

SRA BOARD
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SOLICITORS REGULATION AUTHORITY
Minutes of the SRA Board meeting
held on 17 September 2024 at
Doubletree Hilton Tower of London - 7 Pepys Street, London EC3N 4AF

Subject to final approval by the SRA Board at its meeting on 8 October 2024

Present: Anna Bradley (Chair)
Claire Bassett
Ann Harrison
Paul Loft
Rob McWilliam
Lisa Mayhew
Vikas Shah
Liz Smart
Selina Ullah
Nicola Williams

In attendance: Paul Philip, Aileen Armstrong, Liz Rosser, Juliet Oliver, Alex Magloire, Harriet Gamper, Alexandra Jones, Dominic Tambling

1 WELCOME AND APOLOGIES

1.1 The Chair welcomed everyone to the meeting. There were no apologies.

2 MINUTES OF THE PREVIOUS MEETING ON 9 JULY 2024

2.1 The minutes of the meeting on 9 July 2024, which contained a more substantial report of workshop discussions than had previously been the case, were approved as a true and accurate record.

3 MATTERS ARISING AND DECLARATIONS OF INTEREST

3.1 There were no matters arising that would not be covered elsewhere on the agenda. All actions due were completed or in hand.

3.2 Interests were as previously declared and available to view on the SRA website. Members would declare any additional particular interest in an individual item if necessary.

3.3 The Chair summarised the workshop discussions that had taken place in the morning:

Update on Axiom Ince investigation report

3.4 The CEO updated the Board on progress with the report which the Legal Services Board had commissioned into our intervention into Axiom Ince Ltd. It was not certain when we would see a further draft of the report. Board members talked about the action that we had taken, and were continuing to take, following our internal reviews of the case.

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Update on the Serious Event Review in relation to SSB Law

- 3.5 THE CEO also updated Board members on work in relation to the SSB Law case. The Board reviewed the actions identified from our internal review of the case, and noted the progress with taking these forward. There was discussion about the work we had been doing with others such as insurers and other regulators both in relation to this case and more widely and the Board endorsed the continuation of this approach.

Our developing approach to identifying and acting on key data, intelligence and risks

- 3.6 The Executive updated the Board on work to improve the way in which we identified and dealt with risk. This included improving data functionality as a short-term measure in advance of the wider Data Strategy which would increase the visibility and oversight of key data, intelligence and risks. Measures implemented to date included the establishment of a new Risk and Intelligence Framework and the development of plans to make the best use of the data we currently have, whilst at the same time focusing on identification, collection and analysis of additional data. The Board asked for the Executive to ensure there were mechanisms in place so that all staff could highlight potential risks and the culture change that this work would require. Further updates would be brought to the Board as the work progressed.

Consumer Protection Review

- 3.7 There was a review of the proposals for the planned consultation on the consumer protection review following discussion of the tone and nature at the Board's July meeting. The Board asked the Executive to look at the best way to structure the consultation exercise, and suggested it might be appropriate to run separate consultations to ensure that all issues were aired effectively.

Investigation and Enforcement Continuous Improvement Programme – progress report and next steps

- 3.8 There was a wide ranging discussion around the Continuous Improvement work that had been carried out and was ongoing in relation to Investigation and Enforcement. This was a precursor to consideration of a paper in the formal meeting which comprised a report on 12 months following implementation of the programme. It was suggested that we should schedule a 'deep dive' into Investigation and Enforcement so the board could understand how all the various changes fitted together and what the new processes looked like.

4 CHAIR'S UPDATE

- 4.1 The Board was updated on the latest position on the redelegation of the regulation of Chartered Institute of Legal Executives (CILEX) members to the SRA.

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5 12 MONTH REPORT ON THE INVESTIGATION AND ENFORCEMENT CONTINUOUS IMPROVEMENT PROGRAMME

- 5.1 The Board was asked to consider a report on progress at the 12 month check-point, following the introduction of new ways of working developed and implemented through the Investigation and Enforcement Continuous Improvement programme. These were introduced in July 2023, to tackle issues within our investigation process, particularly the timeliness and quality of our investigations and levels of customer service.
- 5.2 The Board noted that key changes had been made to the investigation and enforcement working environment in the past 12 months, including the introduction of tighter controls and better management information. The Board recognised the significant improvements, including the real success we had achieved in meeting or exceeding our suite of timeliness KPIs and stretch targets, and in reducing the numbers of aged cases. The number of cases over 24 months old had reduced by over 60%, and Board members were told that plans were in place to continue to drive this cohort down, although there would be some longer running cases which remained due to, for example, other agencies being involved.
- 5.3 The Board considered the one area in which we had struggled to make improvements which was the new stretch target to resolve 70% of investigations within 10 months from assessment. This had been set at an aspirational level to provide appropriate stretch for our teams and to track impacts of the work to improve our levels of performance (which would not be fully evident in the cases measured in this target until later in the year). We had intended to revisit this once the changes had bedded in and it was agreed we should keep this under review and revisit this in Summer 2025.
- 5.4 The paper also set out changes that had been made to improve the quality and consistency of case work including the introduction of more training and resources. Other measures included quality checks carried out within the investigation team and dip-sampling of these documents by the arm's length Quality Assurance Team. We had also introduced enhanced legal oversight of casework at the investigation stage, and a new triage lawyer to establish clear criteria and assessment of quality in the Assessment and Early Resolution Team.
- 5.5 In discussion Board members noted the alignment between this work and other development work being undertaken and the need to link all of these up and report against progress in a streamlined way.
- 5.6 The Board noted overall progress on timeliness of case progression, quality of case handling and customer service; and that this report and annexes would be shared with the Legal Services Board (LSB). The Board asked for its thanks to be passed on to staff involved for the success of their efforts.

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6 SRA BUSINESS PLAN AND BUDGET FOR 1 NOVEMBER 2024 to 31 OCTOBER 2025

- 6.1 The Board was asked to consider feedback on the consultation on the Business Plan and Budget for 2024/25 and how that would be addressed, additional areas of work identified post-consultation and next steps.
- 6.2 The Board noted the revised Business Plan annexed to the paper which set out all of the changes that had been made following the consultation. Some of these changes were in direct response to the consultation feedback and stakeholder perception survey and others set out more clearly, or provided more context for, the proposed plans. Other additions signalled the work we would need to do to address evolving risks in the legal sector. The Board would be asked to consider more detailed proposals on this later in the year.
- 6.3 Since the consultation the detailed income and expenditure budgets had been worked up but the total expected income and expenditure of £157.3m for the year had not changed. However, once any additions to address new legal sector risks were agreed, there was likely to be a need for additional expenditure. We would therefore need to look for efficiencies, reprioritise, and if necessary, consider using reserves to supplement this years' available resource. This is likely to have implications for future budgets and related fees.
- 6.4 The Board approved the final Business Plan and Budget 2024-25 for publication in October 2024.

NB: annex 4 of this paper will not be published because it includes discussion of risk that might be exacerbated by publication

7 LEGAL SERVICES BOARD CONSUMER EMPOWERMENT STATEMENT RESPONSE

- 7.1 The Board was asked to consider an overview of our response to the LSB's consumer empowerment statement.
- 7.2 The LSB had written to us in June 2024 requesting assurance from the Board that we were meeting the expectations set out in its April 2022 'Statement of Policy on empowering consumers' document by 30 September 2024. The Board had discussed matters relevant to this a number of times, including most recently consumer information in October 2023, transparency and our perception survey in July 2024.
- 7.3 The Board agreed that the detail of responses on matters such as this were for the Executive. The Board Chair had therefore agreed to sign off a short statement on behalf of the Board to provide the assurance that the LSB sought. Where we have a different perspective from the LSB, such as the distinction between education and information at the point of need, we should highlight this in the submission and explain why we have adopted this approach.

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- 7.4 The Board approved the approach to the LSB's consumer empowerment statement response and agreed that authority to approve the final Board statement should be delegated to the Chair.

8 REVIEW OF MEETING AND ANY OTHER BUSINESS

- 8.1 The Board reviewed the meeting and agreed that a lot of ground had been covered but that a number of items in which the Board had been taking detailed interest had reached the stage where the Board could now take a step back to monitor progress and engage more strategically with the issues. It was also agreed that it would be helpful when appropriate to have guidance on the optimum order for reading Board papers and that the Executive should ensure that papers provided effective summaries of the subject matter.

The Board Chair and Executive left the meeting

- 8.2 The Board received an update on the recruitment of a new Board Chair. The intention had been to run a further recruitment campaign in September but Nomco had met on 22 August 2024 and agreed that recent developments in the sector meant that this was not a steady state period for the SRA. As a result, there was significant organisational development scheduled for the next two years, which would be reflected in our Business Plan for next year. The Committee therefore took the view that it may be better to extend the present Chair's term. Anna Bradley told the Nomco meeting that she had considered the idea of extending her term and that she would be content to do so for a further two years, if the Board felt that this was desirable.
- 8.3 The Board therefore discussed the reappointment of the Board Chair. The Board took the view that it was important to stay focused on the necessary developments and maintaining stability at Board level would help. The Board therefore agreed to support the reappointment of the Board Chair for a further term of two years from 1 January 2025. The Board's recommendation would be put to the appointment panel for ratification.
- 8.4 The next meeting would be held on 8 October 2024 via Teams.