

Regulatory Arrangements - Universal



Code of Conduct

Introduction

This **Code of Conduct** was made in accordance with s.20 of the **Administration of Justice Act 1985** and s.83 of the **Legal Services Act 2007**.

All individuals and bodies regulated by the **CLC** must comply with this Code and its associated **regulatory arrangements**. In this Code “you” refers to individuals and bodies (and the employees and managers within them) regulated by the **CLC**. You must not permit anyone else to act or fail to act in such a way as to amount to a breach of this Code. Your main driver should be the delivery of positive **client outcomes**. The Code comprises **principles** and **specific requirements**, which taken together deliver positive **Outcomes** for your **Clients** and, particularly in relation to **Overriding Principle 6**, for others you deal with.

To effectively secure the protection of, and the provision of choice for, the consumer of legal services, you must at all times comply with the following **Overriding Principles**:

1. Act with independence and integrity;
2. Maintain high standards of work;
3. Act in the best interests of your **Clients**;
4. Comply with your duty to the court;
5. Deal with regulators and ombudsmen in an open and co-operative way;
6. Promote equality of access and service.

These are underpinned by **principles** of behaviour which must be demonstrated and **specific requirements** which must be complied with in order that the **Overriding Principles** are supported.

Disciplinary proceedings may be taken against you if the **CLC** believes there has been a breach of this Code, meaning that **clients** do not receive the standard of legal services they should reasonably expect to receive. The **CLC**'s response will be informed by the **CLC**'s Regulatory and **Enforcement** Policies.

In exceptional circumstances the **CLC** may waive a provision, or provisions, of the **regulatory arrangements** for an individual, body or circumstance for a particular purpose, or purposes, and with the **conditions** specified in the waiver.

Overriding Principle 1. Act with independence and integrity

Outcomes - you must deliver the following **Outcomes**:

- 1.1 **Clients** receive good quality independent information, representation and advice;
- 1.2 **Clients** receive an honest and lawful service;
- 1.3 **Client money** is kept separately and safely.

Principles - delivery of these **Outcomes** requires you to act in a principled way:

- a) You do not allow your independence to be compromised.
- b) You act honestly, professionally and decently.
- c) You do not conduct yourself in a manner which may result in a breach of the law nor in any other manner which may bring the legal profession into disrepute.
- d) You **carry on Reserved Legal Activity** only through a person entitled to **carry on** that activity.
- e) You do not give false or misleading information relating to the provision of **Regulated Services**.
- f) You do not allow fee arrangements to prejudice your independence or professional judgement.
- g) You do not conduct business under a misleading name.
- h) You keep **Client money** safe.
- i) You do not publicise your business through unsolicited communications in person or by telephone.
- j) Your advertising is clear, accurate and fair.
- k) You keep **Client money** entirely separate from your money or the money of the entity.
- l) You do not take unfair advantage of any person, whether or not a **Client** of the business.

Specific Requirements - you must also comply with the following **specific requirements**:

- m) You comply with **anti-money laundering and prevention of financing terrorism legislation**.
- n) When acting as a **CLC** licensee, you accept instructions only to act in a matter which is regulated by the **CLC**.
- o) All business **communications**, websites and office premises display information confirming the entity is regulated by the **CLC** and the names of the **Managers** (identifying those who are **Authorised Persons**).

Overriding Principle 2. Maintain high standards of work

Outcomes- you must deliver the following **Outcomes**:

- 2.1 **Clients** are provided with a high standard of legal services;
 - 2.2 **Client** matters are dealt with using care, skill and diligence;
 - 2.3 Appropriate **arrangements**, resources, procedures, skills and commitment are in place to ensure **Clients** always receive a high standard of service.
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Principles - delivery of these **Outcomes** requires you to act in a principled way:

- a) You provide the level of service appropriate for, and agreed with, the **Client**.
- b) You keep your skills and legal knowledge up-to-date.
- c) You ensure all individuals within the entity are competent to do their work.
- d) You supervise and regularly check the quality of work in **Client** matters.
- e) You comply fully with any undertaking given by you.
- f) You **systematically** identify and mitigate risks to the business and to **Clients**.
- g) You promote ethical practice and compliance with regulatory requirements.
- h) You enable staff to raise concerns which are acted on appropriately.
- i) You maintain proper governance, management, supervision, financial, and risk management **arrangements** and **controls**.
- j) You administer oaths, affirmations and declarations properly.
- k) You deliver services in accordance with timetables reasonably agreed with the **Client**.

Specific Requirements - you must also comply with the following **specific requirements**:

- l) **Control** of an entity is from a permanent fixed address in England or Wales.
- m) A **Manager** who is an **Authorised Person** is responsible for ensuring that all of the entity's **employees** are properly supervised.
- n) You make provision for alternative supervision **arrangements** in case of illness, accident or other unforeseen event.
- o) You maintain proper records to evidence your **arrangements** and **controls** and how they are applied.

Overriding Principle 3. Act in the best interests of your Clients

Outcomes - you must deliver the following **Outcomes**:

- 3.1 Each **Client's** best interests are served;
- 3.2 **Clients** receive advice appropriate to their circumstances;
- 3.3 **Clients** have the information they need to make informed decisions;
- 3.4 **Clients** are aware of any referral arrangements and that they are consistent with your responsibilities both to them and to the **CLC**;
- 3.5 **Clients** are aware of any limitation or any condition resulting from your relationship with another party;
- 3.6 **Clients'** affairs are treated confidentially (except as required or permitted by law or with the **Client's** consent).

Principles - delivery of these **Outcomes** requires you to act in a principled way:

- a) You only accept instructions and act in relation to matters which are within your professional competence.
- b) You keep the interests of the **Client** paramount (except as required by the law or the **CLC's regulatory arrangements**).
- c) You do not act for a **Client** where you judge it is not in their best interests for you to do so.
- d) You do not accept instructions from a person nor continue to act for a **Client** whose interests conflict directly with your own, the entity's, or another **Client**.
- e) You disclose **client** information only as the **Client** has instructed (or as required by the **CLC's regulatory arrangements** or by law), keeping effective records of any disclosures you make.
- f) You only recommend a particular person, business or product when it is in the best interests of the **Client**.
- g) You cease acting in a matter if the **Client** so instructs or, in the absence of such instructions where it is reasonable to do so.
- h) You provide the **Client** with information which is accurate, useful and appropriate to the particular **Client**.
- i) You only provide **Regulated Services** whilst you have **CLC**-approved **professional indemnity insurance** in force.

- j) You provide the **Client** with all relevant information relating to any fee arrangements or fee changes.
- k) You advise **Clients** of the name and status of the person dealing with their matter and the name of the person responsible for overall supervision.
- l) You consult **Clients** on key decisions in a timely way.
- m) You **promptly** advise **Clients** of any significant changes to projected **costs**, timelines and strategies.

Specific Requirements- you must also comply with the following **specific requirements**:

- n) Where the entity represents parties with different interests in any transaction each party is at all times represented by different **Authorised Persons** conducting themselves in the matter as though they were members of different entities.
- o) You ensure there are adequate indemnity arrangements in respect of **claims** made against you for work carried out by you after you have ceased to practise.
- p) If you seek to exclude or limit liability, you do so only to the extent that such exclusion or limitation is above the minimum level of cover provided by **CLC**-approved **professional indemnity insurance**; you must obtain the written informed consent of the **Client** for such exclusion or limitation to be effective.
- q) When providing services which are not regulated by the **CLC**, you advise your **Client** of this and inform them in writing that the activity is not covered by **CLC**-approved **professional indemnity insurance** or the **CLC**-administered **Compensation Fund**.
- r) Before or when accepting instructions, you inform **Clients** in writing of the terms on which the instructions are accepted, a complete, accurate estimate of fees and **disbursements** to be charged and if and when they are likely to change.
- s) You **promptly** inform the **Client** in writing of the existence and amount of any sum payable (whether directly or indirectly) as a result of receipt of that **Client's** instructions.
- t) With the exception of **disbursements**, you do not delay completion because fees are outstanding to you.
- u) You discuss and agree with the **Client** how **costs** will be paid, whether directly by the **Client**, by public funding, through an insurance policy or otherwise.

Overriding Principle 4. Comply with your duty to the court

Note: this Principle will only be applicable if the *CLC's* application to regulate *advocacy and litigation* services is successful

Outcomes - you must deliver the following **Outcomes**:

- 4.1 You act in the interests of justice;
- 4.2 You act in good faith towards **Clients**.

Principles - delivery of these **Outcomes** requires you to act in a principled way:

- a) You promote and protect the **client's** best interests.
- b) You do not compromise your professional standards or independence.
- c) You assist the court in the administration of justice.
- d) You do not knowingly or recklessly mislead or deceive the court, or allow the court to be misled.
- e) You ensure that the Court is informed of all relevant decisions and legislative provisions (whether this has a favourable or unfavourable effect on the case you are advancing).
- f) You comply with any Court Order (unless an application for a stay is pending or the Order has been revoked by the Court).
- g) You advise your **Client** to comply with Court Orders and of the consequences of failing to do so.
- h) You properly protect sensitive evidence.
- i) You safeguard the well being of children and other vulnerable persons.

Specific Requirement - you must also comply with the following specific requirement:

- j) You ensure that the court is made aware of any relevant legal or factual matters which are likely to have a material effect on the outcome of the proceedings.

Overriding Principle 5. Deal with regulators and ombudsmen in an open and co-operative way.

Outcome - you must deliver the following **Outcome**:

5.1 You act in accordance with your regulatory responsibilities.

Principles - delivery of these **Outcomes** requires you to act in a principled way:

- a) You are open and honest in your dealings with us.
- b) You comply with the **CLC Code of Conduct** and the **CLC's** other **regulatory arrangements**.
- c) You comply **promptly** and fully with a **CLC** direction or request.
- d) You comply with any **authorisation, permission** or **condition** endorsed on your **licence, Recognised Body Certificate** or **Licensed Body Licence**.
- e) You co-operate with any **CLC** investigation.
- f) You co-operate with any **Legal Ombudsman** investigation.
- g) You comply **promptly** and fully with any **Legal Ombudsman** Order.
- h) You co-operate with other regulators and ombudsmen.

Specific Requirements - you must also comply with the following **specific requirements**:

- i) You make the **Compensation Fund** contribution determined by the **CLC**.
- j) You **systematically** identify, monitor and manage risks to the delivery of this Code's **outcomes**.
- k) You **promptly** notify insurers in writing of any facts or matters which may give rise to a **claim** under **CLC**-approved **professional indemnity insurance**.
- l) You **promptly** notify the **CLC** in writing of any facts or matters which may give rise to a **claim** under its **Compensation Fund**.
- m) As a **CLC** licensee operating in an entity regulated by another regulator you must comply with that regulator's regulations at all times in a way which is reasonably consistent with this Code.
- n) You obtain permission from the **CLC** before offering **Reserved legal activities**:
 - as a new business;
 - in an entity regulated by another **Approved Regulator**; or
 - through a entity with a **Manager** who is not a **Licensed Conveyancer**.
- o) You notify the **CLC** of any material breach of this Code, whether by you, the entity or any other person.
- p) You notify the **CLC** of a change as set out in the **CLC's** Notification Code.

Overriding Principle 6. Promote equality of access and service.

Outcomes - you must deliver the following **Outcomes**: -

- 6.1 The service is accessible and responsive to the needs of individual **Clients**, including those who are vulnerable;¹
- 6.2 No-one - **Client, employee**, colleague, job applicant, trainee or other party - you deal with feels discriminated² against (whether directly or indirectly), victimised or harassed;
- 6.3 You accept responsibility where the service you provide is not of the expected standard and provide appropriate redress for the **Client** where necessary;
- 6.4 Handling of **complaints** takes proper account of **Clients'** individual needs, including those who are vulnerable;
- 6.5 **Complaints** are dealt with impartially and comprehensively.

Principles - delivery of these **Outcomes** requires you to act in a principled way:

- a) You comply with **Equalities legislation**.
- b) You make reasonable adjustments to prevent persons with disabilities from being placed at a substantial disadvantage.
- c) You provide equal opportunities for all partners, **employees** or applicants in employment and training.
- d) You make all reasonable efforts to ensure your service is accessible and responsive to **Clients**, including those with vulnerabilities.
- e) Your **complaints** procedure is clear, well-publicised and free.
- f) You treat **complaints** seriously and provide appropriate redress options.
- g) You deal with **complaints** fairly and within 28 days.
- h) You identify and address systemic **Client Complaints** issues.

Specific Requirements - you must also comply with the following **specific requirements**:

- i) Any allegation of (direct or indirect) discrimination, victimisation and harassment is investigated thoroughly, resulting, where appropriate, in disciplinary action.

- j) From the outset you advise **Clients** in writing of their right to make a **complaint**, how to make it, to whom, and the timeframes involved.
- k) You advise **Clients** in writing of their right to have their **complaint** escalated to the **Legal Ombudsman** and provide them with contact details and timeframes of that body.
- l) You keep a record of **complaints** received and any action taken as a result.

¹ a **Client** may be vulnerable because of a range of characteristics such as low-literacy levels; disability; distress; limited knowledge of, or limited skills in, use of English; or lack of knowledge of their legal entitlements. Vulnerability can only be assessed on a case-by-case basis.

² On the grounds of age, disability, gender reassignment, marital and civil partnership status, pregnancy and maternity, race, religion or faith, sex or sexual orientation.