

## Guidance

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#### **Key points for governing boards, chief executives and senior officers in organisations employing in-house solicitors**

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Published: 18 November 2024

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### Status

This guidance is to help you understand your obligations and how to comply with them. We will have regard to it when exercising our regulatory functions.

[What has changed since the last version? \[#changed\]](#)

### Who is this guidance for?

This guidance is for any organisation that employs an in-house solicitor, to help you to understand the regulatory duties and standards they must comply with.

This guidance is for senior executives and non-executives (or equivalent), as well as HR professionals and those who are responsible for managing and supervising solicitors and legal teams.

### Purpose of this guidance

The guidance has been developed to assist boards and leaders of organisations that employ in-house solicitors, to better understand the varied role(s) and responsibilities of the in-house solicitor. It aims to facilitate discussions about the mutual expectations of both parties.

General Counsel and in-house legal teams play a key role in helping organisations to behave legally, fairly and ethically by:

- supporting good corporate governance
- improving accountability



- managing risk
- supporting robust evidence based and lawful decision making and
- supporting and enhancing a strong ethical culture within the business.

Working with in-house solicitors to achieve these aims means that companies can meet the standards set out within the [Financial Reporting Council's Corporate Governance Code](https://www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/) [https://www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/], even where this is not a requirement. This code emphasises the value of good corporate governance and the need to promote a culture of openness and debate.

All solicitors, whether in-house or in private practice, must comply with the standards set out in the [SRA's Code of Conduct](https://upgrade.sra.org.uk/solicitors/standards-regulations/code-conduct-solicitors/) [https://upgrade.sra.org.uk/solicitors/standards-regulations/code-conduct-solicitors/] and [Principles](https://upgrade.sra.org.uk/solicitors/standards-regulations/principles/) [https://upgrade.sra.org.uk/solicitors/standards-regulations/principles/]. These outline the fundamental rules of ethical behaviour we expect them to uphold. These standards require them to act in the best interests of clients.

Solicitors are also required to act with integrity and independence and in a way that upholds the rule of law and the proper administration of justice and public trust and confidence in the solicitors profession. These duties are designed to safeguard the wider public interest and take precedence over the interests of individual clients. In-house solicitors must adhere to these professional obligations while fulfilling their contract of employment.

Where a solicitor is found to be in breach of those standards, we can take enforcement action, which in the most serious cases could lead to the solicitor being struck off the roll of solicitors.

## **How solicitors may work within your organisation**

In-house solicitors can have visibility over the whole business and are often referred to as being both a trusted adviser and business partner. They can be involved in operational risk management and strategic decision making. They may have a role supporting your Audit or Finance Committee, act as Company Secretary, or act in a compliance role advising on requirements under the Companies Act or from regulators such as the Financial Conduct Authority or the Charity Commission. They are well placed to identify and intervene where they see wider risks and issues in the business.

One of the key benefits of having in-house solicitors is that they are embedded in an organisation and can provide tailored advice that is both business-orientated and aligned with the strategy and values of the organisation. This means that the advice you receive will be practical, bespoke to the needs of your business and can consider long term objectives.

Whilst this has numerous advantages for the business, it can present as a challenge where the activities of a business come into conflict with a solicitor's professional obligations. An open and supportive environment will allow solicitors to meet their professional obligations.

There are occasions where commercial interests will not be aligned with regulatory interests or the public interest. This means that an in-house solicitor will, on occasion, need to inform you that they have a concern that something improper or unethical may be taking place within the organisation.

In doing so, solicitors can support organisations to take lawful and ethical actions, and help to prevent corporate scandals and collapses.

This is a valuable function of the solicitor's role. In-house solicitors should be empowered and supported to raise concerns. A solicitor should not be disciplined or punished for doing so.

Boards can support their in-house teams by:

- encouraging effective reporting lines for raising concerns
- developing dedicated policies and controls to record and report risks, and manage conflicts and confidentiality
- implementing systems and support to ensure they are able to provide competent services.

These measures will help in-house solicitors fulfil their professional duties and support your organisation to achieve its goals.

## **What has changed since the last version?**

The following summary outlines the key changes made since the draft guidance was published in March 2024. It reflects both the input from respondents and our commitment to delivering clear, practical guidance that supports in-house solicitors.

**You said:** The guidance should clearly define its purpose and scope to ensure it is applicable to all relevant stakeholders.

**We did:** We specified that the guidance is intended for any organisation employing in-house solicitors, and all those responsible within organisations including senior executives, non-executives, HR professionals, and those responsible for managing legal teams.

We placed the key points for board and executive officers into a separate document, to increase its accessibility for this audience.

## **Further help**

We have produced a suite of guidance to support in-house solicitors which you may find it useful to read, relating to:

## **Related guidance**

- [Identifying your client when working in-house](https://upgrade.sra.org.uk/solicitors/guidance/identifying-client-working-in-house-guidance/)  
[\[https://upgrade.sra.org.uk/solicitors/guidance/identifying-client-working-in-house-guidance/\]](https://upgrade.sra.org.uk/solicitors/guidance/identifying-client-working-in-house-guidance/)
- [Internal investigations](https://upgrade.sra.org.uk/solicitors/guidance/internal-investigations/) [\[https://upgrade.sra.org.uk/solicitors/guidance/internal-investigations/\]](https://upgrade.sra.org.uk/solicitors/guidance/internal-investigations/)
- [Legal professional privilege when working in-house](https://upgrade.sra.org.uk/solicitors/guidance/professional-privilege-in-house/)  
[\[https://upgrade.sra.org.uk/solicitors/guidance/professional-privilege-in-house/\]](https://upgrade.sra.org.uk/solicitors/guidance/professional-privilege-in-house/)
- [Reporting concerns about wrongdoing when working in-house](https://upgrade.sra.org.uk/solicitors/guidance/reporting-concerns-wrong-doing-working-in-house-guidance/)  
[\[https://upgrade.sra.org.uk/solicitors/guidance/reporting-concerns-wrong-doing-working-in-house-guidance/\]](https://upgrade.sra.org.uk/solicitors/guidance/reporting-concerns-wrong-doing-working-in-house-guidance/)
- [Understanding in-house solicitors professional obligations employer](https://upgrade.sra.org.uk/solicitors/guidance/understanding-in-house-solicitors-professional-obligations-employer/)  
[\[https://upgrade.sra.org.uk/solicitors/guidance/understanding-in-house-solicitors-professional-obligations-employer/\]](https://upgrade.sra.org.uk/solicitors/guidance/understanding-in-house-solicitors-professional-obligations-employer/)