

# The Due Diligence Kit

The following Due Diligence Kit (DDK) spells out the different checks and procedures which brokers should conduct before referring a client to a legal services provider.

## 1. Company management structure

How is the firm structured and how are their employees managed? E.g. is it a partnership where the assets of the business are owned on behalf of the other partners, who are each personally liable, jointly and severally, for any liabilities, or is it a limited liability partnership (LLP), in which some or all partners (depending upon jurisdiction) have limited liability?

Brokers should request a breakdown of this framework and ensure it is in accordance with the Solicitors' Regulation Authority (SRA) guidance [www.sra.org.uk](http://www.sra.org.uk)

## 2. Professional indemnity certificate

If something were to go wrong, you need to know that the firm, and your client, would have financial protection. A professional indemnity certificate provides confirmation that the lawyer is more than covered by its insurer should the worst happen.

## 3. Principals' practising certificates

Thorough regulation of any firm should begin at the top, so brokers must look to those running the legal practice to ensure they are legitimate advocates for their clients. A practising certificate for each principal within the business demonstrates that they are legally authorised to practise.

## 4. Systems and technology

The strength of a firm's ability to operate efficiently is often determined by the systems it has in place. Brokers should request a copy of the ISO 9002 or other quality mark to confirm that the business is run using audited, quality systems.

## 5. Professional regulation

Any reputable law firm will be a signatory to the The Law Society register. By requesting written confirmation of this accreditation, you can ensure they are regulated by the relevant governing body.

## 6. Business continuity

When referring a client, you need to know that they will continue to receive a quality service, even in the unlikely event of a major business interruption. If your target law firm has a business continuity plan, you can rest assured that the firm has a plan B!

## 7. Other accreditations

When choosing between a number of different law firms, a key differentiator can be how each firm is viewed by its industry peers. Award successes and other quality accreditations should help to inform your decision, so don't be afraid to ask for details of any industry awards a firm has received.

To help you follow our advice, we have created a template with individual pages dedicated to each of the DDK key points and this can be found by scrolling down. You can scan or print copies of the relevant documents mentioned above and attach them to the relevant page.

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If our dedicated team of experts can offer assistance in any of the areas mentioned in this kit, we'd be delighted to hear from you.

0800 999 3590

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