



## News release

# SRA sets out expanded 2025/26 business plan to address rising risks in legal services

08 May 2025

We are consulting on our [2025/26 Business Plan \[https://upgrade.sra.org.uk/sra/consultations/consultation-listing/business-plan-budget-2025-26/1\]](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/business-plan-budget-2025-26/1), which outlines an increased programme of work to respond to a rapidly changing legal sector.

The business plan covers the final year (November 2025 – October 2026) of our current Corporate Strategy, a period during which the operating environment has continued to evolve at pace. In particular, we are responding to:

- A sharp and sustained increase in reports of solicitor misconduct
- An increase in the variety, size and complexity of cases it is investigating, alongside a rise in large firm failures.
- Increasing concerns of risks to the public in the high-volume consumer claims market
- Ongoing inflationary pressures and increasing operational costs, including increases in National Insurance

The increase in reports of misconduct is leading to more investigations – we are opening on average 40 per cent more investigations a month. While we have boosted efficiency – concluding 18 per cent more cases than a year ago – the scale and complexity of the caseload now demands further investment so we can continue to regulate effectively and maintain public protection.

Given the shifting risks in the sector, we are also accelerating work to improve emphasis on professional ethics, how we use its data and intelligence to spot risks swiftly and implementing specific reforms to better protect client money.

**Paul Philip, Chief Executive of the SRA, said:** 'Legal services are fundamental to how we live, work and do business – and they can only function properly if the public has confidence in them.

'Since we developed our Corporate Strategy, the legal market has changed rapidly, and with it the risks to consumers. We are seeing a big increase in reports of misconduct coming through the door, as well as a range of large, complex cases such as our Post Office Horizon scandal investigations.



'We're investing in the capability to act faster and smarter – strengthening our use of data to spot problems earlier and taking appropriate action where needed.

'At the same time, we're mindful of the pressures on the profession. Over the past six years, we've kept our costs down, with fees rising by an average of just two per cent per year. We remain committed to being efficient and focused, but the scale of new challenges means we need extra resource to continue protecting the public effectively and proportionately.'

To support our expanding programme, we propose an overall budget increase of £16.3m, to £86.5m. Our component of the individual practising certificate (PC) fee would increase from £164 to £190, while the individual contribution to the Compensation Fund would fall by £20, from £90 to £70. This would result in a total individual SRA-related individual fee of £260 – a 2.4 per cent rise (£6).

Firm contributions to the compensation fund are also set to decrease, from £2,220 to £1,950. Following consultation earlier this year, the fund will continue to be financed through a 50/50 split between individuals and firms.

The [Corporate Strategy](https://upgrade.sra.org.uk/sra/corporate-strategy/) [https://upgrade.sra.org.uk/sra/corporate-strategy/] 's long-term objectives focus on setting and maintaining high professional standards, supporting the development of legal technology and innovation, adopting a risk-based and proactive approach to regulation, and meeting the needs and challenges of users of legal services and the wider sector.

Consultation will remain open until Thursday 19 June. Full details, including how to respond, are available on the our [website](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/business-plan-budget-2025-26/) [https://upgrade.sra.org.uk/sra/consultations/consultation-listing/business-plan-budget-2025-26/].