



Access to Justice Act 1999

1999 CHAPTER 22

PART II

OTHER FUNDING OF LEGAL SERVICES

Conditional fee and litigation funding agreements

27 Conditional fee agreements.

(1) For section 58 of the ^{M1}Courts and Legal Services Act 1990 substitute—

“58 Conditional fee agreements.

- (1) A conditional fee agreement which satisfies all of the conditions applicable to it by virtue of this section shall not be unenforceable by reason only of its being a conditional fee agreement; but (subject to subsection (5)) any other conditional fee agreement shall be unenforceable.
- (2) For the purposes of this section and section 58A—
 - (a) a conditional fee agreement is an agreement with a person providing advocacy or litigation services which provides for his fees and expenses, or any part of them, to be payable only in specified circumstances; and
 - (b) a conditional fee agreement provides for a success fee if it provides for the amount of any fees to which it applies to be increased, in specified circumstances, above the amount which would be payable if it were not payable only in specified circumstances.
- (3) The following conditions are applicable to every conditional fee agreement—
 - (a) it must be in writing;
 - (b) it must not relate to proceedings which cannot be the subject of an enforceable conditional fee agreement; and

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- (c) it must comply with such requirements (if any) as may be prescribed by the Lord Chancellor.
- (4) The following further conditions are applicable to a conditional fee agreement which provides for a success fee—
 - (a) it must relate to proceedings of a description specified by order made by the Lord Chancellor;
 - (b) it must state the percentage by which the amount of the fees which would be payable if it were not a conditional fee agreement is to be increased; and
 - (c) that percentage must not exceed the percentage specified in relation to the description of proceedings to which the agreement relates by order made by the Lord Chancellor.
- (5) If a conditional fee agreement is an agreement to which section 57 of the ^{M2}Solicitors Act 1974 (non-contentious business agreements between solicitor and client) applies, subsection (1) shall not make it unenforceable.

58A Conditional fee agreements: supplementary.

- (1) The proceedings which cannot be the subject of an enforceable conditional fee agreement are—
 - (a) criminal proceedings, apart from proceedings under section 82 of the ^{M3}Environmental Protection Act 1990; and
 - (b) family proceedings.
- (2) In subsection (1) “family proceedings” means proceedings under any one or more of the following—
 - (a) the ^{M4}Matrimonial Causes Act 1973;
 - (b) the ^{M5}Adoption Act 1976;
 - (c) the ^{M6}Domestic Proceedings and Magistrates’ Courts Act 1978;
 - (d) Part III of the ^{M7}Matrimonial and Family Proceedings Act 1984;
 - (e) Parts I, II and IV of the ^{M8}Children Act 1989;
 - (f) Part IV of the ^{M9}Family Law Act 1996; and
 - (g) the inherent jurisdiction of the High Court in relation to children.
- (3) The requirements which the Lord Chancellor may prescribe under section 58(3)(c)—
 - (a) include requirements for the person providing advocacy or litigation services to have provided prescribed information before the agreement is made; and
 - (b) may be different for different descriptions of conditional fee agreements (and, in particular, may be different for those which provide for a success fee and those which do not).
- (4) In section 58 and this section (and in the definitions of “advocacy services” and “litigation services” as they apply for their purposes) “proceedings” includes any sort of proceedings for resolving disputes (and not just proceedings in a court), whether commenced or contemplated.
- (5) Before making an order under section 58(4), the Lord Chancellor shall consult—

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- (a) the designated judges;
 - (b) the General Council of the Bar;
 - (c) the Law Society; and
 - (d) such other bodies as he considers appropriate.
- (6) A costs order made in any proceedings may, subject in the case of court proceedings to rules of court, include provision requiring the payment of any fees payable under a conditional fee agreement which provides for a success fee.
- (7) Rules of court may make provision with respect to the assessment of any costs which include fees payable under a conditional fee agreement (including one which provides for a success fee).”
- (2) In section 120(4) of the ^{M10}Courts and Legal Services Act 1990 (orders and regulations subject to affirmative procedure), for “58,” substitute “ 58(4), ”.

Modifications etc. (not altering text)

C1 S. 27 excluded (1.4.2000) by S.I. 2000/900, art. 2(2)

Marginal Citations

M1 1990 c.41.
M2 1974 c.47.
M3 1990 c.43.
M4 1973 c.18.
M5 1976 c.36.
M6 1978 c.22.
M7 1984 c.42.
M8 1989 c.41.
M9 1996 c.27.
M10 1990 c.41.

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