



# LETTERS OF ENGAGEMENT GUIDE

---

2025

# Contents

Letters of Engagement Guide .....	2
Scope of Work .....	3
Responsibility for Your Work.....	5
Our Fees .....	7
Complaints .....	10
Your Responsibilities.....	12
Personal Data .....	13
Right to Cancel Appointment of Agency .....	14
Interest/Client Funds .....	15
About Us.....	16
Closing/Archiving Files .....	17
Quality Assurance .....	21



## Letters of Engagement Guide

It is both an SRA requirement, and Law Society good practice, to provide clients with certain information before providing legal services.

The best way to do this is in writing in a client care or engagement letter and associated terms of business. These letters of engagement, if properly drafted, can have a key role to play in managing the relationship with your client, including managing client expectations, and thereby minimising the risk of complaints and claims.

While this is not a definitive document and is not intended to be used as a style or template, it should help you in drafting the various elements within your own letters.

[SRA | Client care letters | Solicitors Regulation Authority](#)

[Client information requirements | The Law Society](#)

[SRA | Transparency Rules | Solicitors Regulation Authority](#)

# Scope of Work



## GENERAL

### Mandatory

**Rule 8.6 of the SRA Code of Conduct for Solicitors (COCS) sets out:** You are required to give clients information in a way they can understand. You ensure they are in a position to make informed decisions about the services they need, how their matter will be handled and the options available to them. (Rule 7.1(c) SRA Code of Conduct for Firms (COCF) clarifies the 'you' refers to the firm).

### What to Include

This part of the letter should include an outline of the work to be carried out on behalf of the client.

It should provide sufficiently detailed information so that the scope of the work and the significant elements covered can be clearly identified. However, it need not rehearse in detail every step to be taken.

Both the solicitor and the client should be clear about what work is being taken on to avoid confusion or issues later.

### Tips

Consider reviewing specific transactions which follow a set workflow (for example residential property purchases or sales) and setting out those steps in the letter by use of a template. This can provide a re-usable framework for a particular transaction. Reference should be made to any attached workflows that you wish to rely on.

#### Sample Content

This matter will involve all work in connection with the sale of 33 Letsby Avenue, Manchester.

This includes the provision of legal services to you in accordance with the sale of the property including obtaining relevant title documents, dealing with enquiries from your buyers, obtaining a mortgage redemption statement etc.

In the event that you instruct us to provide other legal services, these will be subject to additional/separate charges which you will be advised of in respect of which your prior agreement will be sought before any work is undertaken.



## EXCLUDED SERVICES

### Recommended

**Rules 8.6 COCS and 7.1(c) COCF** require solicitors and firms to provide the client with information in a way that they can understand, and which enables them to make informed decisions about the services they need. By implication, outlining excluded work assists clients to understand what services they require but is not a specific mandatory requirement.

### What to Include

This part of the letter should specify any areas of work that will not be carried out on behalf of the client, particularly where the client might otherwise expect that work to be carried out by the solicitor.

The solicitor and the client should be clear about what the solicitor will not be responsible for.

### Tips

If responsibility for issuing reminders is to be a part of the work scope, state this specifically (and potentially consider a separate fee element or engagement for this as this will generate recurring diary entries in a centralised system that will require continual monitoring).

#### Sample Content

1. We will not be responsible for advising on tax or accountancy matters. We recommend that you seek advice from tax advisers or accountants (as appropriate).
2. Unless otherwise expressly agreed with you, the work that we undertake will not include monitoring or reminding you of renewal dates or other notice periods.
3. We will not be responsible for advising on any area relating to overseas rights or assets. We recommend that you obtain specialist advice from the relevant jurisdiction.





## WHERE THE INSTRUCTIONS CHANGE

### Mandatory

**Rules 8.6 COCS and 7.1 COCF:** You are required to give clients information in a way they can understand. You ensure they are in a position to make informed decisions about the services they need, how their matter will be handled and the options available to them.

### What to Include

This part of the letter should include provision on what will happen if the client's instructions change, altering the agreed scope of work to be carried out.

### Tips

If the client's instructions change and this alters the scope of the work (and the solicitor accepts the new instructions) the letter should be reviewed. If necessary, an amended letter should be issued, highlighting the changes to the scope. Alternatively, some written communication should draw the client's attention to the changes resulting from their amended instructions.

### Sample Content

In the event of you varying your instructions, this may increase the time required to be spent on your matter and/or increase costs. The estimate of fees provided in this letter is based on the scope of work outlined above. If we require to issue a revised estimate in light of revised instructions, we will advise you of this in writing.





# Responsibility for Your Work



## GENERAL

### Recommended

[Law Society Practice Note: Client Information Requirements \(8 September 2021\) - paragraph 6.2 \(Contact Details\)](#)  
[Client information requirements | The Law Society](#) - states that you should inform the client, in writing, of the name and status of the person dealing with their matter and the name and status of the person responsible for the overall supervision of the matter.

You should provide their contact details – usually their direct dial number and email address.

You may also find it useful to provide details of other members of staff who will be able to help with any queries.

### What to Include

This part of the letter should provide details of the person who will have primary responsibility for the work. If work is to be delegated this should be explained. If a substitute is to be involved, then his or her name should be provided.

### Tips

If there is a person who has overall supervision of the work, then his or her details should be included along with the person responsible for the day-to-day conduct of matters.

### Sample Content

X will have principal responsibility for your matter. In order to progress matters, Y will also work on your transaction/ matter.

**OR** - X will have principal responsibility for your matter. In order to deal with specialist aspects of your transaction, other members of staff may be required to become involved at some stage. We will keep you advised as to who is dealing with your matter from time to time. X will be on hand to answer any questions you may have and X will remain your principal point of contact throughout.





## OUTSOURCING

### Recommended

[Law Society Practice Note: Client Information Requirements \(8 September 2021\) - paragraph 6.2 \(Contact Details\)](#)  
[Client information requirements | The Law Society](#) - states that you should inform the client, in writing, of the name and status of the person dealing with their matter and the name and status of the person responsible for the overall supervision of the matter.

[Law Society Practice Note: Client Information Requirements \(8 September 2021\) - paragraph 7.4 \(Confidentiality and Disclosure\)](#)  
[Client information requirements | The Law Society](#) - states that information for clients should explicitly set out the circumstances of when and to whom information will be made available, why they would need to access information and why disclosure might be necessary.

Consent to disclosure must be informed consent and consent must not be assumed and clients should be given the opportunity to object to disclosure.

[Law Society Practice Note: Outsourcing \(2 August 2022\) - Outsourcing | The Law Society](#) - states that you must ensure that the client is aware, for example through your terms of business, that outsourcing may occur and you should consider whether specific consent is needed from clients prior to outsourcing taking place.

### What to Include

This part of the letter should provide details of the firm or the organisation carrying out any work that has been outsourced or subcontracted by the solicitor.

### Tips

The obligation to meet regulatory requirements and professional rules continues to rest with the solicitor. You should ensure that contractual arrangements with outsourced providers are compliant with your professional obligations.

### Sample Content

In order to deal with specialist aspects of your transaction, we may outsource part of the work to another firm of solicitors.

The firm we propose to use is Z and the individual who will be dealing with the work there is Q. Like us, Z is a firm regulated by the SRA and adheres to the same standards as ourselves. Should you have any queries about our use of Z as an outsourced service provider, please let us know. At all times, your contract is with us and should you have any questions or be dissatisfied with any aspect of how your matter is being progressed, you will always be able to contact our Client Relations Partner.



# Our Fees



## FEE ESTIMATE

### Mandatory

**Rule 8.7 COCS, Rule 7.1(c) COCF:** You ensure that clients receive the best possible information about how their matter will be priced and, both at the time of engagement and when appropriate as their matter progresses, about the likely overall cost of the matter and any costs incurred.

Note: The Transparency Rule requirements for clarity on costs [click here for more information](#)

### What to Include

This part of the letter should include an estimate of the total fee or the basis on which the fee will be calculated (e.g. an hourly rate), the VAT amount and details of any anticipated outlays or disbursements.

### Tips

Any interim fee or payment to account arrangement should be set out clearly in the client engagement letter or terms of business. It is also recommended that the client's liability for a third party's costs be included, e.g. if the client is the tenant under a lease and has agreed to pay the landlord's solicitors' fees and outlays

### Sample Content

We propose to charge an hourly rate in relation to your matter. My hourly rate is £X. We record time in 6-minute intervals (units) with a 1 unit minimum. The hourly rate is applied proportionately to these units and the total time spent on your matter is calculated accordingly. In relation to your matter, we estimate the total fees will be £X (or specify a reasonable range eg £X-Y). Please note that this is an estimate only and we may have to alter this depending on how the matter progresses.

### OR

In relation to your matter we propose to charge a fixed fee of £X (including VAT). This is the amount which you will pay, even though we may spend more time on the matter and incur higher costs than the fixed fee. However, this fixed fee is based on the scope of work set out above. If the scope of work is varied – for instance by new instructions or us being asked to do something which is not set out above, we reserve the right to vary our fixed fee and will notify you of this. Our fees are exclusive of disbursements (costs which we incur and pay on your behalf) and we anticipate the following disbursements will be incurred...

### OR

We cannot give an accurate estimate of disbursements at this time but do not anticipate these will exceed £X.

### OR

We cannot give an accurate estimate of disbursements at this time but these may include counsel's fees, court fees, property searches, property reports, Companies House fees.





## HOURLY RATES

### Mandatory

Rules 8.7 COCS, Rule 7.1(c) COCF: You ensure that clients receive the best possible information about how their matter will be priced and, both at the time of engagement and when appropriate as their matter progresses, about the likely overall cost of the matter and any costs incurred.

### What to Include

If the fees are charged on an hourly rate, where the individuals involved are on different rates, all of the rates should be set out in this part of the letter.

### Tips

If any of the rates change during the course of the transaction, an update should be provided. If any fee earners not previously identified are to carry out chargeable work on the transaction/matter, their charge out rate should also be provided.

#### Sample Content

As different individuals with different levels of experience will/may be involved in progressing your matter, their charging rates are set out below. It is more cost effective for you that we utilise individuals with different experience levels depending on the work involved.



## COMMISSION PAYMENTS OR FEE SHARING

### Mandatory

Rule 5.1 COCS, Rule 7.1(b) COCF: In respect of any referral of a client by you to another person, or of any third party who introduces business to you or with whom you share your fees, you ensure that:

- clients are informed of any financial or other interest which you or your business or employer has in referring the client to another person or which an introducer has in referring the client to you
- clients are informed of any fee sharing arrangement that is relevant to their matter
- the fee sharing agreement is in writing
- you do not receive payments relating to a referral or make payments to an introducer in respect of clients who are the subject of criminal proceedings
- any client referred by an introducer has not been acquired in a way which would breach the SRA's regulatory arrangements if the person acquiring the client were regulated by the SRA.

### What to Include

This part of the letter should provide details of any commission to be paid or received.







## RIGHT TO REVIEW FEES

### Mandatory

In order to comply with Rules 8.7 COCS, Rule 7.1(c) COCF (see above).

### What to Include

This part of the letter should state that the firm reserves the right to increase an estimated fee, if the matter becomes protracted or complicated due to unforeseen events.

### Tips

Such a provision takes account of a matter which becomes complicated or delayed.

#### Sample Content

In relation to your matter, we estimate the total fees will be £X. Please note that this is an estimate only and we may have to alter this depending on how the matter progresses.

This fee is based on the scope of work set out above.

The estimate may require to be changed if the matter becomes complicated or delayed in a manner that was unexpected at the time we entered this agreement with you. Matters can become complicated due to a number of reasons such as [insert relevant reasons for the work type – protracted court negotiations; unexpected title problems; etc.]

Our estimate may also have to be altered if the scope of work is varied – for instance by new instructions or us being asked to do something which is not set out above. In such cases, we reserve the right to vary our estimated fee and will notify you of this.



## LEGAL AID

### Mandatory

The Standard Civil Contract Standard Terms include an obligation to ensure that clients are provided with appropriate information (including where relevant, information on costs incurred) in respect of their matter or case. It is recommended that you review the particular obligations of your contractual arrangement with the Legal Aid Agency and bear in mind your ongoing obligations to comply with the regulatory requirements of the SRA.

[Law Society Practice Note: Client Information Requirements \(8 September 2021\) - paragraph 6.6 \(Costs Information\)](#)  
[Client information requirements | The Law Society](#) - suggests that you should ensure that all information on fees is clear, easily accessible and in a form that is appropriate to the client's needs and circumstances.

### What to Include

This part of the letter should cover any contributions and clawback issues if the client is legally aided.

### Tips

A legally aided client must be advised about:

1. any contribution to be paid either to the solicitor for advice and assistance or
2. to the Legal Aid Agency towards legal aid and
3. the potential operation of the statutory charge or “claw back” which covers the cost of the client's legal expenses if the client wins his/ her case and recovers money or property, and of their potential liability (and right to seek modification of that liability) to pay the opponent's expenses if they lose their case.

#### Sample Content

You are eligible for civil legal aid and therefore our fees will be paid by the Legal Aid Agency. However:

1. If your financial circumstances change you should tell us about this immediately.
2. Because of your financial circumstances, you have to pay [£X] as a contribution towards the cost of your case. This is to be paid in [Y] monthly instalments of [£Z] per month payable directly to the Legal Aid Agency. These figures have been calculated based on your financial circumstances in accordance with the Legal Aid Agency eligibility assessments.
3. If you win or keep any money or property because of your action, you may have to use this to meet the costs of the case. This would happen where the contributions from you and expenses awarded by the court are insufficient to cover the costs of the court action. Where an ongoing liability remains, the Legal Aid Agency will look to property or finance awarded as a result of the court action to recover or “clawback” its costs.

# Complaints



## INITIAL COMPLAINT HANDLING

### Mandatory

**Paragraph 8.2 COCS:** You ensure that, as appropriate in the circumstances, you either establish and maintain, or participate in, a procedure for handling complaints in relation to the legal services you provide.

**Paragraph 8.3 COCS:** You ensure that clients are informed in writing at the time of engagement about:

- their right to complain to you about your services and your charges
- how a complaint can be made and to whom
- any right they have to make a complaint to the Legal Ombudsman and when they can make any such complaint.

**Paragraph 8.4 COCS:** If a client's complaint has not been resolved to the client's satisfaction within 8 weeks following the making of a complaint they are informed in writing of certain prescribed information including any right to complain to the Legal Ombudsman.

**Paragraph 8.5 COCS:** You ensure that complaints are dealt with promptly, fairly, and free of charge.

**Paragraph 7.1(c) COCF:** Paragraphs 8.2-8.5 of the COCS apply in their entirety to the firm.

### What to Include

This part of the letter should explain who the client contacts if he or she is unhappy with some aspect of the matter.

### Tips

Advise that the firm has a Client Relations Manager or Client Care Partner or similar and their identity.

#### Sample Content

In the unlikely event that you are dissatisfied with our service, you should in the first instance raise any concerns with the solicitor handling your matter. If that is not possible or you would prefer not to do so or if you feel your concern has not been adequately addressed, X is our Client Relations Partner with overall responsibility for quality assurance for clients. We would encourage you to raise any dissatisfaction with X who will then try to resolve matters to your satisfaction



## COMPLAINTS HANDLING PROCESS

### Mandatory

**Rules 8.2 & 8.3 COCS and Rule 7.1(c) COCF** require solicitors and firms to inform clients how to make a complaint and to whom, and to ensure that, as appropriate in the circumstances, you either establish and maintain or participate in a procedure for handling complaints.

### Optional

You may wish to detail the procedure for handling complaints within the letter.

### What to Include

This part of the letter should refer to the fact that the firm has a written complaints process in place and that the client has the right to request a copy of it or direct the client to where it can be found, for example on the firm's website if it has one.

#### Sample Content

We want you to be completely satisfied with the service you receive from us. We operate a complaints procedure which is administered by our Client Relations Partner. If you wish, a copy will be provided on request.







## ESCALATION TO THE LEGAL OMBUDSMAN (LEO)

### Mandatory

**Paragraphs 8.3 COCS and 7.1(c) COCF:** You ensure that clients are informed in writing at the time of engagement about: (c) any right they have to make a complaint to the Legal Ombudsman and when they can make any such complaint.

**Paragraphs 8.4 COCS and 7.1(c) COCF** require that when a complaint is not resolved to the client's satisfaction within 8 weeks of their making the complaint, the client is told in writing of any right to complain to LeO, the time frame for doing so and full details of how to contact LeO.

Escalation to the Legal Ombudsman (1 April 2023 updates) – a complaint can only be raised no later than one year from the date of the act being complained about or one year from the date when the complainant should have realised there was cause for complaint (reduced from 6 years/3 years). LeO discretion applies to significant complaints only – complaint can be dismissed by LeO if not significant.

### What to Include

This part of the letter should signpost clients to the Legal Ombudsman (LeO) if they remain dissatisfied with how their complaint has been dealt with by the firm.

### Tips

Set out contact details for LeO, including the telephone number, address, email address and link to the LeO's website. Note the six-month time limit for clients raising complaints with the LeO if they are dissatisfied with the firm's response. This time limit only applies if we inform clients in our response:

- i. that they may contact the LeO if they remain dissatisfied with our response
- ii. that they must do so within the time limit and
- iii. provide full contact details for LeO

### Sample Content

This letter is the firm's final response to your complaint. If you choose to accept our response then please let us know by [date].

We hope that we have been able to resolve your complaint satisfactorily. However, if you remain unhappy with our response you can refer your complaint to the Legal Ombudsman, an independent complaints body established under the Legal Services Act, who can investigate complaints about the legal service you have received from us.

Before accepting a complaint for investigation, the Legal Ombudsman will check that you have tried to resolve your complaint with us first. If you have, then you must take your complaint to the Legal Ombudsman:

- No more than one year from the date of the act or omission being complained about; or
  - No more than one year from the date when you should have realised that there was cause for complaint;
- And
- Within six months of receiving a final response to your complaint.

You can contact the Legal Ombudsman by:

Completing the online complaint form **Make A Complaint | Legal Ombudsman**

Tel: 0300 555 0333

Email: [enquiries@legalombudsman.org.uk](mailto:enquiries@legalombudsman.org.uk)

Post: Legal Ombudsman, PO Box 6167, Slough, SL1 0EH







# Your Responsibilities



## HOW INSTRUCTIONS SHOULD BE GIVEN

### Recommended

[Law Society Practice Note: Client Information Requirements \(8 September 2021\) - paragraph 6.4 \(Responsibilities\)](#)

[Client information requirements | The Law Society](#) - suggests that both your own and your client's responsibilities should be explained to the client.

The SRA's Guidance on Client care letters (updated 25 November 2019) includes a checklist which also suggests you should explain what the client needs to do.

### What to Include

This part of the letter should outline the client's responsibilities in helping to progress and conclude their transaction or matter. It should confirm the following information:

- the need to give clear, timely and accurate instructions and provide information and documentation in a timely manner when requested
- the need to remain in contact and contactable, particularly if critical dates are to be met
- the need to be available to sign documents
- the need to keep you advised of any change of contact details and/or circumstances which may affect the instruction

### Tips

Clients are often unaware that delays can be caused or contributed to by their own inaction. Whilst this has to be managed on a practical level and may not be cured by wording in an engagement letter, it is useful tool to manage expectations and serve as a reminder to clients that they have a role to play in progressing their own matter.

### Sample Content

You can help us to help you by:

- giving us clear instructions
- accurately advising us of all facts relevant to your transaction/matter (we will rely upon information and facts you provide to us)
- keeping us informed of all developments relating to the matter
- letting us know if there are any important time limits of which we should be aware
- dealing promptly with our queries or requests for information
- making yourself available to attend meetings, hearings or other appointments
- informing us if you will be unavailable at any time

# Personal Data



## PERSONAL DATA

### Mandatory

[UK GDPR/Data Protection Act 2018](#)

### What to Include

This part of the letter should provide an assurance about confidentiality and information covering security and retention of personal data.

### Tips

Information for clients covering security and retention of personal data required for GDPR compliance.

A Privacy Notice should be separately drafted and should be capable of variation from time to time.

Is the firm using cloud computing to store client data? See Law Society Practice Note: Cloud computing (18 August 2020) - [Cloud computing | The Law Society](#).

### Sample Content

All work undertaken by us on your behalf and all information which you share with us in whatever form will be treated in the strictest confidence at all times and will not be disclosed to any third parties unless authorised by you or required by law.

We are registered with the Information Commissioner's Office (ICO) under the current data protection regime.

We comply with the UK General Data Protection Regulation (UK GDPR).

Our Privacy Notice contains information on how we collect and process personal data, what kind of personal data we collect, how long we retain personal data for, who we share your personal data with and your rights in relation to your personal data.

Our Privacy Notice is available on our website/ is attached.

We use a document management system known as [insert name] which is a cloud-based provider and accordingly information about your matter will be held by that company in their (UK-based) data centres. We hold an agreement with [insert name] which requires their observance of client confidentiality and compliance with data protection legislation.



# Right to Cancel Appointment of Agency



## RIGHT TO CANCEL APPOINTMENT OF AGENCY

### Mandatory

Consumer Contract (Information, Cancellation & Additional Charges) Regulations 2013 Consumer Rights Act 2015.

### What to Include

This part of the letter should include cancellation rights for “consumer” clients.

### Tips

Give the client (individual consumer) details of the right to cancel its engagement with the firm within fourteen days without giving any reason. Reserve right to obtain payment for work instructed during the cancellation period.

### Sample Content

If we met with you away from our offices, you have the right to cancel your engagement with the firm within 14 days without giving any reason. The cancellation period will expire 14 days after the date of our initial communication with you. To cancel, you must inform us by a clear statement (e.g. a letter or e-mail) using the contact details in our letter. To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired. If you requested work to be carried out during the cancellation period, you will be liable to pay for any services delivered until the point at which you cancel at the agreed rate (or if we have agreed a fixed fee then we will charge at our standard hourly rates up to the maximum value of the agreed fixed fee).



# Interest/Client Funds



## INTEREST/CLIENT FUNDS

### Recommended

[SRA Accounts Rules, Rule 7.1](#): You account to clients or third parties for a fair sum of interest on any client money held by you on their behalf.

### Mandatory (where agreed)

[SRA Accounts Rules, Rule 7.2](#): You may by a written agreement come to a different arrangement with the client or the third party for whom the money is held as to the payment of interest, but you must provide sufficient information to enable them to give informed consent.

### What to Include

This part of the letter should outline how the firm will deal with interest payable on funds held for clients.

### Tips

Either set out in engagement that:

(1) no interest will be earned because of current bank interest rates, or (2) some of the interest will be retained by the practice.

Otherwise, the default position will be that interest will be earned for the client with the proviso that practice units and clients can agree in writing what interest will be earned on clients' invested funds, provided that agreement is made in writing in advance of the funds being deposited.

#### Sample Content

Where we receive money on your behalf and this money is to be held by us for an extended period, we will place the money in a designated account in [Bank] unless you advise us otherwise. Interest on this money, net of tax, will be paid to you at the [Bank Rate] applicable from time to time.

#### OR

Our policy is that we will not ordinarily place cash deposits in an interest-bearing account. We do place large sums which we are to hold for long periods of time on deposit on an interest-bearing account. If you wish us to deposit funds on your behalf or require any further information, please contact us.



## CLIENT FUNDS – DEPOSITS

### Recommended

[Law Society Practice Note: Client Information Requirements \(8 September 2021\) - paragraph 8.3 \(Protection for client accounts\)](#)

[Client information requirements | The Law Society](#) - suggests that you explain to your client the name of the institution with which their money will be held and the protections available to the client.

### What to Include

This part of the letter should set out the identity of the bank or banks in which any funds held for the client will be deposited.

#### Sample Content

Your funds will be deposited by us with [Bank]. We will hold your funds in accordance with accounting rules set out by the Solicitors Regulation Authority.



# About Us



## NAME, ADDRESS AND CORPORATE STATUS

### Mandatory

The Provision of Services Regulations 2009 (implementing EU Directive 2006/123) requires you to provide details of name, address legal status and form. This information can be provided in CCL/TOB/ website/made available in hardcopy at firm's offices or made available to client electronically via web address.

### What to Include

This part of the letter should include the name, address and corporate status of the firm.

#### Sample Content

Will vary according to the firm.



## VAT REGISTRATION

### Mandatory

The Provision of Services Regulations 2009 (implementing EU Directive 2006/123).

### What to Include

This part of the letter should include the VAT registration number of the firm.

#### Sample Content

Our VAT registration number is [GB123456789].



# Closing/Archiving Files



## NO INSTRUCTIONS TO PROGRESS

### Recommended

Law Society Practice Note: Client Information Requirements (8 September 2021) - paragraph 6.4 (Responsibilities)  
[Client information requirements | The Law Society](#) - suggests that client responsibilities should be explained to them and includes examples.

### What to Include

This part of the letter should include details on what will happen to the client's files in the absence of instructions to progress matters.

### Tips

Advise a client that the file will be closed in the absence of instructions within a specific period of time. This reinforces the client's obligation to keep the firm advised of contact details and the need for instructions.

See Law Society Practice Note: File closure management (26 July 2022) - [File closure management | The Law Society](#)

### Sample Content

In the absence of instructions from you following requests and us making reasonable enquiries to try to contact you, your file will be closed. We reserve the right to charge a fee for any work done to the point of closing your file and recover any costs incurred in attempting to trace you.



## FILE RETENTION

### Recommended

Law Society Practice Note: Client Information Requirements (8 September 2021) - paragraph 7.3 (Details on storage of documents)  
[Client information requirements | The Law Society](#) - suggests that file retention information should be included within client care correspondence and/or terms of business.

### What to Include

This part of the letter should include information on the solicitor's policy on retention and destruction of the file and the papers including the length of time that the solicitor will retain files.

### Tips

Documents that may be relevant to a claim/matter may need to be kept for at least the period of long-stop limitation but in the case of will and probate or trust files the retention period maybe greater – the Law Society has practice notes in respect of these areas of work - [File retention: wills and probate | The Law Society](#) and [File retention: trusts | The Law Society](#).

### Sample Content

We are required to retain correspondence files for up to [X] years.

### OR

We will retain your files and papers for the following periods: [insert table of retention periods]

However, we may be required to store files for longer periods if we have a legitimate reason to believe that matters within those files could be required for settling a dispute.





## RETENTION OF CDD DOCUMENTATION

### Mandatory

UK GDPR/Data Protection Act 2018/Money Laundering Regulations 2017 Regulation 40(3).

### What to Include

This part of the letter should include information about the length of time that the firm will hold the client's CDD information.

### Tips

In accordance with Regulation 40(3), you must retain the records for five years beginning on the date on which you know or have reasonable grounds to believe: (a) that an occasional transaction is complete; or (b) that the business relationship has come to an end.

It is likely that your firm's retention policy may specify longer retention periods to take into, for example, account limitation periods. If there is any variation on the period prescribed in Regulation 40(3), the client's consent must be obtained. This consent clause may be contained in your engagement letter or terms of business and should be signed or otherwise acknowledged by the client.

### Sample Content

In accordance with The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 we have an obligation to hold any information supplied by you in connection with CDD for a period of 5 years after the end of your transaction or our relationship. However, we have legal professional obligations to retain your file of papers for longer and by signing and returning a copy of this letter, you agree to us holding your CDD information longer than 5 years.



## STORING PAPERS FOR CLIENTS

### Optional

Law Society Practice Note: Client Information Requirements (8 September 2021) - paragraph 7.3 (Details on storage of documents)

[Client information requirements | The Law Society](#) - suggests that file storage information should be included within client care correspondence and/or terms of business.

### What to Include

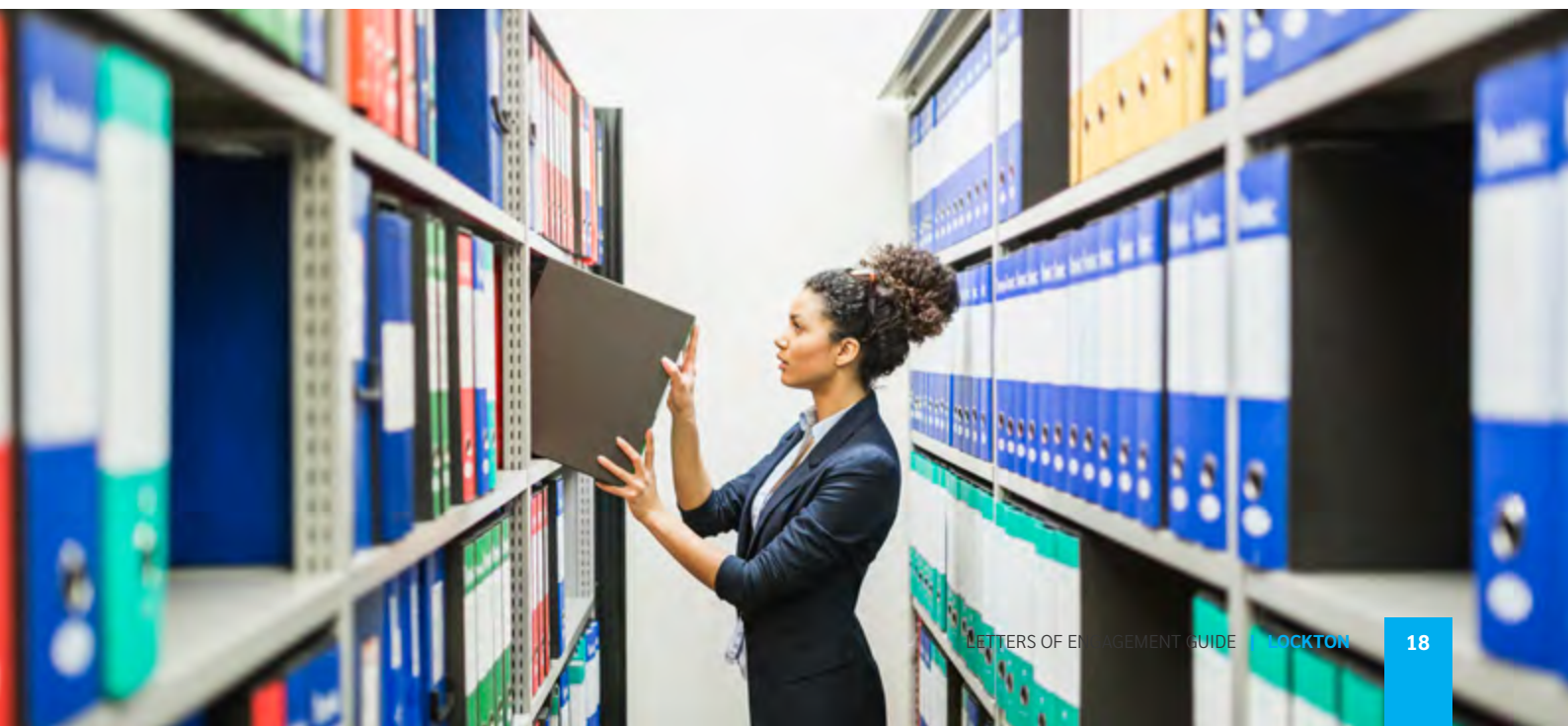
If there is any intention to charge the client for the storage of files, this part of the letter should include the charge for storage or the basis for charging.

### Tips

In storing and insuring files and papers, solicitors are providing clients with a continuing service for which they can properly charge. However, such a charge should be outlined in the term of business letter. Be careful to advise clients you are not supplying a full document protection/ back-up service (unless this is the intention).

### Sample Content

We are required to retain files for up to [X] years and as a result we charge a file storage fee of £X plus VAT to cover our costs. If you instruct us to store original signed documents or other papers, please note that these shall be stored in secure premises but not in fire-proof conditions. Unless files/papers are required to be retrieved for continuing or new instructions to act for you, we reserve the right to charge for retrieval and review of papers held in storage.





## REQUESTS FOR FILE TRANSFER

### What to Include

This part of the letter should outline any issues or considerations that might apply if the original file and papers are transferred.

### Tips

If a file is transferred by request it is at the practice's discretion whether it should be copied. It may be prudent to take a copy but at the practice's expense. The intention to copy should appear in engagement terms.

#### Sample Content

If you wish us to transfer your file in relation to your matter to another firm of solicitors, we will do this (subject to our fees being paid) at no cost to you. We will (for audit purposes) take a copy of the file which will be retained by us in accordance with our retention policy.



## DESTRUCTION/SCANNING OF FILES

### Recommended

See

Law Society Practice Note: File closure management (26 July 2022) - [File closure management | The Law Society](#),  
Law Society Practice Note: File retention: wills and probate (1 November 2018) - [File retention: wills and probate | The Law Society](#)

and

Law Society Practice Note: File retention: trusts (24 January 2020) - [File retention: trusts | The Law Society](#).

### What to Include

This part of the letter should include information about the firm's intention to destroy files and/or papers after conclusion of a transaction after a certain period.

### Tips

This provision in the engagement letter is important in order to obtain client consent to destroy the file and, where appropriate, gain consent to retain a copy for audit purposes.

Documents that may be relevant to a claim should be kept for at least the period of long-stop limitation if the claim has not previously been disposed of.

A solicitor's obligations to comply with UK GDPR needs to be considered when deciding the specific date beyond which the obligation to hold a client's own documents can be said to expire. Deeds or other documents constituting or evidencing rights may need to be preserved if it can be argued that they continue to be of value.

Set out the policy in relation to when original documents are destroyed. On receipt, after a specified period after scanning, on closure of the file, or after expiry of the recommended retention periods.

Electronic copies may not have the same evidential status as original documents.

Check if any documents should not be destroyed – give clients control.

#### Sample Content

We intend to scan all paper copies of documents received by us and thereafter destroy the original paper documents in accordance with legal, regulatory and professional guidelines and obligations. Scanning and destruction will take place at the time when the file is closed by us.

If you supply us with paper documents which are not to be destroyed at the conclusion of your matter, please advise us of this at the time of supply.

Please note that there is a risk that in any subsequent court dispute that the electronic copies taken may not have the same evidential weight as the original documents.







## DELETION OF ELECTRONIC DOCUMENTATION

### Recommended

See

Law Society Practice Note: File closure management (26 July 2022) - [File closure management | The Law Society](#).

Law Society Practice Note: File retention: wills and probate (1 November 2018) - [File retention: wills and probate | The Law Society](#)

and

Law Society Practice Note: File retention: trusts (24 January 2020) - [File retention: trusts | The Law Society](#).

### What to Include

This part of the letter should include information on the firm's policy in relation to retention of electronic documentation.

### Tips

Set out the policy in relation to retention of electronic documentation.

Electronic storage of files may be a practical way of dealing with storage.

Reference should be made to the Law Society Practice Note: Cloud computing (18 August 2020) - [Cloud computing | The Law Society](#).

### Sample Content

We operate electronic filing for most of our files and by instructing us you agree to having your records and correspondence with us stored in such format.

The electronic file will be retained by us in accordance with our retention policy above. If you would like more information about this, please let us know.





# Quality Assurance



## INSURANCE

### Mandatory

The Provision of Services Regulations 2009 (implementing EU Directive 2006/123), Section 8.

### What to Include

This part of the letter should provide details of the firm's compulsory professional indemnity insurance.

### Tips

This should include the contact details of the Insurer and the territorial coverage of the insurance (worldwide).

#### Sample Content

The firm's compulsory professional indemnity insurance cover is provided by [insert details]. Coverage is [worldwide]. The limit of indemnity is for a minimum £[] million for any one claim or series of claims arising out of the same events.



## WHO TO SUE

### What to Include

This part of the letter should explain that any action should be pursued against the firm rather than the individual solicitors.

### Tips

Clarify that individual solicitors are not giving advice in an individual capacity and that the client's remedy is against the entity.

#### Sample Content

In the unlikely event that you should have claim for a loss arising out of the manner in which your transaction or matter has been handled or the advice given, you agree that any claim can only be pursued by you against us and cannot be pursued against any individual solicitors or staff member acting on our behalf.



## THIRD PARTIES

### What to Include

This part of the letter should outline that, in certain circumstances, the client should pursue a third party, rather than the solicitor.

### Tips

Clarify that some engagements may be properly instructed on behalf of the client and that the client's remedy should be against the provider.

#### Sample Content

Where we have engaged the services of third parties on your behalf (this could be counsel, expert witnesses, accountants or surveyors), we are not liable for any advice provided and we will not be responsible for any errors or omission of those third parties.





**Lockton Companies LLP**

Authorised and regulated by the Financial Conduct Authority. A Lloyd's broker.  
Registered in England & Wales at The St Botolph Building, 138 Houndsditch, London EC3A 7AG.  
Company No. OC353198.

[global.lockton.com](https://global.lockton.com)