



Solicitors
Regulation
Authority



Simpler,
shorter,
sharper rules



Helping the
public access
solicitors they
know they can
trust

Building
confidence in
the profession
through high
standards



Putting more
trust in
professional
judgment



Looking to the future consultations
Summary document

We are the Solicitors Regulation Authority

We regulate 170,000 solicitors and 10,400 law firms in England and Wales. We work in the public interest, protecting consumers and setting and enforcing high professional standards. We support access to affordable legal services, the rule of law and the administration of justice.

Introduction to our Looking to the future consultations

Our Handbook sets out the standards we expect solicitors and firms to meet and the rules they should follow. We have already confirmed our first phase of reforms to it, including new Codes of Conduct and Account Rules.

This document summarises the next stage of this work. Our two consultations cover:

- the second phase of reforms to our Handbook, as well as our revised enforcement policy
- our plans to provide better information to the public and small businesses.

Building trust: high standards and access to legal services

High standards in the legal sector are crucial. Most people use legal services rarely, but when they do, it is usually at important moments in their life. It is vital that the public can access solicitors that they can trust to meet high professional and ethical standards.

Our rules set out the high standards and ethical behaviours the profession must meet. We also make sure those who enter the profession are fit to practise. Similarly, we assess law firms and other legal businesses to make sure they are fit to offer legal services. Our work to drive high standards is fundamental to building public trust in the profession.

Yet trust in solicitors is of limited value if only a privileged few can afford to use them. The evidence shows that only one in ten people use a solicitor or barrister when they have a legal problem. Reasons for this include affordability, and a lack of useful information to help people understand their options and make informed choices.

Through our Looking to the future programme, we want to help the public find the help they need. To do this we are currently consulting on the second phase of our Handbook review and our ideas for improving consumer information. Our proposals include:

- simplifying our regulations to focus on the high professional standards we expect and what

we will do when solicitors fall short of those standards

- getting rid of unnecessary bureaucracy that drives up costs or restricts access to solicitors, while making sure the right public protections remain in place
- improving the information available to help people make better choices.

Handbook reform

Our Handbook sets out our approach to setting and maintaining high professional standards, but currently it is too long, complex and costly to apply. Our view is that solicitors and firms do not need pages and pages of detailed, prescriptive rules to do the right thing. We can put more trust in professional judgement. So we are reforming our approach and Handbook. We have divided this work into two phases.

In phase one we made a number of key decisions, including freeing up solicitors to provide some legal services outside of regulated firms. We also presented our new Principles, Codes of Conduct and Accounts Rules, making our requirements:

- easier to navigate and understand
- less detailed and prescriptive, providing flexibility so they are fit for different and changing circumstances

- focused on the issues that really matter - maintaining the high, consistent professional standards the public expect.

In phase two we have reviewed the rest of the Handbook, including the practice framework and authorisation rules. We have taken the same approach, making it simpler and more focused, while also making changes to implement the decisions we made in phase one.

In redrafting the rules, we have started from a position of only keeping regulatory restrictions if they are justified. For example, we have retained the need:

- for compliance officers - these roles provide an important framework for compliance
- to have a domestic practising address to make sure we can effectively supervise and enforce against the firms we regulate.

We have made a number of proposals for removing unnecessarily restrictive requirements that do not protect the public, or act as a barrier to them accessing legal services. For example:

- Removing the, often misunderstood, rules around being 'qualified to supervise', which do not provide any guarantee of competence, but prevent solicitors establishing their own firms once they have qualified.

- Allowing a solicitor to provide reserved legal services, in certain circumstances, on a freelance basis to the public. They would need appropriate indemnity insurance, but would not be able to hold client money or employ people. This would remove the need for a complex series of exemptions for solicitors who want to work in areas such as pro-bono work.
- Focusing mandatory character and suitability testing at the point of entry to the profession, removing the earlier checks on students and those entering a period of recognised training.

We also want to make it easier to navigate by placing related rules and principles together. For example, we have:

- combined all our authorisation rules and requirements for individuals for entry to the profession. We have also created an equivalent set of requirements for firms
- created one centralised set of appeal provisions.

The consultation also includes proposals for transitional arrangement for the new consistent assessment – the Solicitors Qualifying Examination (SQE). It is set to be introduced in 2020, and all those starting the qualification process from then onwards must take the SQE.

However, we want to make sure those who have started the process through the current routes have a fair opportunity to complete it. They will have until 2031 to qualify this way.



A revised Enforcement Strategy

Most solicitors do a good job and earn the trust people place in them. But there is a small minority of solicitors who fail to meet the standards we expect. We need to be clear on when and how we will act if things go wrong. It is essential that both the public and the profession can have confidence that we hold solicitors to account and act in a fair way.

Our revised Enforcement Strategy sets out a clear framework that solicitors and firms should find easier to understand. Together with the new Codes of Conduct, it provides the transparency and assurance that solicitors and firms have been asking for.

Better information, more choice

When people need help with a legal problem, it can be hard to find useful information on either price or quality of service. This makes it difficult to make good choices, and means some people do not access professional legal help when they need it. When they do, only around one in four people shop around for a law firm.

We want to improve the amount of meaningful information available. Our aim is to help create a more competitive market, where people can make better choices and firms can thrive. Our plans to increase choice, by removing restrictions on where solicitors can work, mean it is even more important that people can access reliable, comparable information about firms and solicitors.

Since last October, we have been talking to the profession and the public about the best approach to improving information. The Competition and Markets Authority have also concluded that a lack of useful information means that the legal market is not working well for individuals and small businesses.

We are therefore proposing:

- to develop a digital register of the firms and individuals we regulate, bringing our data together in one place
- to publish data on client's complaints to law firms and areas of practice separately from the register.
- to introduce requirements for firms to publish information on price and description of services for certain legal services
- to introduce requirements to show regulatory status and protections through the use of an SRA logo and digital badge. This will help fully regulated firms to differentiate themselves within the market
- to require solicitors who work outside the Legal Services Act regulated firms to provide information on the client protections they have.

Our aim is that this information will not only benefit the public directly, but also indirectly by making it available to data re-publishers, such as comparison websites. It will also help law firms compare their performance. We want to make sure any information published has a clear benefit for those who use legal services.

Yet we recognise there are risks as well as opportunities. Our approach aims to avoid the risk of publishing information that is unhelpful, too complex, or imposes an unnecessary burdens on firms.



Visit our website to read both consultations and respond:

www.sra.org.uk/consultation