

SRA Update

Issue 135 - January 2025

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Welcome to the latest issue of SRA Update. Happy New Year to you all, I hope you had a fantastic festive period and took the opportunity to recharge. There is still the opportunity for you to have your say in our ongoing consultations looking at how firms handle client money and how we best protect clients. Another key focus for us is making sure the market for high-volume claims is working in the public's best interest. We have published information for consumers to help them make informed decisions in this area, particularly before entering into 'no-win, no-fee' arrangements. Please take a look at this, and our recent warning notice on what firms should – and shouldn't – be doing when marketing its services.

Paul Philip

SRA Chief Executive

[How should client money be held in the future?](#)

[\[https://upgrade.sra.org.uk/sra/consultations/consultation-listing/holding-client-money/\]](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/holding-client-money/)

Do law firms need to continue directly handling client money in a digital age? Do rules around how firms handle residual balances, or what they do with interest earned from client accounts need changing to make them fairer to clients? These are just some of the issues covered in the first part of our consultation on client money, make sure you have your say....

[Read more about: How should client money be held in the future?](#)

[\[https://upgrade.sra.org.uk/sra/consultations/consultation-listing/holding-client-money/\]](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/holding-client-money/)

[Are changes needed to help better protect client money?](#)

[\[https://upgrade.sra.org.uk/sra/consultations/consultation-listing/client-money-legal-services/\]](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/client-money-legal-services/)

Where law firms hold client money in the future, what type and level of checks and balances are most appropriate to help make sure this money is safe? Do requirements around accountants' reports, for example, need



reviewing? Have your say on such issues raised in part two of our client money consultation.

[Read more about: Are changes needed to help better protect client money?](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/client-money-legal-services/) [<https://upgrade.sra.org.uk/sra/consultations/consultation-listing/client-money-legal-services/>]

Delivering and paying for a sustainable compensation fund

[<https://upgrade.sra.org.uk/sra/consultations/consultation-listing/delivering-sustainable-compensation-fund/>]

Give us your thoughts on the final part of our client money consultation, considering whether changes should be made in terms of who contributes, and how much, to the SRA Compensation Fund.

[Read more about: Delivering and paying for a sustainable compensation fund](https://upgrade.sra.org.uk/sra/consultations/consultation-listing/delivering-sustainable-compensation-fund/) [<https://upgrade.sra.org.uk/sra/consultations/consultation-listing/delivering-sustainable-compensation-fund/>]

Evaluating the SQE - we'll be in touch

[<https://upgrade.sra.org.uk/sra/news/sqe-update/sqe-update-december-2024/>]

We have commissioned the research agency IFF to conduct the first independent evaluation of the SQE. In January and February, they will conduct a survey with candidates, employers, and training providers on their experiences with the SQE. During this time, you may be contacted by IFF to complete the survey. It should take 15 minutes and all responses are confidential.

[Read more about: Evaluating the SQE - we'll be in touch](https://upgrade.sra.org.uk/sra/news/sqe-update/sqe-update-december-2024/) [<https://upgrade.sra.org.uk/sra/news/sqe-update/sqe-update-december-2024/>]

Information for potential clients in no win, no fee claims work

[<https://upgrade.sra.org.uk/consumers/choosing/no-win-no-fee/>]

You will remember we put out a warning notice last month for those doing claims work on a 'no win, no fee' basis, specifically around promoting your services. We have also produced information for potential clients so that they know how you should be working to remain compliant with the rules. You might find this guide useful as you market your firm.



[Read more about: Information for potential clients in no win, no fee claims work](https://upgrade.sra.org.uk/consumers/choosing/no-win-no-fee/) [<https://upgrade.sra.org.uk/consumers/choosing/no-win-no-fee/>]

How law firms manage risk

[<https://upgrade.sra.org.uk/sra/research-publications/risk-legal-profession/>]

We have published new research to better understand law firms and solicitors' concerns around potential market-level risks. It also considers how they identify and tackle risks, as well as how they use SRA resources.

[Read more about: How law firms manage risk](https://upgrade.sra.org.uk/sra/research-publications/risk-legal-profession/)

[<https://upgrade.sra.org.uk/sra/research-publications/risk-legal-profession/>]

Probate and estate administration

[<https://upgrade.sra.org.uk/sra/research-publications/probate-administration-thematic-review/>]

Probate and estate administration generated the third highest volume of reports to us, and complaints to the Legal Ombudsman in 2023. Our latest thematic review looks at the risks and challenges in this area and how firms and solicitors are addressing them.

[Read more about: Probate and estate administration](https://upgrade.sra.org.uk/sra/research-publications/probate-administration-thematic-review/)

[<https://upgrade.sra.org.uk/sra/research-publications/probate-administration-thematic-review/>]

Review of professional obligations

[<https://upgrade.sra.org.uk/sra/research-publications/professional-obligations-thematic-review/>]

Our thematic review of professional obligations looked at how solicitors more generally maintain their knowledge and skills in legal, regulatory and ethical areas. This report sets out our findings and some of the good practices we saw. We also highlight areas where we think there is scope for improvement.

[Read more about: Review of professional obligations](https://upgrade.sra.org.uk/sra/research-publications/professional-obligations-thematic-review/)

[<https://upgrade.sra.org.uk/sra/research-publications/professional-obligations-thematic-review/>]

How do small firms use technology and innovation?

[<https://upgrade.sra.org.uk/sra/news/survey-future-technology-innovation/>]



Help us to find out more about how smaller firms, including sole practices, use technology and innovation to improve the services you offer, and what opportunities there may be to do so in the future. If you manage a small firm, take our short survey by 17 January to let us know your thoughts.

[Read more about: How do small firms use technology and innovation?](https://upgrade.sra.org.uk/sra/news/survey-future-technology-innovation/)
[<https://upgrade.sra.org.uk/sra/news/survey-future-technology-innovation/>]

Tell the BSB about your experiences with barristers [<https://upgrade.sra.org.uk/sra/news/sra-update-133-bsb-survey/>]

The Bar Standards Board is carrying out research on how solicitors work with barristers. You might be approached by the Centre for Strategy and Evaluation Services to find out about your experiences.

[Read more about: Tell the BSB about your experiences with barristers](https://upgrade.sra.org.uk/sra/news/sra-update-133-bsb-survey/)
[<https://upgrade.sra.org.uk/sra/news/sra-update-133-bsb-survey/>]

Your health, your career

[<https://upgrade.sra.org.uk/solicitors/resources/all-other-topics/your-health-your-career/>]

Are you worried about your health affecting your work? Life as a solicitor can be challenging and the demands and pressures can easily build up. We can signpost you to sources of help and make adjustments for you if you are in difficulty.

[Read more about: Your health, your career](https://upgrade.sra.org.uk/solicitors/resources/all-other-topics/your-health-your-career/)
[<https://upgrade.sra.org.uk/solicitors/resources/all-other-topics/your-health-your-career/>]

Welcome to the latest issue of Compliance News. Happy New Year to you all. In this edition, find out about our recently published warning notice on inappropriate tactics being used by some firms to win new clients, particularly in the 'no win, no fee' litigation space. There is a reminder that this month we are carrying out spot-checks to make sure firms have obtained a recent accountant's report. And also, for those who have not yet had a chance, please do take a look at recordings of more than 20 sessions now available from our recent Compliance Conference. More than nine out of ten viewers have found these sessions useful - they are a good way to make sure you are on top of compliance issues in your firm.

Paul Philip

SRA Chief Executive



[Warning around marketing your services](https://upgrade.sra.org.uk/sra/news/press/2024-press-releases/warning-notice-unsolicited-approaches/)

[\[https://upgrade.sra.org.uk/sra/news/press/2024-press-releases/warning-notice-unsolicited-approaches/\]](https://upgrade.sra.org.uk/sra/news/press/2024-press-releases/warning-notice-unsolicited-approaches/)

We have issued a warning notice about marketing your services to the public. We are particularly concerned about the behaviours of some firms doing high-volume consumer claims work. Unsolicited approaches such as cold calling and door knocking are prohibited, while firms need to make sure that information on 'no win, no fee' arrangements is clear and accurate, including information on charges and the risks around costs.

[Read more about: Warning around marketing your services](https://upgrade.sra.org.uk/sra/news/press/2024-press-releases/warning-notice-unsolicited-approaches/)

[\[https://upgrade.sra.org.uk/sra/news/press/2024-press-releases/warning-notice-unsolicited-approaches/\]](https://upgrade.sra.org.uk/sra/news/press/2024-press-releases/warning-notice-unsolicited-approaches/)

[Catch up with our virtual compliance conference](https://upgrade.sra.org.uk/sra/news/events/on-demand-events/compliance-conference-2024/)

[\[https://upgrade.sra.org.uk/sra/news/events/on-demand-events/compliance-conference-2024/\]](https://upgrade.sra.org.uk/sra/news/events/on-demand-events/compliance-conference-2024/)

Following on from more than a thousand of you joining us at our Compliance Officers Conference, many thousands more tuned in to our virtual compliance conference. All the content from the virtual event, ranging from bite-size 15-minutes workshops to fuller webinars on topics like anti-money laundering, cybercrime, Accounts Rules, common compliance queries and more, is now available to watch on demand on our website.

[Read more about: Catch up with our virtual compliance conference](https://upgrade.sra.org.uk/sra/news/events/on-demand-events/compliance-conference-2024/)

[\[https://upgrade.sra.org.uk/sra/news/events/on-demand-events/compliance-conference-2024/\]](https://upgrade.sra.org.uk/sra/news/events/on-demand-events/compliance-conference-2024/)

[Accountants' reports spot-checks](https://upgrade.sra.org.uk/sra/news/sra-update-133-accountant-reports-checks/)

[\[https://upgrade.sra.org.uk/sra/news/sra-update-133-accountant-reports-checks/\]](https://upgrade.sra.org.uk/sra/news/sra-update-133-accountant-reports-checks/)

We are conducting spot-checks with a sample of several hundred firms this month to check that you have obtained a recent accountant's report. All firms required to participate will have received emails both before Christmas and this week advising you of what you need to do, and by when.

[Read more about: Accountants' reports spot-checks](https://upgrade.sra.org.uk/sra/news/sra-update-133-accountant-reports-checks/)

[\[https://upgrade.sra.org.uk/sra/news/sra-update-133-accountant-reports-checks/\]](https://upgrade.sra.org.uk/sra/news/sra-update-133-accountant-reports-checks/)

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