

Compensation Fund: General information

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What is the Compensation Fund?

- The Compensation Fund was set up by an Act of Parliament to help people who have suffered financial loss due to a solicitor's dishonesty or a solicitor's failure to pay money he or she has received.

Can we help you?

- We may be able to help you if you have suffered actual financial loss. You do not have to have been the client of the solicitor.

The loss must have arisen during a solicitor's normal work. It must have been caused by the dishonesty of the solicitor, or you must be suffering financial hardship as a result of the solicitor's failure to pay money he or she received, either to you or on your behalf.

- If you receive a payment from the fund, you may also receive interest on that payment.
- If you ask a new solicitor to help you make your claim and you receive a payment, we may also pay your new solicitor's proper and reasonable costs for dealing with us. However, we will not pay these costs if we reject your claim.

How we will deal with your application

- We will ask you to fill in an application form which you can get by contacting us at the address given at the end of this sheet.
- A caseworker will investigate your application and will let you know if we need extra information. The caseworker will help you with any questions you may have.
- It is your responsibility to prove your application, but the caseworker will give you help and guidance wherever possible.
- An adjudicator or a panel will make a decision on your application, and we will tell you about that decision after it has been made.

For alternative formats, email info.services@sra.org.uk or telephone 0870 606 2555.

We may not be able to help you in the following circumstances.

- If you fail to apply to us within six months after the loss was or should have been discovered, unless there are exceptional circumstances.
- If you can recover the loss in some other way.
- If the loss is not the direct result of the solicitor's dishonesty or failure to pay money he or she received, either to you or on your behalf.
- If the loss is caused by the solicitor failing to 'comply with an undertaking', in other words the solicitor has failed to do something that he or she agreed to do, except in certain limited circumstances.
- If the loss is as a result of the combined activities of the solicitor and other professionals. (We may take account of the contribution of the other professionals.)

Please remember the following.

- We will carefully consider your application before deciding whether or not to make a payment to you.
- If you think you need to take legal proceedings against the solicitor, please let us know before you do so as we may not pay the costs of those proceedings.
- When we assess the amount you have lost, we will deduct any reasonable costs that you owe the solicitor.
- We will take account of your actions and the circumstances of the loss.
- We cannot help you if your loss has arisen because a solicitor has been negligent. In this case, you should make a claim to the firm's insurers.
- We will not normally make a grant which would result in you receiving more than £1 million, including interest, costs and any insurance or other payment that you may receive.
- If we reject your application, we will write to you to tell you why. We can look at a claim again if new evidence becomes available.

The above is an outline of the Compensation Fund rules and guidelines, which you can get by contacting us.