subsection (1).

(3) The rules may in particular provide for the relevant regulator to exercise in relation to anything done in breach of that section any powers (subject to subsections (5) and (6)) that the regulator would have in relation to anything done by the regulated person in breach of another restriction.

(4) Where the relevant regulator is the Financial Services Authority, section 58 applies instead of subsections (1) to (3) (and (7) to (9)).

(5) A breach of section 56—
(a) does not make a person guilty of an offence, and
(b) does not give rise to a right of action for breach of statutory duty.

(6) A breach of section 56 does not make anything void or unenforceable, but a contract to make or pay for a referral or arrangement in breach of that section is unenforceable.

(7) Subsection (8) applies in a case where—
(a) a referral of prescribed legal business has been made by or to a regulated person, or
(b) a regulated person has made an arrangement as mentioned in section 56(2)(a), and it appears to the regulator that a payment made to or by the regulated person may be a payment for the referral or for making the arrangement (a “referral fee”).
(8) Rules under subsection (2) may provide for the payment to be treated as a referral fee unless the regulated person shows that the payment was made—
   (a) as consideration for the provision of services, or
   (b) for another reason,
and not as a referral fee.

(9) For the purposes of provision made by virtue of subsection (8) a payment that would otherwise be regarded as consideration for the provision of services of any description may be treated as a referral fee if it exceeds the amount specified in relation to services of that description in regulations made by the Lord Chancellor.

58 Regulation by FSA

(1) The Treasury may make regulations to enable the Financial Services Authority, where it is the relevant regulator, to take action for monitoring and enforcing compliance with the restrictions imposed on regulated persons by section 56.

(2) The regulations may apply, or make provision corresponding to, any of the provisions of the Financial Services and Markets Act 2000 with or without modification.

(3) Those provisions include in particular—
   (a) provisions as to investigations, including powers of entry and search and criminal offences;
   (b) provisions for the grant of an injunction in relation to a contravention or anticipated contravention;
   (c) provisions giving Ministers or the Financial Services Authority powers to make subordinate legislation;
   (d) provisions for the Financial Services Authority to charge fees.

(4) The regulations may make provision corresponding to the provision that may be made by virtue of section 57(7) to (9) (but as if the reference to the Lord Chancellor were a reference to the Treasury).

(5) The power to make regulations under this section is subject to section 57(5) and (6).

59 Regulators and regulated persons

(1) In relation to a referral of business within section 56(4)(a)—
   (a) a regulator is any person listed in column 1 below;
   (b) a regulated person is any person listed in column 2;
   (c) a regulator in column 1 is the relevant regulator in relation to the corresponding person in column 2.

<table>
<thead>
<tr>
<th>1. Regulator</th>
<th>2. Regulated person</th>
</tr>
</thead>
<tbody>
<tr>
<td>the Financial Services Authority</td>
<td>an authorised person (within the meaning of the Financial Services and Markets Act 2000) of a description specified in regulations made by the Treasury</td>
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### I. Regulator

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<tr>
<td>the Claims Management Regulator</td>
<td>a person authorised by the Regulator under section 5(1)(a) of the Compensation Act 2006 to provide regulated claims management services</td>
</tr>
<tr>
<td>the General Council of the Bar</td>
<td>a person authorised by the Council to carry on a reserved legal activity within the meaning of the Legal Services Act 2007</td>
</tr>
<tr>
<td>the Law Society</td>
<td>a person authorised by the Society to carry on a reserved legal activity within the meaning of the Legal Services Act 2007</td>
</tr>
<tr>
<td>a regulatory body specified for the purposes of this subsection in regulations made by the Lord Chancellor</td>
<td>a person of a description specified in the regulations in relation to the body</td>
</tr>
</tbody>
</table>

(2) In relation to a referral of prescribed legal business of any other kind—

(a) a regulator is any person listed in column 1 below and specified in relation to business of that kind in regulations made by the Lord Chancellor;

(b) a regulated person is any person specified in accordance with column 2 in relation to business of that kind;

(c) a person specified under paragraph (a) in relation to business of that kind is the relevant regulator in relation to a person specified in accordance with the corresponding entry in column 2 in relation to business of that kind.

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<tr>
<td>an approved regulator for the purposes of Part 3 of the Legal Services Act 2007 (approved legal activities);</td>
<td>a person who is authorised by the regulator to carry on a reserved legal activity and is of a description specified in regulations made by the Lord Chancellor</td>
</tr>
<tr>
<td>a licensing authority for the purposes of Part 5 of that Act (alternative business structures)</td>
<td>a person who is licensed by the authority to carry on a reserved legal activity and is of a description specified in regulations made by the Lord Chancellor</td>
</tr>
</tbody>
</table>

### Referral fees: regulations

(1) This section applies to any regulations under sections 56 to 59.

(2) The regulations are to be made by statutory instrument.
(3) The power to make the regulations includes power to make consequential, supplementary, incidental, transitional, transitory or saving provision.

(4) A statutory instrument containing the regulations may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

**Pro bono representation**

**61 Payments in respect of pro bono representation before the Supreme Court**

(1) In section 194 of the Legal Services Act 2007 (power for certain courts to order losing party to make payment to charity where other party is represented pro bono) in subsection (10) for the definition of “civil court” substitute—

““civil court” means—

(a) the Supreme Court when it is dealing with a relevant civil appeal,

(b) the civil division of the Court of Appeal,

(c) the High Court, or

(d) any county court;

“relevant civil appeal” means an appeal to the Supreme Court—

(a) from the High Court in England and Wales under Part 2 of the Administration of Justice Act 1969,

(b) from the Court of Appeal under section 40(2) of the Constitutional Reform Act 2005, or

(c) under section 13 of the Administration of Justice Act 1960 (appeal in cases of contempt of court) other than an appeal from an order or decision made in the exercise of jurisdiction to punish for criminal contempt of court;”.

(2) This section applies in relation to appeals to the Supreme Court only where the decision, order or judgment that is the subject of the appeal is made or given on or after the day on which this section comes into force.

**Costs in criminal cases**

**62 Costs in criminal cases**

(1) Schedule 7 (costs in criminal cases) has effect.

(2) Schedule 8 (costs in criminal cases: service courts) has effect.