



# Legal Partnerships

A new business structure  
for legal services providers

Introducing

# Legal Partnerships

*FAQs for legal practitioners*



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## About legal partnerships

### 1. What is a legal partnership?

A legal partnership is a partnership formed under Irish law by written agreement by two or more legal practitioners (solicitors or barristers) for the purpose of providing legal services. At least one partner in a legal partnership must be a practising barrister.

Legal partnerships may be:

- Solicitor-barrister legal partnerships, where at least one practising solicitor and one practising barrister are partners.
- Barrister-only legal partnerships, where only practising barristers are partners.

The operation and management of legal partnerships will be governed by new Legal Services Regulation Act 2015 (Legal Partnerships) Regulations which it is anticipated will be made in autumn 2024.

### 2. Why are legal partnerships being introduced?

Legal partnerships are an innovation in the legal services market introduced in the Legal Services Regulation Act 2015 and subsequent amendments with the aim of modernising the delivery of legal services in Ireland. Partnerships are a common form of business arrangement in Ireland, but in the legal services sector to date only solicitors were permitted to form partnerships with other solicitors.

### 3. Who can form a legal partnership?

Barristers who are on the Roll of Practising Barristers and solicitors who hold valid practising certificates can form a legal partnership in order to provide legal services.

### 4. Are there a maximum number of partners who can form a legal partnership?

There is no limit to the number of partners in a legal partnership. The only requirement is that one of the partners must be a practising barrister.

### 5. Can a legal partnership have employees who are barristers or solicitors or both?

Yes, a legal partnership can have employees who may be only barristers, only solicitors or both barristers and solicitors.

### 6. Can a solicitor or barrister in a legal partnership provide the same legal services as they provide outside a partnership?

Yes, solicitors and barristers who form a legal partnership will be able to provide the same types of services currently provided separately, except that they can form partnerships together and must

comply with the obligations set out in the Legal Services Regulation Act 2015 (Legal Partnerships) Regulations 2024. For examples of the types of legal services:

- Solicitors can provide undertakings, barristers cannot – this position remains unchanged;
- Solicitors can handle clients' moneys, barristers cannot – this position also remains unchanged.

The Legal Services Regulation Act 2015 (Legal Partnerships) Regulations 2024 set out, at Regulation 6 to 14, the general obligations of a legal partnership and at Regulation 17, the standards, procedures and policies to be followed by a legal partnership.

### **7. What rules apply to members of a legal partnership?**

There are different rules under the legislation and codes of conduct for solicitors and barristers and these continue to apply when the solicitors and barristers are in a legal partnership as partners or employees. A solicitor or barrister in a legal partnership must not interfere with the obligations of another solicitor or barrister in the legal partnership. In addition:

- The individual partners (whether solicitors or barristers), must ensure the legal partnership complies with the applicable provisions of the Legal Services Regulation Act 2015, the Legal Services Regulation Act (Legal Partnerships) Regulations 2024 and such other regulations as may be made under the 2015 Act.
- Nothing in the Legal Services Regulation Act (Legal Partnerships) Regulations 2024 affects the obligations of solicitors, whether as partners or employees of legal partnerships, to comply with applicable provisions of the Solicitors Acts and any regulations made thereunder.
- Barristers must comply with the LSRA's new Code of Practice for Practising Barristers and the Professional Code of Conduct for Barristers on the Register of Members of the Honorable Society of King's Inns and any other applicable professional code.

There is no separate code of conduct for legal partnerships.

## Thinking of becoming a legal partnership

### 8. How do I form a legal partnership?

The basis of a legal partnership is a valid written agreement between the partners, at least one of whom must be a practising barrister. You do not need prior approval or authorisation from the LSRA to form a legal partnership, but you do need to notify the LSRA that the legal partnership intends to provide legal services, and to pay a Commencement Notification Fee of €575 to the LSRA by bank transfer.

There are also rules about the naming of a legal partnership – see answers 10 and 11 below.

### 9. What information must be included in the partnership agreement?

The terms of your written legal partnership agreement are matters for the partners. The general position is that LSRA will not seek a copy of the written legal partnership agreement. However, it will seek confirmation that the legal partnership is a partnership formed under the law of the State by written agreement, by two or more legal practitioners, at least one of whom is a practising barrister, for the purpose of providing legal services. This confirmation will be provided by means of a Statutory Declaration contained in the legal partnership commencement notification form which you are required to submit to the LSRA.

### 10. Are there any rules about naming a legal partnership?

Yes, there are rules about the names that can be given to a legal partnership which aim to both protect consumers and the reputation of the legal profession. The name of a legal partnership may consist of either:

- The names of some or all of its partners or former partners or,
- A name that is not based on partners' names.

If you intend to name your legal partnership based on partners' names, you are free to do so without seeking prior approval from the LSRA. If you intend to give your legal partnership a name that is not the name of some or all of the partners or former partners of the legal partnership, you must:

- Apply in writing to the LSRA for approval of the name.
- Make this application at least 28 days, or such other time as the LSRA may allow, before you notify the LSRA that the legal partnership intends to provide legal services.

The LSRA can either approve or reject your proposed name.



In addition to these rules, you may also need to register your legal partnership name elsewhere. In order to determine if you need to, you should have regard to the Registration of Business Names Act 1963 or such other relevant legislation that is in force.

### **11. What will the LSRA take into account in deciding whether or not to approve the name of a legal partnership?**

The LSRA will consider your application in accordance with criteria set out in the Regulations. The LSRA will *not* approve the proposed name of a legal partnership if it considers that the meaning of the proposed name:

- Is likely to bring the legal profession into disrepute, is in bad taste or reflects unfavourably on other legal practitioners;
- Suggests that the legal partnership has specialist knowledge in any area of law superior to other legal partnerships or legal practitioners;
- Suggests that the normal business of the legal partnership has more extensive geographical coverage than it actually has;
- Is misleading to clients, potential clients, the wider public or is otherwise contrary to the public interest;
- Expressly or impliedly solicits, encourages or induces anyone to make a claim for personal injuries or seek legal services in connection with a personal injuries claim.
- References the success rate of the legal partnership.
- Has not been permitted registration under the Registration of Business Names Act 1963 (if applicable) or such other legislation as may be in force from time to time in respect of the use or registration of business names

The above considerations are set out in full in Regulation 14 of the Legal Services Regulation Act 2015 (Legal Partnership) Regulations 2024.

### **12. What details must I provide to the LSRA to set up a legal partnership?**

A legal partnership must supply the LSRA with the following details, which are set out in the Commencement Notification Form:

- Partnership name, principal address, email address, and telephone number.
- If applicable, date of approval by the LSRA of name of legal partnership.
- Date of notification.
- Date of intended commencement.
- Confirmation that the legal partnership has in place or will have in place from the date of the provision of legal services, appropriate professional indemnity insurance (PII). The policy number and the details of the insurer and broker, if applicable, must also be supplied.

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- The names of all the partners and their practising barrister or practising solicitor reference number(s).
- Confirmation that the legal partnership is a partnership formed under the law of the State by written agreement, by two or more legal practitioners, at least one of whom is a practising barrister, for the purpose of providing legal services.

The information in the notification to the LSRA must be supplied by way of a witnessed statutory declaration under the Statutory Declarations Act 1938, as amended.

#### **13. What happens after I notify the LSRA that I intend to provide legal services as a legal partnership?**

Once a legal partnership notifies the LSRA that it intends to provide legal services by submitting a completed Commencement Notification Form, the LSRA may verify the data provided with third parties. Subject to that, the LSRA will enter the legal partnership's information in an online public Register of Legal Partnerships which will be available on the LSRA's website. The LSRA will supply each legal partnership with a unique reference number which should be used in all future correspondence with the LSRA.

#### **14. Can a legal partnership become a limited liability partnership?**

Yes, a legal partnership can apply to the LSRA for authorisation to become a limited liability partnership (LLP).

Generally speaking if a legal partnership is authorised by the LSRA to become a LLP, the partners will not be personally liable for the debts, obligations or liabilities of the LLP itself or any partner or employee of the LLP (there are exceptions to this).

The operation of LLPs is governed by the new Legal Services Regulation Act 2015 (Limited Liability Partnerships) Regulations 2024, which revise 2019 regulations. More information about LLPs is available on the LSRA's website: <https://www.lsr.ie/for-law-professionals/limited-liability-partnerships/>

## Your obligations to your clients

### **15. What are the general obligations of a legal partnership?**

The general obligations of a legal partnership include that a legal practitioner shall not by any act or omission interfere with the obligations of another legal practitioner in a legal partnership under the Legal Services Regulation Act 2015, the Legal Services Regulation Act 2015 (Legal Partnerships) Regulations 2024, such other regulations as may be made under the Act and any relevant code of conduct or professional code to include a code practice issued by the Authority (Regulation 10).

By way of other examples:

- Regulation 11(a) provides that a legal partnership must keep its clients' information confidential save to the extent that disclosure is required or permitted by law.
- Regulation 17 provides that a legal partnership must also have appropriate and effective standards, procedures and/or policies in place to ensure that:
  - The partners and employees conduct themselves professionally and ethically and in accordance with any relevant code of conduct or professional code;
  - The partners and employees comply with applicable provisions of the Legal Services Regulation Act 2015, any regulations made under the Act, and, if relevant, the Solicitors Acts and any regulations made under them;
  - A register of clients is maintained;
  - Records of matters which the legal partnership is engaged in are maintained, and these comply with data protection requirements.
  - Anti-money laundering requirements are complied with.
  - The files of clients are transferred to another legal partnership or legal practitioner if this is requested or directed by the client, subject to the right to asset a lien over the files when applicable

### **16. What information about its services and standards is a legal partnership required to make available to clients?**

Once a legal partnership has accepted instructions from a client it must, as soon as practicable, write to the client with:

- The name of the legal practitioner(s) who will be providing them with legal services and the types of legal services that will be provided.
- The internal complaints procedure (if any) for clients.

In addition, the legal partnership must confirm to the client in writing that:

- The Law Society's Compensation Fund, which may reimburse the client's financial losses caused by their solicitor's dishonesty, does not extend to barristers in a legal partnership.
- Any applicable restriction, or absence of a restriction, on a practising barrister in the legal partnership receiving instructions directly from a person who is not a solicitor. By



way of example, in a matter which is contentious (which generally means something related to litigation) barrister must not take instructions directly from a client.

- The legal partnership is subject to and must comply with its statutory obligations. These are the Legal Services Regulation Act 2015, the Legal Services Regulation Act 2015 (Legal Partnerships) Regulations 2024 as well as any other regulations made under the 2015 Act and any relevant code of conduct or professional code applicable to the particular legal practitioners within the legal partnership. The client must be informed where they can access this legislation and codes, including online.
- Section 45(1) and Part 8 of Act include a prohibition on barristers holding clients moneys.

**17. Must a solicitor in a solicitor-barrister legal partnership instruct only barristers in the same partnership?**

No. A solicitor in a legal partnership has the option of either instructing a barrister who is a partner or employee of that legal partnership on behalf of a client, or instructing a barrister outside of the legal partnership. When instructing a barrister partner or employee, the solicitor must inform their client that they have a right to request that a barrister outside the legal partnership be instructed instead.

**18. What information must be provided to a solicitor outside a legal partnership who instructs a barrister in a legal partnership?**

All of the information set out in answer 16 must be provided.

**19. Can a legal partnership represent opposing clients in the same legal matter?**

A legal partnership must not accept instructions to act in any matter in which the legal partnership, a partner or employee of the legal partnership, is acting for an opposing party unless:

- Each of the parties is given full information about the proposed acceptance of instructions, and;
- Each of the parties consents to the acceptance of those instructions, and;
- Information and communications of and related to the two parties are fully segregated and protected against disclosure, unless the parties agree otherwise.

**20. Are there other circumstances in which a legal partnership cannot accept client instructions?**

A legal partnership may not accept instructions in a matter where its ability, or the ability of a partner or employee of the legal partnership, to act with independence and comply with professional duties to a client would or could be impaired.

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In addition, a legal partnership cannot accept instructions to act for both parties in any matter which is prohibited in regulations made under the Solicitors Acts 1954-2015 (this relates to certain conveyancing transactions).

#### **21. In a legal partnership who can hold clients' money?**

Only practising solicitors in a legal partnership can hold clients' money. A practising barrister is not permitted to hold money of clients, whether as a partner or an employee in a legal partnership (this is prohibited by section 45 of the Legal Services Regulation Act 2015).

The Legal Services Regulation Act 2015 (Legal Partnerships) Regulations 2024 provide that a practising barrister or a barrister-only legal partnership is deemed to hold clients' money if the practising barrister or the barrister-only legal partnership receives clients' money and/or has the capacity to effect transactions in respect of an account or accounts in which clients' money is held.

#### **22. Can a legal partnership advertise its legal services?**

Yes, it is lawful for a legal partnership to advertise its legal services. The advertisements must comply with the Legal Services Regulation Act 2015 and the Legal Services Regulation Act 2015 (Advertising) Regulations 2022.

*14 August 2024*



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