

PROFESSIONAL & FINANCIAL RISKS

# Guide for new start-up firms

Guidance notes for presenting your submission to the Council  
of Licensed Conveyancers and insurers



*Miller*

The process of setting up your own conveyancing firm can seem daunting. We have created this guide to help you understand the authorisation process and to create a clear and concise submission to professional indemnity (PI) insurers in advance of your application to the Council of Licensed Conveyancers (CLC).

Miller Insurance Services LLP (Miller) is a leading specialist and independent insurance broker who has a proud heritage of working with the CLC and providing its members with secure and competitive insurance.

Our dedicated team of specialists negotiate professional indemnity terms directly with Chubb Insurance for CLC firms. We are focused on helping you to obtain an insurance quotation to meet the requirements of the CLC application process. Once approved, our team are on hand to provide your new firm with day-to-day support, technical bulletins, cover queries and claims.

## Contents

Professional indemnity insurance (PII)	04
Completing your proposal form	06
Preparing your business plan	08
What to include in your business plan	09
Other insurances	14
Why choose Miller?	15
Miller's CLC team – we're here to help	16
Appendix	17

# Professional indemnity insurance (PII)

As part of your application to the CLC, you must present a quotation for PII - this is where Miller can help you.

There are four key elements that are required when making an application for PII:

01. The proposal form
02. Business plan
03. Cash flow forecast
04. CV(s)

The proposal form contains the key information about your firm and will ask you to predict the type and amount of work you will be doing. Underwriters use this information to calculate your premium so you must ensure that details are accurate and consistent throughout the documents you provide.

The Miller proposal form is designed to allow you to show underwriters your predictions and demonstrate how you plan to run your business. Remember this will be cross referenced and read in conjunction with the business plan, cashflow and CVs.

Scan to download Miller's CLC proposal form.



## What is the process for obtaining a PII quote?

### COMPLETE OUR PROPOSAL FORM

Download the Miller proposal form by clicking [here](#) or scanning the QR code below. Once completed, send a copy plus your cash flow projection, business plan and CVs to [CLC@miller-insurance.com](mailto:CLC@miller-insurance.com)

### PROPOSAL FORM REVIEW

We will review your submission for accuracy and resolve any queries with you before the application is sent to insurers.

### NEGOTIATING YOUR QUOTE

Your submission documents will be presented to and discussed with Chubb. Quotes are not generated by a computer system and will involve discussion with an individual underwriter so can take some time.

### QUOTE RECEIVED

Once we receive the quote, we will confirm the details in writing so you can progress your CLC application. Remember that although you can start your first policy on any date in the year, there is a common renewal date of 30th June so your first policy might only be for a short period.

### CLC APPROVAL AND PREMIUM FUNDING

Whilst the CLC are reviewing your application, ensure you have premium funding or cleared funds available to pay your premium in full. We cannot incept or confirm cover until you have paid the premium and instalment facilities are often difficult to secure for new start-up firms.

### ADDITIONAL RISKS

Let us know if you need quotes for any additional insurance requirements. This guide includes details of examples of policies you might want, including cyber insurance.

### QUOTE ACCEPTANCE

Once you have funding in place, return the signed instruction form to us, verify our bank account by speaking to a colleague in our team and send the BACS payment to us. Cover will be incepted on receipt of funds and the policy wording and insurance certificate will be prepared and sent to you promptly.

REMEMBER, THE QUALITY OF THE PRESENTATION IS CRUCIAL SO DOUBLE CHECK THAT:

- you are satisfied with the presentation, spelling and grammar
- all the key areas are satisfactorily addressed and consistent
- any attachments are renamed and dated to clearly show what you are sending.

Our dedicated team will acknowledge your email within 24 hours of receipt. While we appreciate that you will be keen to progress your application with the CLC as quickly as possible, it's important that we ensure that your submission is as comprehensive as possible before we request quotes from insurers. We will therefore review the documents and resolve any expected questions with you before negotiations start.

Quotes are individually prepared by underwriters who will need time to consider your submission carefully, so it can take a little time for them to come back to us. Rest assured that we will be progressing matters in the background and will keep you informed. You should expect to have a progress report within 7 - 10 days.

# Completing your proposal form

As a reminder, it is your duty to make a fair presentation of the risk to the insurer, in accordance with Section 3 of the Insurance Act 2015.

## YOU MUST:

- A. disclose to the insurer every material circumstance which the proposer knows or ought to know. Failing that, you must give the insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk and, if so on what terms (including premium);
- B. make the disclosure outlined in a) above in a reasonably clear and accessible manner; and
- C. ensure that every material representation as to matter of fact is substantially correct, and that every material representation as to matter of expectation or belief is made in good faith.

***IF YOU ARE IN ANY DOUBT ABOUT WHETHER OR NOT TO DECLARE SOMETHING, THEN PLEASE CONTACT THE MILLER TEAM.***



## Top tips

When completing your proposal form, answer all questions based on how you plan to run your business and your year 1 projected figures. Remember the following when providing information about your firm.

- This document will be shared with insurers, so all answers need to be legible and ideally typed onto the form. If you have handwritten the details and made a mistake, please either replace the page or erase and replace the original information to help you represent your firm in the intended manner.
- Consider the visual quality and size of documents when sending back via email. We and insurers have automatic protections around the size of documents we can accept.
- Every document you submit will need to be read and reviewed, so think carefully about how you want to present information. For example, if you want to draw attention to a specific section or paragraph within a policy or procedure, then please extract the relevant details and offer to send the full policy on request.
- All information in the form will be cross referenced against the other documents you submit, so ensure that average fees, projected turnover, staff numbers and associated costs, etc. correlate across all documents.
- If you have been the subject of a complaint, claim or disciplinary matter in either a regulated practice at any point in the past, or are the subject of an ongoing matter, then please ensure that this is declared in the material information section (Q12) of our proposal form, providing full details of what the allegation/event was and the outcome.
- If you will be an Alternative Business Structure (ABS) firm, please explain the rationale behind this and provide a definitive statement about any additional services you plan to offer.
- If you intend to specialise in any areas of work, then please ensure that this is made clear in your submission documents and you highlight relevant experience in this field.
- Where possible, rename the proposal form and any attachments so there is a clear record of what was sent to us. If multiple versions of the documents exist, using dates in the file names rather than version numbers is helpful.
- If we ask you additional questions, our preference is for you to provide your answers in the form of an email that can be shared with insurers, with your replies given as statements rather than in question and answer format.
- Whilst you might not have a website and email address for your new business yet, you might prefer to share a personal email address rather than the address of an existing employer.
- The proposal asks about cyber insurance, which you won't have in place at the date of application. Please share your views on how you will manage cyber threats and whether you intend to buy a cyber policy in the Material Information section. Remember that the costs will need to be shown in your cashflow projection.
- You can choose to review the latest CLC Risk Agenda (available on their website) and demonstrate your understanding of the risks your business will face and how those will be managed.

# Preparing your business plan

Your business plan is your opportunity to explain your objectives and how you will achieve them to regulators, financiers and insurers. It's a vital document for those who are determining the viability of your business proposition.

It's important for you to carefully prepare your business plan and ensure you take time to explain your rationale and evidence the assertions you make. Whilst there are templates online, remember that these are only a starting point and must be tailored to your firm. The plan must be focused, clearly expressed and include available evidence to substantiate your firm's viability.

YOUR AIM WHEN CREATING THE PLAN SHOULD BE TO DEMONSTRATE THE FOLLOWING.

- You understand your target market and have a genuinely unique service offering.
- Your business will be well managed and led by experienced individuals who have proven legal and business skills.
- Although advertising and personal networks have a part to play in establishing a business, written commitments from future clients or referral sources will make your plan more compelling.
- Your business will be financially sound and you can demonstrate this with a realistic cashflow projection of the expected short to medium term costs.
- You have a deep understanding of the risks associated with the type of work you will undertake and can explain clearly how those risks will be managed. Use trusted online resources such as CLC cyber threats, NCSC Exercise in a Box or business continuity scenarios to assess the resilience of your planned firm and to help you determine the risks mitigation measures you will want to have in place.
- You have considered the impact of unexpected events and have a Business Continuity plan designed to reduce any impact. That might include:
  - physical risks from fires, floods and thefts
  - virtual risks such as cyber security breaches or IT failures
  - business risks such as aborted transactions or sickness of key personnel.

# What to include in your business plan

A good business plan should include the following information.

## Executive summary

### 01

The executive summary should provide the reader with a concise overview of the entire business plan. The summary should include the purpose of the plan, business details, market analysis, sales and marketing strategy, organisation and personnel and financial data.

These are discussed in more details below.

## Business description

### 02

This should provide an overview of how all of the elements of your company fit together, in other words the origins, how's, why's and wherefores of your proposed business including comment about the following.

- Why are you setting this business up?
- Your business and professional experience
- The work you plan to undertake, specifying any niche or specialist areas you will target. Be specific about the business you will focus on, for example will this include residential and commercial conveyancing? Do you intend to act for clients domiciled overseas; auction purchases; new builds, BSA, etc.
- Your distinctive competencies to provide these services - primary facts that will lead to your success

---

## Market analysis

### 03

This section should reflect your knowledge of the industry and present highlights and analysis of your market research.

- A description of the conveyancing market and outlook for the sector
- Target markets - do you have an existing client base or are you starting from scratch?
- Feedback from your target market - starting from scratch
  - How will you generate a new bank of clients?
  - What will compel these clients to pick your firm to act for them?
  - What market research have you carried out and how has that influenced your offer?
- Feedback from your target market - existing client bank
  - What evidence do you have that they will follow you to your new firm?
  - What is the value of that client base in terms of the number of transactions they expect to make and the resultant fee income to your business?
  - What is your expectation of the challenges that they face and how will that impact your business?
- SWOT analysis

---

## Sales and marketing strategy

### 04

This section should describe the activities that will allow you to meet the sales / fees indicated in your prospective financial statements.

- Overall marketing strategy
- Sales strategy
- A realistic estimate of the costs associated with your plans
- 1-year goal; 3-year goal

---

## Organisation and personnel

### 05

This section must demonstrate your management or your management team's talent and how these skills give your firm a distinctive advantage that cannot easily be replicated by your competition. Firms who will not be sole practitioners should include the following information.

- Management staff structure
- Key managers / list of qualified staff and their respective roles
- CVs for all qualified staff members
- Planned additions to the qualified / non-qualified team
- Details of risk management initiatives that will be adopted, including consultants (describe the roles they will perform), IT and specialist software

---

## Financial data

### 06

This section should explain your start-up costs, funding requirements and future projections, and be supported by a cash flow document. Include comment about the following.

- How much money will be needed to get the practice off the ground? Will you be funding this entity yourself, or through a bank loan?
- Use of funds/consideration of overheads - will your practice be based from your home or will you be renting office premises?
- Does your cashflow reflect any lead time from set up to income generation. When do you realistically expect to start earning fees? Are those fees dependent on factors outside of your control, such as the completion of conveyancing transaction. Explain the value of any guaranteed work from start-up that will enable you to generate fees quickly.
- If you are employing staff, are their salaries included in your cashflow? Do your cashflow document and proposal form tally regarding the position with any staff?
- What research have you carried out into your estimated costs? Does your cashflow reflect any increases you are contractually committed to?
- What are your funding requirements over the next 1-3 years?

## Regulatory compliance

### 07

The objective here is to demonstrate that you have identified basic policies, systems and procedures to ensure your firm is compliant. To an extent, this will depend on your size and the type of work you want to do, but please include an overview of your intentions regarding:

- client care policy covering service standards, costs information and complaints handling
- anti-money laundering procedures
- cyber security and training
- systems and procedures for handling client money, including payment verification
- conflicts checking procedures
- confidentiality policy/procedures
- undertakings policy
- anti-discrimination and equality and diversity policy.

Remember that there is no need to provide example policies or procedures, however your plan is an opportunity to demonstrate your understanding of the risks and how you intend to manage them.

## Financials and your cashflow

### 08

Under the CLC Minimum Terms and Conditions that govern the PII rules, upon issuance of a policy, an insurer has to provide cover for six years if a business fails. This makes the financial viability of a firm a crucial underwriting consideration.

It is imperative to demonstrate that your income will be sufficient to support expenditure, including any loans, so take a pragmatic stance when predicting your fee income. Both the CLC and insurers will expect to see a realistic, costed, month-by-month cashflow projection reflecting:

- 01.** Any time your firm will need to build up your client base or an explanation of why you will generate income from day one if that applies
- 02.** The lead time between your appointment by a new client and the time to receiving fees for that work
- 03.** Seasonal peaks and troughs

## Top tips for cashflow projection

- 01.** Generally, we expect to see income build up over time for new start-up firms, meaning that the income in month one is likely to be smaller than in later months, however we know that isn't always the case. Does your projected turnover match that pattern? If you don't expect to have that build up effect, does your business plan explain why?
- 02.** If you will be bringing live files from a previous firm, have you reflected any fee sharing arrangements you have entered into? Does your business plan explain how the transfer of files will be managed and your due diligence around this?
- 03.** Is your turnover achievable when compared to your staff numbers? If you plan to recruit staff as you grow, are realistic salary figures visible in the cashflow?
- 04.** If you will rely on fee earning locums or consultants, are those costs reflected? Does your business plan explain how you will manage their work?
- 05.** Does your cashflow show costs associated with the case management system or technology you plan to use?
- 06.** Do the estimated income and average fees per transaction in your proposal form correlate with the information in your cashflow document? If you multiply the expected number of completions, does your answer make sense when viewed against the average fee per transaction on the proposal form? If not, either adjust your figures or explain your rationale in the business plan.
- 07.** Are pay per click advertising costs or referral fees shown in the cashflow?

## CVs

### 09

CVs for the main partners and fee earners should showcase their PQE, relevant legal experience and their business management skills.

The CV does not need to include personal information such as contact details or hobbies, etc. but insurers will usually have an expectation of at least 5 years PQE for the senior leadership.

If you are intending to be an ABS firm, ensure that the planned role of the non-qualified leader is explained, and any relevant professional qualification highlighted.

## Other insurances

As well as PII, there are other insurance coverages available for new start-ups that Miller can assist with.

### CYBER

There is a common misconception that only large law firms are at risk of cyber-attacks, and as a consequence, most firms fail to take the necessary actions to cover their business properly.

If you handle client money and data, you're an attractive target. More worryingly, despite training and technological protections, breaches often occur from human error and it happens without their knowledge. Firms falling victim to a cyber-attack can face significant unexpected costs and require access to specialist investigators very quickly to determine what has happened and make prompt reports to regulators.

The National Cyber Security Centre highlights the cyber threats faced by legal firms in their document "Threats and key takeaways for the legal sector" and the CLC provide information about tackling fraud and cybercrime on their website [www.clc-uk.org](http://www.clc-uk.org)

We encourage firms to regularly assess their cyber readiness and to consider purchasing a cyber insurance policy, which provides access to a 24-hour helpline. Policies can also include additional benefits such as:

- access to online training courses, webinars and bulletins
- risk management services.

### MANAGEMENT LIABILITY

We can assist you with protection for those in a managerial capacity, including your HOLP & HOFA.

### KEY PERSON

Many businesses have spearheading individuals who generate the majority of the revenue and profits for a firm. An individual that suffers severe injury, illness, or death will typically have arranged their own personal insurance protection. This is part of their personal financial planning to protect the impact on them, their family and dependents.

The business is just as exposed to a key person suffering the same event and should therefore protect their financial exposure through the purchase of a key person insurance policy. This should form a key part of a firm's business contingency and continuity planning.

A key person policy can provide a pre-determined financial payment to the business in the case of the disability or death of a named individual. Coverage typically includes the cost of hiring temporary cover, or recruiting a successor. Policies can also be purchased to cover the cost of lost revenue/profits, mitigating a potential catastrophic risk to the firm.

### TOP UP PII COVER

The limit of indemnity specified by the CLC is £2m, however dependent on the nature of the work you plan to do, top up cover may be needed. Please let us know you require such cover and we will secure quotes after we have provided the basic PII quote.

## Why choose Miller?

Miller is committed to providing exemplary service and ensuring that our clients have access to a range of valuable risk resources. This includes:

# 01

Service from a dedicated account team, led by one of our account managers who will get to know you and your business

# 02

Access to technical specialists in claims or other insurance areas

# 03

Invitations to our annual risk and compliance conference, regional roundtable discussions and networking events

# 04

Insights articles on topical matters delivered straight to your inbox

# Miller's CLC team – we're here to help

## Main points of contact



ED PICKARD

+44 20 7031 2962  
ed.pickard@miller-insurance.com



PHIL LIMB

+44 20 7031 2743  
phil.limb@miller-insurance.com



MARIANNE MCWILLIAMS

+44 113 360 7481  
marianne.mcwilliams@miller-insurance.com



FRANCES LODGE

+44 20 4614 0041  
frances.lodge@miller-insurance.com



LIBBY KING

+44 20 7031 2823  
libby.king@miller-insurance.com



LUCY DAVIES

+44 20 7031 2267  
lucy.davies@miller-insurance.com



ORLAGH MCDONAGH

+44 20 7031 2076  
orlagh.mcdonagh@miller-insurance.com



SAM CUDMORE

+44 1473 907 594  
sam.cudmore@miller-insurance.com



TOM DAVIES

+44 20 7031 2256  
tom.davies@miller-insurance.com

## Wider Miller CLC team



CAMERON LAFFERTY

+44 20 7031 2523  
cameron.lafferty@miller-insurance.com



CHARLES HAWTIN

+44 20 7031 2372  
charles.hawtin@miller-insurance.com



CHRIS JONES

+44 20 7031 2212  
chris.jones@miller-insurance.com



DANNY SEAMAN

+44 20 7031 2904  
danny.seaman@miller-insurance.com

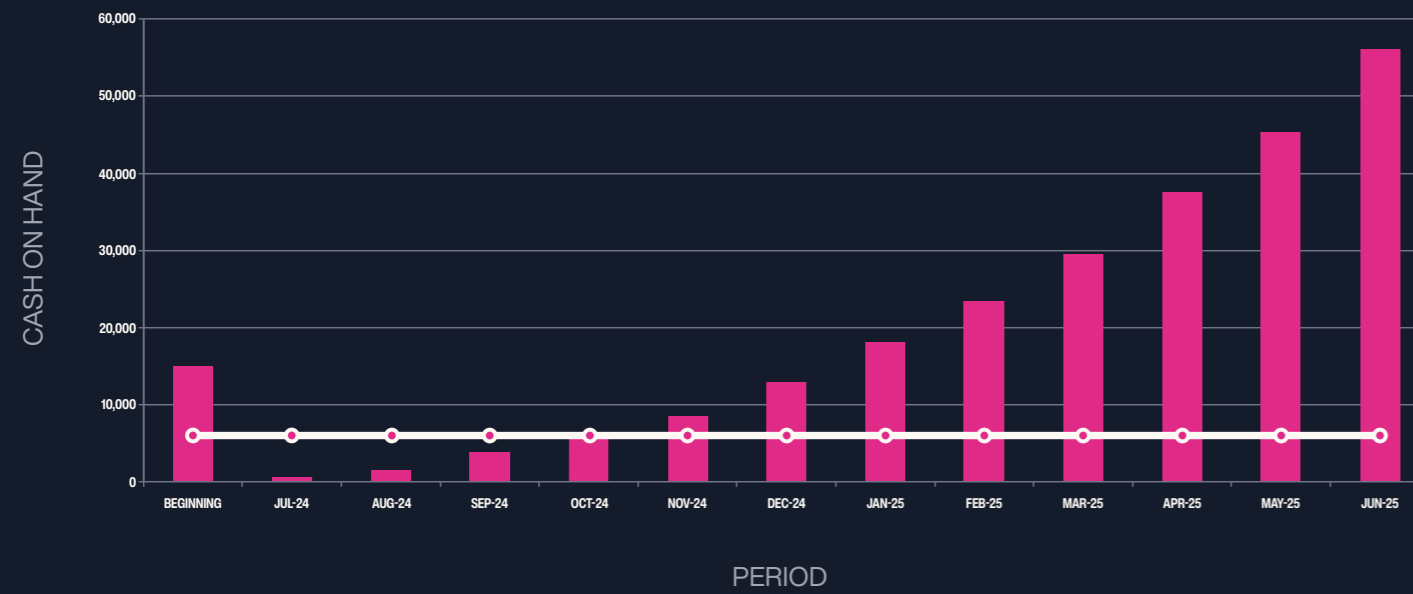
# Appendix

## Draft cash flow projection for ABC licensed conveyancer

Starting date	Jul-24												Predicted annual turnover	
Cash balance alert minimum	£6,000													
	Beginning	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	
Cash on hand (beginning of month)	15,000	£15,000	£560	£1,610	£3,780	£5,815	£8,600	£12,905	£18,085	£23,385	£29,485	£37,565	£45,445	
Projected number of files opened														
Work in Progress (number of ongoing files)														
Projected number of transactions completed														
<b>CASH RECEIPTS</b>														
Fees received			£3,200.00	£4,000.00	£4,500.00	£6,000.00	£7,500.00	£8,500.00	£9,000.00	£10,000.00	£12,000.00	£12,000.00	£15,000.00	£91,700.00
Returns and allowances														
Collections on accounts receivable														
Interest, other income														
Loan proceeds														
Owner contributions														
<b>Total cash receipts</b>		£0.00	£3,200.00	£4,000.00	£4,500.00	£6,000.00	£7,500.00	£8,500.00	£9,000.00	£10,000.00	£12,000.00	£12,000.00	£15,000.00	
<b>Total cash available</b>	15,000	£15,000.00	£3,760.00	£5,610.00	£8,280.00	£11,815.00	£16,100.00	£21,405.00	£27,085.00	£33,385.00	£41,485.00	£49,565.00	£60,445.00	
<b>CASH PAID OUT</b>														
Sundries		£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00
Wages		£300.00	£300.00	£300.00	£400.00	£400.00	£500.00	£600.00	£600.00	£600.00	£600.00	£750.00	£750.00	£750.00
Rents and Rates		£0.00	£0.00	£0.00	£700.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00
Office Equipment		£1,500.00								£230.00				
Office Web and Signage		£1,000.00	£200.00							£0.00				
Post, Stationery and Print		£150.00	£160.00	£160.00	£125.00	£125.00	£125.00	£130.00	£130.00	£130.00	£130.00	£130.00	£140.00	
Advertising		£400.00	£400.00	£400.00	£400.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	£200.00	
Bank Fees		£50.00						£50.00						
Electricity		£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00	£100.00
Telephone		£0.00	£250.00			£350.00				£300.00			£300.00	
Mobile Phone		£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00	£40.00
Accountant								£100.00	£200.00	£200.00	£100.00	£200.00	£100.00	£200.00
Insurance PII		£7,500.00												
Insurance Cyber		£1,500.00												
Insurance Office Including Employers Liability		£1,000.00												
Training & Books		£200.00		£130.00				£130.00		£130.00				
Technology subscriptions														
CLC														
Taxes														
Disbursements														
Practicing certificates														
<b>SUBTOTAL</b>		£13,940.00	£1,650.00	£1,330.00	£1,965.00	£2,215.00	£2,195.00	£2,320.00	£2,700.00	£2,400.00	£2,420.00	£2,620.00	£2,430.00	
Loan principal payment														
Capital purchases														
Other startup costs														
To reserve and/or escrow														
Owners' withdrawal		£500.00	£500.00	£500.00	£500.00	£1,000.00	£1,000.00	£1,000.00	£1,000.00	£1,500.00	£1,500.00	£1,500.00	£2,000.00	
<b>TOTAL CASH PAID OUT</b>		£14,440.00	£2,150.00	£1,830.00	£2,465.00	£3,215.00	£3,195.00	£3,320.00	£3,700.00	£3,900.00	£3,920.00	£4,120.00	£4,430.00	
Cash on hand (end of month)	15,000	£560.00	£1,610.00	£3,780.00	£5,815.00	£8,600.00	£12,905.00	£18,085.00	£23,385.00	£29,485.00	£37,565.00	£45,445.00	£56,015.00	

# Appendix

## Cash Flow Projection ABC CLC Firm



 Cash flow projection

 Cash on hand minimum alert

Miller



## MILLER

70 Mark Lane, London  
EC3R 7NQ

+44 20 7488 2345

[miller-insurance.com](http://miller-insurance.com)

Miller Insurance Services LLP is a limited liability partnership registered in England and Wales; Registered Number: OC301468; Registered Office: 70 Mark Lane, London, EC3R 7NQ. Authorised and regulated by the Financial Conduct Authority.

Miller Europe SRL est une société à responsabilité limitée de droit belge (a limited liability company incorporated in Belgium); IT Tower, 480 Avenue Louise, 1050 Bruxelles, Belgique, BCE / Inscription FSMA 0708.954.984 (RPM Bruxelles); IBAN: BE46949007962036. Authorised by the Belgian Financial Services and Markets Authority.

Miller Europe SRL London branch is registered in England and Wales; Registered Number: BR021148; Registered Office: 70 Mark Lane, London, EC3R 7NQ. Authorised and regulated by the Financial Conduct Authority. Firm Reference Number (FRN) 973247.

For further authorisation and regulatory details about all of our Miller legal entities operating in your country, please refer to the Miller website - [www.miller-insurance.com/Who-we-are/Regulatory-matters](http://www.miller-insurance.com/Who-we-are/Regulatory-matters)

P645 0925 | © Miller 2025

The Miller logo is written in a black, elegant cursive script. A thin horizontal line extends from the end of the 'r' in 'miller' across the entire width of the page.