

News release

SRA Board finalises rules for post six-year client protection

15 February 2023

Our Board has agreed the final rules which will bring the Solicitors Indemnity Fund (SIF) under our control to ensure future consumer protection for post six-year negligence claims.

The rules will now be submitted to the Legal Services Board (LSB) for approval, ahead of the new arrangements becoming effective from October.

The changes will make post six-year protection part of our regulatory arrangements and make sure appropriate oversight and governance of the scheme. The changes will also reduce SIF's running costs, meaning more money will be available for the fund's core purpose of settling claims.

We have confirmed we do not expect to levy the profession to obtain more funds for the scheme in the near future. We might though at a later date need to consult on options for the fund's long-term financial arrangements.

We [consulted on draft new rules](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/post-six-year-consultation/?s=c) [https://upgrade.sra.org.uk/sra/consultations/consultation-listing/post-six-year-consultation/?s=c] for the scheme late last year. Feedback strongly supported the principle of providing ongoing consumer protection for post six-year negligence, although respondents had a range of views on the detail of the scheme. Based on this feedback we have made some changes to our original proposals, including updates to the process for when an arbitrator is required so it is appointed by an appropriate independent body.

Paul Philip, SRA Chief Executive said: 'Across all the consultations we have run on post six-year cover there has been a consistent theme that both the public and profession value the protections the SIF provides.

'The SRA-run scheme will provide assurance for all that there is ongoing protection for clients. By running the scheme we can make sure it runs as efficiently and effectively as possible.

'The feedback we received was useful and we have made some changes in response. Others also questioned whether we had the expertise to run an indemnity scheme, so it's worth clarifying that we will be engaging external experts to help us further develop and then deliver the day-to-day operation of the scheme.'

