

# Release notes for SRA Handbook, Version 7

1 April 2013

The seventh version of the Handbook was published on 1 April 2013.

The changes contained in Version 7 came into effect on 1 April 2013 and the key changes are summarised in these Release notes. The notes give a brief update only and you will need to refer to the Handbook itself for full details. Any sets of rules or regulations not referred to below remain substantially unchanged in this version.

There are three groups of changes contained in Version 7:

- The SRA Code of Conduct and the SRA Glossary have been amended to implement the ban on referral fees in personal injury cases set out in sections 56-60 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO) (which came into force on 1 April 2013).
- As part of the SRA's "Red Tape Initiative" to remove unnecessary regulations and simplify regulatory processes, a number of changes have been made to the SRA Authorisation Rules, SRA Practice Framework Rules, SRA Practising Regulations, SRA Training Regulations and the SRA Glossary.
- A number of other amendments have been made to update references and correct errors. In particular, from 1 April 2013 the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) became the statutory regulators of financial services business, replacing the Financial Services Authority (FSA). References to the latter throughout the Handbook have been amended accordingly.

## *SRA Code of Conduct 2011*

New outcomes have been included in Chapters 6 and 9 of the Code of Conduct to implement the ban on referral fees in personal injury cases set out in sections 56-60 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012. Outcomes 6.4 and 9.8 prohibit practitioners receiving or paying "prohibited referral fees" (as defined in the SRA Handbook Glossary). New indicative behaviours have also been included in these chapters (IBs 6.3, 6.4, and 9.7 to 9.9) and changes have been made under the headings "Overseas practice" (in Chapters 6 and 9) and "In-house practice" (in Chapter 6) to make clear the application of the new outcomes to overseas and in-house practice.

## *SRA Accounts Rules 2011*

Following the SRA's relocation to Birmingham, changes have been made to the form of accountant's report at Appendix 5 of the rules in order to update the SRA's telephone number for overseas callers on the first page and the address to which reports should be returned on the last page.

## *SRA Practice Framework Rules 2011*

As part of the SRA's Red Tape Initiative, Rule 4.16(b), which prevented a solicitor employed by a law centre or charity from charging for advice, has been removed. The restriction in rule 4.15(e) which prevented a local authority solicitor from charging for advice given to a local charity or voluntary organisation has also been removed.

To reflect the change to its name, references to Financial Services Authority (FSA) have been amended to Financial Conduct Authority (FCA) in the guidance notes to Rule 8.

## *SRA Authorisation Rules 2011*

Changes are made to Rule 8.5 to permit firms to have a COLP and/or COFA who is not a manager or employee of the firm provided the individual nominated has been approved as the COLP/COFA (as appropriate) for a related authorised body and is a manager or employee of that related authorised body. The definition of related authorised body has been added to the SRA Glossary.

Rule 13.2 has been amended to add RELs and RFLs to the list of those who are deemed approved as managers and owners of authorised bodies, subject to the conditions set out in the rule. Alongside this, 13.2(c) is amended to clarify that notice must be given to the SRA at least seven days in advance of a person becoming a manager or owner if they will benefit from deemed approved.

The heading of Rule 14 has been updated to flag up the requirements in the rule for production of information or documentation.

## *SRA Practising Regulations 2011*

Changes are made to Regulation 4.8 to permit firms to have a COLP and/or COFA who is not a manager or employee of the firm provided the individual nominated has been approved as the COLP/COFA (as appropriate) for a related authorised body and is a manager or employee of that related authorised body. The definition of related authorised body has been added to the SRA Glossary.

## *SRA Training Regulations 2011*

References to legal executives and their qualifications have been updated. Red Tape Initiative amendments have removed the time limits on academic qualifications and student enrolment, as well as the need to gain our approval for trainee secondments. The half-equivalence requirements for considering reductions in the term of the training contract, and the need for periodic re-authorisation of training establishments, have also been removed as a result of the Red Tape Initiative.

## *SRA Qualified Lawyers Transfer Scheme Regulations 2011*

A Red Tape Initiative change has been made to allow applicants who do not need to take any of the QLTS assessments to progress to admission without a certificate of eligibility being issued.

## *SRA Suitability Test*

Minor changes have been made to guidance notes to clarify certain SRA processes; when we can progress an application if a regulatory matter is outstanding, the process for submitting PNC checks, and the types of motoring convictions which should be disclosed.

## *SRA Financial Services (Scope) Rules 2001*

Changes have been made to reflect the fact that the FSA has been superseded by the FCA.

## *SRA Financial Services (Conduct of Business) Rules 2001*

Changes have been made to reflect the fact that the FSA has been superseded by the FCA.

## *SRA Handbook Glossary 2012*

The three groups of changes referred to above have required some consequential changes to the definitions in the Glossary. For example, references to legal executives and their qualifications have been updated, and definitions relating to the FSA have been amended to refer to the FCA. There is a number of new definitions, including "payment", "prohibited referral fee" and "related authorised body".