



MONTHLY NEWSLETTER

Each month we provide our Retainer clients with a highly rated compliance bulletin covering what they need to know and what action they must take. Below is a summary of our compliance bulletin.

COMPLIANCE & MANAGEMENT

Banking facilities rule warning notice and case studies

The SRA is reminding firms of their obligations to ensure client accounts are not improperly used as a banking facility for clients or third parties. Firms must ensure that all payments into, and transfers or withdrawals from, a client account must be in respect of the delivery by the firm of regulated services.



FURTHER INFORMATION

The SRA's news release can be found at:

<https://www.sra.org.uk/sra/news/press/banking-facilities-ban-case-studies/>

The warning notice can be read at:

<https://www.sra.org.uk/solicitors/guidance/improper-client-account-banking-facility/>

The library of case studies can be accessed at:

<https://www.sra.org.uk/solicitors/guidance/improper-use-client-account-banking-facility/>

Legal Ombudsman Scheme Rules changes

In 2022, the Legal Ombudsman (LeO) announced it would implement a number of changes to its Scheme Rules from 1 April 2023. As the introduction of these changes approaches, LeO has updated its resources to help firms navigate the new Scheme Rules.



FURTHER INFORMATION

The SRA's news release about updated guidance can be found at:
<https://www.sra.org.uk/sra/news/sra-update-113-ombudsman-rules/>

The Law Society's news story can be read at:
<https://www.lawsociety.org.uk/Topics/Regulation/Whats-changing/Legal-Ombudsman-Scheme-Rules-changes>

LeO's guidance on the revisions to its Scheme Rules can be accessed at:
<https://www.legalombudsman.org.uk/media/xfrfzben/guidance-scheme-rules-april-2023.pdf>

LeO's Scheme Rules, applicable from 1 April 2023, can be read at:
<https://www.legalombudsman.org.uk/media/5rmlz3qd/scheme-rules-april-2023-final-amended-1702.pdf>

An FAQs document about the LeO Scheme Rules can be found at:
<https://www.legalombudsman.org.uk/media/4glh5rrq/guidance-scheme-rules-faq-april-2023.pdf>

Client account guidance updated

The SRA has recently updated its guidance in relation to the operating of a client account to now include an FAQ on firms' obligations to receive client money from their clients in transactions.



FURTHER INFORMATION

The SRA's full client account guidance, including the latest amendments, can be found at:
https://www.sra.org.uk/solicitors/guidance/operate-client-account/#collapse_6a1d

Applications to remain on the Roll

The SRA previously announced its intention to require all solicitors who do not hold practising certificates to apply to remain on the Roll of Solicitors. Further details have now been confirmed in advance of this change taking effect from April 2023.



FURTHER INFORMATION

The SRA has published on its website an FAQs page about keeping of the Roll. The FAQs can be found at:

<https://www.sra.org.uk/mysra/roll/faqs/>

SQE - a review one year on

The SRA has produced a suite of reports to review the success of the Solicitors Qualifying Examination (SQE) during its first year. These include reports from the assessment provider and an Independent Reviewer.



FURTHER INFORMATION

The SRA's news release on the reports can be accessed at:

<https://www.sra.org.uk/sra/news/press/sqe-annual-reports-2023/>

The assessment provider's report can be read at:

<https://sqe.sra.org.uk/docs/default-source/pdfs/reports/sqe-annual-report-2022.pdf>

The Independent Reviewer's report can be found at:

<https://www.sra.org.uk/sra/research-publications/sqe-independent-21-22/>

The quality assurance report can be accessed at:

<https://www.sra.org.uk/sra/research-publications/sqe-qa-report-21-22/>

The SRA's initial perceptions and experiences, as part of its 10 year evaluation programme, can be read at:

<https://www.sra.org.uk/sra/research-publications/sqe-year-one/>

AML & FINANCIAL CRIME

SARs and tipping off guidance

The Law Society has published two new guides on Suspicious Activity Reports (SARs) & tipping off & prejudicing an investigation.

The SARs guidance outlines the process for making a report, requesting a defence against money laundering (DAML) and what happens if firms fail to report suspicions.

The tipping off guide explains the offences of tipping off and prejudicing an investigation, and how to avoid these risks.



FURTHER INFORMATION

The guide on suspicious activity reports can be accessed at:

<https://www.lawsociety.org.uk/Topics/Anti-money-laundering/Guides/Suspicious-activity-reports>

The guidance on tipping off can be read at:

<https://www.lawsociety.org.uk/Topics/Anti-money-laundering/Guides/Tipping-off-a-client>

OFSI enforcement guidance updated

OFSI issues guidance to help relevant sectors comply with the sanctions regime and to identify designated individuals and parties attempting to circumvent sanctions.

The latest OFSI guidance issues an update on its enforcement policy, including where monetary penalties may be appropriate.



FURTHER INFORMATION

The full guidance can be accessed at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1143187/March_2023_Monetary_Penalty_and_Enforcement_Guidance.pdf

LEGAL AID

Revised Immigration & Asylum Specification

As a result of the Nationality and Borders Act 2022, a revised Immigration & Asylum Specification has been introduced to reflect the changes implemented. The changes resulting from the Nationality and Borders Act 2022 will take effect from 1 April 2023.



FURTHER INFORMATION

The LAA's news story can be read at:

<https://www.gov.uk/government/news/civil-news-revised-immigration-specification-published>

The new Immigration & Asylum Specification, currently in draft, can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147860/2018_Civil_Contract_Category_Specific_Rules_Asylum_and_Immigration_April_2023_.pdf

Interim Civil Contract Tender

The LAA has announced a new interim Tender for Standard Civil Contracts in all Categories and all Procurement Areas in England and Wales. This opportunity to Tender for Contracts is a temporary measure while the LAA can prepare a full Civil Contract Tender.



All Contracts awarded through this interim Tender will be effective for the period 1 September 2023 to 31 August 2024.

FURTHER INFORMATION

The LAA's news story about the Tender can be read at:

<https://www.gov.uk/government/news/civil-news-tender-for-additional-2018-standard-civil-contracts>

The LAA's Information for Applicants documents, which should be read thoroughly by any firm interested in submitting a Tender, can be accessed at:

<https://www.gov.uk/government/publications/civil-tender-activity-2023>

Extension offers for current Civil Contract holders

The LAA announced in October 2022 its intention to extend 2018 Civil Contracts by an additional year to 31 August 2024. The LAA has now contacted holders of 2018 Civil Contracts to offer these extensions. We understand that providers will need to accept the Contract extension no later than 09:00 on Friday 28 April 2023.



FURTHER INFORMATION

The LAA's news story about contract extension offers can be read at:
<https://www.gov.uk/government/news/civil-news-providers-being-sent-civil-contract-extension-offers>

More information about this contract extension can be found at:
<https://www.gov.uk/government/news/civil-news-extension-of-civil-contracts-until-31-august-2024>

DG LEGAL RETAINER SERVICE

Most of our clients prefer to use our services on a retainer basis simply because the cost is far cheaper than instructing us on an hourly rate or fixed fee basis. The scope and nature of the services provided tends to vary from firm to firm, as each organisation has different needs and priorities.

In addition to our monthly compliance bulletins, all of our retainer clients benefit from:

- assistance with quality assurance accreditations and audits, including Lexcel, SQM, CQS and WIQS
- drafting a suite of compliance documents and provision of templates
- telephone and email support
- guidance in relation to UK GDPR and data protection
- assistance with communications from the SRA, whether these relate to audits, thematic reviews or investigations
- assistance with LAA audits
- COLP & COFA compliance software
- discounted rates on premier training courses.

FURTHER INFORMATION

More information about our popular retainer service can be found at:
<https://dglegal.co.uk/services/retainer-service/>

To arrange a discussion with our team about how our retainer service may benefit your firm, please contact us using the details at the bottom of this newsletter.



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