



Risk, Regulation and Compliance Service including AML

Essential business services to empower your law firm

Index

In this brochure, you will find out more about what is included within our Risk, Regulation and Compliance Service, including AML;

Page

1	.....	Cover
2	.....	Index
3	.....	Overview
4	.....	Our Service
		- Policies & Procedures
		- Notification Forms and Registers
		- Regulation 18 Risk Assessment
		- Standard Training
		- Auditing
		- Reporting
		- Helpline
		- Briefings and Newsletters
		- Additional Audit Days
		- Additional Training
6	.....	CQS and CPMS Add on
7	.....	LEXCEL Add on
9	.....	Insurance Distribution Add on
9	.....	Regulation 21 Independent Audit Add on
9	.....	Website Policies Add on
10	.....	The Costs
11	.....	About TSP

Our Risk, Regulation and Compliance Service including AML has been devised to provide law firms with an effective solution for the management and control of compliance with the SRA Standards and Regulations and the Anti Money Laundering Regulations across your firm.

Our service is an annual subscription that provides firms with ongoing support from The Strategic Partner's compliance team and ensures your firm has in place appropriate and compliant Policies, Controls and Procedures (PCPs) that are maintained by us.

Overview

Our standard service includes the following core elements:

1. A set of policies, controls and procedures (PCP's) that ensures the firm is compliant with the appropriate codes of conduct, regulation and legislation.
2. The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and The Money Laundering and Terrorist Financing (Amendment) Regulations 2019 and further amendment 2022.
 - The Proceeds of Crime Act 2002 (POCA)
 - Terrorism Act 2000
 - Terrorist Freezing Act 2010 and ISIL and Al-Qaida Regulations 2011
 - UK GDPR incorporating the Data Protection Act 2018
 - Legal Sector Affinity Group Anti-Money Laundering Guidance for the Legal Sector
3. 2021 Ongoing updates to these policies, controls and procedures as the firm, best practice, legislation and regulation changes.
4. A Training presentation to accompany the PCP's.
5. An annual audit of files and interviews with staff to ensure policies and procedures have been understood and implemented.
6. A written report with the outcome of the audit.
7. Various Checklists to help guide staff and implement best practice.
8. Onsite or live video conference training covering core elements of the Codes of Conduct, regulation and compliance, your policies and their application, Anti Money Laundering and UK GDPR.
9. A regulation helpline for use by the firm to seek guidance or ask for assistance.
10. Updates and newsletters providing appropriate information and updates.
11. An annual firmwide Regulation 18 risk assessment to comply with the Anti-Money, Laundering Regulations and Codes of Conduct. This document is written after a discussion with you, where we will identify risks and provide solutions to manage and control them.

The combination of the actions we take on a firm's behalf, ensures that firm is managed in a compliant environment and its staff are fully aware of their responsibilities, and that the firm can independently evidence compliance.

1. Our Service - The Detail

1.1 Policies and Procedures

We will either review and update your existing policies to ensure they are up to date and reflect what you do in practice OR we will replace policies that are out of date or do not exist.

On an ongoing basis we will maintain and monitor your policies and procedures to ensure they remain up to date and relevant.

These policies and procedures include: -

- Anti-Bribery and Corruption
- Anti-Money Laundering (AML)
- Audit and Supervision
- A Variety of Templates, Documents and Precedents
- Business Continuity
- Client Care
- Complaints (external)
- Compliance Plan
- Complaints Management (internal)
- Conflicts
- Confidentiality and Disclosure
- Consumer Contracts
- Cyber & IT Security
- Data Protection Information Notice (Clients)
- Data Protection Privacy Notice - Employment
- Data Protection Privacy Notice - Recruitment
- Data Retention
- Due Diligence Checklists (for AML purposes)
- Equality and Diversity
- Financial Sanctions
- Flexible Working
- GDPR and Data Protection
- Homeworking
- Internet and Email
- IT and Cybersecurity
- Learning and Development
- Remote Working
- Risk Assessment Form
- Risk Guidance for Staff
- Social Media and Website Policy
- Source of Funds & Source of Wealth
- Tax Evasion
- Undertakings
- Vulnerable Clients
- Whistleblowing

1.2 Notification Forms and Registers

We will ensure the firm has a set of Notification Forms and Registers enabling the staff to notify issues as they arise and for compliance officers to record, investigate and store relevant information. The notification forms and registers include: -

- Bankrupt or Insolvent Clients
- COFA
- COLP
- Complaints
- Conflict or Potential Conflict
- Data Breach
- DBS Check Register
- Declined Instructions
- File or Data Removal
- File Review Corrective Actions (optional)
- GDPR / Data Breach
- Gifts & Hospitality
- High Risk
- IT/Cybersecurity Breach
- Negligence or Potential Negligence
- Suspicious Activity Report (SAR)
- Training
- Trusts (optional)
- Undertakings

The Strategic Partner offers an extended service where we provide guidance and manage the registers on the firm's behalf. Further details can be provided.

1.3 Regulation 18 Risk Assessment

A detailed analysis of the Firm with a written risk assessment that highlights all areas relevant to your Firm and setting out how the Firm will manage, control or remove the risks posed by clients and matters that you handle.

This is a compulsory review that all regulated Firms must perform annually.

1.4 Standard Training

A suite of standardised training presentations which will cover: -

- SRA update and compliance with the Standards & Regulations
- Training on the firm's Policies, Controls and Procedures (PCPs)
- Anti-Money Laundering inc. Risk Management, Source of Funds and Source of Wealth
- GDPR and Data Protection
- Insurance Distribution Training (where applicable)

1.5 Auditing

- An annual audit for which we will attend your premises to undertake staff and file audits to evidence the effective implementation of policies and procedures.
- This will be an interactive and detailed review of the firm and additional audit days can be agreed as required.
- Additional audits will usually be relevant if the firm has more than one office or the volume of work processed by the firm dictates that one audit day may be insufficient.

1.6 Reporting

An annual report detailing an overview of the compliance activities undertaken and the outcome of the audits undertaken.

- An annual risk assessment, providing evidence of the firm's consideration and categorisation of risk.

1.7 Helpline

- A helpline dedicated to members of the service, enabling them to raise questions and queries as needed on the issues of regulation and compliance, where we will provide initial guidance and advice as needed.

1.8 Briefings and Newsletters

- Regular briefings and newsletters providing members with news on updates and changes to the regulatory platform and legislation that impacts on law firms and their compliance and regulation requirements.

1.9.1 Additional Audit Days (additional cost)

- Provision of additional audits days to ensure firmwide compliance. Usually required for firms with multiple departments or offices.

1.9.2 Additional Training (additional cost)

- Provision of additional Training . Usually required for firms with multiple departments or offices.

- Bespoke training topics required by the firms as needed.

2. CQS and CPMS Add on

For firms that are members of the CQS scheme, you will require some additional policies. Our CQS add on provides property firms with additional PCPs and checklists.

The 2022 CQS update requires a firm to significantly enhance its Policies, Controls and Procedures (PCPs) to meet the requirements of the standard. Although all of our documents follow best practice, CQS extends the requirements of a firm to set out certain elements that are beyond those required by the SRA and Codes of Conduct and therefore firm's that do not have the CQS Standard.

This add on requires TSP to collate information about the firm and property department alongside process maps for the way in which certain elements of your service are delivered.

This add on includes: -

1. CPMS Policy

- a) Firm Structure and Strategy inc roles and positions
- b) Business Continuity Plan overview and testing
- c) Financial Management statement
- d) Risk Management overview and reporting
- e) Matter and Case Management overview
- f) Data Protection and Data Management overview
- g) Stamp Duty Land Tax - Welsh Land Transaction Tax
 - External Advice and Reports
 - External Advice and Reports
 - SDLT/LTT Avoidance Schemes
- h) Leasehold Property Purchases additional considerations
- i) Learning and Development including additional training for the Property Department
- j) Requisition and Priority Period management
- k) Acting both sides guidance
- l) File Auditing and Supervision requirements

- m) Client Care statement
- n) New enquiry process map and management
- o) Fees and Timescales
- p) Lender Engagement
- q) Undertakings management
- r) DBS Checks
- s) CQS Renewal
- t) Staff schedule

2. Mortgage Fraud Policy

3. Outsourcing Policy inc register of approved experts and suppliers

4. Policy and Process map identifying where each policy provided meets the standard

5. Business Continuity Test template

6. Annual Risk Assessment template

7. Checklists

- Exchange (sale and purchase)
- Completion (sale and purchase)

8. Policies Controls and Procedures Map – a spreadsheet that sets out the requirements of the standard and where they can be located in each of the policies.

9. Learning and Development Plan - setting out the Firm's approach to learning and development for individuals.

As with all policies we manage for you, we will keep these updated in the event of changes to the Standard or best practice guidance.

TSP also provides a CQS Management Service where we will manage, on behalf of the firm the monitoring of the standard including the renewal and re-application process. For more information contact us.

3. LEXCEL Add on

Whilst all policies we provide under the standard service will meet the requirement of Lexcel where required, there are additional requirements for Lexcel Firms which you can access as part of the Lexcel Addon. We do not include these additional policies and procedures in the standard service as not all firms are members of the Lexcel scheme and therefore are not required to have these additional elements.

For firms that are members of the Lexcel scheme, you will require some additional information in your standard Policies, Controls and Procedures (PCPs) to meet the requirements of Lexcel. If you elect from this addon service, we will work with you to ensure that all of you are provided with the additional policies to meet the requirements of the standard in addition to providing an annual risk report as required by Lexcel by reviewing and reporting on the key risk areas identified by the standard.

This addon ensures we identify each of each of these specific requirements of Lexcel and adapt your PCPs to meet the requirements.

Some of these procedures will require your input for us to adapt the policy to meet how you Firm deals with certain matters.

This addon also includes: -

1. Additional Lexcel required policies – Additional policies that are specifically required by the Lexcel standard: -

- a. **Corporate and Social Responsibility** – which sets out how the Firm addresses corporate and social responsibilities.
- b. **Health and Safety** – which sets out the firms processes and procedures for compliance with the health and safety legislation
- c. **New Business Enquiries** – which sets out how the firm deals with new enquiries from both new and existing clients.
- d. **File Management Policy** – which sets out how the firms creates and manages files on an ongoing basis

2. Annual Compliance Report - Your Compliance manager will complete your annual risk overview which provides an annual overview of: -

- a. Negligence Claims and Circumstances
- b. Conflicts
- c. Complaints and Trends
- d. File Review Analysis
- e. SRA Breaches and Notifications
- f. Data Breaches

3. Policies and Procedures Process map – A spreadsheet identifying where, in each policy, the requirements of the Lexcel standard are met, who is responsible for the policy and when it was last updated and the date of the next update.

4. Additional Registers for:

- a. Suppliers
- b. Experts
- c. Barristers
- d. Software and Software Updates
- e. Information Assets

5. A Learning and Development Plan - setting out the Firm's approach to learning and development for individuals.

6. Post Training Course Evaluation Form – enabling training delegates to provide feedback on training.

As with all policies we manage for you, we will keep these updated in the event of changes to the Standard or best practice guidance.

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TSP also provides a Lexcel Management Service where we will manage, on behalf of the firm the monitoring of the standard including the renewal and re-application process. For more information contact us.

TSP also provides a Lexcel Management Service where we will manage, on behalf of the firm:

1. The monitoring of the standard on an ongoing basis.
2. Preparing the firm and staff for the annual assessment
3. Booking the Annual Assessment and liaising with the Assessor
4. Preparing all documents for the assessment.
5. Completing the renewal and re-application process.

4. Insurance Distribution Add on

For firms who are involved in Insurance Distribution activities by recommending insurance/ indemnity insurance to their clients, there is a requirement to ensure compliance with the FCA rules on insurance distribution.

This will include the following: -

- FA8 completion, as necessary
- Insurance Distribution Policy
- Generic Needs and Demands Statements for each category of law where the firm has insurance distribution activities.
- Training Presentation for staff to understand and meet the requirements

5. Regulation 21 Independent Audit Add on

The SRA has set an expectation for Law Firm's to provide a perform an independent audit as part of their compliance with regulation 21 of the MLR 2017.

TSP will perform a full regulation 21 audit every 2 years which will include:

- Additional file reviews to confirm compliance with the firms PCPs.
- Additional staff interviews
- An overview of the PCPs and any changes
- An overview of the risk registers and activity
- General recommendations

All will be presented in a detailed report for the Senior Management of the firm to demonstrate compliance with the requirements of the MLR 2017.

We recommend the extended regulation 21 audit is performed every 2 years. The cost per annum is therefore £1200 for members and £1500 for non-members (our stand alone regulation 21 audit for non-compliance service firms is £3500 - £4000 per audit providing firms with the service a significant discount).

6. Website Policies Add on

As part of the Website policies Add on service you will receive bespoke documents to ensure your website meets the requirement of the UK GDPR. The additional policies will include:

- Cookie Policy
- Privacy Policy
- Terms and Condition of Use

The cost of these additional documents is £120 for members and £150 for non members per annum.

6. The Cost

The following table sets out the cost of the service to both Members of The Strategic Partner and Non-Members: -

Service	Members		Non-Members	
	Annual Cost	Monthly Cost	Annual Cost	Monthly Cost
Compliance Regulation Service	£3,600.00	£300.00	£4,200.00	£350.00
CQS Additional Policies & Annual Risk Assessment	£500.00	£42.00	£750.00	£62.50
Insurance Distribution Add On	£100.00	£8.50	£150.00	£12.50
Additional Compliance Audit Days <i>(1 included in compliance regulation service)</i>	£1,250.00	£105.50	£1,500	£125.00
CQS File Reviews (per day)	£1,200.00	£100.00	£1,400.00	£117.00
Additional Training Session covering AML, Codes of Conduct & GDPR <i>(1 included in compliance regulation service)</i>	£1,250.00	£83.50	£1,500.00	£100.00
LEXCEL Add On with Annual Risk Assessment	£1,000.00	£83.50	£1,200.00	£100.00
Regulation 21 Independent Audit Add on	£1,200.00	£100.00	£1,500.00	£125.00
Website Policies Add on	£120.00	£10.00	£150.00	£12.50
Risk Assessment Completion Training for Fee earners (Full Day)	£1,250.00	£105.50	£1,500.00	£125.00
Risk Assessment Completion Training for Fee earners (Half Day)	£750.00	£62.50	£800.00	£67.00
Risk Assessment Completion Training for Fee earners (Online - per session)	£300.00	£25.00	£400.00	£33.50
TSP Membership	n/a	n/a	£595	£50.00

This additional service provides your firm with an outsource compliance solution which protects the COLP, COFA and MLRO and gives a firm an experienced compliance team who will work for them ensuring the firm remains compliant at all times with all regulations and is able to evidence its compliance.

To view the service brochure click [here](#).

About TSP

The Strategic Partner is a knowledge hub, consultancy, and service provider for law firms, Professional Indemnity Insurers and those who interact with the Legal industry. Our focus is to provide quality services to all clients, enriching their businesses with our knowledge and expertise and becoming an integrated and valuable asset.

We have developed a range of packaged and bespoke services and solutions for both the Legal and Insurance Sectors which are all aimed at bringing intelligence, efficiency and where appropriate, enhanced profitability.

Our goal is to become a truly valued partner to all businesses we work with and to assist them with any challenges they face to overcome them and strengthen their business.

We pride ourselves on the depth and breadth of our knowledge and experience alongside, that of our Partners and will work with both law firms and insurers of all sizes to achieve their goals wherever possible.

Enquiries

For more information about our Risk, Regulation and Compliance Service including AML, you can call us on 0203 911 9710 or you can email us at info@thestrategicpartner.co.uk.

As an additional service, TSP provides a risk and compliance guidance service which includes risk register maintenance. Under this service, which can only be accessed by signing up the service described in this document you will be allocated a Compliance Team (A Compliance Manager and Compliance Assistant who will work for your firm guiding and advising all staff (including owners) on risk and compliance issues (including AML) as they arise on a day to day basis.

We will also manage and control the firm's risk registers and provide a monthly compliance report which monitors all activity.



Essential business services to empower your law firm