

Preparing for a Practice Standards Unit Visit

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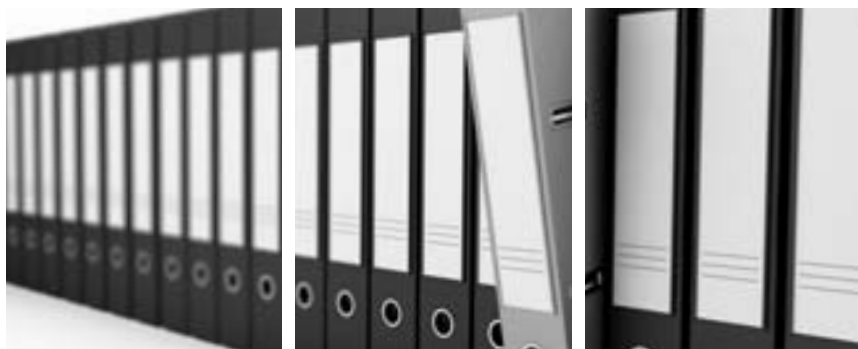
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VANESSA SHENTON



Contents

Executive summary.....	IX
About the author.....	XI
Acknowledgements	XIII
Disclaimer.....	XV
Chapter 1: Introduction.....	1
1.1 Practice Standards Unit visits	1
1.2 Visits from other units within the Solicitors Regulation Authority	3
1.3 The regulatory environment in context	3
1.3.1 Forensic Investigations Unit, over time	4
1.3.2 Regulatory action, over time	4
1.3.3 The PSU’s view of risk, over time.....	6
1.3.4 The PSU’s referral rates, over time	7
1.3.5 Adviser’s discretion	8
1.3.6 Future changes.....	9
1.4 What this guide covers	9
Chapter 2: The selection process.....	11
2.1 Sources of information available to the SRA	11
2.1.1 Public sources	11
2.1.2 Case history information.....	12
2.1.3 Complaints histories.....	12
2.1.4 Intelligence.....	12
2.1.5 Solicitors’ requirement to report	12
2.1.6 Accountants’ whistle-blowing provisions.....	12

2.1.7 Annual accounts reports 12

2.1.8 Practising certificate/recognition renewal application forms 13

2.2 The SRA's risk assessment process..... 13

2.3 Which unit might visit?..... 14

2.4 Different approaches 15

Chapter 3: Notification and preparation..... 17

3.1 Notice 17

3.2 The notification letter 17

3.3 The schedule 19

3.3.1 Information on the practice..... 19

3.3.2 Risk management procedures 20

3.3.3 Standard documents 20

3.3.4 Case information 22

3.3.5 Complaints and claims information 23

3.3.6 Accounts information 24

3.3.7 Referral arrangements 25

3.4 Information not on the list..... 27

3.5 What if you do not have it or it is less than perfect? 27

3.6 The questionnaires 29

3.6.1 Investment business questionnaire 29

3.6.2 Equality and diversity questionnaire 31

3.7 What the PSU adviser will do to prepare for the visit 33

Chapter 4: The visit..... 35

4.1 Introduction 35

4.2 Multiple offices..... 36

4.3 Structure of the visit..... 36

4.4 The initial meeting..... 37

4.4.1 Background..... 37

4.4.2 Work areas 37

4.4.3 Information and documents 37

4.4.4 Questionnaires 37

4.4.5 Equality and diversity..... 37

4.4.6 Investment business and general insurance 38

4.4.7 Money laundering.....	39
4.4.8 Rule 5 procedures.....	39
4.4.9 Complaints handling procedures.....	41
4.4.10 Solicitors’ Accounts Rules	41
4.4.11 Referral arrangements	41
4.4.12 Other information	42
4.5 Case selection	43
4.5.1 Random or targeted?	43
4.5.2 Initial selection criteria.....	43
4.5.3 Selection from your case list	44
4.5.4 Breaches of the Solicitors’ Accounts Rules	45
4.6 Review of documentation	45
4.6.1 Office manual/policy documentation	46
4.6.2 Standard client care documentation	46
4.6.3 Referral arrangements	47
4.6.4 Positive assurances from the PSU adviser?	48
4.6.5 Request for further documentation.....	49
4.7 Review of case files	49
4.7.1 The PSU adviser’s checklist.....	49
4.7.2 Other issues identified.....	50
4.7.3 A review of client ledgers.....	51
4.7.4 Rule 5 considerations.....	51
4.8 Review of complaints handling procedures	52
4.8.1 The PSU adviser’s role	52
4.8.2 A complaints handling policy for clients.....	52
4.8.3 Internal guidance for staff.....	52
4.8.4 Consistency of documents	53
4.8.5 Complaints register.....	53
4.8.6 Compliance with your own procedures.....	53
4.8.7 Trends analysis	54
4.9 Accounts review and meeting with cashier/accounts manager.....	55
4.9.1 Initial enquiries	55
4.9.2 Client account reconciliations	55
4.9.3 Office account checks.....	56
4.9.4 Issues from the case list and client ledgers.....	56

- 4.9.5 Old client balances.....57
- 4.10 Final meeting to discuss findings.....58
 - 4.10.1 Purpose of the final meeting58
 - 4.10.2 What if you disagree with the PSU adviser?.....59
- Chapter 5: Visit report and follow-up61**
 - 5.1 The visit report61
 - 5.1.1 Summary of visit61
 - 5.1.2 Standard client care documents.....61
 - 5.1.3 Publicity61
 - 5.1.4 Client care in practice.....61
 - 5.1.5 Complaints handling.....62
 - 5.1.6 Solicitors’ Accounts Rules62
 - 5.1.7 Financial Services (Conduct of Business) Rules 200162
 - 5.1.8 Records held by the SRA.....62
 - 5.1.9 Referrals of business.....63
 - 5.1.10 Equality and diversity.....63
 - 5.1.11 Rule 5 on business management.....63
 - 5.1.12 Conclusion.....64
 - 5.1.13 Summary of actions64
 - 5.2 Summary of actions and the firm’s response65
 - 5.2.1 Mandatory rules and non-mandatory guidance notes65
 - 5.2.2 Types of required actions.....66
 - 5.2.3 Assurances.....66
 - 5.2.4 Specific action67
 - 5.2.5 How should you respond to the report?.....68
 - 5.2.6 A key point: Start preparing now.....69
 - 5.3 Follow-up action69
 - 5.3.1 Satisfactory response.....69
 - 5.3.2 Reviews.....69
 - 5.3.3 Re-visits and referrals70
- Chapter 6: Referrals.....71**
 - 6.1 Types of referral71
 - 6.2 Identifying risk areas.....73

6.3 Issues to avoid	73
6.3.1 Solicitors' Accounts Rules breaches	74
6.3.2 Money laundering and mortgage fraud	74
6.3.3 Secret profits	74
6.3.4 Referral rule breaches	75
6.3.5 Fee sharing and separate business rules	75
6.3.6 Misleading clients	75
6.3.7 Commission	75
6.3.8 Rule 5 breaches.....	76
6.3.9 Failure to satisfy a previous report	76
6.4 The process and possible sanctions	76
6.4.1 SRA's enquiry with warnings letter	77
6.4.2 Firm's or individual solicitor's formal response	77
6.4.3 Further correspondence	77
6.4.4 Case worker's decision	77
6.4.5 Adjudication	78
6.4.6 Adjudicator's decision	78
6.4.7 Appeal.....	78
6.4.8 Regulatory settlement agreements	78
6.4.9 Solicitors Disciplinary Tribunal.....	79
Chapter 7: Recent changes and the future.....	81
7.1 New powers and SRA proposals	81
7.1.1 The new recognition regime and the power to impose conditions	82
7.1.2 Enhanced investigatory powers	83
7.1.3 New disciplinary powers	84
7.1.4 Charging for on-site inspections leading to a regulatory finding	84
7.2 The PSU's position	85
7.2.1 Conditions on recognition	85
7.2.2 Investigation meetings	85
7.2.3 New disciplinary powers	86
7.2.4 Charging for on-site inspections.....	86
7.3 Principles-based regulation	86

Chapter 8: Summary to the guide – Your priorities91

8.1 Introduction91

8.2 What you can do to prevent being selected for a visit92

8.3 Doing well during a PSU visit92

8.4 Avoiding risk areas93

8.5 Compliant business development94

8.6 An emphasis on Rule 5 of the Code of Conduct95

8.7 Do it now, don't leave it.....95

Index97

Executive summary

THE SOLICITORS Regulation Authority (SRA) Practice Standards Unit (PSU) visits around 1,000 law firms in England and Wales each year. The aim of these visits is to ensure compliance with the various regulations that govern law firm business, such as the Solicitors' Code of Conduct and the Solicitors' Accounts Rules. While the goal is to "assist practitioners to improve standards and services"¹ it is not surprising that these visits are viewed with some nervousness by firms, given the possible sanctions for breaches.

A well-run firm will take steps, before a visit is even announced, to ensure that its policies and procedures satisfy the relevant rules – and indeed that these are complied with by all individuals within the firm. In many cases it will be as simple as gathering all the pertinent information in one place and ensuring it is reviewed on a regular basis. For some firms, though, it will entail a far lengthier process. The message is clear: start preparing now, not when you have received notice of a visit.

This is a step-by-step guide to preparing for and surviving a PSU visit, from receipt of the notification letter to the closing correspondence that marks the end of the process.

Beginning with contextual information about the purpose of the visits and why your firm might be selected, the guide goes on to outline in detail the preparations that should be undertaken before the adviser arrives. Tips are provided throughout that will help you to organise and collate the relevant paperwork and understand what the adviser will be looking out for.

The guide outlines what is likely to happen during the two-day visit – how much time might be devoted to each issue, which staff should be available and what questions they may be asked.

After the visit, a report will be prepared by the PSU adviser, and the guide reveals what information this is likely to contain, what you should do if you disagree, and how to respond to ensure that the case is swiftly and

satisfactorily concluded. Whilst the majority of visits will only engender a number of 'required actions', more severe cases can involve referrals and even disciplinary action. The guide explains what this could mean, how to handle it – and, of course, how to avoid it in the first place.

The report concludes with a summary of priorities – key actions that every firm should take now, to ensure that it will be well prepared for any future visit.

Reference

1. Interview with PSU head Karen Nokes in 'Leading from the front', *SRA Update*, issue 9, August 2009.

About the author



VANESSA SHENTON is founder of The Compliance Partner, a consultancy that provides compliance and regulatory management advice and training to firms of solicitors, including assistance with SRA visits and enquiries. Vanessa has helped many firms to set up compliant systems and draft policy documentation needed in today's regulatory environment and has conducted mock PSU visits for firms across England and Wales.

Vanessa is a member of the Executive Committees of the Solicitors' Assistance Scheme and the Law Management Section of the Law Society. In May 2009 she was appointed to the Rules and Ethics Sub Committee of the Law Society's Regulatory Affairs Board. Through these committee memberships, Vanessa is able to keep up to date on all aspects of law firm regulation and any imminent changes which affect solicitors.

A non-practising solicitor, Vanessa is a former PSU adviser so has first-hand experience of PSU visits and the way the SRA operates.

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