

2014 Risk & Business Management Questionnaire

Firm Name:

SRA Number:

Please tick your responses as either 'Yes', 'No' or 'WT' (working towards) - please add comments and provide information where appropriate.
 Note - we encourage minimal use of 'WT'

SECTION 1 (STRUCTURES AND POLICIES)

1.1	Please name your:	COLP	<input type="text"/>
		COFA	<input type="text"/>
a.	Has your COLP/COFA reported any material breaches to the SRA? If yes, please provide details.		<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="text"/>			
1.2	a.	Have you adopted a compliance plan which provides an overview of supervisory, management and risk issues within the firm?	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
	b.	In particular, does the plan:	
		• detail the responsibilities of COLP and COFA?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
		• state any deputy appointments to the above?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
		• explain who is responsible for SRA liaison?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
	c.	Is this readily available and communicated to employees?	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		• How is this communicated?	<input type="text"/>
1.3.	a.	Have you conducted a risk review for your practice within the last 12 months?	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		• does the risk review include the setting of actions to improve the risk profile of the firm?	<input type="checkbox"/> Yes <input type="checkbox"/> No
		• have these actions been implemented?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
		• has another review been scheduled for next year?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT

1.4 a. Do you have an Anti-Money Laundering policy which has been reviewed in the last 12 months? Yes No

b. Does the policy cover:

- reporting structures for disclosures to NCA? Yes No
- CDD process for identity and risk assessment? Yes No WT

c. Is your Money Laundering training up to date and conducted every 2 years? Yes No

d. Does the firm comply with the Law Society Practice Note on Mortgage Fraud (dated 6 October 2011). If no, please provide full details.

e. If yes, please outline what steps are in place to safeguard against mortgage fraud i.e. details of any checks & training.

f. How/when are new staff introduced to procedures?

g. Do you regard any parts of your practice as being exempt from the Money Laundering Regulations 2007? If so, which one(s)? Yes No

h. Please name your MLRO?

SECTION 2 (BUSINESS PLANNING AND MARKETING)

2.1 a. Have you adopted a business plan for the practice which has been reviewed in the last 12 months? Yes No

b. Does it contain detailed objectives for the current year at least? Yes No

c. Does it outline objectives for at least two years after that? Yes No WT

d. How often is the plan reviewed?

2.2 a. Have you adopted a business continuity plan? Yes No

c. Have measures been taken to address identified risks? Yes No

d. Has the firm tested or checked the suitability of the business continuity plan? Yes No WT

e. Do you have Business Interruption Insurance? Yes No

2.3 Have you adopted a risk register? Yes No

SECTION 3 (UNDERTAKINGS)

3.1	Are staff trained in the giving, recording & fulfilment of undertakings, including associated risks?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> WT
3.2	Are all undertakings given in writing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> WT
3.3	If no, are oral undertakings given in an agreed format and recorded in writing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> WT
3.4	How do your accounts staff record, monitor and clear undertakings?			
	<ul style="list-style-type: none">Given formally?			
	<ul style="list-style-type: none">Given upon completing requisitions?			
	<ul style="list-style-type: none">Upon receipt of funds?			
	<ul style="list-style-type: none">Upon payment of funds?			
	<ul style="list-style-type: none">How does your accounts software record this?			

SECTION 4 (FINANCIAL MANAGEMENT)

4.1	Has the firm engaged in discussions or correspondence with the SRA at any time within the last 12 months regarding concerns about the financial stability of the firm?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.2	Who is responsible for (please state their Name & Position):		
	<ul style="list-style-type: none">the financial management of the practice?		
	<ul style="list-style-type: none">compliance with the SRA Accounts Rule(s)?		
4.3	a. Please state your year end date (DD/MM/YYYY):		
	b. Please state your gross pre tax profit (loss) of the firm:		
	<ul style="list-style-type: none">actual for the last financial year	£	
	<ul style="list-style-type: none">expected for the current financial year	£	
	c. What cash reserves does the practice hold?	£	
	d. What is your current total borrowing?	£	

- e. Has this changed significantly in the last three years? Yes No
- f. Are net assets less than total borrowings? Yes No
- g. Are VAT payments funded by loans? Yes No

4.4 For the last three accounting years please provide the following information from your annual accounts:

	11/12	12/13	13/14
Net profit (loss) after tax and before drawings:	£ <input type="text"/>	<input type="text"/>	<input type="text"/>
Total partner/principal drawings or member/director remuneration:	£ <input type="text"/>	<input type="text"/>	<input type="text"/>
Net worth of practice (total assets less total liabilities):	£ <input type="text"/>	<input type="text"/>	<input type="text"/>

4.5 Are finance control processes in place to agree and monitor:

- annual budgets for income, expenditure and capital items, including variance analysis? Yes No
- P&L accounts and balance sheet? Yes No
- cash flow forecast? Yes No
- WIP controls? Yes No
- effective credit control? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

- 4.6 a. Is there an accounts manual (or an accounts section of the Office Manual)? Yes No
- b. If so does it address:
- authorisations for withdrawals from the client account? Yes No
 - authorisations for withdrawals from the office account? Yes No
 - processes for interim and final billing? Yes No
 - credit control and debt recovery? Yes No
 - credit limits for new and existing clients? Yes No
- c. Is the manual available to all relevant staff? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

- 4.7 a. Do you undertake 'three way' reconciliations of client account(s) as required by s.29 of the SRA Accounts Rules? Yes No

b. Who usually signs these off?

c. Have there been any anomalies to your client account balances in the last three months?

Yes No

If yes please provide details

4.8 Have you adopted a policy on the payment of client interest as required by s.22 SRA Account Rules?

Yes No

4.9 a. Are duties segregated so that no one individual can open a new bank account without referral to others?

Yes No

b. Do employees receiving cash/cheques remit all moneys received and bank in full on the day of receipt or next banking day?

Yes No

c. Do all manually prepared cheques and other bank instruments drawn for £25,000 or more require two manually applied signatures added after the amount has been inserted with one signatory examining supporting documentation?

Yes No

d. Has your bank been advised of this procedure?

Yes No

e. Where computer or machine prepared cheques or other bank instruments are used, is the supporting documentation examined and authorised before requisition for cheque or instrument is made?

Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

4.10 a. Have principals been required to provide personal guarantees in relation to any firm related loans or debts?

Yes No

If yes please provide details

b. Has the firm given any undertaking or guarantees in respect of professional practice loans to principals acquiring an interest in the firm?

Yes No

If yes please provide details

SECTION 5 (INFORMATION AND COMMUNICATION TECHNOLOGY)

5.1 Do you have Cyber Liability Insurance? Yes No Would Like Quote

5.2 a. Have you adopted an information security policy? Yes No

Does this include:

- virus and firewall controls? Yes No
- passwording protocols for terminals in the firm? Yes No
- and any device taken outside the firm? Yes No

b. How is this recorded?

5.3 What do you do to supervise:

- Senior Personnel working from home:
- Junior Personnel working from home:
- Cyber Liability:

SECTION 6 (PEOPLE MANAGEMENT)

6.1 a. Do you have a systematic approach to recruitment? Yes No

b. Does the firm carry out full recruitment checks in respect of all employees & principles including locum/temporary staff? Yes No WT

c. Does this include:

- written references? Yes No
- investigations into individual PII claims record? Yes No
- Enquiries as to whether they have any disciplinary record with any past/present regulatory department of SRA or recognised body? Yes No

d. Do you outsource any HR functions? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

6.2 a. Do you maintain induction training for new members of staff? Yes No

b. Does this include:

- individual job responsibilities? Yes No
- immediate training requirement? Yes No
- all key policies, processes and procedures? Yes No

6.3 Do you have a training policy which addresses all partners and staff? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

SECTION 7 (SUPERVISION AND RISK MANAGEMENT)

7.1 Do you have an overall risk manager(s) for the practice? Yes No

If yes, please state their name and position within the firm.

7.2 Is there a designated supervisor for each area of work undertaken? Yes No

7.3 a. What department of the practice has the highest management to fee earner ratio?

b. What is the highest management to fee earner ratio?

1 Manager to Fee Earners

7.4 a. What department of the practice has the lowest management to fee earner ratio?

b. What is the lowest management to fee earner ratio?

1 Manager to Fee Earners

7.5 Do you profile the work that the practice will and will not undertake? Yes No

7.6 Do you maintain details of the generic risks and causes of claims associated with the areas of work that are undertaken? Yes No

7.7 Is a general risk assessment undertaken when new instructions are received which is recorded on the file or in a case management system? Yes No

7.8 How are the key dates monitored?

7.9 a. Does the firm have a conflicts and confidentiality policy? Yes No

b. Do you screen for client conflicts of interests to ensure that they are identified and acted upon in an appropriate manner? Yes No

7.10 Are there processes and procedures to ensure the effective supervision of fee earning work? Yes No

Please state which of the following are in place:

- the controlled allocation of new work and reallocation of existing work, if necessary? Yes No
- checks on incoming and outgoing correspondence, including letters, emails and faxes? Yes No
- departmental, team and office meetings and communications? Yes No
- one-to-one meetings? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

7.11 Do you operate an independent file review process? If yes, please provide details of the review Yes No

7.12 Is there a requirement that fee earners consider and report any changes to the risk profile while the matter is being progressed? Yes No

7.13 Is a concluding risk review conducted on all matters to consider whether there are issues that should be reported to the supervisor or risk manager? Yes No

7.14 a. Does the practice analyse at least annually all risk assessment data generated within the practice and formulate suitable objectives as part of the strategic planning process to achieve suitable and documented improvements? Yes No

b. Does the review include a consideration of:

- any indemnity insurance claims? Yes No
- data generated by file reviews? Yes No
- an analysis of client complaints trends? Yes No
- client satisfaction surveys? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

SECTION 8 (CLIENT CARE)

8.1 Do you systematically record and confirm client instructions and costs in all parts of the practice? Yes No

8.2 Does the firm update the retainer/Terms of Business for clients when there is a material change in the nature of the initial instructions and/or additional instructions are given? Yes No

8.3 Does the firm systematically record and confirm in writing all minutes of client meetings regardless if instructions were taken? Yes No

8.4 a. Do you operate a written complaints handling process? Yes No

b. Does the process include:

- responsibility for complaints handling? Yes No
- a definition of what the practice regards as a complaint? Yes No
- the provision of appropriate information to the client on the availability of a complaints handling process and the Legal Ombudsman? Yes No
- an obligation within the practice to report all complaints received from clients? Yes No
- a process to investigate and resolve complaints, where possible, and to take preventative action where appropriate? Yes No
- a complaints and resolution log? Yes No

8.5 Do you have a policy on the introduction of clients and enquiries to other lawyers or advisers?

Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

SECTION 9 (FILE AND CASE MANAGEMENT)

9.1 a. Do the Principals control the process by which decisions are taken to accept and allocate instructions?

Yes No

b. How and where is this recorded?

9.2 a. Are there documented procedures to ensure that matters are progressed in an appropriate manner?

Yes No

b. In particular:

- the strategy for the matter is apparent on the file and kept under continual review? Yes No
- in complex cases a project plan is developed and kept under continual review? Yes No
- a timely response is made to telephone calls and correspondence from the client and others? Yes No
- appropriate continuing cost information is provided? Yes No
- clients are informed in writing if the person with conduct of their matter changes, or there is a change of person to whom any problem with service should be addressed? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

9.3 Do you have procedures in place to:

- list open and closed matters? Yes No
- identify all matters for a single client and linked files (including lenders where relevant)? Yes No
- record key information on the file? Yes No
- ensure that you are able to identify and trace any documents, files, deeds, wills or any other items relating to a matter? Yes No
- safeguard the confidentiality of files and all other client information? Yes No
- ensure that the status of matters and the action taken can be easily checked by colleagues? Yes No
- ensure that documents are stored on the matter file in an orderly way? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

9.4 In response to the Mitchell case please explain how you ensure that all critical dates in the course of litigation are complied with including full details as to how your diary system operates and what audits or checks are undertaken to ensure it is being used effectively?

9.5 Are there procedures for the supervision and control of undertakings (which might be different in conveyancing for the routine undertakings in this area of work)? Yes No

9.6 At the end of each matter do you:

- report to the client on the outcome and explain any further action that the client is required to take in the matter and what (if anything) the practice will do? Yes No
- account to the client for any outstanding money? Yes No
- return to the client any original documents or other property belonging to the client if required (save for items, which are by agreement to be stored by the practice)? Yes No
- if appropriate, advise the client about arrangements for storage and retrieval of papers and other items retained (in so far as this has not already been dealt with, for example in terms of business) and any charges to be made in this regard? Yes No
- advise the client whether they should review the matter in future and, if so, when and why? Yes No
- archive and destroy files in an appropriate manner? Yes No

If you have answered "No" to any of the above please explain the procedures you have in place. If not applicable please state.

SECTION 10 (DECLARATION)

We declare that all statements and particulars are true, full enquiry having been made, and we have not omitted, suppressed or mis-stated any material facts which may be relevant to the Insurer's consideration of this proposal and undertake to inform the Insurer of any change to any material fact that occurs prior to the point at which the insurance contract has been concluded and throughout the duration of the contact of insurance. We understand that the information we provide will be used by the Insurer in determining acceptance of the application together with the premium charged for the risk and the terms of any policy provided.

Print Name:

Signature:

Position:

Date:

CONTACT DETAILS FOR THE SOLICITORS TEAM

Should you require any assistance when completing this form or you simply wish to discuss your requirements then please do not hesitate to contact:

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