

# **SPECIALIST QUALITY MARK AUDITING SERVICES AGREEMENT 2022**

## **SCHEDULE 1**

### **SPECIFICATION**

#### **1. INTRODUCTION TO THE SPECIALIST QUALITY MARK AND BACKGROUND**

##### **The Specialist Quality Mark**

- 1.1 The SQM was developed to help ensure that:
- members of the public in need of specialist advice receive a quality service; and
  - the LAA can be confident when procuring legal advice services that those Legal Services Providers with whom we are contracting have effective quality management processes in place.
- 1.2 The SQM can be applied for by any Legal Services Provider including those receiving funding from sources such as the LAA, local authorities, and charities, other public funding or private fees. The SQM is primarily an organisational standard, designed to help ensure that Legal Services Providers are well run and provide good client care.
- 1.3 The SQM provides assurance in relation to the quality of advice provided by SQM holders via several proxies which, whilst not direct measures of quality are fundamental to reliable delivery of a quality service.
- 1.4 Compliance with the SQM, or other recognised legal quality standards (e.g. Lexcel), is a requirement for Legal Services Providers that have a contract with the LAA relating to the provision of publicly funded legal services.
- 1.5 This Specification sets out how the Licensee shall manage and administer the auditing of Legal Services Providers against the SQM on behalf of the LAA.

##### **Geographic Scope**

- 1.6 The Licensee shall provide SQM audits and accreditation for Legal Services Providers operating in England and Wales. The Licensee will not be permitted to provide SQM audits to Legal Services Providers that are not based in England or Wales.

##### **Obligation to Provide Services**

- 1.7 Subject to paragraph 1.6 above, the Licensee is required to provide the Services to all eligible Legal Services Providers that apply irrespective of their location. The only circumstances under which the Licensee can refuse to provide the Services to an eligible applicant are:
- 1.7.1 where a conflict of interest has been identified;
  - 1.7.2 where there is an outstanding debt owed to the Licensee by the Legal Services Provider which has arisen following services previously provided under the SQM Contract; or
  - 1.7.3 where the provision of the Services would risk the professional integrity of the Licensee or the health and safety of the Licensee's staff, including where the Legal Services Provider's behaviour towards the Licensee's staff has been abusive or otherwise manifestly unreasonable.

1.7.4 where the award of SQM to an organisation could be detrimental to the reputation of either the SQM Standard or LAA.

1.7.5 Where the Licensee is considering refusing to deliver the Services to a Legal Services Provider, they must inform the LAA Contract Manager in advance of informing the relevant Legal Services Provider of such refusal.

## **Volumes**

- 1.8 The LAA makes no guarantees regarding the volume of Audits that the Licensee may be asked to undertake as a result of this Agreement or the associated level of income it may generate throughout the Term. The number of Legal Services Providers seeking or holding the SQM can go up and down at any time during the period of the Agreement and the Licensee is required to ensure that it can respond to fluctuations in demand that arise whilst also ensuring that the performance of the Services meets the requirements of this Agreement at all times.
- 1.9 Surges in demand for the SQM may occur as a result of LAA procurement activity whereby new providers are required to obtain a recognised quality standard as a condition of entering into a contract with the LAA. The Licensee must monitor tender activity (via the LAA's website, the LAA e-Bulletin and the Find a Tender Service) in order to ensure it can adequately respond to any fluctuations in demand for the Services that may result.
- 1.10 Some Legal Services Providers may seek audit services at short notice (e.g. SQM Applicants applying to the SQM with limited time prior to the start of a new LAA contract or an SQM Holder applying for a Post Quality Mark Audit close to the expiry date of existing SQM accreditation). The Licensee is required to factor this into their resource planning in order to ensure that the Services can be delivered effectively and efficiently at all times.

## **2. SUMMARY OF THE SERVICES**

### **Introduction**

- 2.1 This section provides a summary of the Services and the aims for the provision of the Services. More detailed descriptions of the Services are set out in paragraphs 3 to 11 below.

### **Summary**

- 2.2 The Licensee shall undertake Audits of Legal Services Providers against the requirements of the SQM Standard and in accordance with this Specification to ensure the Legal Services Providers conform to, and comply in all respects with, the standards contained in the SQM at time of Audit.
- 2.3 The Licensee shall undertake Post Quality Mark Audits only for SQM Holders and undertake Desktop and Pre Quality Mark Audits for SQM Applicants.
- 2.4 The Licensee shall commence Audits from the Audit Commencement Date.
- 2.5 The Licensee shall continue with the current audit cycle of SQM Holders and subsequent audit cycles shall be completed every 3 years.
- 2.6 The Licensee shall ensure that all Legal Services Providers that wish to obtain the SQM have the opportunity to do so within agreed time scales in accordance with the

requirements of this Specification and Schedule 3 (Service Levels).

2.7 In order to undertake the audit process the Licensee shall:

- (a) manage and report on SQM audit activity;
- (b) recruit, train and retain the staff required to perform the Services with skill, diligence and integrity;
- (c) contact and register for Audit all SQM Holders;
- (d) deliver excellent customer service to Legal Services Providers;
- (e) effectively market the SQM to encourage take-up;
- (f) plan and schedule Audits to meet KPI's;
- (g) deliver Audits in accordance with the requirements of the SQM which, for the avoidance of doubt, shall be in line with the requirements of this Specification, the SQM Standard and SQM Guidance;
- (h) maintain high consistency and quality standards in carrying out Audits;
- (i) maintain appropriate records and report the specified Management Information to the LAA in accordance with the requirements of Schedule 4 (Management Information);
- (j) work to improve the Services where problems are identified;
- (k) complete and issue SQM accreditation certificates for at the conclusion of successful SQM Audit
- (l) submit all completed Audit Reports to the LAA in accordance with specified timescales.

### **Delivery of the Services**

2.9 In order to deliver the Services effectively, the Licensee shall:

- 2.9.1 implement and run an efficient registration process for SQM Holders and SQM Applicants throughout the Term as further described in paragraph 4 below;
- 2.9.2 administer the Services as outlined in this Specification;
- 2.9.3 provide qualified and skilled SQM Auditors with, as a minimum, the level of experience in performance and compliance auditing outlined in Schedule 5 (Personnel and Contract Management);
- 2.9.4 provide sufficient resource capacity to undertake Audits within the applicable timeframes as specified in Schedule 3 (Service Levels) in order to enable Legal Services Providers to apply for SQM accreditation;
- 2.9.5 ensure that it is able to adapt its resource capacity to meet fluctuating Audit volumes; and
- 2.9.6 provide the LAA with an Audit Schedule, an Accreditation Record, Audit Outcome Report, Customer Service Report, Consistency

Report, Complaints Report, DPA & FOI Report, Equalities Report and Withdrawal Report. These reports shall be sent in MS Excel format electronically to the LAA Contract Manager on a monthly basis, save that the LAA has the right to request an updated copy of this report outside the specified timescale. Where this request has been made, the Licensee must provide the LAA Contract Manager with an updated copy of the report within 2 Working Days of such request being made.

### **Management of the Services**

- 2.10 The Licensee shall provide the following management activities in relation to the Services:
- 2.10.1 liaison with Legal Services Providers requiring an Audit, including communications in accessible formats, where a reasonable request has been made, such as printed versions of applicable documentation, a larger print, and Welsh translations;
  - 2.10.2 management of the administration of the Audits;
  - 2.10.3 implementing the Helpdesk Service that effectively and efficiently deals in the first instance with all SQM related queries, escalating to the LAA only when necessary;
  - 2.10.4 monitoring and recording its delivery of customer service and training, responses to complaints, and the appeals process against the specified requirements and timescales;
  - 2.10.5 implement a Business Continuity and Disaster Recovery Plan to ensure effective continuation of the Service.
  - 2.10.6 implement Information Technology (IT) systems which ensure the integrity and accuracy of information that it will hold about SQM Holders, SQM Applicants (and any withdrawals), Audit status and accreditation, including internal and external reporting and accountability processes; and
  - 2.10.7 make all information/data held in relation to the Audits available in response to a specific request under Freedom of Information Act 2000 and or the Data Protection Legislation within the applicable response time agreed with the LAA.

### **Marketing of the Services**

- 2.11 The Licensee shall implement and carry out the marketing activities set out in paragraph 9 of this Specification and in particular shall:
- 2.11.1 produce a marketing plan to promote early Audit uptake from Legal Services Providers;
  - 2.11.2 provide the current version of the SQM Standard and SQM Guidance on its website; and
  - 2.11.3 provide electronic copies of the SQM Standard and SQM Guidance to Legal Services Providers upon request, including copies of these documents in other accessible formats (upon request), such as printed versions, larger print versions, and Welsh translations.

### **Timescales**

2.12 The Licensee shall comply with any timescales set out in this Agreement.

### **3. CONFLICTS OF INTEREST**

- 3.1 The Licensee shall implement and operate an effective conflict of interest procedure (which shall be available to the LAA upon request). A conflict check must be undertaken in respect of all Audits and the Licensee shall not conduct Audits where:
- 3.1.1 the Legal Services Provider is an Affiliate or is in any way formally linked to the Licensee, Auditor or Affiliate; or
  - 3.1.2 the Legal Services Provider has any business or referral relationship with the Licensee, Auditor or any Affiliate (whether formal or informal, local or national); or
  - 3.1.3 the Legal Services Provider may be in competition with the Licensee, Auditor or an Affiliate.
- 3.2 In the event of any doubt as to whether a conflict of interest exists, the Licensee shall refuse to undertake the relevant Audit(s) and inform the LAA. The LAA's decision as to whether a conflict of interest exists and whether the Licensee is able to proceed shall be final.

### **4. DELIVERY OF THE SERVICES**

#### **Registration Process**

- 4.1 Prior to the Audit Commencement Date, the LAA Contract Manager will provide the Licensee with details of all SQM Holders and the expiry date of their current accreditation.
- 4.2 The Licensee will contact all SQM Holders no less than four weeks prior to the Audit Commencement Date to inform them of the change of licensee and to confirm the services they will provide (including its pricing schedule).
- 4.3 The Licensee may register any Legal Services Provider that has not already been registered for the purpose of delivering future Audits. An Audit may be scheduled for any date consistent with the timetable specified in paragraph 2 above and Schedule 3 (Service Levels) providing the request for an Audit is received after the Service Commencement Date or the SQM Holder or SQM Applicant has asked for a Pre-Quality Mark or Post-Quality Mark Audit to take place on or after 11 November 2022.
- 4.4 The Licensee shall record and monitor the outcome of any contacts made in accordance with paragraph 4.2 above and the requirements of Schedule 4 (Management Information). As a minimum, the Licensee shall record the following data:
- 4.4.1 the name of the Legal Services Provider;
  - 4.4.2 the contact details of the Legal Services Provider's lead office (any additional offices should be included);
  - 4.4.3 whether the Legal Services Provider is an existing SQM Holder;
  - 4.4.4 whether the Legal Services Provider currently holds a contract with the LAA (including in which categories of law and the number of FTE staff);
  - 4.4.5 whether the Legal Services Provider was successfully registered;
  - 4.4.6 whether the Legal Services Provider proposes to rely on Lexcel or any other quality standard that the LAA chooses to recognise in the future (if known);

- 4.4.7 whether the Legal Services Provider deferred registration (e.g. it may register later if its accreditation is some way reaching its off its expiration date); and
- 4.4.8 whether the Legal Services Provider refused reaccreditation of the SQM.
- 4.5 The Licensee shall provide the LAA Contract Manager with details of the outcomes of all registration contacts. This report shall be sent in electronically in a format agreed by the LAA to the LAA Contract Manager on a quarterly basis, save that the LAA has the right to request an updated copy of this report outside the specified timescale. Where this request has been made, the Licensee must provide the LAA Contract Manager with an updated copy of the report within 2 Working Days of such request being made.
- 4.6 Where a Legal Services Provider decides to “opt out” of holding the SQM or is no longer SQM accredited, the Licensee must inform:
  - 4.6.1 the Legal Services Provider that, at the expiry of its existing SQM accreditation it must stop using the LAA strapline ‘Specialist Quality Mark Holder’ on all promotional items and business stationery used; and
  - 4.6.2 the LAA Contract Manager of the details of the Legal Services Provider within 2 Working Days.

**5. AUDIT SERVICES**

- 5.1 The Licensee shall undertake Audits of SQM Holders and SQM Applicants against the requirements of the SQM Standard and in accordance with the Audit process set out in this Specification and SQM Guidance.
- 5.2 The Licensee shall ensure that SQM Applicants that pass the following Audit Stages are awarded the SQM:
  - (a) a Desktop Audit, and
  - (b) a Pre Quality Mark Audit.
- 5.3 The Licensee acknowledges that the SQM is valid for three (3) years from the date of its award.
- 5.4 The Licensee shall ensure that SQM Holders undergo and pass a Post Quality Mark Audit in order to continue to hold the SQM.

**Audit Summary Description**

<b>DESKTOP AUDIT</b>	
<b>When:</b>	Within 28 days of receipt of Application Form
<b>Audit Description</b>	Desktop Audits relate to an audit of the Office Manual (electronic or hardcopy documents) and do not require site visits to the SQM Applicant's office.  The SQM Auditor will be expected to systematically compare the requirements of the SQM standard and the evidence

	<p>provided by the SQM Applicant. Findings from the assessment are logged on the "Desktop Audit Form" and form the basis of the Pre Quality Mark Audit preparatory work.</p> <p>An SQM Auditor may refuse the application at this stage if the documentation is incomplete, or it is clear that the SQM Applicant will need to carry out a substantial amount of work before their procedures begin to comply with the SQM standard.</p>
<b>Additional Information</b>	A Desktop Audit is Stage 1 of the audit process and does not result in the award of a SQM

<b>PREQUALITY MARK AUDIT</b>	
<b>When:</b>	Within 6 months of the Desktop Audit
<b>Audit Description</b>	<p>On site Audit at the SQM Applicant's premises where the SQM Auditor will examine how well the requirements of the SQM are being met and test that they are in effective operation. This will be determined through review of relevant policy, strategy documents and an assessment of a number of client files. The SQM Auditor will also meet with the some of the SQM Applicant's staff (across multiple offices where required) to discuss procedures and practices.</p> <p>Findings from the Audit are logged using the SQM Audit Record and will form the basis of the Audit Report.</p>
<b>Additional Information</b>	<p><b>Audit Preparation</b> Preparation should include reviewing the Office Manual, previous assessment reports (if applicable) selecting the interview and file sample and drafting the Audit Assessment Plan.</p> <p><b>File Sample</b> Number of client files to be sampled and reviewed (based on the number of FTE staff employed by the SQM Applicant in relation to the delivery of Legal Services):</p> <p>FTE 1 – minimum of 8 files  FTE 2-6 – minimum of 15 files  FTE 7-15 – minimum of 25 files  FTE 16-60 – minimum of 35 files  FTE 61+ - minimum of 45 files</p> <p>As a minimum the file sample must include:</p> <ul style="list-style-type: none"> <li>• 1 file per work area (category of law)</li> <li>• 1 file per category of law delivered at each office</li> <li>• 1 file per supervisor</li> </ul> <p>The exact mix and volume of files sampled will need to be representative of the profile of the Legal Services Provider. File samples must be taken across each office, work area (categories of law) and supervisor.</p> <p><i>Insufficient files</i> If a Legal Services Provider doesn't have sufficient files to properly assess them against the applicable SQM standards these matters should be referred to the LAA Contract Manager</p>



	<p>for further guidance and the SQM cannot be awarded until further advice has been received.</p>
	<p><b>Staff interviewed</b></p> <p>The number of staff interviewed will be based on the number of FTE staff employed by the SQM Applicant in relation to the delivery of Legal Services:</p> <p>Staff interviews must include the Supervisors, Quality Manager(s) relevant fee earners and any new starters/trainees.</p> <p>FTE 1 – minimum of 1 staff member  FTE 2-6 – minimum of 3 staff members (or 2 staff members where there are 2 FTE).  FTE 7-15 – minimum of 5 staff members  FTE 16-60 – minimum of 10 staff members  FTE 61+ - minimum of 15 staff members</p> <p>The exact mix and volume of staff interviewed will need to be representative of the profile of the Legal Services Provider. Interviews must be taken across each office, work area (categories of law) and supervisor.</p> <p><b>Multiple Offices</b>  Where the SQM Applicant has:</p> <ul style="list-style-type: none"> <li>• 2 offices the Audit should include a visit to the lead office only.</li> <li>• Between 3 and 6 offices, the Audit should include a visit to the lead office and 1 other offices (an exception is where the SQM Applicant is a sole practitioner using between 3 and 6 offices, in which case the SQM Auditor is only required to visit the lead office).</li> <li>• Between 7 and 10 offices, the Audit should include a visit to the lead office and 2 other offices (an exception is where the SQM Applicant has fewer than 7 FTEs using between 7 and 10 offices, in which case the SQM Auditor should visit the lead office and 1 other office).</li> <li>• 11 to 15 offices, the Audit should include a visit to the lead office and 3 other offices (an exception is where the SQM Applicant has fewer than 11 FTEs using between 11 and 15 offices, in which case the SQM Auditor should visit the lead office and 2 other offices).</li> <li>• 16+ offices, the Audit should include a visit to the lead office and 4 other offices (an exception is where the SQM Applicant has fewer than 16 FTE using more than 16 offices, in which case the SQM Auditor should visit the lead office and 3 other offices).</li> </ul> <p>The selection of the other office(s) to visit should be based on which office undertakes the largest volume of work.</p> <p><b>Corrective Actions</b></p>

	<p>Any specific action plans or target dates set up by the SQM Auditor to address any quality concerns will form part of the assessment process.</p> <p>Once the Pre Quality Mark Audit has been completed and all Corrective Actions are signed off by the SQM Auditor the SQM Applicant is granted the full SQM, which is valid for 3 years.</p>
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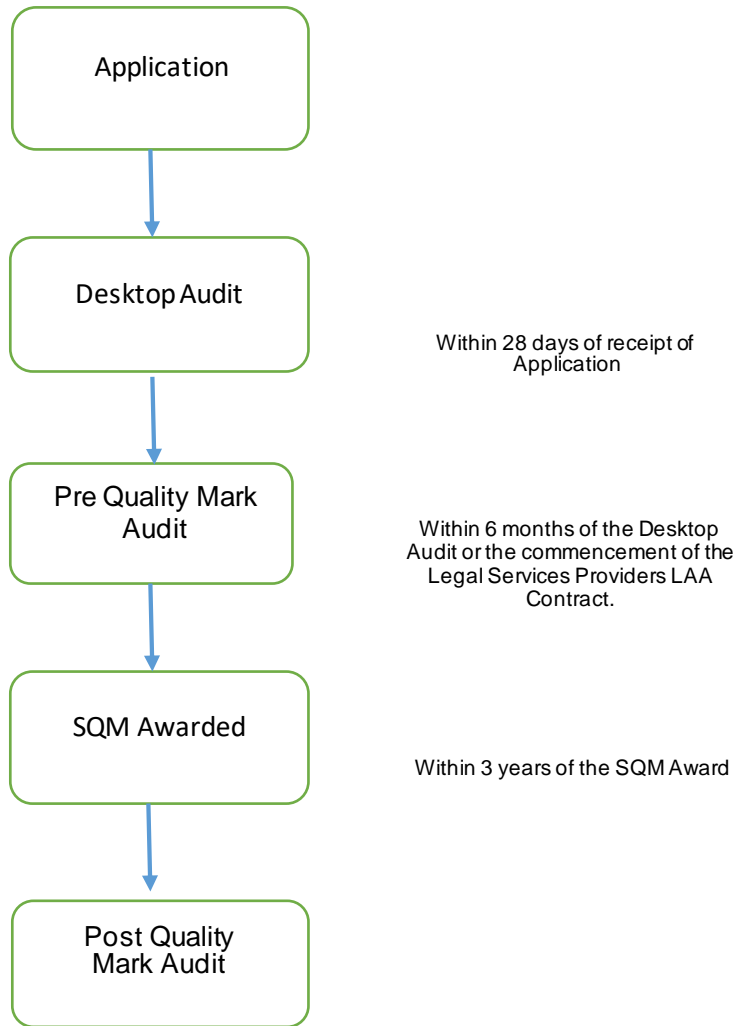
<b>POST QUALITY MARK AUDIT</b>	
<b>When:</b>	Within 3 years of the SQM being awarded.
<b>Audit Description</b>	<p>An on site Audit conducted at the SQM Holder's premises where the SQM Auditor will examine ongoing compliance with the SQM requirements and ensure that they are in effective operation. This will be determined through review of relevant policy, strategy documents and an assessment of a number of client files. The SQM Auditor will also meet with some of the organisation's staff (across multiple offices where required) to discuss procedures and practices.</p> <p>Progress against specific action plans and target dates set by the SQM Auditor, as part of a previous Audit will also be examined.</p> <p>Findings from the Audit are logged using the Audit Record and will form the basis of the Audit Report.</p> <p>All Audits shall be conducted at the SQM Holder's premises unless the LAA, at its complete discretion and in its reasonable opinion, considers that exceptional circumstances exist which justify some or all Audits being conducted either fully or partially remotely. In such circumstances the LAA shall issue guidance which must be followed by the Licensee.</p>
<b>Additional Information</b>	<p><b>Audit Preparation</b> Preparation should include reviewing the Office Manual, previous assessment reports (if applicable) selecting the interview and file sample and drafting the Audit Assessment Plan.</p> <p><b>File Sample</b> Number of client files to be sampled and reviewed (based on the number of FTE staff employed by the SQM Holder in relation to the delivery of Legal Services):</p> <p>FTE 1 – minimum of 8 files  FTE 2-6 – minimum of 15 files  FTE 7-15 – minimum of 25 files  FTE 16-60 – minimum of 35 files  FTE 61+ - minimum of 45 files</p> <p>As a minimum the file sample must include:</p> <ul style="list-style-type: none"> <li>• 1 file per work area (category of law)</li> <li>• 1 file per category of law delivered at each office</li> <li>• 1 file per supervisor</li> </ul> <p>The exact mix and volume of files sampled will need to be a representative of the profile of the Legal Services Provider. File samples must be taken across each office, work area (categories of law) and supervisor.</p>

	<p>As a minimum the file sample must include:</p> <ul style="list-style-type: none"> <li>• 1 file per work area (category of law)</li> <li>• 1 file per category of law delivered at each office</li> <li>• 1 file per supervisor</li> </ul>
	<p><b>Staff interviewed</b></p> <p>The number of staff interviewed will be based on the number of FTE staff employed by the SQM Applicant in relation to the delivery of Legal Services:</p> <p>Staff interviews must include the Supervisors, Quality Manager(s) relevant fee earners and any new starters/trainees.</p> <p>FTE 1 – minimum of 1 staff member  FTE 2-6 – minimum of 3 staff members (or 2 staff members where there are 2 FTE).  FTE 7-15 – minimum of 5 staff members  FTE 16-60 – minimum of 10 staff members  FTE 61+ - minimum of 15 staff members</p> <p>The exact mix and volume of staff interviewed will need to be a representative of the profile of the Legal Services Provider. Interviews must be taken across each office, work area (categories of law) and supervisor.</p>

	<p><b>Multiple Offices</b> Where the SQM Holder has:</p> <ul style="list-style-type: none"> <li>• 2 offices the Audit should include a visit to the lead office only</li> <li>• Between 3 and 6 offices, the Audit should include a visit to the lead office and 2 other offices (an exception is where the SQM Applicant is a sole practitioner using between 3 and 6 offices, in which case the SQM Auditor is only required to visit the lead office)</li> <li>• Between 7 and 10 offices, the Audit should include a visit to the lead office and 2 other offices (an exception is where the SQM Applicant has fewer than 7 FTEs using between 7 and 10 offices, in which case the SQM Auditor should visit the lead office and 1 other office).</li> <li>• 11 to 15 offices, the Audit should include a visit to the lead office and 3 other offices (an exception is where the SQM Applicant has fewer than 11 FTEs using between 11 and 15 offices, in which case the SQM Auditor should visit the lead office and 2 other offices).</li> <li>• 16+ offices, the Audit should include a visit to the lead office and 4 other offices (an exception is where the SQM Applicant has fewer than 16 FTEs using more than 16 offices, in which case the SQM Auditor should visit the lead office and 3 other offices)</li> </ul> <p>The selection of the other office(s) to visit should be based on which office undertakes the largest volume of work.</p> <p><b>Corrective Actions</b> Any specific action plans or target dates set up by the SQM Auditor to address any quality concerns will form part of the assessment process.</p> <p>SQM holders will be reaccredited for a further 3 years once the Post Quality Mark Audit is completed and all Corrective Actions are signed off by the SQM Auditor.</p>
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### Corrective Actions

- 5.5 Any specific action plans or target dates set up by the SQM Auditor to address any quality concerns will form part of the assessment process. SQM holders will be reaccredited for a further 3 years once the Post Quality Mark Audit is completed and all Corrective Actions are signed off by the SQM Auditor.
- 5.6 Audits must be undertaken on an organisational basis and tailored to the specific characteristics of the Legal Services Provider. Where a SQM Holder or an SQM Applicant has multiple offices, they must confirm with the Licensee the name and contact details of their lead office and provide the name and details of all other offices to be considered under the process. The Licensee shall ensure that they have considered all of the SQM Holder's or SQM Applicant's relevant offices when determining the correct audit price. The Licensee must ensure that it is clear which offices are covered by the SQM Holder's accreditation.
- 5.7 The diagram below sets out the procedure and timescales in relation to the SQM application process:



- 5.8 The Licensee should be able to undertake the Pre Quality Mark Audit or Post Quality Mark Audit within 6 weeks of receiving a request from the Legal Services Provider.

**Audit Report and Audit Summary**

- 5.9 The Licensee shall provide a comprehensive Audit Report to the Legal Services Provider, comprising a detailed report and an audit summary within 5 Working Days of the completion of each Audit, and shall ensure that, as a minimum:
- (a) the Audit Report is clearly written;
  - (b) the outcome of the Audit is clearly expressed in the Audit Report;
  - (c) the Audit Report contains details of the evidence obtained during the course of the Audit;
  - (d) the Audit Report details any Quality Concerns or Observations;
  - (e) the Audit Report states where Corrective Action was needed and provide a copy of the corrective action plan;
  - (f) it is clear in the Audit Report whether the Audit applied the requirements of the SQM correctly;
  - (g) there is a clear indication in the Audit Report of any positive findings and any areas for development.
- 5.10 Each Audit Report will form the basis of the assessment at future Audits and identify areas for development where necessary.
- 5.11 Each Audit Report shall contain a summary which records the key decisions and recommendations resulting from the Audit. The Audit Report summary also records the timescale fixed by the SQM Auditor for confirmation of Corrective Actions required.
- 5.12 Each Audit Report shall be provided to the LAA on completion within 5 Working Days of the Audit.

**Corrective Actions**

- 5.13 Corrective Actions are the remedial action required to address any Observations and/or Quality Concerns identified by an Audit. The timescales given to Legal Services Providers to resolve Corrective Actions are set out below. The Licensee is expected to administer a process to ensure that the necessary action is undertaken and oversee the process.

<b>Corrective Action Type</b>	<b>Timescale Given</b>	<b>Action resulting</b>
General Quality Concern / Observation	The Legal Services Provider has 28 days to rectify the matter.	If after 28 days the Legal Services Provider fails to rectify the issue to the Auditor's satisfaction, the issue will then be escalated to a Critical Quality Concern.
Critical Quality concern	The Legal Services Provider has 28 days to rectify the matter.	If after 28 days the Legal Services Provider fails to rectify the issue to the Auditor's satisfaction, the audit will be failed.

### **Audit Recommendations**

- 5.14 All audit recommendations shall be signed off by the Lead SQM Auditor prior to confirmation with the SQM Holder or SQM Applicant.

### **Specific Applicant Requirements**

- 5.15 Some SQM Applicants or SQM Holders may have special requirements. The Licensee shall ensure that SQM Applicants or SQM Holders are able to specify their requirements, and must accommodate all reasonable requirements within the scope of the Services. The Licensee must keep a record of all specific requirement requests made during the Term.

### **Appeal**

#### **Process**

#### **Grounds for**

#### **Appeal**

- 5.16 The Licensee shall provide an appeal process to all SQM Holders or SQM Applicants facing Corrective Actions or a refusal or withdrawal of an SQM award at any stage in the process. Appeals shall be made to the SQM Contract Manager.
- 5.17 The Licensee agrees that an SQM Applicant or SQM Holder may appeal on the following grounds:
- (a) the Audit was not correctly carried out;
  - (b) the SQM Auditor refused to accept a reasonable explanation as to why a Critical Quality Concern should have been disregarded and therefore should not have had the effect of leading to the issue of a refusal;
  - (c) any other reasonable grounds. An Appeal on the grounds of unreasonableness will need to demonstrate that the information provided had been misinterpreted, or had been given undue weight in the context of the Audit process or that the SQM Auditor had failed to take into account material evidence / facts in existence at the time of the Audit.
- 5.18 The Parties accept that:
- (a) events occurring after an Audit has taken place are not relevant to the findings at that Audit. For example, if a procedure was found not to be in effective operation at the time of the Audit, the fact that, afterwards, it was in effective operation, is not relevant to the Audit findings; and
  - (b) Appeals relating to events that have occurred after an Audit has taken place are not irrelevant. In some circumstances, they may be relevant to the Lead SQM Auditor's/SQM Contract Manager's decision, e.g. as to the sanction, if any, to be applied. However, in the absence of exceptional circumstances, representations solely that, if a fresh Audit were carried out, the SQM Holder or SQM Applicant would be found to be fully compliant, are unlikely to affect the decision made. If the SQM Contract Manager finds that an SQM Holder or SQM Applicant has not passed an Audit, their

decision will normally be to refuse or terminate the (provisional) Specialist Quality Mark.

### **Appeal Procedure**

- 5.19 The Licensee's appeals process shall require the SQM Holder or SQM Applicants to submit their Appeal in writing to the SQM Contract Manager within 14 calendar days of notification of the decision being appealed against. The Licensee's appeals process shall require that the written Appeal and any documentation in support should be submitted, along with the grounds for the Appeal and reasons why the decision is contested.
- 5.20 The SQM Contract Manager will consider the SQM Auditor's recommendation, the basis for Quality Concern(s) and the representation received from the SQM Holder or the SQM Applicant. Following consideration of the evidence, the SQM Contract Manager will confirm their decision, in writing, with reasons, within 10 Working Days of receipt of the Appeal.
- 5.21 The SQM Contract Manager's decision either to confirm or overturn the SQM Auditor's findings is final and does not give rise to the opportunity for further Appeal or any right of review. The LAA should be notified of all such decisions.

### **Audit Costs**

- 5.22 Where a Legal Services Provider does not pay for the costs of the Audit in accordance with the terms and conditions agreed between the Licensee and the Legal Services Provider for the provision of Audit Services, the Licensee shall be entitled to withhold the award of the SQM until the invoice is settled.

### **Audit Schedule Report**

- 5.23 The Licensee shall compile an Audit Schedule Report and submit it to the LAA Contract Manager in accordance with the requirements of Schedule 4 (Management Information). The Audit Schedule Report must be at a level of detail, frequency and in such media and formats, as the LAA requires. As a minimum it should include the following information:
  - 5.23.1 the name of the Legal Services Provider and contact details;
  - 5.23.2 the Audit Stage;
  - 5.23.3 the Audit type (SQM Applicant or SQM Holder);
  - 5.23.4 the SQM Auditor assigned to the Audit;
  - 5.23.5 the date and duration of Audit; and
  - 5.23.6 the size of the SQM Applicant or SQM Holder (numbers of FTE, categories of law and number of offices).

### **Audit Outcome Report**

- 5.24 The Licensee shall compile an Audit Outcome Report and submit it to the LAA Contract Manager in accordance with the requirements of Schedule 4 (Management Information). The Audit Outcome Report must be at a level of detail, frequency and in such media and formats, as the LAA requires. As a minimum it should include the following information:



- 5.24.1 the name of the Legal Services Provider;
- 5.24.2 the Audit Stage;
- 5.24.3 the Audit type (SQM Applicant or SQM Holder);
- 5.24.4 the SQM Auditor assigned to the Audit;
- 5.24.5 the date and duration of Audit;
- 5.24.6 the size of the SQM Applicant or SQM Holder (FTE, categories of law and number of offices);
- 5.24.7 the number of interviews conducted at Audit;
- 5.24.8 the number of file sampled (by category of law);
- 5.24.9 offices visited;
- 5.24.10 types of Corrective Actions;
- 5.24.11 Audit Outcome;
- 5.24.12 Audit Cost;
- 5.24.13 whether there was an Appeal;
- 5.24.14 outcome of Appeal.

#### **Accreditation Record**

- 5.25 The Licensee shall maintain an Accreditation Record and submit it to the LAA Contract Manager in accordance with the requirements of Schedule 4 (Management Information). The Accreditation Record must be at a level of detail, frequency and in such media and formats, as the LAA requires. As a minimum it should include the following information:

- 5.24.1 the name of the Legal Services Provider;
- 5.24.2 date of accreditation; and
- 5.24.3 expiry date of accreditation.

#### **Continuing Compliance**

- 5.26 The Licensee shall review any information provided by the SQM Holder in accordance with Appendix 2 (Specialist Quality Mark Agreement) of the SQM Standard and assess whether the SQM Holder continues to meet the requirements of the SQM Standard. Following such assessment, if the Licensee finds that the Legal Services Provider fails to meet the requirements of the SQM Standard, the Licensee may suspend or cancel the Legal Services Provider's SQM accreditation certificate and the Legal Services Provider shall have the right to appeal such decision in accordance with the published SQM appeal procedure.
- 5.27 The Licensee shall immediately record and report to the LAA Contract Manager any suspended or cancelled SQM accreditations pursuant to paragraph 5.26 above.

## **6 QUALITY AND MONITORING OF AUDITS**

- 6.1 The LAA Contract Manager will select audit documents generated by the Licensee including, completed Audit Reports and the Audit Record for quality monitoring purposes. The LAA Contract Manager will review this documentation to assess whether the Audit has been conducted in compliance with the requirements of this Agreement, including that the Services have been performed with the necessary level of care and skill.
- 6.2 The LAA Contract Manager or any other individual specified by the LAA may attend any Audits to ensure that the SQM Auditor is applying the SQM requirements correctly, and that the correct Audit process is followed.
- 6.3 The LAA Contract Manager will undertake a Review of the Licensee's processes and procedures for the Internal Audit of the Services as set out in paragraph 11 below.
- 6.4 In the event that the LAA identifies any failure to comply with the requirements of this paragraph 6, it shall be entitled to impose a proportionate Sanction on the Licensee in accordance with the requirements of this Agreement.

## **7 RESOURCES**

- 7.1 The Licensee shall:
  - 7.1.1 provide sufficient resources to deliver the Services in accordance with this Agreement;
  - 7.1.2 ensure experienced and qualified staff are in place, avoiding high staff turnover by implementing staff motivation and retention policies and procedures;
  - 7.1.3 deploy its resources to manage fluctuations in Audit volumes throughout the Term of the Agreement, ensuring that its performance of the Services is not adversely affected;
  - 7.1.4 develop, resource and maintain an effective Helpdesk Service to ensure that all queries or complaints received relating to the Services are responded to by the Licensee within the timescales specified in Schedule 3 (Service Levels) and as otherwise required by this Agreement;
  - 7.1.5 develop and maintain an IT system to store and manipulate data relating to the Audits and SQM Holders and SQM Applicants;
  - 7.1.6 develop and maintain a webpage dedicated to the Services provided by the Licensee. As a minimum this should include:
    - (a) information on the Audit application process including audit pricing and timescales for each audit stage;
    - (b) a Frequently Asked Questions document;
    - (c) contact details and opening hours of the Helpdesk Service;
    - (d) information on the complaints procedure;
    - (e) information on the appeals process;
    - (f) information on the cancellation policy.

- 7.2 The Licensee shall maintain an organisational chart indicating the function and experience of each person within its structure involved in the provision of the Services.
- 7.3 The Licensee shall produce a resource plan relating to staffing requirements, including, as a minimum, how it will:
- 7.3.1 recruit staff for the purposes of providing the Services;
  - 7.3.2 deploy staff to facilitate both auditing and customer service needs;
  - 7.3.3 ensure all staff are trained to provide the Services;
  - 7.3.4 accommodate a SQM Holder's or an SQM Applicant's specific Audit requirements.
- 7.4 The Licensee shall ensure that, during any long-term absence of any of the SQM Auditors or Licensee Personnel, which shall include sickness or holidays and shall include any period longer than four weeks, it provides qualified temporary SQM Auditors and in house staff to cover the absence, and informs the LAA Contract Manager of any changes to the structure or contact details of such personnel.

8. **MANAGING THE SERVICE Quality Standards**

- 8.1 The Licensee is required to hold ISO 9001 or an equivalent quality standard agreed by the LAA. The LAA will accept a quality standard developed in house, where it can be demonstrated to LAA's reasonable satisfaction that such standard is at least equivalent to ISO 9001.

**Quality Plan**

- 8.2 The Licensee shall, at the Audit Commencement Date, implement a quality plan which shall comply with the Licensee's own internal quality management standards and maintain such quality plan for the Term (the "Quality Plan").
- 8.3 The Quality Plan shall define how the Licensee will ensure that the Services provided meet the requirements set out in this Agreement. As a minimum the Quality Plan shall include:
- (a) the processes in place for maintaining the quality of SQM Auditors, including details around:
    - (i) recruitment;
    - (ii) supervision;
    - (iii) training; and
    - (iv) consistency;
  - (b) the processes in place for maintaining the quality of Services which do not include an Audit element, including:
    - (i) customer services;
    - (ii) complaints; and

(iii) diversity and inclusion;

(c) a named individual responsible for overseeing all quality procedures used by the organisation (the "Quality Representative").

- 8.4 The Licensee shall ensure that the Quality Plan is up-to-date and reviewed annually by the SQM Contract Manager. The Licensee shall provide the LAA Contract Manager with each updated version of the Quality Plan. All Licensee Personnel must know where to find the Quality Plan, what it contains and how it relates to them.

#### **Training by the LAA**

- 8.5 The LAA shall provide a training session to the Licensee during the Mobilisation Period.
- 8.6 The duration of the training provided by the LAA will be 4 days, followed by a two day assessment period for the Training Support Managers and a separate two day assessment period for the SQM Auditors (this must be attended by all attendees of the training course).
- 8.7 The content of the training provided by the LAA will be based on the LAA trainers' experience of the application of the SQM requirements.
- 8.8 The training provided by the LAA will include guidance on when and how to redirect issues raised by Legal Services Providers to the LAA if they do not fall within the Audit remit.
- 8.9 A maximum of 15 individuals will be trained by the LAA in any training session.
- 8.10 The Licensee will designate and confirm with the LAA Contract Manager who is attending the training and whether those individuals are attending as an SQM Auditor or a Training Support Manager.
- 8.11 Only staff that have attended training and that pass the assessment process (whether delivered directly by LAA or provided via cascade training by the Licensee) may act as SQM Auditors or Training Support Manager for the purposes of performing Audits or providing cascade training (as appropriate).
- 8.12 The events shall be hosted either at the LAA's premises or a suitable premises arranged by the Licensee or remotely, as specified by the LAA. The Licensee shall cover the full cost of the training session (excluding the wages of LAA staff providing the training). For the avoidance of doubt, the Licensee will be required to cover all reasonable travel and subsistence expenses incurred by the LAA in supporting the training. Subsequent staff training must be by a cascade process delivered by the SQM Auditors and Training Support Manager(s) (as further detailed below).

#### **Cascade training**

- 8.13 The Licensee shall cascade the initial training course provided by the LAA to any individual that it proposes to deploy as an SQM Auditor (who have not already passed the assessment process as part of the LAA training process). The Licensee must also cascade the assessment process. The responsibility for delivering cascade training and assessment is that of the Licensee.
- 8.14 Cascade training shall be based on the material provided by the LAA to the Licensee, unless agreed in writing by the LAA Contract Manager. The Licensee must provide the LAA Contract Manager on request with copies of any training

material it develops for its training purposes under this Agreement (either in hardcopy or electronic format).

- 8.15 The Licensee must give the LAA Contract Manager no less than two weeks' notice of any cascade training.
- 8.16 The Licensee shall receive no payment for any training. The Licensee is responsible for ensuring the Training Support Manager(s), SQM Auditors and all other staff are suitably trained to deliver the Services as specified in this Agreement, and subject to regular evaluation to identify additional training needs.
- 8.17 The Licensee is required to maintain records of the training provided to all Auditors providing the SQM Services, including records demonstrating that they have passed the assessment process. LAA may review this evidence as part of its quality monitoring and training sign off procedures.

#### **Training Sign Off**

- 8.18 Decisions as to whether members of the Licensee's Personnel have passed the training assessment procedure must be signed off by the LAA or a representative agreed by the LAA. The Licensee acknowledges and agrees that the Licensee's Personnel will require LAA's sign off as having passed the assessment procedure prior to conducting SQM Audits. An individual will not be deemed to have passed any training assessment until the LAA provides its written sign off of such individual.

#### **Training Plan**

- 8.19 The Licensee shall produce a training plan evidencing as a minimum:
  - 8.19.1 forecasted training dates for SQM Auditors, Training Support Manager(s) and other key personnel;
  - 8.19.2 the methods that the Licensee will put in place to ensure that all training and development needs and activities undertaken as part of this Agreement are recorded and provided to the LAA when required;
  - 8.19.3 how it will ensure, monitor the quality and maintain the consistency of its SQM Auditors and staff involved in delivering the Services and training activities listed above.

#### **Monitoring of Training**

- 8.20 The LAA reserves the right to:
  - 8.20.1 observe all training undertaken by the Licensee pursuant to this Agreement and view all training documents and records kept for such purposes;
  - 8.20.2 check the Licensee's assessments and overturn any assessment decisions that it reasonably disagrees with; and
  - 8.20.3 request and examine training records for all SQM Auditors.

#### **Customer Service**

- 8.21 The Licensee shall ensure that all SQM Holders, SQM Applicants or any other customer receives a high quality service and shall comply with the Service Levels relating to customer service.

- 8.22 The Licensee shall provide the Helpdesk Services to receive enquiries and complaints, face-to-face, by telephone, by letter and by email.
- 8.23 The Licensee shall record and store all customer service queries and complaints received regarding the Services electronically in a secure format for a minimum of 6 years.

### **Complaints Procedure**

- 8.24 A complaint is any communication received which expresses a negative comment regarding the Services by the Licensee. It may concern the conduct of an SQM Auditor, or the outcome of an Audit. A complaint can be verbal, written (e-mail or letter) but, in all cases, the same procedures should be followed.
- 8.25 The Licensee shall be responsible for the handling of all complaints received about the Services through its own internal complaints procedure. This procedure must include as a minimum:
- (a) a clear, fair and efficient process for identifying and dealing with complaints and informing complainants about how and to whom they should make their complaint to;
  - (b) a method/mechanism to record the nature of the complaints received and the remedy taken in order to prevent any similar complaints in the future;
  - (c) how to identify the cause of a complaint and respond to it (including acknowledging complaints, telling the customer or any other party when they will receive a substantive response, explaining to whom they should take matters if they remain dissatisfied at any stage, providing options for redress and for correcting any underlying problem or unsatisfactory procedure or process);
  - (d) identification of who has responsibility for complaints handling (generally and ultimately, including who is responsible for complaints made about the person who would ordinarily have ultimate responsibility); and
  - (e) the process for reviewing complaints (what is reviewed, when and by whom).
- 8.26 The Licensee must ensure that Licensee Personnel dealing with complaints have received appropriate guidance and training to ensure they comply with all applicable terms of this Agreement.

8.27 The Licensee shall deal with all complaints promptly from notification and in accordance with the applicable Service Levels.

8.28 The Licensee shall follow through to resolution a complaint and initiate any necessary enforcement or corrective action, advising the LAA Contract Manager of the outcome of action taken.

8.29 The complaints procedure must be approved by the LAA and published on the website.

### **Reporting Complaints**

8.30 The Licensee shall record details of every complaint received showing the following information (as a minimum):

- (a) the complainant's name;
- (b) a unique reference number;
- (c) the owner of the complaint;
- (d) the delivery type e.g. letter, e-mail etc;
- (e) the date the complaint was received;
- (f) a description of the complaint;
- (g) the date a full response was sent (including an explanation where the timescales were not met);
- (h) equalities monitoring data – complainant's age, gender and ethnicity;
- (i) any action taken by the Licensee;
- (j) whether the complaint was justified or unjustified in light of the outcome of the complaint; and
- (k) the date the complaint was closed.

- 8.31 Where a complainant is not satisfied with the outcome of the complaint, or the way it was handled, the Licensee must notify the LAA Contract Manager.
- 8.32 The Licensee shall keep a central record of every complaint received. For each complaint, the Licensee shall record the details and copies of all documentation showing how it was resolved. Documentation may either be held on the central record or held in another location with a cross reference in the central record.
- 8.33 The Licensee must review the central record at least annually to identify trends and determine whether action can be taken, as a result, to improve the Services being delivered. The results of this review must be documented.
- 8.34 All complaints will be discussed at quarterly review meetings between the SQM Contract Manager and the LAA Contract Manager.

### **Diversity and Inclusion**

- 8.35 The Licensee shall have a Diversity and Inclusion Policy and implement an appropriate training plan for Licensee Personnel in order to ensure that the requirements of such policy are met.
- 8.36 The Licensee must promote its Diversity and Inclusion Policy and ensure that the Services are accessible for people with protected characteristics and that it is able to meet the language needs of the Legal Services Providers as an integral part of the Services.

### **Confidentiality of Data and Data Management**

- 8.37 The Parties acknowledge that the LAA is the Data Controller ("in common" with the Provider whose files are to be reviewed) and that the Licensee is the Data Processor in respect of the Personal Data to be processed pursuant to this Agreement ("LAA Personal Data"). Schedule 10 sets out the scope, nature and purpose of processing by the Licensee, the duration of the processing and the types of Personal Data and categories of Data Subject.

- 8.38 The Licensee shall process LAA Personal Data only in accordance with written instructions from the LAA (which may be specific instructions or instructions of a general nature as set out in this Agreement or as otherwise notified by the LAA to the Licensee) unless the Licensee is required by UK Law to otherwise process that Personal Data. Where the Licensee is relying on UK Law as the basis for processing Personal Data, the Licensee shall promptly notify the LAA of this before performing the processing required by UK Law unless the UK Law prohibits the Licensee from so notifying the LAA.
- 8.39 The Licensee shall ensure that it has in place appropriate technical and organisational measures (as defined in the Data Protection Legislation), reviewed and approved by the LAA, to protect against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures (those measures may include, where appropriate, pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of its systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the technical and organisational measures adopted by it). The Licensee not transfer any Personal Data outside of the UK unless the prior written consent of the LAA has been obtained and the following conditions are fulfilled:
- (a) the LAA or the Licensee has provided appropriate safeguards in relation to the transfer;
  - (b) the Data Subject has enforceable rights and effective remedies;
  - (c) the Licensee complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and
  - (d) the Licensee complies with the reasonable instructions notified to it in advance by the LAA with respect to the processing of the Personal Data.
- 8.40 The Licensee will take all reasonable steps to ensure that any data processors it utilises process all Personal Data on secure servers within the UK and do not transfer Personal Data outside the UK (for example, but not limited to Google Cloud Services, Amazon Web Services and Microsoft Office 365) and if requested, the Licensee shall:
- (a) provide the LAA with a list of all sub-processors it uses; and
  - (b) provide the LAA with evidence that sub-processors are storing data in the UK.
- 8.41 The Licensee shall notify the LAA immediately if it receives:
- (a) a request from a Data Subject to have access to that person's Personal Data;
  - (b) a request to rectify, block or erase any Personal Data;
  - (c) any other request, complaint or communication relating to either party's obligations under the Data Protection Legislation (including any communication from the Information Commissioner).
- 8.42 The Licensee shall assist the LAA in responding to any request from a Data Subject and in ensuring compliance with the LAA's obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators.
- 8.43 The Licensee shall notify the LAA without undue delay on becoming aware of a Personal Data breach including without limitation any event that results, or may result, in unauthorised access, loss, destruction, or alteration of Personal Data in



breach of this Agreement.

- 8.44 The Licensee shall maintain complete and accurate records and information to demonstrate its compliance with paragraphs 8.37 to 8.53 and allow for audits by the LAA or the LAA's designated auditor and immediately inform the LAA if, in the opinion of the Licensee, an instruction infringes the Data Protection Legislation.
- 8.45 The Licensee shall take reasonable steps to ensure the reliability of any of its personnel who have access to LAA Personal Data and ensure they are informed of the confidential nature of LAA Personal Data in order to comply with the obligations set out in this clause.
- 8.46 The Licensee shall ensure that neither it nor any of its personnel publish, disclose or divulge any LAA Personal Data to any third party unless directed in writing to do so by the LAA.
- 8.47 The LAA will ensure that it has all necessary appropriate consents and notices in place to enable lawful transfer of the Personal Data to the Licensee for the duration and purposes of this Agreement..
- 8.48 LAA requires the Licensee to also comply with the Government's mandatory minimum security measures that are set out in the HMG Security Policy Framework document dated May 2018, available on the GOV.uk website.
- 8.49 The Licensee shall have in place or will develop a secure and adequate back-up and storage process for all electronic data relating to the SQM held on their systems.
- 8.50 The Licensee must ensure all SQM related Audit Information including Audit Report and Management Information Reports is securely retained for a minimum period of 6 years from the date of creation or as required by any Regulatory Bodies.
- 8.51 The Licensee shall notify the LAA Contract Manager within 24 hours where it has been identified that the confidentiality, integrity or availability of the data it records, processes or stores for the purpose of the Services may have been impacted.
- 8.52 The Licensee shall at the written direction of the LAA, delete or return Personal Data and copies thereof to the LAA on termination or expiry of the Agreement unless required by UK Law to store the Personal Data.
- 8.53 Where the Licensee intends to engage a sub-contractor pursuant to Clause 22 and intends for that sub-contractor to process any Personal Data relating to this agreement, it shall:
- (a) notify the LAA in writing of the intended processing by the sub-contractor;
  - (b) obtain prior written consent from the LAA to the processing;
  - (c) enter into a written agreement incorporating terms which are substantially similar to those set out in paragraphs 8.37 to 8.53 above.
- 8.54 Paragraphs 8.37 to 8.53 shall apply during the continuance of the Agreement and indefinitely after its expiry or termination.

### **Systems Operation and Maintenance**

- 8.55 The Licensee shall maintain an information security management system (the "System") to comprise, as a minimum:
- (a) a secure database to store all SQM related Audit information;

- (b) a system to generate the Management Information required;
  - (c) a system to record and store customer service queries and complaints received and responses taken and
  - (d) a system to record equality and diversity driven statistics relating to both employees and Legal Services Providers.
- 8.56 The Licensee shall maintain, and shall ensure that its sub-contractors maintain, the following minimum organisational and technical measures:
- (a) all computers storing personal or confidential information should be protected by hard drive disk encryption with at least a username and password as a means of authentication;
  - (b) all portable devices (e.g. USB memory sticks, laptops) used to store personal or confidential information shall be protected by encryption;
  - (c) anti-virus and anti-spyware must be installed and kept up to date on all servers, desktops and laptop computers used to store, process or transmit personal or confidential information; and
  - (d) secure disposal of electronic media through secure destruction.

### **Disaster Recovery and Business Continuity**

- 8.49 The Licensee must provide business continuity in respect of the Services in accordance with an appropriate business continuity and disaster recovery plan (the “Business Continuity and Disaster Recovery Plan”). As a minimum such plan must meet the requirements of Good Industry Practice and applicable Data Protection Legislation and be signed off by the LAA in advance of the Audit Commencement Date.
- 8.50 The Provider must inform the LAA of any incident and/or disaster that would trigger the application of the Business Continuity and Disaster Recovery Plan as soon as practically possible.

## **9. MARKETING THE SERVICE AND DOCUMENT**

### **MANAGEMENT Marketing**

- 9.1 The Licensee shall promote and communicate the Services to Legal Services Providers in order to ensure that:
- (a) it incentivises early Audit uptake; and
  - (b) public messages in relation to the SQM are consistent with the LAA’s aims in relation to the standard, and maintain and enhance the reputation of the SQM, and do not bring the SQM standard into disrepute.
- 9.2 Upon request the Licensee shall provide the LAA with full details in relation to how the Services are being marketed.

### **Document Management**

- 9.3 The LAA will provide the Licensee with the following (in electronic format) during the Mobilisation Period:
- (a) current versions of the SQM Standard and SQM Guidance documentation;
  - (b) mandatory text to include in documentation and correspondence, including:

(i) SQM letter templates;

(ii) SQM agreement and certificate templates

9.4 The Licensee will be responsible for the following document management services (as a minimum):

(a) ensuring that current information relating to the SQM and the Services is available to all Legal Services Providers via the Licensee's website and in hard copy format (where requested);

(b) ensuring that correct versions of all SQM forms are available to all Legal Services Providers via the Licensee's website and in hard copy format (where requested);

(c) ensuring a "Frequently Asked Question" document (approved by the LAA Contract Manager prior to release) relating to the Services is made accessible to the Legal Services Providers via the Licensee's website and in hard copy format (where requested); and

(d) distributing the SQM Standard and SQM Guidance in either electronic or hard copy format (where requested) to Legal Services Providers as appropriate.

9.5 The Licensee shall ensure that all audit material that they use or produce in the course of delivering the Services (including the SQM Standard and SQM Guidance) is available in English, Welsh and large print (upon request).

9.6 The Licensee shall ensure that all SQM related documents which it uses in relation to the delivery of the Services shall be regularly reviewed and maintained in order to ensure that they are consistent with the contents and requirements of this Agreement and that any proposed changes to such documentation shall be reviewed and agreed by the LAA Contract Manager prior to any change or update being incorporated into the documentation.

9.7 The Licensee shall issue all SQM certificates in electronic form, unless a hard copy is requested by a Legal Services Provider (in which case the fee set out in Schedule 2 (Pricing) will be payable by the Legal Services Provider).

## **10. MOBILISATION PERIOD**

10.1 The Licensee shall, during the Mobilisation Period, take all necessary steps to ensure that it is ready to commence the Auditing of Legal Services Providers from the Audit Commencement Date.

10.2 The Licensee shall comply with the requirements of the Mobilisation Plan which shall contain as a minimum, the following key activities and the corresponding date by which they will be completed/in place:

10.2.1 communication with SQM Holders and SQM Applicants to advise them who to contact regarding SQM renewals/applications;

10.2.2 Audit scheduling activity;

10.2.3 training dates planned;

10.2.4 SQM documentation and templates completed and available to

Legal Services Providers;

10.2.5 Helpdesk Services launched;

10.2.6 scheduled dates for Management Information reports to be completed and sent to the LAA;

10.2.7 a risk register implemented; and

10.2.8 Business Continuity and Disaster Recovery Plan

10.2.9 ISO 9001 accreditation, or an equivalent standard to be agreed by the LAA, achieved

10.3 The Licensee shall attend an initial meeting with the LAA Contract Manager, at a date specified by the LAA, in order to review the Mobilisation Plan and associated timetable, the LAA's requirements, and all identified risks and issues.

10.4 The Licensee shall maintain records of any risks and issues which have arisen throughout the Mobilisation Period, and must take all reasonable steps to reduce the probability and/or severity and impact of such risks.

10.5 During the Mobilisation Period, the Licensee shall provide the LAA Contract Manager with an electronic weekly report recording its progress towards achieving full readiness to deliver the Services from the Audit Commencement Date. The report should be received by the LAA Contract Manager by 17:00 every Friday. The report should contain as a minimum the following summaries:

10.5.1 service progress and timescales;

10.5.2 activities completed during the period since the last report;

10.5.3 activities planned for the following 2 weeks; and

10.5.4 the status of any outstanding risks and issues.

## **11. LAA AUDIT OF THE SERVICES**

11.1 At any time during the Term the LAA Contract Manager may perform an audit of the services provided by the Licensee to:

11.1.1 review and verify information available in records developed through the Audit programme;

11.1.2 identify specific issues of non-compliance in relation to this Agreement and to agree corrective action to be taken to ensure compliance;

11.1.3 check and verify the effectiveness and appropriateness of the Licensee's monitoring measures in place.

### **Customer Satisfaction Questionnaires & recording feedback during service provision**

11.2 The Licensee shall carry out customer satisfaction questionnaires and produce detailed analysis of the results for the LAA. This information should be sent to the LAA Contract Manager.

11.3 The Licensee shall record any feedback that it receives when providing the Services. This feedback is to be provided to the LAA Contract Manager on a

quarterly basis.

### **Action Plans**

- 11.4 In the event that the Licensee has failed to deliver the specified requirements, has failed to achieve a Service Level or has otherwise failed to provide an adequate level of service, the Licensee must develop an action plan which as a minimum must:
- (a) Summarise any investigation problems highlighted including any underlying cause;
  - (b) Identify actions that will be taken to redress any failures in the delivery of the Services, summarising any steps already taken to implement these actions
- 11.5 Progress against this action plan will be reviewed every month with the LAA Contract Manager, with remedies to be implemented and improvements achieved within the required timescales.