

Lexcel v4.1 overlaps with the SQM

August 2010

Lexcel requirement		Relevant SQM requirement
1.1 – Practices will have documentation setting out the :	a) legal framework	No requirement for documentation setting out the legal framework under which the practice operates
	b) management structure which designates the responsibilities of individuals and their accountability	C1.1 C1.2
1.2 – Practices will have a risk management policy which includes:	a) strategic risk	The optional requirement in the SQM does not cover strategic risk
	b) operational risk	G5.2 This requirement is optional in the SQM
	c) regulatory risk	The optional requirement in the SQM does not cover regulatory risk
1.3 – Practices will have a quality policy, which must include:	a) the role the quality system plays in the overall strategy of the practice	No requirement for a quality policy
	b) a process for personnel to suggest improvements to the quality system	No requirement
1.4 – Practices will have a policy on the avoidance of discrimination and the promotion of equality and diversity, which must include:	a) employment and partnership, recruitment and selection, training and conditions of service and promotions within the practice	D1.3
	b) the delivery of service	A3.1
	c) the instruction of counsel and experts in professional dealings	F5.1
1.5 – Practices will have a policy in relation to the health and safety of all personnel and visitors to the practice		No requirement for documented health & safety procedures
1.6 – Practices should have a policy in relation to community and social responsibility.		Although optional in Lexcel, there is no requirement for a policy in relation to community and social responsibility
2.1 – Practices will develop and maintain a marketing and business plan, which must include:	b) a procedure for a review of the plan to be conducted every six months to verify the plan is in effective operation across the practice	Partly - A1.1 requires a Business Plan; but no marketing plan
		Partly - A1.2 The SQM stipulates 6 monthly reviews for the business plan only

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2.2 – Practices will document the services they wish to offer:	a) the client group to be served	Partly - A1.1 The Lexcel requirements are partly met as they form part of the consideration for the business planning process under the SQM
	b) how services are to be provided	
2.4 - Practices will have an ICT plan, including:	a) the application of all ICT facilities within the practice	No requirement to have an ICT plan
	b) the role of ICT in facilitating services for clients	
3.1 – Practices will document responsibility for overall financial management		C2.1
3.2 – Practices will be able to provide documentary evidence of their financial management processes, including:	a) annual budget	C2.2b
	b) quarterly variance analysis of income and expenditure	C2.4
	c) annual profit or loss, or income and expenditure	C2.3
	d) annual balance sheet	C2.3
	e) annual cash or funds flow forecast	No requirement for cash flow or funds forecast
	f) quarterly variance analysis at least of cash flow	See above
4.1 – Practices will have an information management policy, including:	a) relevant information assets of both the practice and clients	No requirement for an information management policy
	b) the risk to these assets, their likelihood and their impact	
	c) procedures or the protection and security of the assets	
	d) a process for training personnel	
4.2 – Practices must have an email policy, including:	a) the scope of permitted and prohibited use	No requirement for an e-mail policy
	b) any procedures for monitoring personnel using email	
	c) procedures for the proper management and security	
	d) procedure for its proper storage and destruction	
4.3 – If the practice has a website, the practice must have a website management policy, including:	a) a process for document approval and publishing	No requirement for a website management policy
	b) the scope of permitted and prohibited use	
	c) procedures for the proper management of its security and contents	
4.4 - If personnel in the practice have internet access the practice must	a) the scope of permitted and prohibited use	No requirement for an internet access policy

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have an internet access policy, including:	b) any procedures for monitoring personnel accessing the internet	
4.5 – Practices will have a process for legal research, including the updating and sharing of legal and professional information		D4.4
4.6 – Practices will maintain an office manual or intranet collating information of office practice, which must be available to all staff. Practices will have a process to:	a) control the office manual or intranet to ensure that only the current version is in use	G4.1
	b) review the manual or intranet at least annually	G3.2
	c) update the manual or intranet and record the date of amendments	G4.1
5.1 – Practices will have a plan for:	a) the recruitment of personnel, including likely recruitment needs	No requirement for a Recruitment Plan.
	b) the training and development of personnel	No requirements for a practice-wide Training & Development Plan, although each individual needs one
5.3 – Practices will list the tasks to be undertaken by all personnel within the practice and document the skill, knowledge and experience required to fulfil their role satisfactorily		D1.1 D1.2
5.4 – Practices will have procedures to deal effectively with recruitment & selection, including:	a) the identification of vacancies	No requirement
	b) the drafting of job documentation	D1.1
	c) methods of attracting candidates and applicants	No requirement
	d) selection methods used	Partly - D1.4 Requirement for an “open recruitment” process
	e) storage, retention and destruction of records	Partly - D1.4 Requirement only for storage of records
	f) references and ID checking and any use of medical examination	No requirement
	g) checking fee earners’ disciplinary records	No requirement
5.5 – Practices will conduct an appropriate induction process for all personnel, including those transferring roles within the practice		Partly - D2.1 NB the SQM requirement only applies to people joining the practice from outside, not to those changing roles within it, and does not extend to reviewing initial and future training needs
5.7 – Practices must have a training and development policy and will:	a) ensure that appropriate training is provided to personnel within the practice in	No requirement

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	accordance with its policy	
	b) ensure that all supervisors and managers receive appropriate training	D2.3 D3.4
	c) have a process to evaluate training	No requirement
5.8 – Practices will conduct a documented review of the responsibilities, objectives, performance and training of all personnel at least annually		D2.2
6.1 – Practices must designate one overall risk manager for the practice with sufficient seniority to be able to identify and deal with all risk issues which may arise.		No requirement
6.2 – There will be a named supervisor for each area of work undertaken by the practice		D3.1
6.3 – Practices must have procedures to manage instructions which may be undertaken even though they have a higher risk profile, including		
6.10 – Practices will have a process to ensure that all personnel, both permanent and temporary, are actively supervised.		Partly SQM does not cover supervision of support staff Comments below refer to caseworker supervision only
6.10 – Practices will have a process to ensure that all personnel, both permanent and temporary, are actively supervised. Including:	a) checks of incoming and outgoing correspondence, including letters, emails and faxes	Covered in guidance to D4
	b) departmental, team and office meetings and communication structures	As above
	c) reviews of matter details in order to ensure good financial controls and the appropriate allocation of workloads	Partly - D4.1 Allocation of cases is covered; but financial control is not
	d) the exercise of devolved powers in publicly funded work	E1.2d
	e) the availability of a supervisor	D3.1
	f) allocation of new work and reallocation of existing work, if necessary	Partly - D4.1 Requirement not extended to reallocation of existing work. D4.3 requires caseworkers to tell their supervisor if a case is beyond their capability. Reallocation in these circumstances is implied.
6.11 – Practices will have processes to ensure that all those doing legal work check their files regularly for inactivity		E1.2 e
6.12 – Practices providing services to clients in relation to property transactions will have documented procedures in relation to the avoidance of involvement in mortgage fraud		No requirement for documented procedures to avoid mortgage fraud
6.5 – Practices will have a	a) define file selection criteria	E2.1 b

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procedure for regular, independent file reviews, of either the management of the file or its substantive legal content, or both.	b) define the number and frequency of the reviews	E2.1 a
	c) retain a record of the file review on the matter file and centrally	E2.4 E2.5
	d) ensure any corrective action which is identified in a file review is actioned within 28 days and verified by the reviewer	E2.1 E2.4 Note that Lexcel requires any corrective action to be carried out within 28 days. SQM allows the time limit to be determined by the reviewer
	e) ensure the designated supervisor reviews and monitors the data generated by file reviews	E2.2
	f) conduct a review at least annually of the data generated by file reviews, which will contribute to the review of risk assessment data	E2.6
6.15 – Practices will analyse at least annually all risk assessment data generated in the practice:	a) any indemnity claims	No requirement
	b) an analysis of client complaints trends	G1.3
	c) data generated by file reviews	E2.6
	d) the identification of remedial action	No requirement
6.14 – Operational risk will be considered and recorded in all matters before, during and after the processing of instructions:	a) consider if a new client or matter should be accepted by the practice	No requirement. Considering risk in relation to a new client/matter
	b) assess the risk profile of all new instructions	No requirement. Assessing the risk profile of all new instructions.
	c) consider any change to the risk profile from the clients point of view	F2.3b
	d) inform the client in all cases where and adverse costs order is made	No requirement. Informing the client where an adverse costs order is made
	e) Undertake a concluding risk assessment	No requirement. Undertaking a concluding risk assessment in all cases
	f) notify the risk manager	No requirement
7.1 Practices will have a documented policy for client care		No requirement for a client care policy
7.2 – Practices will communicate the following to clients in writing, unless an alternative form of communication is deemed more appropriate:	a) establish the client's requirements and objectives	Partly No requirement for compliance with 7a-l.
	b) provide a clear explanation of the issues involved and the options available to the client	However, elements are incorporated in equal, lesser or greater form within

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	<ul style="list-style-type: none"> c) explain what the fee-earner will and will not do d) agree with the client the next steps to be taken e) keep the client informed of progress, as agreed f) establish in what timescale that matter will be dealt with g) establish the method of funding h) consider whether the intended action would be merited on a cost benefit analysis i) agree an appropriate level of service j) explain your responsibilities and the client's k) the client is given the name and status of the person dealing with their matter l) the client is given the name of person responsible for the overall supervision of their matter 	the requirements of the SQM.
7.3 – Practices must have a record of any standing terms of business with regular clients		No requirement
7.4 Practices must give clients the best information possible about the likely overall cost of the matter, both at the outset and when appropriate, as the matter progresses, in particular practices must:	<ul style="list-style-type: none"> a) advise the client of the basis of your charging b) advise the client if the charging rates are to be increased c) advise the client of likely payments which your practice or your client may need to make to others d) discuss with the client how they will pay e) advise the client that there are circumstances where you may be entitled to exercise a lien for unpaid costs f) advise the client of their potential liability for any other 	No requirement

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	party's costs.	
7.4 – Practices will operate a written complaints handling procedure, including:	a) the definition of what it regards as a complaint	G1.2
	b) informing the client at the outset of the matter, that in the event of a problem they are entitled to complain	G1.1
	c) to whom the client can complain	G1.1
	d) providing the client with a copy of your practice's complaints procedure, if requested	G1.1
	e) once a complaint has been made, the person complaining is told in writing: (i) how the complaint will be handled; and (ii) in what time they will be given an initial and/or substantive response	G1.1
	f) recording and reporting centrally all complaints received from clients	G 1.3
	g) identifying the cause of any problems of which the client has complained offering any appropriate redress, and correcting any unsatisfactory procedures	G1.2
	h) the person responsible for the procedures	G1.3
	i) a documented review of the procedures at least annually, to verify that they are in effective operation across the practice	G1.3
7.5 – Practices will have a process to monitor client satisfaction		G2.1
8.1 – Practices will document how decisions will be made as to whether to accept new instructions from existing clients or instructions from clients who have not instructed the practice before		No requirement to document whether or not to accept instructions are made save that these must not be made on discriminatory grounds (A3.1)
8.2 Practices will ensure that the strategy for the matter is always apparent on the matter file and that in complex cases a project plan is developed.		E1.3 & F.2.1
8.3 –Practices will have documented procedures	(a) key information must be recorded on the file;	F1.2b

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to ensure that matters are progressed in an appropriate manner. In particular:	(b) a timely response is made to telephone calls and correspondence from the client and others;	No requirement for caseworkers to provide timely responses to telephone calls and correspondence
	c) continuing cost information is provided	F2.3
	(d) 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.	F2.5
8.4 Practices will document procedures for the giving, monitoring and discharge of undertakings		E2.1d
8.5 Practices will have a procedure to:	a) list open and closed matters, identify all matters for a single clients and linked files where relevant and files for a particular funder	E1.1
	b) ensure that they are able to identify and trace any documents, files, deeds, wills or any other items relating to the matter	E1.2b
	c) safeguard the confidentiality of matter files and all other client information	F4.1
	d) ensure that the status of the matters and the action taken can be easily checked by other members of the practice	E1.3
	e) ensure that documents are stored on the matter file(s) in an orderly way	E1.3
8.6 – Practices will have a documented procedure for using barristers, expert witnesses and other external advisers who are involved in the delivery of legal services, which will include provisions for the following:	a) use of clear selection criteria	F5.1
	b) where appropriate, consult with the client in relation to the selection of the advocate or other professional	F5.4
	c) advising clients of the name and status of the person being instructed, how long s/he might take to respond and, where disbursements are to be paid by the client, the cost involved	F5.4
	d) maintenance of records (centrally, by department or office) on barristers and experts used, including evidence of	F5.2

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	assessment against the criteria	
	e) evaluation of performance, for the information of other members of the practice	F5.3
	f) giving clear instructions	F5.5
	g) checking of opinions and reports received to ensure they adequately provide the information sought (and, in litigation matters, comply with the rules of court and any court orders)	F5.3
	h) payment of fees	No requirement to document the payment of fees to Counsel, experts etc.
8.7 Practices will have documented procedures to ensure that, at the end of the matter, the practice:	a) reports to the client the outcome and explains any further action that the client is required to take in the matter and what (if anything) the practice will do	F3.1a
	b) accounts to the client for any outstanding money	F3.1c
	c) returns 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)	F3.1d
	d) if appropriate, advises the client about any 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 the terms of business) and any charges to be made in this regard	F3.1d – partly, no requirement to inform the client if any changes may be made for retrieval of case files
	e) advises the client whether they should review the matter in future and, if so, when and why	F3.1e
	f) archives and destroys files in an appropriate manner	No requirement to archive or destroy files appropriately. Save as covered under client/case confidentiality requirements (F4)