

A practical guide to rule 5 (business management) of the Solicitors' Code of Conduct 2007

In an article in the Gazette (12 May 2009), Peter Williamson, chairman of the Solicitors Regulation Authority, warns solicitors against reducing their compliance and supervision during the recession.

We have, however, already encountered evidence of firms reducing the size of their risk management teams.

A key focus of the SRA's attention is compliance with rule 5 of the Solicitors' Code of Conduct 2007, which requires the managers of a practice to make arrangements for supervision and management.

You are required to put in place – and monitor – sound systems to check untrustworthy staff – and partners – in the firm. Failure to do so may make the principals liable to be disciplined, when their staff are dishonest.

Legal Risk LLP have produced '**A Practical Guide to Rule 5 (Business Management) of the Solicitors' Code of Conduct 2007**' to help firms with their compliance (price £10).

There has been a marked increase in firms asking for help in preparing for SRA inspections (both routine and otherwise), compliance checks on other areas such as referral arrangements, and advice on conflicts issues.

For legal advice on compliance, or to order a copy of the publication, e-mail info@legalrisk.co.uk or telephone **0845 330 6791**.

