



The Law Society

Lexcel England and Wales v6 Standard for in-house legal departments

Comparison of changes between v6 and v5

Contents

New requirements.....	3
Amended requirements.....	4
Removed requirements.....	7
Cross mapping of all requirements (by number)	8
Lexcel toolkit publications	12

New requirements

The table below sets out new requirements that have been added into version 6.

Lexcel new requirements v6	
1.2	The department or its organisation must have a strategic plan . Where the department relies upon their organisation's strategic plan this must set out the departments' objectives . The plan should include: <ul style="list-style-type: none"> f. a documented risk evaluation of objectives g. procedures for regular reporting on performance.
2.5	The department handling financial transactions, should have a procedure , which should include: <ul style="list-style-type: none"> a. the transfer of funds b. the management of funds received by the department c. authorisations.
3.1	The department or the organisation must have an information management and security policy , which should include: <ul style="list-style-type: none"> a. a register of relevant information assets c. procedures for the retention and disposal of information d. the use of firewalls e. procedures for the secure configuration of network devices f. procedures to manage user accounts g. procedures to detect and remove malicious software h. a register of all software used i. training for personnel on information security j. a plan for the updating and monitoring of software.
4.9	The department or the organisations must have a whistleblowing policy .
4.10	The department or the organisations must have a flexible working policy .
5.1	The department must be encompassed by the organisation's risk management policy , or have a policy that is particular to the department, which should include: <ul style="list-style-type: none"> a. a compliance plan, if relevant b. a risk register c. defined risk management roles and responsibilities d. arrangements for communicating risk information.
5.13	If the anti-money laundering legislation applies to the organisation, the department must be encompassed by the organisation's anti-money laundering policy or have a policy that is particular to their department, which must include: <ul style="list-style-type: none"> a. the appointment of a nominated officer usually referred to as a Money Laundering Reporting Officer (MLRO) b. a procedure for making disclosures within the organisation and by the MLRO to the authorities c. a procedure for checking the identity of the department's clients, if appropriate d. a plan for the training of personnel e. procedures for the proper maintenance of records.
5.14	The department must be encompassed by the organisation's policy setting out the procedures to prevent bribery in accordance with current legislation or have a policy particular to the department.
5.15	The department must be included in the organisation's analysis of risk assessment data that is generated or undertake an analysis of risk data particular to their department. This should include: <ul style="list-style-type: none"> d. any breaches that have been notified to the SRA e. situations where the department acted where a conflict existed (where applicable)

Amended requirements

The table below sets out requirements that have been changed. **Emboldened words** against requirements in the left-hand column, indicate where changes have been made in version 6.

Lexcel amended requirement v6	Lexcel requirement v5
<p>1.2 The department or its organisation must have a strategic plan. Where the department relies upon their organisation's strategic plan this must set out the departments' objectives. The plan should include:</p> <p>b. the identification of resources required to meet the objectives</p>	<p>2.1 Practices will develop and maintain a business plan which must include:</p> <p>b. a recruitment plan</p> <p>2.5 Practices will have an information communication technology (IT) plan, which must include:</p>
<p>2.2 The department should be able to provide documentary evidence of their financial management procedure, including:</p> <p>b. variance analysis conducted at least quarterly of income and expenditure against budgets.</p>	<p>3.2 Practices will be able to provide documentary evidence of their financial management procedure, including:</p> <p>f. quarterly variance analysis which includes at least their cash flow</p>
<p>3.6 The organisation or department must have:</p> <p>c. a procedure for the review of each policy, plan and procedure that is contained in the Lexcel Standard.</p>	<p>2.1 Practices will develop and maintain a business plan which must include:</p> <p>d. a procedure for a review of the plan to be conducted every six months to verify the plan is in effective operation across the practice</p> <p>2.2 Practices will develop and maintain a marketing plan which must include:</p> <p>c. a procedure for a review of the plan to be conducted every six months to verify the plan is in effective operation across the practice</p> <p>2.3 Practices will document the services they wish to offer, including:</p> <p>a. a procedure for a review of services to be conducted every six months.</p>
<p>4.2 The department or the organisation must have an equality and diversity policy, which should include:</p> <p>c. a procedure to monitor diversity and collate equality data</p> <p>e. procedures for reasonable adjustments for personnel.</p>	<p>1.4 Practices will have a policy on the avoidance of discrimination and the promotion of equality and diversity, which must include:</p> <p>a. employment and partnership, recruitment and selection, training and conditions of service and promotions within the practice</p> <p>e. a procedure to monitor diversity</p>
<p>4.3 The department must be encompassed by the organisation's learning and development policy, which should include:</p> <p>d. a learning and development plan for all personnel.</p>	<p>5.6 Practices must have a training and development policy...</p> <p>5.1 Practices will have a plan for the training and development of personnel...</p>
<p>4.5 The department must be encompassed by the organisations procedures to deal effectively with recruitment selection and progression, or have procedures particular</p>	<p>5.3 Practices will have procedures to deal effectively with recruitment and selection, which must include:</p>

Lexcel amended requirement v6	Lexcel requirement v5
to their department, which should include: d. clear and transparent selection g. where appropriate, the checking of disciplinary records.	d. selection methods used g. checking fee earners' disciplinary record.
5.2 The department must be encompassed by the organisation's outsourced activities policy or have a policy that is particular to the department, which should include: c. procedures to ensure providers have taken appropriate precautions to ensure information will be protected.	1.3 Practices will have a policy in relation to outsourced activities, which must include: e. steps to ensure providers have taken appropriate precautions to ensure information will be protected.
5.11 The department must have a procedure for regular, independent file reviews of either the management of the file or its substantive legal content, or both. In relation to file reviews, the department must : a. define and explain file selection criteria b. define and explain the number and frequency of reviews	6.11 Practices will have a procedure for regular, independent file reviews, of either the management of the file or its substantive legal content, or both. In relation to file reviews, practices will: a. define file selection criteria b. define the number and frequency of reviews
5.12 Operational risk must be considered and recorded in all matters before, during and after the processing of instructions. Before the matter is undertaken the legal advisor must : b. assess the risk profile of all new instructions and notify the supervisor , in accordance with procedures under 5.4, of any unusual or high risk considerations in order that appropriate action may be taken. c. consider any change to the risk profile of the matter and report and advise on such circumstances without delay, informing the supervisor if appropriate f. notify the supervisor of all such circumstances in accordance with documented procedures in section 5.4 above.	6.12 Operational risk will be considered and recorded in all matters before, during and after the processing of instructions. Before the matter is undertaken the adviser must : b. assess the risk profile of all new instructions and notify the risk manager in accordance with procedures under 6.3 of any unusual or high risk considerations in order that appropriate action may be taken. c. Consider any change to the risk profile of the matter and report and advise on such circumstances without delay, informing the risk manager if appropriate f. Notify the risk manager of all such circumstances in accordance with documented procedures.
6.1 The department must have a policy for client care, which should include: f. the provision of reasonable adjustments for disabled clients.	1.4 Practices will have a policy on the avoidance of discrimination and the promotion of equality and diversity, which must include: b. the delivery of service
6.2 The department must communicate the following to clients in writing, unless an alternative form of communication is deemed more appropriate: a. where appropriate, establish the client's requirements and objectives h. where appropriate, consider whether the intended action would be merited on a cost benefit analysis l. where appropriate, the client is given the	7.2 Practices will communicate the following to clients in writing, unless an alternative form of communication is deemed more appropriate: a. establish the client's requirements and objectives h. consider whether the intended action would be merited on a cost benefit analysis l. the client is given the name of person

Lexcel amended requirement v6	Lexcel requirement v5
<p>name and status of the person responsible for the overall supervision of their matter.</p>	<p>responsible for the overall supervision of their matter</p>
<p>6.5 The department must be encompassed by the organisation's complaints handling procedure or have a procedure particular to the department, which should include:</p> <p>c. the name of the person with overall responsibility for complaints</p>	<p>7.5 Practices will operate a written complaints handling procedure, including:</p> <p>c. to whom the client can complain</p>
<p>7.6 The department must have procedures to ensure that, at the end of the matter, the department:</p> <p>a. if required, reports to the client on the outcome and explains any further action that the client is required to take in the matter and what (if anything) the department will do</p>	<p>8.7 Practices will have documented procedures to ensure that, at the end of the matter, the practice:</p> <p>a. reports to the client on the outcome and explains any further action that the client is required to take in the matter and what (if anything) the practice will do</p>

Removed requirements

The table below sets out requirements that were contained in version 5 and have been deleted from version 6.

Lexcel removed requirement	
1.1	Practices will have documentation setting out the: <ol style="list-style-type: none"> a. legal framework under which they operate
1.2	Practices will have a risk management policy, which must include: <ol style="list-style-type: none"> a. strategic risk b. operational risk c. regulatory risk
3.2	Practices will be able to provide documentary evidence of their financial management procedure, including: <ol style="list-style-type: none"> b. annual income and expenditure accounts c. annual balance sheet d. annual income and expenditure forecast to be reviewed quarterly f. quarterly variance analysis which includes at least their cash flow
4.6	Practices will have a procedure for legal research, including the updating and sharing of legal and professional information.
4.7	Practices will maintain an office manual or equivalent Intranet documentation collating information on office practice, which must be available to all personnel of the practice. This will include: <ol style="list-style-type: none"> a. a procedure to control the office manual or intranet to ensure that only the current version is in use b. a procedure to update the manual or Intranet and record the date of amendments
6.1	Practices must designate one overall risk manager to be able to identify and deal with all risk issues which may arise.

Cross mapping of all requirements (by number)

The table below maps all the requirements in version 6, compared to version 5, by number. Requirements in the left-hand column are shown in either **red**, **amber** or **green** to indicate the status of requirements in version 6, compared to version 5.

Status	Explanation
Requirement shown in red text, e.g. 1.1 (a)	Indicates a new requirement added into version 6
Requirement shown in amber text, e.g. 1.1 (a)	Indicates an amendment, where the meaning of the requirement has changed between the requirement in version 6 that was previously in version 5
Requirement show in green text, e.g. 1.1 (a)	Indicates no changes have been made to the meaning of the requirement from version 5 to version 6

Requirement v6	Requirement v5
1.1	1.1
1.1.a	1.1.b
1.2	2.1,
1.2.a	2.1.a
1.2.b	2.1.b, 2.2, 2.5
1.2.c	2.3
1.2.d	2.3.a
1.2.e	2.3.b
1.2.f	None
1.2.g	None
1.3	2.4
1.3.a	2.4.a
1.3.b	2.4.b
1.3.c	2.4.c
1.3.d	2.4.d
1.4	1.6
2.1	3.1
2.2	3.2
2.2.a	3.2.a
2.2.b	3.2e
2.3	3.3

Requirement v6	Requirement v5
2.4	3.4
2.4.a	3.4.a
2.4.b	3.4.b
2.4.c	3.4.c
2.5	3.5
2.5.a	None
2.5.b	None
2.5.c	None
3.1	4.1
3.1.a	None
3.1.b	4.1.c
3.1.c	None
3.1.d	None
3.1.e	None
3.1.f	None
3.1.g	None
3.1.h	None
3.1.i	None
3.1.j	None
3.2	4.2
3.2.a	4.2.a

Requirement v6	Requirement v5
3.2.b	4.2.b
3.2.c	4.2.d
3.3	4.3
3.3.a	1.4.b
3.3.b	4.3.a
3.3.c	4.3.b
3.3.d	4.3.c
3.4	4.4
3.4.a	4.4.a
3.4.b	4.4.b
3.5	4.5
3.5.a	4.5.a
3.5.b	4.5.b
3.6.	4.7.c
3.6.a	4.7.c
3.6.b	4.7.c
3.6.c	2.1.d, 2.2.c, 2.3.c
3.6.c	1.2.e, 1.3.f, 1.4.h, 1.5.b, 1.6.b, 2.5.d, 3.4.e, 3.5.b, 4.1.f, 4.2.f, 4.3.e, 4.4.d, 4.5.d, 5.1.b, 5.6.e, 5.7.d, 6.8.e, 6.11.f, 6.14.b, 7.1.e, 7.5.i, 8.1.e.
4.1	1.5
4.2	1.4
4.2.a	1.4.a
4.2.b	1.4.d
4.2.c	1.4.e
4.2.d	1.4.f
4.2.e	1.4.a
4.3	5.6
4.3.a	5.6.a
4.3.b	5.6.b
4.3.c	5.6.c

Requirement v6	Requirement v5
4.3.d	5.1
4.4	5.2
4.5	5.3
4.5.a	5.3.a
4.5.b	5.3.b
4.5.c	5.3.c
4.5.d	5.3.d
4.5.e	5.3.e
4.5.f	5.3.f
4.5.g	5.3.g
4.6	5.4
4.6.a	5.4.a
4.6.b	5.4.b
4.6.c	5.4.c
4.6.d	5.4.d
4.7	5.5
4.7.a	5.5.a
4.7.b	5.5.b
4.7.c	5.5.c
4.8	5.7
4.8.a	5.7.a
4.8.b	5.7.b
4.9	None
4.10	None
5.1	1.2
5.1.a	None
5.1.b	None
5.1.c	None
5.1.d	None

Requirement v6	Requirement v5
5.2	1.3
5.2.a	1.3.a
5.2.b	1.3.b
5.2.c	1.3.c
5.3	6.2
5.4	6.3
5.5	6.4
5.6	6.5
5.7	6.6, 6.7
5.7.a	6.6.a
5.7.b	6.6.b
5.8	6.8
5.8.a	6.8.a
5.8.b	6.8.b
5.8.c	6.8.c
5.9	6.9
5.9.a	6.9.a
5.9.b	6.9.b
5.9.c	6.9.c
5.9.d	6.9.d
5.9.e	6.9.e
5.9.f	6.9.f
5.10	6.10
5.11	6.11
5.11.a	6.11.a
5.11.b	6.11.b
5.11.c	6.11.c
5.11.d	6.11.d
5.11.e	6.11.e
5.11.f	6.11.f
5.12	6.12
5.12.a	6.12.a
5.12.b	6.12.b

Requirement v6	Requirement v5
5.12.c	6.12.c
5.12.d	6.12.d
5.12.e	6.12.e
5.12.f	6.12.f
5.13	6.14
5.13.a	None
5.13.b	None
5.13.c	None
5.13.d	None
5.13.e	None
5.14	6.14
5.15	6.13
5.15.a	6.13.a
5.15.b	6.13.b
5.15.c	6.13.c
5.15.d	None
5.15.e	None
5.15.f	6.13.d
6.1	7.1
6.1.a	7.1.a
6.1.b	7.1.b
6.1.c	7.1.c
6.1.d	8.3.b
6.1.e	7.7
6.1.f	1.4.b
6.2	7.2
6.2.a	7.2.a
6.2.b	7.2.b
6.2.c	7.2.c
6.2.d	7.2.d
6.2.e	7.2.e
6.2.f	7.2.f
6.2.g	7.2.g

Requirement v6	Requirement v5
6.2.h	7.2.h
6.2.i	7.2.i
6.2.j	7.2.j
6.2.k	7.2.k
6.2.l	7.2.l
6.3	7.3
6.4	7.4
6.4.a	7.4.a
6.4.b	7.4.b
6.4.c	7.4.c
6.4.d	7.4.d
6.4.e	7.4.e
6.4.f	7.4.f
6.4.g	7.4.g
6.5	7.5
6.5.a	7.5.a
6.5.b	7.5.b
6.5.c	7.5.c
6.5.d	7.5.d,
6.5.d(i)	7.5.e (i)
6.5.d(ii)	7.5.e (ii)
6.5.e	7.5.f
6.5.f	7.5.g
6.5.g	7.5.g
6.6	7.6
6.7	8.1
6.7.a	8.1.a
6.7.b	8.1.b
6.7.c	8.1.c
7.1	8.2
7.2	8.4
7.3	8.5
7.3.a	8.5.a

Requirement v6	Requirement v5
7.3.b	8.5.b
7.3.c	8.5.c
7.3.d	8.5.d
7.3.e	8.5.e
7.4	8.3
7.4.a	8.3.a
7.4.b	8.3.b
7.4.c	8.3.c
7.4.d	8.3.d
7.5	8.6
7.5.a	8.6.a
7.5.b	8.6.b
7.5.c	8.6.c
7.5.d	8.6.d
7.5.e	8.6.e
7.5.f	8.6.f
7.5.g	8.6.g
7.5.h	8.6.h
7.6	8.7
7.6.a	8.7.a
7.6.b	8.7.b
7.6.c	8.7.c
7.6.d	8.7.d
7.6.e	8.7.e
7.6.f	8.7.f

Lexcel toolkit publications

Existing Lexcel toolkit publications have not been updated to reflect Lexcel version 6. If referring to a toolkit publication based on Lexcel v5, please use the above cross mapping table to identify how the numbering and status of requirements has changed from Lexcel v5 to Lexcel v6. Lexcel v6 contains seven sections. Section 1 from v5 ('Structures and policies') has been removed in v6 and its requirements moved to other sections.