

News

New legal services general licence

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The Office of Financial Sanctions Implementation (OFSI) has issued a new legal services general licence which allows lawyers to receive payments from persons designated under the sanctions regime for legal services, providing they have met the terms of the licence.

The previous Legal Services General Licence INT/2022/2252300 expired on 28 April 2024. Rather than renew it, OFSI have issued a new General Licence INT/2023/2954852 which takes account of feedback from the sector.

The new Legal Services General Licence came into force on 29 April 2024, and will expire at 23:59 on 28 October 2024. Like its predecessor, it consists of:

- Part A (fees and expenses incurred pre-designation)
- Part B (fees and expenses incurred post-designation).

The key changes are:

- The professional legal fees caps and expenses caps of the General Licence have been reset, so fees and expenses incurred under the expired Legal Services General Licence will not count towards these.
- The new Legal Services General Licence makes clear that:
 - it may be used to start paying or receiving fees and/or expenses in cases where the total fees and/or expenses will exceed the relevant caps. A specific licence will still be needed for any fees or expenses which exceed the capped amounts.
 - the two legal fees caps (ie pre- and post-designation) can be combined, subject to the terms of the licence being met.
- Legal fees and expenses for cases involving defamation or malicious falsehood are **not** covered by the new Legal Services General Licence. If you wish to offer these services to a designated person, you must apply for a specific licence. Under [HM Treasury's Ministerial Statement \[https://questions-statements.parliament.uk/written-statements/detail/2023-03-30/hlws686\]](https://questions-statements.parliament.uk/written-statements/detail/2023-03-30/hlws686) on the subject, however, there will be a presumption against this being granted.

Reporting and record-keeping requirements are unchanged.

Find out more about the [new legal services general licence \[https://ofsi.blog.gov.uk/2023/05/02/new-legal-services-general-licence/\]](https://ofsi.blog.gov.uk/2023/05/02/new-legal-services-general-licence/) the OFSI website.