

Firms face 'legal exposure' over cancelled contracts

By Catherine Baksi

Law firms risk 'reputational damage and legal exposure' as increasing numbers of firms seek to defer or cancel training contracts due to the recession,

a leading employment lawyer has warned.

City firms Denton Wilde Sapte and LG are the latest to ask their prospective September 2009 and 2010 intake to defer commencement of train-

ing contracts for 12 months. Regional firm Shoosmiths has asked some trainees to withdraw from training contracts.

Ronnie Fox, principal at London firm Fox and a specialist employment and partnership law lawyer,

said of firms in general: 'Firstly it looks bad if you have to withdraw an offer you have made to a young person who has accepted it. Secondly, firms can get into trouble with employment and contractual issues.'