

News release

Covid heightens risks faced by law firms

23 November 2020

The ongoing implications of Covid-19 mean law firms must be more vigilant than ever in how they plan for - and protect against - key risks currently facing the legal sector.

This warning comes as we issue the latest edition of our annual Risk Outlook. The Outlook summarises trends in the key threats currently posed to law firms and their clients, as well as providing advice on how to protect against these and offering insight into issues likely to emerge in the near future.

Highlighting the rise in cases of money laundering and cybercrime attacks during the first half of 2020, the Outlook predicts that risk in these areas is only likely to increase further into 2021. In particular, it points to the 300% increase in phishing scams seen during the first two months of lockdown and warns of similar spikes being likely as Covid vaccines come online.

As well as anti-money laundering and cyber security, other priority risks identified by the SRA for the coming year include issues such as protecting client money, diversity in the profession and standards of service, maintaining integrity and ethics and ensuring legal needs are met.

Paul Philip, SRA Chief Executive, said: "The Covid-19 pandemic has presented real challenges for all of us and how we work. While it will take some time for the implications to be fully understood, it is already clear that the pandemic has also exacerbated many of the wider, day-to-day risks faced by law firms and their clients.

"While none of us can predict exactly what 2021 will bring, we know that by considering likely risks, identifying where they may be vulnerable and planning accordingly, firms can take preventative action. Our Risk Outlook helps firms to do that and I would encourage everyone to read it and take any necessary action."

Read the [latest Risk Outlook](https://indemnity.sra.org.uk/archive/risk/outlook/risk-outlook-2020-21/) [https://indemnity.sra.org.uk/archive/risk/outlook/risk-outlook-2020-21/].

The Outlook is being issued to coincide with the SRA's 2020 Compliance Conference, which is attended annually by more than 1,000 compliance officers from law firms in England and Wales. This year the event is taking place virtually.

[This year's event](https://events.sra.org.uk/sra/506/home) [\[https://events.sra.org.uk/sra/506/home\]](https://events.sra.org.uk/sra/506/home) features presentations from the National Crime Agency, as well as sessions on cybercrime and innovation.

You can [watch back sessions](https://indemnity.sra.org.uk/news/events/on-demand-events/compliance-conference-2020/) [\[https://indemnity.sra.org.uk/news/events/on-demand-events/compliance-conference-2020/\]](https://indemnity.sra.org.uk/news/events/on-demand-events/compliance-conference-2020/) from this year's event through our on demand service