



The  
Strategic  
Partner



PROPERTY  
DEPARTMENT  
UPDATE -  
PROTECT  
YOUR FIRM

# Stamp Duty Holiday Warning

**With the Stamp Duty Holiday Scheme due to end 31st March 2021 we are still seeing firms that are not advising their clients that they CANNOT guarantee completion by the end date, and should the matter not complete Stamp Duty will be payable at the same rates as before the 'Holiday' was introduced.**

If your firm has not updated your client care letter for property matters with a short paragraph confirming that you cannot guarantee the completion of the matter by the 31st March 2021 due to a range of factors outside of your control, it is imperative that you do so now.

Prudent firms will also ensure that when quoting for new matters that in the quotation for legal fees and other expenses etc that Stamp Duty is quoted at the full rates (with reference to the lower rates).



# Introduction



Firms who do not make it clear to the clients that the scheme is coming to an end and that the payment of Stamp Duty may be at the full rates puts the firm at risk of criticism by the client and at best can expect a compliant and at worst can expect a negligence claim.

With the market reporting a number of delays, particularly with searches and also that property departments in most law firms are generally busy, there is no guarantee that matters can be completed by the cut-off date. This applies more now than ever due to these reasons and some of these delays are outside of a firm's control and influence.

If you have cases in your firm where you believe completion by the 31st March 2021 is not possible or at risk, then it would be wise to update the client before they commit to the transaction and ensure they wish to proceed regardless of the position with the Stamp Duty.

**To avoid negative consequences firms must update their client care letter and/or quotation process.**

# Off Plan Purchases

**Firms are also well advised to ensure that when they are instructing on an off-plan purchase matter that the client is clearly advised of the risks associated with such cases.**

Firms who fail to warn their clients that off-plan purchases carry additional risks are putting themselves at risk, again from a complaint or allegations of negligence.

A simple warning to the client on the following lines could prove to protect the firm in the event an issue arises with an off-plan purchase.

*“Your instructions are for us to assist you with the purchase of an ‘off -plan’ purchase. We wish to bring to your attention that there are some additional risks associated with this type of property purchase. These risks may occur in the event the build of the property is delayed, the developer is unable to complete the property build, or fails to complete the property build. If the failure to complete is due to the developer going into administration this may result in the loss of any monies and fees paid.*

*You should also be aware that if you are using a mortgage to acquire the property and the developer is unable to obtain the appropriate building regulation consents, the Lender may withdraw the mortgage offer. Furthermore, if the mortgage offer expires before the property is ready for completion the Lender will be required to re-assess and re-issue the mortgage offer which, in limited circumstances, may result in changes or refusal to provide a further mortgage offer. We bring these matters to your attention, so you are aware of the possible risks involved in this transaction”.*

# Our Services

At The Strategic Partner, we work with firms to assist them with the management of risk, compliance and, regulation through our two compliance solutions.

We always provide bespoke services as we recognise that every law firm is different. It is essential to provide guidance, consultancy, written documents, and procedures that meet the exact requirement of the firm to overcome rather than provision templated solutions.

Our solutions are cost-effective and provide firms with the necessary solutions to comply with the:

- Codes of Conduct
- Regulations including AML
- Other legalisation that affects law firms

You can view our compliance services by clicking on the links below.

- [Regulation & Compliance Services including AML](#)
- [Compliance & AML Guidance and Administration Service](#)

**These are comprehensive packages set at affordable prices for all firms. For more information about our Regulation & Compliance Service, you can call us on 0203 911 9710 or you can email us at [info@thestrategicpartner.co.uk](mailto:info@thestrategicpartner.co.uk).**

# How we can help

For more information on The Strategic Partner and to discuss how we may be able to assist in accelerating your risk management or compliance and regulation or simply to keep this up to date you can call us on 020 3911 9710 or email us [info@thestrategicpartner.co.uk](mailto:info@thestrategicpartner.co.uk).

[The Strategic Partner](#) provides essential support to law firms. We offer a range of services and consultancy tailored to the Legal sector including guidance and services for regulation and compliance including AML. We have gained a wealth of knowledge and experience in the overall management of law firms and work with them to achieve profitability, stability, and efficiency. Our goal is to become a valued and respected partner to our member law firms providing high-quality services and solutions at all times.

We would be very happy to discuss your current approach to regulation and compliance and how our services will assist you in ensuring your firm is protected.



[www.thestrategicpartner.co.uk](http://www.thestrategicpartner.co.uk)  
0203 911 9710

The  
Strategic  
Partner