



SRA Update

Issue 121 - November 2023

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Welcome to the latest issue of SRA Update. You will likely have already read about our decision to intervene into Axiom Ince and its potential impacts on the public and the profession. This is a serious matter and we understand your concerns. Given there are ongoing investigations we are limited in how much we can say on the case. However, in this edition we reflect on some of the key questions it raises in terms of the compensation fund, client protection and how we reduce the risk of similar failures in the future. These questions don't have easy answers and resolving them will require careful thought and engagement with the sector. We will be engaging with you – and providing further updates in SRA Update – as we take this work forward.

Also this month, you can read our annual report on anti-money laundering work, which highlights examples of both good and bad practice in this area, as well as new resources we have published to help solicitors comply. You can also find out about our review of the transparency rules, which saw firms acknowledging the benefits they can bring in attracting new clients. Finally, please do join us for the virtual version of our annual compliance conference next week. Thousands of solicitors will be joining us across four days and eleven sessions. You can pick and choose which sessions are relevant to you. Last year 98% fed back that the event was good or very good.

Paul Philip

Chief Executive

[Discussion on interventions and client protection](https://rules.sra.org.uk/sra/news/sra-update-121-axiom-ince-implications/) [\[https://rules.sra.org.uk/sra/news/sra-update-121-axiom-ince-implications/\]](https://rules.sra.org.uk/sra/news/sra-update-121-axiom-ince-implications/)

You'll have likely read about our decision to intervene into Axiom Ince and its potential impacts on the public and profession. This is a serious matter and we understand your concerns. We have been reflecting on some of the key questions this case – and others – raise in terms of the compensation fund, client protection and how we reduce the risk of similar failures in the future.

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[Anti-money laundering report](https://rules.sra.org.uk/sra/research-publications/aml-annual-report-2022-23/)

[\[https://rules.sra.org.uk/sra/research-publications/aml-annual-report-2022-23/\]](https://rules.sra.org.uk/sra/research-publications/aml-annual-report-2022-23/)

We have published our annual review of our anti-money laundering work, outlining some of the broader themes identified in 2022/23. This includes the findings from 162 onsite and thematic inspections, and 73 desk-based reviews.

[Read more about: Anti-money laundering report](https://rules.sra.org.uk/sra/research-publications/aml-annual-report-2022-23/)

[\[https://rules.sra.org.uk/sra/research-publications/aml-annual-report-2022-23/\]](https://rules.sra.org.uk/sra/research-publications/aml-annual-report-2022-23/)

[How do you manage risk?](https://rules.sra.org.uk/sra/news/sra-update-121-risk-survey/)

[\[https://rules.sra.org.uk/sra/news/sra-update-121-risk-survey/\]](https://rules.sra.org.uk/sra/news/sra-update-121-risk-survey/)

We want to hear your views on the risks facing the legal market and how you approach managing those risks. You can do this via a survey we are running with help from research experts BMG and Frontier Economics.

[Read more about: How do you manage risk?](https://rules.sra.org.uk/sra/news/sra-update-121-risk-survey/)

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[Join our virtual compliance conference 6-9 November](https://events.sra.org.uk/sra/frontend/reg/thome.csp?pageID=153303&eventID=645)

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There is still time to register for our 2023 virtual conference. Run across four days next week, the event will feature 11 webinars and live Q&A sessions. Topics covered in these interactive session will include anti-money laundering, the SQE, continuing competence, workplace culture and innovating in small firms.

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[Transparency review finds benefits for all](https://rules.sra.org.uk/sra/news/press/2023-press-releases/3-year-transparency-review/)

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We introduced our transparency rules in 2018 to help potential clients make informed choices about the services you provide. A review of the effect of the rules have shown they have delivered benefits, although not all firms are complying with their obligations.



[Read more about: Transparency review finds benefits for all](https://rules.sra.org.uk/sra/news/press/2023-press-releases/3-year-transparency-review/)
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Help us shape continuing competence resources [<https://rules.sra.org.uk/sra/news/sra-update-121-competence-survey/>]

All solicitors must keep their knowledge and skills up to date and provide competent legal services. We provide help for the profession to do this and we want your views on how useful you find this support.

[Read more about: Help us shape continuing competence resources](https://rules.sra.org.uk/sra/news/sra-update-121-competence-survey/)
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Have your say on potential regulation of legal executives

[<https://rules.sra.org.uk/sra/news/press/2023-press-releases/sra-consults-regulating-cilex/>]

The Chartered Institute of Legal Executives (CILEX) is currently consulting on whether or not to switch regulation of its members to us. Ahead of that decision, we are therefore consulting on what changes and additions would need to be made to our rules, should this move go ahead.

[Read more about: Have your say on potential regulation of legal executives](https://rules.sra.org.uk/sra/news/press/2023-press-releases/sra-consults-regulating-cilex/)
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Visit us at LegalEx [<https://www.legalex.co.uk/>]

Join us and hundreds of other speakers and exhibitors from across the legal sector at LegalEx 2023. The event runs from 29 to 30 November at ExCeL London. Topics that will be covered during the SRA's keynote Q&A sessions will include AML and financial sanctions, technology and innovation, cybercrime and the SQE.

[Read more about: Visit us at LegalEx](https://www.legalex.co.uk/) [<https://www.legalex.co.uk/>]

Solicitors Indemnity Fund now under our management

[<https://rules.sra.org.uk/sra/news/press/2023-press-releases/sra-managing-sif/>]

We have now taken over management of the Solicitors Indemnity Fund (SIF). Our Board decided in January to bring SIF under our control to



make sure consumer protection continues for post six-year negligence claims. The new arrangements came into effect on 1 October.

[Read more about: Solicitors Indemnity Fund now under our management \[https://rules.sra.org.uk/sra/news/press/2023-press-releases/sra-managing-sif/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/sra-managing-sif/)

Your health, your career

[\[https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/\]](https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/)

Are you worried about your health affecting your work? Life as a solicitor can be challenging and the demands and pressures can easily build up. We can signpost you to sources of help and make adjustments for you if you are in difficulty.

[Read more about: Your health, your career \[https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/\]](https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/)

Welcome to the Compliance News section of the latest issue of SRA Update. You will likely have already read about our decision to intervene into Axiom Ince and its potential impacts on the public and the profession. This is a serious matter and we understand your concerns. Given there are ongoing investigations, we are limited in how much we can say on the case. However, we have reflected on some of the key questions this case raises in terms of the compensation fund, client protection and how we reduce the risk of similar failures in the future. This case does raise questions and resolving them will require careful thought and engagement with the sector. We will be engaging with you – and providing further updates in SRA Update – as we take this work forward.

Also in this issue, you can find out about the extension to the Office of Financial Sanctions Implementation’s general licence for legal services. Finally I wanted to say thank you to all of those who attended our annual conference last month. It is a great opportunity to talk to you and hear about what’s on your mind, although with nearly 900 of you in attendance, apologies to those I didn’t get the chance to chat with. If you weren’t able to attend – or perhaps wanted to watch a session you didn’t manage to make it to on the day – you can catch up next week at our virtual compliance conference. Run over four days, you can pick and choose which sessions are relevant to you.

Paul Philip

Chief Executive

Discussion on interventions and client protection [\https://rules.sra.org.uk/sra/news/sra-update-



[121-axiom-ince-implications/](#)

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There is still time to register for our 2023 virtual conference. Run across four days next week, the event will feature 11 webinars and live Q&A sessions. Topics covered include our account rules, anti-money laundering, sanctions, cybercrime and firm culture. Last year 98% of viewers said these sessions were good or very good.

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[Legal services general licence extended](#)

[<https://rules.sra.org.uk/sra/news/sra-update-121-licence-extension/>]

Your firm might rely on the Legal Services General Licence as part of its approach to sanctions compliance. The Office of Financial Sanctions Implementation has announced that the licence has been renewed for another six months.

[Read more about: Legal services general licence extended](https://rules.sra.org.uk/sra/news/sra-update-121-licence-extension/)
[<https://rules.sra.org.uk/sra/news/sra-update-121-licence-extension/>]

[Extension of fixed recoverable costs - client costs information](#)

[<https://rules.sra.org.uk/sra/news/sra-update-120-fixed-costs-regime/>]

Changes to the fixed recoverable costs regime came into effect at the start of the month. You might need to review the costs information you give to clients, including how they might need to cover any shortfall, or

circumstances where they might be responsible for the other side's costs.

[Read more about: Extension of fixed recoverable costs - client costs information \[https://rules.sra.org.uk/sra/news/sra-update-120-fixed-costs-regime/\]](https://rules.sra.org.uk/sra/news/sra-update-120-fixed-costs-regime/)

[Report frozen assets by 10 November](https://rules.sra.org.uk/sra/news/sra-update-121-frozen-assets/) [\[https://rules.sra.org.uk/sra/news/sra-update-121-frozen-assets/\]](https://rules.sra.org.uk/sra/news/sra-update-121-frozen-assets/)

If you hold frozen assets under the sanctions regime, you must submit a report to OFSI by Friday 10 November 2023. Your report must include details of all funds or economic resources frozen in the UK as well as those overseas, where these funds or economic resources are subject to UK financial sanctions legislation.

[Read more about: Report frozen assets by 10 November \[https://rules.sra.org.uk/sra/news/sra-update-121-frozen-assets/\]](https://rules.sra.org.uk/sra/news/sra-update-121-frozen-assets/)

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