

News

Legal services general licence extended

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Office of Financial Sanctions Implementation (OFSI) has announced that the Legal Services General Licence has been renewed for another six months.

Under this licence, legal professionals may receive payment for legal work completed whether this is due to a prior obligation (Part A) or not (Part B). Your firm might rely on the licence as part of its approach to sanctions compliance.

There are, however, some important changes that you might need to be aware of:

- Under both Part A and Part B individually, the expenses (including VAT if applicable) must not exceed in total 10 per cent of the amount payable for legal fees and counsel's fees, or £50,000. Previously these amounts were five per cent and £25,000 respectively.
- If both Part A and Part B are relied upon, the total expenses must not exceed 10 per cent of the amount payable for legal fees and counsel's fees, or £100,000. The latter figure has been increased from £50,000.
- Reporting obligations are now triggered by receiving payment under the general licence, and there is a 14-day period in which to comply. Previously this had been triggered by the legal services being completed or the general licence coming to an end, with a seven-day period to comply.
- A letter of engagement sent to OFSI under the reporting requirement must be unredacted.
- The reporting form has been amended to include the Group ID of the designated person.

The Legal Services General Licence can be read [here](https://assets.publishing.service.gov.uk/media/6538ebd3d10f35000d9a68e2/Legal_Services_GL_INT.2023.3744968.pdf) [https://assets.publishing.service.gov.uk/media/6538ebd3d10f35000d9a68e2/Legal_Services_GL_INT.2023.3744968.pdf], together with [an explanatory note](https://assets.publishing.service.gov.uk/media/6538ec8780884d0013f71a9f/Legal_Services_GL_Publication_Notice_INT.2023.3744968.pdf) [https://assets.publishing.service.gov.uk/media/6538ec8780884d0013f71a9f/Legal_Services_GL_Publication_Notice_INT.2023.3744968.pdf].

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