

SRA Amendment to Regulatory Arrangements Rules 2011

Rules dated 20 December 2011 made by the Solicitors Regulation Authority Board, subject to the coming into force of The Legal Services Act 2007 (Designation as a Licensing Authority) (No.2) Order 2011.

Made under Part I, Part II, sections 79 and 80 of, and paragraph 6B of Schedule 1 to, the Solicitors Act 1974 and sections 9 and 9A of, and paragraphs 14A, 14B and 32 to 34 of Schedule 2 to, the Administration of Justice Act 1985, paragraphs 2 and 3 of Schedule 14 to the Courts and Legal Services Act 1990 and section 83 of, and Schedule 11 to, the Legal Services Act 2007, with the approval of the Legal Services Board under paragraph 19 of Schedule 4 to the Legal Services Act 2007.

Coming into force on 23 December 2011.

- 1.1 The instruments referred to in Column (1) of the table set out below shall be amended in accordance with the corresponding entry in Column (2).

(1) Instrument	(2) Provision
SRA Code of Conduct 2011	<p>In Chapter 1: Client care, in O(1.16), insert "current" before "clients".</p> <p>In Chapter 3: Conflicts of interests, in the fourth paragraph of the introduction to the chapter, replace "Outcomes 3.6 and 3.7" with "Outcomes 3.6 or 3.7".</p> <p>In Chapter 14: Interpretation, in the definition of "separate business", after "<i>in-house practice</i>" insert "or an <i>overseas practice</i> permitted by the SRA Practice Framework Rules 2011".</p>
SRA Accounts Rules 2011	<p>In rules 8.2(d), 9.1(e), 10.1(b) and 12.6(c), replace "production of records" with "production of documents, information and explanations".</p> <p>In rule 12.6(b), replace "accounting records for client money" with "accounting records for client accounts, etc."</p> <p>At the end of each of sub-paragraphs (b), (c) and (d) of rule 12.7, delete "and".</p> <p>In rule 13:</p> <p>(a) delete the text of rule 13.6 and insert "[Deleted]"; and</p> <p>(b) insert "or article 4 of the Legal</p>

Services Act 2007 (Designation as a Licensing Authority) (No. 2) Order 2011 as appropriate” at the end of guidance note (iii) to rule 13.

At the beginning of guidance note (ii) to rule 14, replace “Rule 14.2(a) to (d)” with “Rule 14.2(a) to (e)”.

In guidance note (i)(d) to rule 22:

- (a) delete “and therefore” in the first sentence and replace with “meaning that”;
- (b) after “interest earned on the latter type of account is” in the first sentence, insert “, in theory,”;
- (c) after “In practice,” at the beginning of the second sentence, insert “however,”;
- (d) for the third and fourth sentences, substitute: “The tax regime still treats interest arising on money held in a separate designated client account as belonging to the client, and requires banks to deduct tax at source from that interest (subject to the tax status of the individual client) and credit the interest to the separate designated client account. This makes it impracticable for firms to retain any part of the interest earned on a separate designated client account.”.

In rule 29.17(a), delete “all documents or other records required by rule 29.1 to 29.10 and 29.12 to 29.16 above;” and substitute “all documents or other records required by rule 29.1 to 29.10, 29.12, and 29.15 to 29.16 above;”.

In rule 29.24(c), after “original cheques and” insert “original hard”.

In the last paragraph of rule 35.1(a):

- (a) delete “if required to do so under” and substitute “in

	<p>accordance with”;</p> <p>(b) insert at the end of that paragraph: “or article 3(1) of the Legal Services Act 2007 (Designation as a Licensing Authority) (No. 2) Order 2011 as appropriate”.</p> <p>In the definition of “practice from an office” in rule 48.2, delete the comma after the words “sole practitioner”, and amend the numbering of the second paragraph to read “(ii)”.</p> <p>In paragraph 5.6 of the Guidelines for accounting procedures and systems at Appendix 3 of the rules:</p> <p>(a) delete “6 years” in the first bullet and substitute “six years”;</p> <p>(b) delete “2 years” in the second bullet and substitute “two years”.</p>
<p>SRA Training Regulations 2011 – Part 1 – Qualification Regulations</p>	<p>In regulation 1.2, in the definition of “satisfactory completion” at (ii), delete “here” and substitute “where”.</p> <p>In regulation 25.1(b), after “annual leave” delete “, for a minimum of 20 days and a maximum of 25 days” and substitute “in accordance with the Working Time Regulations”.</p> <p>In regulation 30.1:</p> <p>in (c)(ii) delete “and”;</p> <p>delete “(d) <i>satisfactorily completed</i> the <i>PSC</i>”;</p> <p>after (c)(ii), after “<i>contract</i>”, insert “, but must <i>satisfactorily complete</i> the <i>PSC</i>, in accordance with regulation 29.2(b)”.</p>
<p>SRA Higher Rights of Audience Regulations 2011</p>	<p>In regulation 1.2, delete the definition of CPD and substitute “means continuing professional development, namely, the training requirement(s) set by <i>us</i> to ensure <i>solicitors</i> and <i>RELS</i> maintain competence.”</p>

SRA Suitability Test 2011	<p>In guidance note (iii) to paragraph 1.3, delete “would be discoverable when we carry out a PNC check” and substitute “will be shown on a PNC printout, which <i>you</i> may be required to submit to <i>us</i>”.</p> <p>In guidance note (i) to paragraph 10.1, after “persons/entities” insert “. Therefore, corporate convictions cannot become spent”.</p>
SRA Indemnity Insurance Rules 2011	<p>In the definition of <i>private practice</i> in Appendix 4 (Definitions):</p> <p>delete "or" at the end of paragraph (c)(vi);</p> <p>insert "or" after the semi-colon at the end of paragraph (d); and</p> <p>insert a new paragraph (e) as follows:</p> <p>“(e) in respect of a sole <i>solicitor</i> or a sole <i>REL</i>, <i>practice</i> consisting only of:</p> <ul style="list-style-type: none"> (i) providing professional services without remuneration for friends, relatives, or to companies wholly owned by the <i>solicitor</i> or <i>REL</i>'s family, or registered charities; and/or (ii) administering oaths and statutory declarations; and/or (iii) activities which could constitute practice but are done in the course of discharging the functions of any of the offices or appointments listed in paragraphs (c)(i) to (vi) above. "
SRA Compensation Fund Rules 2011	<p>In rule 2.12(d), after “SA” insert “or Schedule 14 to the LSA”.</p>
SRA Financial Services (Conduct of Business) Rules 2001	<p>In rule 3.3, delete www.fsa.gov.uk/register and substitute www.fsa.gov.uk/register/home.do</p>

1.2 These rules come into force on the date of the approval of the Legal Services Board or on the coming into force of The Legal Services Act 2007 (Designation as a Licensing Authority) (No.2) Order 2011, whichever is the later.