



The Law Society

Lexcel

A guide for sole practitioners

practice management
guidance

Lexcel v4: A guide for sole practitioners

With a variety of practice types seeking and retaining accreditation, there are certain aspects of the standard where compliance can have different implications.

This guide is designed to provide practical advice to sole practitioners, who are the **only fee earner** in the practice, in relation to specific sections of the standard. Only requirements where compliance may differ for sole practitioners are included.

You could save much time and effort by using the Lexcel Practice Excellence Kit for guidance. The Kit includes both a template manual in hard and electronic copy, as well as an assessment guide which is a checklist and commentary on the v4 standard.

If you have any questions about applying the Lexcel rules to the circumstances of your practice, please contact the Lexcel office on: 020 7320 5933 or via e-mail at: lexcel@lawsociety.org.uk.

Benefits

There are a variety of benefits sole practitioners can experience by achieving Lexcel accreditation. These advantages can include improving efficiency through the implementation of Lexcel's effective practice management framework.

Utilising Lexcel's effective framework can also reduce the number of mistakes and complaints for sole practitioners. While this can help prevent the number of claims, insurer awareness of Lexcel means that this can also result in gaining lower insurance premiums.

Lexcel accreditation provides recognition of a practice's commitment to achieving, developing and maintaining best practice and service excellence. Being independently assessed, Lexcel can demonstrate this dedication to your existing and potential clients.

With increasing access to a large volume of legal services providers, Lexcel accreditation can prove to be a differentiator when prospective clients are searching for someone to instruct. Achieving Lexcel accreditation can, therefore, promote practice excellence to enhance your business' commercial edge.

While there is flexibility to tailor standards to meet your practice's own needs, fulfilling Lexcel's requirements means these will be set against a nationally recognised standard.

Implementing Lexcel

You are encouraged to have simple and brief documentation which appropriately reflect your working practices. Clearly, this will be much briefer and more straightforward than those needed for a much larger firm. You should however ensure that your approach:

- Is appropriate to the needs of your practice;
- Is designed to make your practice more resilient and effective;
- Avoids imposing an administrative burden without a corresponding practice benefit; and
- Is properly documented in order for you to manage your firm effectively and achieve Lexcel

You are required to have a variety of documented policies and plans. As a sole practitioner you are responsible for all policies and plans and it is, therefore, not necessary to document your accountability, as this is presumed.

If you want to keep things simple, you can put everything in a single document: your office manual can set out all your policies, processes, procedures, plans as well as evidence that you have conducted the necessary reviews.

The requirements in Section 7 - Client Care and Section 8 - File Management, do not have specific variation for sole practitioners and so are not included in this guide.

Requirements

The table below highlights requirements which will have a different impact on sole practitioners in Lexcel v4:

1. Structures and Policies	
1.1.a	When documenting the legal framework under which you operate, a sole practitioner must give consideration to the continuity of the practice in the event of death, incapacity or an emergency. This could be dealt with in a will, a letter or other instructions left with either a fellow practitioner whom you have a reciprocal arrangement with or a relative/friend.
1.3.b	A process is needed whereby personnel can suggest improvements to the quality system. If you have no other staff, you can disregard this requirement. However, if you have additional staff, you will need to demonstrate that a process is in operation. This process does not need to be formal. It could simply be demonstrated by considering it at a team meeting or accepting suggestions on an ad hoc basis.
1.4.a	The requirement for a policy on anti-discrimination and equal opportunities includes clients, third parties, employment, recruitment and selection, training, conditions of service and promotions within the practice. If you have no staff and do not plan to recruit in the future some elements of this policy do not have to be documented. You are encouraged to give this policy careful consideration as the legal implications of not addressing this policy fully may be great.

2. Strategy, the Provisions of Services and Marketing	
The documents required by this section should reflect what is meaningful to your business. You may want to combine your business and marketing plan or keep them separate.	
2.1	<p>You should be able to demonstrate that you have considered appropriate factors, and should broadly cover the following areas:</p> <ul style="list-style-type: none"> • Where the practice is now • Your objective for the following 12 months - all objectives should be SMART • Where you want the practice to be in three years • What resources are required to achieve the objectives i.e. finance, people, IT, premises • Succession planning/retirement - consider ongoing Professional Indemnity Insurance issues • Holiday support or cover for the practice • Marketing strategy for the practice that outlines existing activity, any new or additional activity plus the allocation of a marketing budget • Timescales for the review of all planning documentation, which must be at least every six months.
2.4	<p>When considering the content of your business continuity plan, you will need to consider the potential risks that could interrupt the running of your business, including:</p> <ul style="list-style-type: none"> • IT or telephone problems • Disasters that could affect the premises • Incapacity or ill health <p>Consideration should be given to the responsibilities regarding the execution of the plan especially if there is a need to involve 3rd parties.</p> <p>The Sole Practitioner Group (SPG) has issued guidance on “Protecting Your Practice in Emergencies”, which you may find useful. You can find this information at www.spg.uk.com under “Know How”.</p>

3. Financial Management	
3.2	These requirements may be dealt with by your practice's accountant or by you. If they are dealt with by your accountant, an assessor would accept a letter confirming you met all the requirements.

3.3	Time recording may be via an IT based or manual system. Time recording on all matters is accepted as best practice, however, it is only necessary on matters where time is a factor for billing purposes. If you do fixed fee work it is recommended that time recording be carried out on a periodic sample basis to check that work is profitable.
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4. Information Management and Facilities

4A Information Management

4A.1	You may decide that your Information Communication Technology (ICT) plan should be included in your business plan required in section 2.1, as your IT is an important resource.
4A.2 to 4A.6	This section requires that all personnel receive appropriate training to understand the policies. If you have staff the training should be at an appropriate level taking into consideration the nature of their work. If you do not have any staff, you can disregard the requirement to train staff.

5. People Management

5.1 & 5.3	If you do not have any staff and do not intend to recruit, you do not need to have a documented personnel plan or procedures to recruit staff. If, however, this is not the case you must have a plan and procedures in place. You must have a plan which reflects all training requirements for yourself and your staff, including CPD, management, IT and any other training needs. There must also be a budget allocated to support the training plan.
5.2	You will need to be able to describe your responsibilities and objectives. You do not, however, have to have a written job description or person specification.
5.6	At least annually, you need to review your responsibilities, objectives, tasks and training needs. This must be documented and may be part of the business plan required in 2.1 or a separate self appraisal. You may consider engaging a business coach to assist with your development review. If you are not the only member of staff, this requirement will also apply to all other staff in the practice.

6. Supervision and Operational Risk Management

6.3	If you have staff you must have processes in place to deal with their supervision, this includes support and temporary staff.
6.5	If you are the only fee-earner, you will be “self-supervising“ and will need to demonstrate how you conduct file reviews. If you would like help in finding a fellow-Lexcel accredited Sole Practitioner in a similar practice area to undertake file reviews with, please contact the Lexcel office. You may want to involve support staff in conducting a procedural file review or you may have a reciprocal agreement with another sole practitioner who will review a sample of your files. Client confidentiality must be addressed if you use an external file reviewer

