

October 2010

Remember, remember the 6th of October!

This update is for lovers of 3 letter acronyms, our profession is full of them at the moment

LeO

Did you remember to change your website, terms of business and ensure full compliance with the rules and guidance in the new version of rule 2.05 on 06.10.10? If it's all passed you by (and with so much change taking place this year we would hardly be surprised) here is our quick reminder of the changes you need to make to remain compliant.

With effect from 6 October 2010 you must alter your firm's :

- Terms of business
- Bill heads
- Web sites
- Brochures
- Any other forms of publicity

to reflect the changes arising with the introduction of the Legal Ombudsman service (LeO). Bear in mind the terms of the amended guidance at note 47:

*The purpose of **2.05** is to ensure that clients know about their right to complain and how to do so and that clients are confident that if they have a complaint it will be dealt with promptly, fairly, and effectively, in accordance with a procedure that provides clients with effective safeguards. **The client's right to complain is an important public protection and it is not acceptable for the information required by the rule simply to be set out in your firm's terms and conditions; it will need to be drawn specifically to the client's attention.** (our emphasis)*

This means that you need to address two situations:

- * New clients - ensure the covering letter sending your firm's terms of business has a paragraph explaining how to complain; and,
- * Existing clients - you must draw their attention to the LeO procedures in the next letter you write to existing clients after 6 October 2010. We suggest these words:

"The Legal Services Act, 2007 came into force on 1 October 2007. Recently that part of the Act which affects complaints handling was implemented. Under our professional rules we are required to notify you of these changes. Therefore would you please note:

(i) In the event of a problem you are entitled to complain about our service and/or our bills;

(ii) Initially a complaint should be made in writing to [NAME];

(iii) This firm has a complaints procedure a copy of which will be made available to you on request or in the event you make a complaint

(iv) You also have the right to complain to the Legal Ombudsman at the conclusion of our complaint handling process. If you choose to exercise that right you must firstly allow us 8 weeks from notifying us of your complaint to seek to resolve your concerns. If we have not done so within those 8 weeks you may approach the Legal Ombudsman but you only have 6 months from your last contact with us in which to approach him.

(v) The Legal Ombudsman may be contacted at www.legalombudsman.org.uk, by phone on 0300 555 0333, email at enquiries@legalombudsman.org.uk or via post by writing to: PO Box 15870, Birmingham B30 9EB.

(vi) You may also be entitled to exercise a right to object to the bill by applying to the court for an assessment of the bill under Part III of the Solicitors Act, 1974; and,

(vii) If all or part of a bill remains unpaid we may be entitled to charge interest."

If you need any advice or assistance with claims handling under the new regime contact Tony Guise

t: 020 7264 0352

e: tonyguise@guisesolicitors.co.uk

ARP

Did you manage to secure your professional indemnity insurance by the end of September? If not then you are in the dreaded ARP (Assigned Risks Pool). However, you can get out of the ARP if you can place your insurance needs by the end of this month. The premium for the ARP will then be pro rata the time spent in the Pool.

If you need assistance with ARP related matters or if you closed your firm to avoid hefty premiums on renewal and now face issues relating to run-off cover please contact Sabina Rinker:

t: 020 7264 0353

e: sabinarinker@guisesolicitors.co.uk

ABS

This is one for 6 October **2011**. However, applications can be made from June 2011 and it's never too early to start planning with the new structures likely to unleash bigger competitive challenges in the core solicitor markets of private client, personal injury and conveyancing. We do not believe there is necessarily any cause for the gloom and despair which some commentators encourage. We are currently providing advice and seminars to regional law societies and private practice firms around the country under the title "Coping and Competing – surviving the ABSs"

If you decide to become an ABS then the most important issue is how to structure that engagement to avoid being shot for jumping the ABS gun as the SRA have threatened to do and have been doing with

gusto over Summer 2010.

If you are interested in learning more about the regulatory and commercial context for ABS as part of your firm's planning for next October please contact Tony Guise.

Our next seminar is in Newcastle-upon-Tyne on 14 October followed by Leeds on 21 October. The Newcastle flier is attached. If you want to join the Leeds seminar please contact Leeds Law Society.

For a no obligation chat on any ABS related issue please contact Tony Guise:

t: 020 7264 0352

e: tonyguise@guisesolicitors.co.uk

This technical paper has been written as a general guide only. It should not be relied upon as a substitute for specific legal advice. No responsibility can be accepted by the author or the firm for any loss occasioned as a consequence of acting or refraining from action on the basis of this paper.

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