



Risk and Compliance Office Manual Template

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Risk and compliance office manual

Sample

Welcome to our template risk and compliance office manual

We've split the content into three sections:

- a business and risk management manual;
- a staff compliance manual;
- a set of accompanying template compliance logs.

The policies, processes and logs are there for you to tailor to your needs. Your compliance systems should suit your business and seek to help not hinder you and your team. The precise standards and processes which are put in place will vary from business to business. Sole traders can obviously afford to have much simpler processes in terms of staff standards than set out here. Very large firms may find that they need to have more sophisticated arrangements in place in some areas. Generally though this manual is an excellent platform for a (Compliance Officer for Legal Practice) COLP looking to implement or review the compliance systems and arrangements which they are required to put in place by the SRA. Text which we would expect firms to pay particular attention to in tailoring is **highlighted in yellow** and some may only be applicable to firms with Lexcel, CQS or SQM accreditation (see below).

We do provide an online smart-manual which allows you to opt in or out of automatic updates to best practice standards saving your time and money in keeping your policies up to date. We also provide hands-on support and compliance training for those wishing to implement or strengthen compliance systems so don't hesitate to contact us via the website (www.complianceoffice.co.uk) if you need some help putting this manual into practice.

Please take care in implementing these policies in the context of HR / employment law implications (including if seeking some of the information suggested in this manual from staff), health and safety, information security and other legal requirements. Specialist advice is recommended.

We hope that you find this manual helpful and wish you every success with its implementation.

Our colour coding system

Text which we would expect firms to pay particular attention to in tailoring is **highlighted in yellow** and some may only be applicable to firms with Lexcel, CQS or SQM accreditation (see below).

The majority of this manual is based upon good practice and SRA requirements. However, where we have made additions to the manual primarily in order to meet requirements of the **Lexcel** or **Specialist Quality Mark** standards we have coloured the entries in green and orange respectively (as well as being highlighted yellow to flag them up). The majority of the **Conveyancing Quality Scheme** requirements are covered by the Lexcel provisions but some additional suggestions appear in blue in this respect (i.e. CQS firms should adopt the green AND blue text and check the relevant standards to supplement these procedures as required).

Office handbook

This manual sets out how we run our organisation. It is split into the following sections:

A. Business and risk management manual - this sets out how we set our strategy and manage our organisation and the risks posed to us. It is primarily intended for our management team and constitutes our 'compliance plan'.

Sections:	A1	About us
	A2	Governance
	A3	Risk management
	A4	Quality and risk assurance
	A5	Compliance officer roles
	A6	Financial management
Annexure	AA1	Management team terms of reference
	AA2	Business continuity plan
	AA3	Local file review form
	AA4	Anti-money laundering risk assessment
	AA5	Data protection and cyber security policy

B. Staff compliance manual - this sets clear ethical and compliance standards for our staff, including restrictions on activities which we have identified as high risk. It is to be read by all of our staff.

Sections	B1	Our ethical values
	B2	Information we need from our staff
	B3	New client instructions
	B4	Confidentiality and data protection
	B5	Service standards
	B6	Undertakings
	B7	Publicity

	B8	Working with third parties
	B9	Client complaints and claims against us
	B10	Reserved legal activities and financial services
	B11	Ceasing to act for the client, matter closures and gifts
	B12	Learning and development
	B13	Accounting procedures
	B14	Litigation, advocacy and our duties to the Court
Annexure	AB1	Equality and Inclusion policy
	AB2	Client feedback and complaints
	AB3	Conflicts of Interest policy
	AB4	Working with other businesses and outsourcing
	AB5	Procurement and Bribery Act policy
	AB6	Sharing concerns policy
	AB7	Acceptable use policy
	AB8	Anti-money laundering procedures and forms
	AB9	Potential breach notification form

C. Schedule of compliance logs

Central logs		Staff training log
		Potential compliance breach log
		Local file review log
		Complaints log
		Undertakings log
		Log of known experts and barristers
		Third party suppliers log

		Gifts and entertainment log
		Subject access requests log
		[Risk register]
		[Lexcel information assets register]
		[Lexcel software register]
		[Legal aid referrals log (SQM)]

About the office handbook

This handbook is available to all staff. By 'staff' we mean all of our employees (including consultants and contract staff) and partners (or equivalent).

Each section of the Handbook and each annex records:

- an 'owner' for the document who is responsible for ensuring that this policy / process / approach remains up-to-date and fit for purpose; and
- for each update the relevant document will record:
 - when it was updated; and
 - who approved the amendments and when.

Unless directed otherwise by the Management team, amendments to any part of this handbook must be agreed by both the owner of that section and at least one other member of the Management team. If the proposed changes are likely to have a material operational impact upon how our staff do their jobs then these should generally be agreed by the Management team.

[In accordance with Lexcel requirements, each policy, plan and procedure required for Lexcel purposes is reviewed [annually] by the key contact set out below.

Key contact / owner		Created:	
Last amended:		Last approved by:	
Last reviewed:		Last reviewed by:	

A Business and risk management manual

A1 About us

Our name:	
Our constitution is set out in:	<i>e.g. partnership agreement / LLP agreement / articles and memorandum of association / shareholders agreement / members agreement / other documents governing ownership, management and voting power</i>
Our body type is:	<i>partnership / LLP / company / etc</i>
We are funded by:	<i>share capital / non-share capital investment or we have no capital e.g. because we are funded by a loan and retained profits</i>
Our business:	<p><i>We offer legal services in the following areas:</i></p> <p>-</p> <p>-</p> <p><i>We have made a decision as a business not to accept work which falls outside of these areas. / We have made a decision as a business not to accept any of the following work: / We have made a decision as a business not to accept any of the following work without the express agreement of the Management team:</i></p> <p>-</p> <p>-</p> <p><i>[For the purposes of our CQS accreditation, we have determined not to take on the following types of property matter:]</i></p> <p><i>Our client care and complaints officer will review this commitment every six months.</i></p>
Our client base:	<i>Our client base is mixed and includes sophisticated users of legal services as well as vulnerable clients from all parts of England and Wales / Our client base is primarily business to business and includes a large number of sophisticated users of legal services both domestically and internationally / Our client is base is primarily local individuals and includes some vulnerable clients</i>
Our service delivery:	<i>We are based entirely online and work with our clients by email and telephone / We always invite our clients in to meet with us face to face but generally deliver our services by post and email</i>

Our location:	<i>We are based in . / We have offices in: .</i>
Quality marks:	<i>We have the following accreditations / We work to the following recognised standards:</i>
Our regulatory environment:	<i>Our main regulatory and operational obligations stem from: the SRA; the Legal Ombudsman; Companies House; the Information Commissioner the Financial Conduct Authority; the Legal Aid Agency; our accreditors, as detailed above</i>

Key contacts and compliance officers:

Our management team:	[insert details]
Compliance Officer for Legal Practice ('COLP')	[insert details]
Compliance Officer for Finance and Administration ('COFA')	[insert details]
Nominated Officer / Money Laundering Reporting Officer	[insert details]
Insurance Distribution Officer	[insert details]
Qualified to Supervise ¹ / Technical Excellence Officer	[insert details]

Key contact / owner		Created:	
Last amended:		Last approved by:	
Last reviewed:		Last reviewed by:	

¹ 3 years experience as a qualified lawyer recognised in England and Wales (from November 2019).

A2 Governance

Our management team

Our Management team is responsible for the long-term success of the business, including setting our strategy and managing risk. Our Management team is responsible for the day-to-day as well as long-term management of the organisation.

In summary it has overall responsibility for:

- | | |
|--------------------------------------|----------------------------------|
| - strategy | - finance |
| - business development and marketing | - risk management |
| - legal and regulatory compliance | - HR and recruitment |
| - staff training | - quality, complaints and claims |
| - business facilities | - IT |
| - knowledge management | - business security |

The terms of reference for our management team can be found at **annex AA1**.

Line management

Every member of staff has a line manager. The line manager of each fee earner will be a suitably competent and experienced person to supervise that fee earning work and to oversee the quality of the service provided.

A line manager's responsibilities include ensuring that our staff:

- deliver a quality service to our clients, including in particular in the legal advice provided and client satisfaction achieved;
- maintain and develop the knowledge and skills relevant to their role;
- put in the work required to meet the goals set;
- mitigate the risks posed to our organisation successfully achieving its goals;
- treat colleagues fairly and with respect;
- comply with the requirements set by the business and in law generally, such as ensuring that we meet our health and safety obligations, achieve SRA compliance and achieve high standards in protecting personal data; and
- contribute to our success generally, including the promotion and sound financial operation of the business.

Each part of the organisation also has a department head who has overall supervision of the work undertaken in that area.

In accordance with our accreditation requirements, every member of staff has a role profile (i.e. a job description) which sets out:

- the tasks to be undertaken by the individual; and
- the skills, knowledge and experience required for the role.

In accordance with SQM requirements, any changes to our reporting lines or job description will be reflected by amendments to our structure chart and the relevant job descriptions as soon as possible and in any event within three months.

Key contact / owner		Created:	
Last amended:		Last approved by:	
Last reviewed:		Last reviewed by:	

A3 Our approach to risk management

We take a four-step approach to ensuring that the strategic, operational and regulatory risks to us achieving our goals are managed effectively:

- I. We set clear goals and standards, both in terms of our performance and the standards we require of our staff and our management;
- II. We communicate our goals and standards effectively to our staff, which includes training and updates where appropriate;
- III. We regularly and robustly check that we are achieving our goals and compliance standards in practice;
- IV. We take effective action to remedy problems and risks which we have discovered.

We have appointed individuals within the organization to take responsibility for certain areas of compliance in accordance.

I. Setting clear targets and standards

Within this handbook our management team have set clear and comprehensive ethical, compliance and risk standards for our staff and our management team. Our commitment to managing the risks which may prevent us from achieving our goals are at the heart of each standard, policy, and procedure we set.

At the start of each financial year our management team also sets business wide strategic and financial targets. Each fee earner will have an annual financial target which forms a part of that goal, as well as other key performance objectives for the year which may include the attainment of strategic milestones and development goals. Achievement against these targets is then reviewed during the year.

II. Clear communication and training

Our staff manual, policies and procedures are easily accessible to our staff.

Our learning and development standards make clear that we take staff training and development very seriously. As well as doing our best to accommodate the individual training and development needs of our team, all staff members are required to take part in certain mandatory training sessions on ethics and compliance. Namely:

- a core induction training programme for all new starters regardless of experience, which includes training on our risk management, ethical and compliance standards;
- a rolling mandatory training programme which ensures that our team maintain an understanding of ethical and compliance standards and requirements.

This is in addition to meeting business and regulatory requirements to reflect on practice and maintain professional competence (see our learning and development policy).

The staff member specific targets and objectives for each year will be discussed with each member of staff by their line manager. They will be agreed formally as objectives for the year.

More generally, our management team will seek to be as transparent as possible with staff about our achievements and developments in our strategy.

III. Checking we are achieving the standards and objectives set

We have adopted a robust quality and standards assurance process as set out in our staff compliance manual. This includes local and central checks of our operations to ensure that we are meeting the standards we have set.

Our management team meets at regular intervals to monitor the outcomes of these checks as well as to closely monitor our performance. This monitoring includes oversight of the results of our file reviews, client satisfaction indicators, breach / risk registers (including data protection) and, periodically, our central peer review reports.

IV. Remedial action

Where an individual problem is identified we will take the appropriate steps to remedy it and provide any appropriate feedback to colleagues concerned constructively. Where broader trends or weaknesses in our systems are identified these will be specifically highlighted to our management team by the relevant compliance contact. Any staff member who seriously or persistently fails to follow our standards will become subject to our HR performance and disciplinary procedures.

[It should also be noted that in accordance with Lexcel requirements:

- we maintain a record of the risks facing our practice (a 'risk register'²);
- this section of our handbook will be reviewed annually by the key contact / owner set out below.]

[It should also be noted that in accordance with the requirements of our Specialist Quality Mark (SQM), line managers are responsible for maintaining a record of the completion of our induction programme within 2 months of joining covering:

- The organisation's aims;
- The management/staff structure and where the new post fits into it;
- The recruit's role and the work of their department or team;
- The organisation's policies on non-discrimination, quality, customer care and complaints;
- The office procedures manual and/or other work instructions/processes relevant to the post;
- Terms and conditions of employment and welfare and safety matters.

All quality procedures are reviewed at least annually.]

Key contact / owner		Created:	
Last amended:		Last approved by:	
Last reviewed:		Last reviewed by:	

² Template logs are available in the accompanying spreadsheet or via our online register software.

A4 Quality and risk assurance

We are committed to ensuring that our work is consistently of a standard and quality of which we can be proud. The work of all fee earners is subject to quality assurance checks and staff are expected to engage positively in this process.

The role of the line manager

The line manager for each fee earner will be a suitably competent and experienced person to supervise that fee earning work and to oversee the quality of the service provided.

Supervision will be proportionate, effective and add value. Line managers use their discretion to determine the exact level of input and oversight required by team members. Broadly speaking however, and save for the work of experienced lawyers, a line manager will:

- check post coming into the team, or arrange for another senior person to do so, in order to identify any high risk issues. Our email policy requires staff to take certain steps to ensure that a manager can distinguish between work related and personal emails (the latter will not be read by line managers for this purpose if it is clear that the communication is not relevant to our business); and
- check significant documents and advice prepared by team members before they are finalised.

Line managers will keep 'surgery hours' available in their calendar during the week for team members to book a slot in to discuss difficult non-urgent matters. Line managers will also be available, or ensure that alternative cover is available, for team members when inevitably an occasional urgent query arises which cannot wait.

If a line manager is overseeing very specialist work which is beyond the expertise of any other person in the business, the line manager will be satisfied that the fee earner in question is suitably competent, experienced and qualified to undertake the work. Generally speaking the line manager would also need to be satisfied that he or she would at least be able to identify high risk issues in the matter and broadly assess the quality of the service provided. If the line manager cannot be satisfied of this, then the line manager will discuss how best to ensure quality assurance with the COLP. It may be possible to arrange for an external lawyer to (with appropriate confidentiality and data protection arrangements in place) review a sample of work annually to provide technical assurance and aid development. Care would need to be taken about how this is discussed with the client when seeking consent. The exact timescales and steps taken however will be proportionate to the risks involved, including the level of experience of the fee earner in question and the nature of the work being undertaken. We hope that generally speaking this will not be necessary however.

Legal activities restricted to certain lawyers

If the line manager is overseeing legal work which is reserved to certain authorised persons such as solicitors or barristers then the line manager will ensure that our staff are only undertaking work they are able to conduct in law. For example, certain elements of the conduct of litigation, probate, conveyancing and advocacy can only legally be done by lawyers of a certain type. In some cases unqualified persons can undertake some reserved work at the direction and supervision of a qualified lawyer, for example (schedule 2 to the Legal Services Act 2007). There are similarly restrictions on who can undertake certain immigration law advice and activities.

Appraisals and monthly one-to-one meetings

All staff take part in formal mid-year and end-of-year appraisals where their performance is reviewed against the targets and standards set for them. This includes a review of additional responsibilities which staff members hold, such as a compliance or administrative role.

At the end-of-year appraisal training and development needs will be discussed with each staff member and recorded as part of the targets set for the following year. Fee earning staff are encouraged to reflect upon how they can develop their knowledge and skills base in the coming year. All staff have training and development needs, even if it is simply refreshing and updating existing areas of knowledge. We are keen to help staff to engage constructively with us about the support they feel that they need to develop in their career. The progress made in terms of the training and development goals set is reviewed with staff at the mid-year and end-of-year review. We maintain records³ of the training and development goals and progress to demonstrate how we maintain competence in our firm as required by SRA rules. For further information see our learning and development standards for staff.

Line managers will hold a monthly 'one to one' meeting with each team member to consider the following:

- whether the team member is on target to achieve their objectives, including financial targets;
- general technical queries and development;
- caseload and capacity;
- update on high risk matters held;
- update on matters which have been inactive for more than 3 weeks
- forthcoming key dates (i.e. in the next 6 months);
- outstanding actions identified in file reviews;
- outstanding balances; and
- personal and administrative issues, such as holidays and working arrangements.

If a member of staff is not performing well then this will be addressed by the line manager promptly. There should be no surprises for staff at mid-year reviews and appraisals. We encourage line managers to address performance and development issues informally at first if practical but managers must use our more formal HR performance and capability procedures⁴ as required. Line managers should ensure that staff remain competent to perform their roles and are properly engaging where applicable with SRA requirements to reflect and address any learning and developments needs professionally.

Enhanced quality assurance for new starters

Whenever a new fee earner joins the team, all work will initially be reviewed with a line manager or other suitably experienced colleague. Even very experienced fee earning staff joining us from outside of the firm will benefit from insight into our approach and may have development needs. This enhanced quality assurance therefore applies at first whatever the level, seniority or experience of the staff member joining us.

However, line managers should use their discretion to determine how long enhanced quality assurance as described below should last for. For very experienced fee earners with a good understanding of how our business works, as little as two weeks may be sufficient depending upon the type of work undertaken (though the standard level of line manager oversight set out above would still apply). For inexperienced members of staff it may be three to six months or more before it is felt that the additional level of oversight and support can safely be dropped.

³ Free [template](#) development plans and development logs are available from the SRA and the [Compliance Office](#) provides online software for a simple means of recording this information.

⁴ Not provided as part of this template. Please contact us if you would like assistance in this respect.

All new starters will be subject to our standard new starter vetting procedures. It is very important to check with the relevant regulator that lawyers joining us are in good standing, that references are sought, that evidence of qualifications claimed is obtained and that the individual is eligible to work in our jurisdiction. The SRA has found in the past that a failure to conduct adequate staff vetting can constitute misconduct.

Enhanced quality assurance for high-risk matters

We have set out in our staff compliance manual a requirement on staff to risk assess matters and a definition of what constitutes a 'high-risk' matter.

An enhanced level of risk management and oversight is applied to matters identified as high-risk. In particular:

- the matter will be allocated to a senior person;
- important documents and advice prepared by the fee earner dealing may be reviewed by another senior colleague before being finalised;
- the status of high risk matters will be reviewed at 121 meetings by the line manager;
- the number of high risk matters per business area will be monitored by the management team periodically.

Transferring client matters

The line manager of the transferring fee earner is responsible for overseeing the transfer of the matter to a new fee earner. We seek to avoid clients experiencing multiple transfers of their matter between staff or departments however this can be done with line manager approval such as to manage fee earner workload, the risks arising in a matter or in anticipation of a personnel change.

File reviews: local

File reviews can be extremely helpful in identifying good examples of work, problems in individual matters, wider development needs and trends in the business.

Our line managers review at least one file per lawyer per month against the standards which we have set for our work. A template is available for this purpose. A greater number of files will be sampled in the following circumstances:

- where new staff members have joined us;
- where a line manager is reviewing the work of an unqualified fee earner;
- where a staff member works in one or more very distinct areas of law;
- in areas where lawyers typically have high caseloads.

Each file is randomly selected in order to ensure the effectiveness of the review.

The focus of the review is the quality of the work, risks arising and compliance.

If a line manager is unavailable then the review can be conducted by a suitably competent and experienced person taking into account the nature of the work being undertaken by the fee earner in question.

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Annex AA5

Data Protection and cyber security policy

We are committed to ensuring:

- the efficient and effective use of the information which we hold;
- that we handle information about clients and third parties fairly and responsibly, including in compliance with relevant legal requirements and the General Data Protection Regulation and associated domestic legislation in particular;
- that our information is kept secure.

This policy should be read in conjunction with the information security standards and acceptable use policy set out within our staff compliance manual. It sets out how we comply with the GDPR and includes signposts to clear staff standards and training requirements.

How we use personal data and the conditions relied upon under the GDPR

We are required by Article 30 of the GDPR to maintain certain records of our processing activities and these are as detailed / signposted below:

Our name and contact details:	As detailed above.
Purposes of our processing data	In order to operate as an employer and to provide legal advice and services we obtain, store and use personal information about clients, staff and others.
Categories of data subjects	In broad terms we hold information about our staff, unsuccessful job applicants, the staff of our business contractors and partners, clients, experts, counsel, Courts, government bodies and agencies, unconverted client enquiries, potential clients and other individuals connected to client case. See our information audit and data mapping exercise for further detail.
Categories of personal data	See our risk assessment below and our information audit and data mapping exercise for further detail.
Categories of third parties with whom personal data will be shared	In broad terms we may share personal data with lawyers representing others in the proceedings, official bodies with whom legal documents must be lodged such as the Courts and Land Registry, our regulatory bodies in appropriate circumstances, our contractors and consultants and their staff, those requesting references, witnesses, experts, counsel, IT service and software providers. Further information on how we ensure compliance when sharing personal data in this way is set out below.
Countries outside of the EU where data is transferred	We do store much of our information electronically but this does not involve data being moved outside of the EEA. Where this becomes necessary and for those countries which have not been specifically approved for such purposes under article 45 of the GDPR, we are nonetheless satisfied that appropriate safeguards are in place for ensuring the security of this data and for ensuring enforceable legal rights for accessing this data (article 46 of the GDPR). We inform our clients within our privacy notice of data transfers outside of the EU.
Time limits for erasing our data	See our retention policy below and information audit and data mapping exercise for further detail.
Information security	Please see the safeguards set out below.

We receive personal data in respect of our clients' legal matters and our staff. In many instances personal data is processed because this is necessary either to fulfil the terms of the contract between us and the client or employee or because it is necessary to comply with legal

requirements. In order to work with our clients and staff it is necessary to obtain their data, store and use their personal information. This will include sharing it at certain points with other parties, for example, with opponents in the case of clients and tax officials in the case of employees. It may also involve, in the case of working with clients, disclosing information where required to do so by law such as under anti-money laundering legislation and retaining a small amount of personal data after a file has been destroyed to comply with rules on conflicts of interest. We consider such processing to be necessary and permitted under the GDPR and associated legislation.

Upon receiving client enquiries we may in the future contact those individuals via a newsletter or similar provided that we have a clear opt out option upon receipt of the communication. We will provide the individual with clear information on how to opt out in the first of such communications at the latest (this is permitted under the GDPR Article 21.4). We consider such processing to be permitted under the 'legitimate interests' condition (see recital 47). We have also had regard to the separate rules on marketing such as the 'soft opt in' requirements for email set out in the Privacy and Electronic Communications Regulations. We will balance our interests in promoting our services with those of the individuals we contact and will not rely upon the 'legitimate interests' condition where on a particular set of facts it would be unfair to the individual concerned. For example, we will not assume that minors or other more vulnerable individuals can be 'opted in' for these purposes in this manner and will obtain express consent from the appropriate person before sending any such communications.

In scenarios other than those set out above, we will generally speaking obtain express affirmative client consent to any data processing. This will typically involve explaining to the client within a privacy notice in our engagement documents how their information will be used and obtaining their instructions to proceed on that basis. We will not obscure consents by placing this within a detailed set of terms without specifically flagging the issue up. We do reserve the right to obtain consent verbally and retain a very clear record of what the relevant individual was told and agreed to and when. We will not necessarily obtain a fresh consent however where the modified use which we wish to make of client information is so closely linked to our original instructions that it will not come as any surprise to the client that their information is being used in this way. For example, if in our privacy notice to clients we have stated that we use a particular outsourcer or cloud provider we will not ordinarily need to seek express consent to switch to a comparable provider as a business where no material risks are posed to the client's information or rights. Whereas if we have never informed the client about outsourcing and we decide to outsource legal work on their file overseas we should seek their express consent. This because outsourcing core work overseas is not a necessary method of delivering our services to the client and so separate consent should be sought. We will retain records of client consents on the file and staff consents on the personnel file i.e. the retainer and contract / staff handbook sign off. We will exercise particular caution in obtaining consent for new uses of any sensitive personal data (i.e. race or ethnicity, political opinions and trade union membership, religious beliefs, health, sex life and genetic or biometric data) which we hold (there are greater restrictions on handling such information).

We do sometimes work with sensitive personal data (i.e. race or ethnicity, political opinions and trade union membership, religious beliefs, health, sex life and genetic or biometric data) which we hold. There are greater restrictions on handling such information. For clients, working with this information will often be necessary in order to pursue or defend their legal matter. In personal injury cases details of health must be processed for example. For staff this will typically be in order to comply with employment or equality legislation, namely around making reasonable adjustments and monitoring absences. Using sensitive information to pursue legal claims or comply with employment legislation is permitted under GDPR. However in order to be prudent and ensure best practice we are nonetheless transparent with staff and clients about how such information is used and seek agreement to information being used in this way in the respective contracts.

Risk assessment

In accordance with ICO guidance we have made an assessment of the risks posed to the information which we hold. This has been done to inform our policies and procedures on ensuring compliance and security of information in practice. In particular, we have assessed our information's sensitivity, financial value and what damage or distress could be caused if there was a security breach (e.g. if the information was destroyed, corrupted or improperly accessed by a third party). We have also considered the nature of our business and our working environment. Having done so, we have assessed the work across our firm as posing a **moderate/high** risk. The reasons for this are as follows⁵:

- as a law firm we recognise that our operations automatically carry a certain level of risk in that we will handle personal and business affairs on a confidential basis;
- [consider what proportion of the information you hold is categorised as sensitive personal data under the GDPR i.e. race or ethnicity, political opinions and trade union membership, religious beliefs, health, sex life and genetic or biometric data or data which otherwise falls into a more sensitive category i.e. information relating to children or criminal offences. An information audit / data mapping exercise will assist you in completing this exercise;]
- [consider whether in addition the firm handles especially sensitive information relative to other law firms e.g. information affecting national security, price sensitive information, high profile clients or cases, etc]
- [consider the nature of the work undertaken e.g. is this typically non-sensitive work for large organisations or do you work with a lot of sensitive commercial information or sensitive in the context of individuals' health, finances, sexual orientation such as personal injury, mental capacity, criminal law or employment law]
- [consider the members of staff in your business and their experience and qualification e.g. do you typically work with a lot of junior unqualified individuals or is the firm made up only of very experienced qualified individuals and do you work with contractors or consultants etc]
- [consider physical factors which increase or mitigate risk e.g. shared offices, security at reception, use of ID badges in the office etc. Note that paper light or paperless working can significantly reduce risks posed provided security is effectively managed];
- [consider the firm's vulnerability to fire, flood, electricity being cut off or another similar major incident and to what extent your business continuity plan (see above) addresses this]
- [consider the extent to which personal information and in particular the more sensitive categories of information are shared outside of your business];
- [consider the extent to which personal information and in particular the more sensitive categories of information is shared outside of the EU]
- [other relevant factors].

⁵ It is good practice to perform an information audit / mapping exercise which lists how the different categories of information come into the organisation and what happens with them from there. Information audit mapping tools are available: contact@complianceoffice.co.uk

B6 Giving undertakings

What is an undertaking?

In summary, an undertaking is a statement made by us (including any member of our staff) that the firm will do or will not do something which is then relied upon by a third party. Basically, this means that our regulators and the Courts interpret certain statements which we make as formal promises which must be kept because they have been made by a solicitor or a firm of solicitors. Failure to do so can result in Court and disciplinary action. SRA Rules make it clear that this promise does not need to be in writing or even include the word 'undertaking'.

An example of the use of an undertaking in practice is in the context of conveyancing transactions. Undertakings are commonly used by solicitors when acting for a client in the sale of a house to make a promise which everyone involved can rely upon that a mortgage will be paid off from the money received from the buyer.

Seek authority before giving an undertaking

This is a high-risk area. Therefore staff must only give an undertaking with the permission of a line manager (line managers may themselves give undertakings however).

Practicalities of giving an undertaking

Undertakings should be given in writing if at all possible and not verbally. If an undertaking does need to be given verbally due to the urgency of the issue for example then the full details of this should be confirmed in writing immediately and a detailed note made of the discussions.

A line manager should agree the wording of the undertaking (though in some areas standard wordings may be in use).

If the undertaking is conditional upon certain things happening (however obvious) then this must be made absolutely clear at the time that the undertaking is given. For example, we must not undertake to provide certain documents if we have not yet received them (unless we qualify that promise accordingly).

Undertakings should include a rough estimate of when we expect to be able to fulfil our promise. It should be clear that the timescale is only an estimate and not part of the undertaking.

Undertakings should also include the contact details of the line manager with oversight of the matter in case any problems arise with the undertaking. It is important that any concerns about undertakings are communicated to our managers as soon as possible.

As soon as an undertaking is given the details must be entered on our central undertakings log straight away. The log must be updated in due course to show when we fulfilled our promise. If we have agreed not to do something rather than to do something then this should be made clear when first completing the log entry. Our COLP will periodically review the undertakings log to check that we are meeting our obligations and identify any potential problems.

Making statements generally about something we will or will not do

When making any statement to people other than our client about something that we will or will not do at some point in the future staff should be careful not to accidentally give an undertaking. In most cases phrases such as 'should be able to' or 'will endeavour to' or 'subject to our client's agreement' or similar will be better suited than a definitive statement that we will or will not do

something. Particular care should be taken if we are talking about money, rights or documents which we do not hold ourselves. We appreciate that this may not always be ideal but the rules on making promises to others are strict and we need to be careful.

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B9 Client complaints and claims against us

A constructive, quick and effective approach to client complaints

We want our clients to feel comfortable providing us with feedback so that we can develop and provide the best possible service.

We encourage our staff to focus on how best to resolve the client's concerns. Staff should not be defensive or argumentative. Whatever the merits or history of a complaint it is always in our interests for the client to feel satisfied with the service received where this can reasonably be achieved.

We should be conscious that some clients may find it difficult to raise or communicate concerns with us. We should do our best to help clients communicate concerns to us and to understand what we do.

Staff should deal with any concerns raised as soon as possible. If you are unsure how to approach a complaint or a more informal concern about our service then speak with your line manager or our client care and complaints officer.

Our complaints policy and reporting formal complaints

Our Feedback and Client Complaints Policy (which includes information about the role of the Legal Ombudsman) must be brought to the client's attention in writing:

- at the beginning of our relationship with the client (it is made clear to clients in our standard client care information how clients can obtain a copy of the policy);
- upon request; and
- if a concern is raised about our service. This will ensure that the client is informed straight away of how the complaint will be handled and the timescales for doing so.

In terms of bringing the policy to our client's attention where a concern is raised, bear in mind that a complaint won't always include the word 'complaint'. The SRA has historically defined a complaint as any "oral or written expression of dissatisfaction which alleges that the complainant has suffered (or may suffer) financial loss, distress, inconvenience or other detriment". While this definition has been removed from the 2019 rulebook we continue to make use of this definition as it is a helpful summary.

We should bear in mind that the Legal Services Ombudsman will even consider complaints from non-clients in some circumstances.

As above, if it becomes clear that a client is not satisfied with our service then the fee earner dealing should refer the client to our Feedback and Client Complaints Policy.

The lawyer dealing should also generally provide appropriate assurances, explanations and make suggestions with a view to resolving the issue informally. However, in some cases it will never be appropriate for the lawyer dealing to seek to resolve the concern informally in this way. The following issues should always be treated as a formal complaint and the procedure set out in our Feedback and Client Complaints Policy for dealing formally with a complaint should be followed:

- concerns which are not promptly resolved to the satisfaction of the client informally;
- concerns raised by clients who have previously expressed dissatisfaction in their matter;
- a suggestion that there has been professional negligence (which must also be notified to our negligence and indemnity officer);

- a suggestion that there has been professional misconduct;
- a suggestion that we or our staff have failed to meet our equality and diversity commitments;
- concerns which otherwise appear more formal in nature, such as where a client has made it clear that they wish to make a formal complaint to someone other than the lawyer dealing with their matter.

As soon as it becomes clear that a concern raised must be dealt with formally under our feedback and complaints policy then an entry must be made on our central complaints log. The SRA's 2019 rulebook introduced a strict timescale of 8 weeks for either providing the client with a final response to a complaint or directing them to the Ombudsman so the sooner managers become aware of the issue the better. This allows us to record formal complaints on our complaints register for SRA and insurer reporting purposes. The notification form and register allow us to begin the complaints process (see our Feedback and Client Complaints Policy for more information) and spot trends / any reoccurring issues. It is therefore very important that these logs are updated.

It is not however necessary to log a matter where there has been a simple misunderstanding or any other issue arises which can be quickly and informally resolved to the complete satisfaction of the client without the need to follow the complaints process.

High risk behaviours when handling a complaint

Staff must never:

- charge a client for the time spent dealing with a complaint;
- pressure a client to drop their complaint;
- pressure a client not to raise their concerns with the Legal Ombudsman or SRA or other authority.

This does not mean that we should not seek to resolve complaints amicably and without the matter escalating further, we should. The client however should feel free to pursue their concerns as they see fit if they remain unsatisfied with the steps we have taken to resolve them.

Staff should not threaten or issue defamation proceedings in respect of a client complaint. If you genuinely feel that defamation proceedings are appropriate then discuss this with our key contact / owner for this area. There is significant risk of such action being viewed very dimly by our regulators. Our key contact / owner for this area will consider the relevant provisions and seek advice if necessary.

Common complaints

The Legal Ombudsman has published data on the most common issues which clients complaint about. We ask staff to bear these common client concerns in mind and take extra care to avoid them.

A failure to advise the client properly of all of the relevant issues and a failure to do what the client instructed are by far the two most common complaints made to the Ombudsman. These concerns could easily arise from a misunderstanding between the lawyer and the client about what the lawyer can do and is going to do for the client. We encourage staff to use plain language in communicating to clients where possible.

The following are also very common reasons for complaints being made to the Ombudsman from the perspective of the client:

- excessive costs;
- delay;

- insufficient costs information;
- failure to keep client information confidential;
- failure to keep the client informed; and
- failure to progress the client's matter.

Mistakes and other issues which may lead to a claim against us

You must inform your line manager and our Negligence and Indemnity Officer of claims and potential claims against us immediately (i.e. for professional negligence).

A line manager should take conduct of all such matters and they should be overseen closely by the Negligence and Indemnity Officer. For example, the Negligence and Indemnity Officer should approve the letter to the client notifying them of the problem.

Generally speaking we will:

- inform the client of the issue;
- explain what we have done or will do to resolve this (if appropriate); and
- advise the client that they may wish to take independent legal advice.

It may be appropriate in some cases to offer the client an apology but do not do so until you have been guided by your line manager and indemnity officer on this.

In some circumstances, where the problem is minor, we may be able to remedy the issue without the need for further advice to be taken by the client.

Being candid when things go wrong

The SRA's 2019 rulebook extended the duties to inform clients of problems beyond the circumstances in which potential grounds for a professional negligence claim arise. If 'things go wrong' then we should be frank and candid about the problem and the likely impact. That does not mean that clients need to be informed of very minor matters of no material relevance to them. However, if something has gone wrong and there will be an impact upon the client, even if it does not give rise to a negligence claim, then speak to your line manager and if necessary our COLP about how the issue should be reported to the client.

[For the purposes of Lexcel requirements, our Complaints Officer has overall responsibility for complaints].

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B12 Learning and development

All of our lawyers (i.e. fee earning staff and any other legally qualified individuals) must:

- satisfy their relevant regulatory CPD requirements during the year, which may include undertaking a set number of hours training in some cases;
- satisfy any mandatory training set by us from time to time, which may include for example undertaking a minimum number of hours per year of training in your area of legal expertise or completing certain courses on risks and compliance;
- keep a record of the professional development activities undertaken (see below for more detail).

Maintaining competence

On 1 November 2016 the requirement for solicitors to undertake a set number of hours of CPD training was replaced with a requirement to reflect upon your work and address identified learning and development needs. Solicitors are required to make an annual declaration in this respect along the lines of the following:

"I have reflected on my practice and addressed any identified learning and development needs."

In order to (a) meet the SRA requirement to deliver competent services and to train individuals to maintain competence and (b) ensure consistency of approach across our business, we require all of our lawyers to:

- **reflect** upon their work during the year in order to identify future CPD activities;
- **plan** their CPD activity at the year end for the year ahead in a CPD Plan;
- **record attendance and evaluate** how effective each CPD activity has been in achieving the goals set at the start of the year (and keep a record of this).

We have sought to adopt a consistent approach in this respect for all of our lawyers but it should be stressed that non-solicitors must ensure that they modify their approach where necessary to satisfy their regulator's requirements.

All lawyers have continuous professional development needs, even if it is simply staying up to date with changes in the law and regulatory obligations.

Reflection

When completing your CPD plan you should think about what training or work you can do over the coming year to maintain a high standard of legal expertise and skills and / or improve any weaker areas. You might also want to consider if there are areas of law where you could develop further expertise to improve our ability to offer a range of services to our clients (without ever straying beyond our abilities).

You should discuss with your line manager as part of the appraisal process whether there are any particular areas where your line manager feels that you would benefit from training or other development activity. You should also consider reviewing client feedback, complaints or claims in your area.

You might also find it helpful to consider the SRA's competence statement in which the SRA sets the standard which it expects lawyers to be able to meet in terms of maintain professional standards. The statement encompasses much more than knowledge of the law including ethics,

compliance, client care, research skills, drafting skills, negotiating skills, advocacy, working with other people and time management.

Finally, we as a business will from time to time specify certain training and development activities which we wish all staff members or certain parts of the business to undertake. This should be incorporated into your CPD plan.

CPD Planning

Having thought about the areas where you would like to focus your CPD activity for the coming year, staff should set this out in the CPD Plan. This is not fixed in anyway but should reflect broadly how you propose to develop and stay up to date during the year ahead. CPD could include:

- training courses;
- research and reading, such as monthly updates or specialist publications;
- discussion with colleagues;
- mentoring;
- networking;
- observing;
- coaching;
- secondments;
- file reviews.

Typically the CPD Plan will include the more formal activities planned for the year but staff are encouraged to record as much development activity as practicable as the year goes on.

If you would like to attend an external training course which incurs a cost then you should ensure that you have appropriate authority before committing to this.

Record attendance and evaluate the activity

After completing any CPD activity you should record in your CPD log:

- the type of CPD activity undertaken;
- the date;
- what topics or areas were covered;
- how the CPD activity will contribute to your work and maintaining / enhancing your knowledge or skills.

The progress made in terms of the training and development goals set should be kept under review informally throughout the year but also more formally as part of the appraisal reviews. If you consider that your CPD activity is not achieving the goals set for development then review and if necessary revise your CPD plan for the remainder of the year. It must be remembered that ultimately solicitors will need to sign a declaration at the end of the practising year to confirm that any identified learning and development needs have been addressed. More broadly the business also has a professional obligation to ensure that its staff remain competent and may at some stage need to demonstrate how it has done this. While it would be unusual for an isolated failure to complete a particular CPD activity effectively to compromise professional competency, if you are concerned that you may not be in a position to make the necessary declaration then you must inform your line manager immediately.

Management training

The SRA no longer sets mandatory management training requirements for all solicitors. However, as firm we do need to ensure that:

- we have at least one lawyer in our business who is ‘qualified to supervise’. Namely, a lawyer who has over three years experience practising within the last 10 years and has in the past completed at least 12 hours of learning in management skills;
- all of our managers fulfil the SRA requirements to maintain competence and supervise our work appropriately and have the proper experience and training to do so.

We do not set prescriptive requirements for training our managers but broadly speaking we expect managers to attend periodic training to improve management skills and HR issues.

Core training

All staff, regardless of background or qualification, must go through:

- a core induction training programme⁶ when they first join us; and
- a rolling programme of risk, compliance and standards training throughout their time with us.

Accreditation requirements

In addition, in accordance with Lexcel requirements:

- all non fee-earning staff are similarly required to reflect upon their work and plan and record development activity with input from their line managers;
- a training evaluation form will be sent to you for each formal training activity undertaken in the firm and this should be returned to HR as soon as possible;
- the learning and development section of our handbook will be reviewed annually by our [Training Officer].

In addition, in accordance with CQS requirements we must:

- ensure that relevant members of staff are aware of the CQS Core Practice Management Standards and the ways in which the practice complies;
- ensure that relevant members of staff understand and follow the National Conveyancing Protocol, where possible;
- ensure relevant CQS training is completed on time;
- ensure that relevant members of staff stay up to date in residential conveyancing, client care and risk management.]

In addition to the above, in accordance with the requirements of our Specialist Quality Mark (SQM), each supervisor is required to maintain and extend technical legal knowledge to a minimum of 6 hours per year (or equivalent for part-time staff) in the area of law being supervised. More broadly for publicly funded work it should be noted that we will of course comply with our contract obligations for supervision and training.]

Key contact / owner		Created:	
Last amended:		Last approved by:	

⁶ Our compliance logs include a suggested core training programme / rolling programme of training.

Last reviewed:		Last reviewed by:	
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