

COLPs and COFAs are 'officially sanctioned snitches', Fox says

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Sole practitioner hits out at 'wholly disproportionate' burden

The SRA's new compliance officers are "officially sanctioned snitches", Ronnie Fox, principal of City employment specialists Fox, said today.

"The COLPs' and COFAs' primary duty is to report their own to the SRA if they consider the firm has committed a 'material breach' of the SRA Handbook," he said.



firm

"Despite repeated requests from practitioners, the SRA has failed to shed light on what might constitute a 'material breach'."

Fox, a former president of the City of London Law Society, went on: "Obligations imposed on law firms by the SRA impose a wholly disproportionate burden on small firms."

"Both the COLP and COFA roles attract personal liability and potentially significant fines if the SRA decide that they are not being properly performed."

"This complete lack of clarity, coupled with the uncertain nature of outcomes-focused regulation, the virtually uncontrolled power of the SRA to decide whether or not a firm is compliant, and a lack of information about the SRA's policing powers, makes it almost impossible for law firms to know where they stand."

"The compliance officers must put their regulatory duties before the interests of the firm and may be personally liable if the SRA finds they have not properly fulfilled their role. This personal liability and potentially significant fines are a huge concern for firms and the compliance officers."

Fox said OFR effectively left firms to decide for themselves how to achieve desired outcomes.

"The mainstay of the profession, the sole practitioner, is likely to all but disappear because of the wholly disproportionate burden that is created by regulation."

Fox added that he had nominated his COLP and COFA, but not heard whether they had been approved.

He questioned whether there was any point in sole practitioners with smaller firms appointing themselves to the role.

A total of 5,000 firms have had compliance officers confirmed after the SRA completed its first round of approvals at the end of last month.

It is understood that a further 2,000 COLPs and COFAs are likely to be approved by the end of this week.