

SRA Business Plan 2020-21 Quarter Two Update

Our Strategic Objectives

Strategic Objectives 1 - We will set and maintain high professional standards for solicitors and law firms as the public would expect and make sure we provide an equally high level of operational service.

Strategic Objective 2 - We will actively support the adoption of legal technology, and other innovation, that helps to meet the needs of the public, business community, regulated entities and the economy.

Strategic Objective 3 - We will continually build our understanding of emerging opportunities and challenges for the users of legal services, the legal sector and our role in effectively regulating it.

Our business plan for 2020/21 is available on our website [here](#) ¹

Annex 1 shows the activities within each objective.

Progress against activities in our annual planned work programme

This is the second quarter reporting against the activities in our 2020-21 business plan, the first year of the 2020-23 Corporate Strategy.

Annex 1 shows the RAG status of all the activities under the three objectives, together with the previous quarter's status. A summary of these ratings is as follows:

Status	Completed	Green	Amber	Red	On Hold
Objective 1	1	23	1		
Objective 2		11			1
Objective 3		11			

Relates to objective status based on progress to date: Completed – the activity is complete; Green (G) – in line with expectation and overall delivery is expected; Amber (A) – generally in line although challenge to maintain progress and deliver overall objective; Red (R) – progress behind expectation and will not succeed without direct action; Black (On hold) – on hold or in line with planned delivery schedule work not yet started.

We have detailed our achievements in quarter two in the table beginning on page 3, with the last three months showing good progress against our business plan.

Exceptions: Updates on Amber and Red activities

Activity 1.15

Subject to LSB approval we will implement the changes to the Compensation Fund following public consultation.

Rationale for rating

Following the Board decision in April, we are in the process of resubmitting an amended set of arrangements to the LSB for approval. Business readiness and implementation preparation is on-track.

¹ <https://www.sra.org.uk/sra/corporate-strategy/business-plan/business-plan-2020-2021/>

Update and corrective action

The position reported was correct as of end of quarter 2 but we have since submitted the new arrangements for approval.

On Hold Activity

In quarter one activity 2.7 was marked as red. This activity relates to the Regulators Pioneer Fund and how the planned second round will provide £10m of funding subject to the outcome of the Government Spending Review, can contribute further to increasing access to justice. In quarter two, up to the 30 April 2021 has seen its progress move to 'on hold' due to the Department for Business, Energy & Industrial Strategy currently having no agreement of funding. An update in during May has meant that the Department for Business, Energy & Industrial Strategy (BEIS) has now secured funding for a smaller fund of £3m for smaller, shorter projects. There is also greater competition for the funding as it is open to local authorities as well as regulators. We will be preparing bids to submit over the next few weeks.

Completed Activities

Activity 1.10

We will work with the Competition and Markets Authority (CMA) to provide evidence for their review of the effectiveness of the pricing and transparency requirements we set for firms, and of the clickable logo we brought in to help the public understand the consumer protections regulated firms provide.

Update

The Year One Evaluation of the Transparency Rules was completed (in Quarter 1), and heavily contributed to the CMA's positive reform of our reforms.

As we continue to review success in this area, we have an open invitation with the CMA and other regulators to share information and data.

Achievements in the last period

	Objective 1	Objective 2	Objective 3
Achievements	<ol style="list-style-type: none"> 1. We continue to work closely with the Law Society to communicate regulatory changes and guidance and align policy positions where possible. 2. In March phase one of the SQE business readiness work was successfully delivered with the introduction of three applications: <ul style="list-style-type: none"> • QWE log • Exemption application for qualified lawyers • Degree equivalent application • These processes are live. Application numbers are relatively low. Processes are functioning effectively. 3. We opened a survey for solicitors on how they were maintaining their competence, particularly during the pandemic. We have had nearly 500 responses so far. 4. We have commissioned the Centre for Strategy and Evaluation Services to support the Year One Evaluation of STaR, which much of the data analysis underway and primary research to begin shortly. The evaluation covers multiple strands, and will include surveys, data analysis and interviews with key stakeholders. 5. New lease signed on floors 11 and 12 of the Cube, and notice served on 14th floor. 'Our future workspace' defined as a programme through SRA Futures (our internal portfolio management board). 6. Salary banding review commenced. 7. Mimecast Large File Transfer accepted into service with the business. 8. New cyber security testing partner onboarded 	<ol style="list-style-type: none"> 1. As part of our innovation research we surveyed all law firms and freelancers, and we achieved one of our highest response rates – with around 900 responses. 2. BEIS has chosen us as a leading regulator to collaborate with in developing project proposals for the new Agile Nations forum. This brings together the UK with six to collaborate on experimental regulatory approaches to new technologies. 3. We have met with others, such as TechNation and LSB to discuss projects and build relationships, learn more about the work of others and share information about our research. 4. The Quality Indicator pilots that we are running with law firms and digital comparison sites have been successful so far. There has been a large appetite from firms to sign up, and many have engaged proactively with our messaging. 	<ol style="list-style-type: none"> 1. We are currently developing an improved horizon scanning programme which will be much quicker and fit across the whole organisation much more effectively than our current process. 2. We have drawn together our Public Legal Education (PLE) workstreams so that we can add value. We are currently developing additional PLE resources for our website.

	Objective 1	Objective 2	Objective 3
	<p>9. Modernising IT (MIT) programme (RegOps 1 & 2 and CGI Exit) formally closed at March SRA Futures (internal portfolio management board).</p> <p>10. Agreed Legal Choices 2020/21 plan with the other regulators and progressed delivery of plan.</p> <p>11. We are on track to publish the monitoring findings on the profile of solicitors in our disciplinary processes for 2019/20. We have continued to engage with diversity groups in the profession about the results from 2018/19, speaking at several events, including a Black Solicitors Network event in April. Research agency procurement is on track.</p> <p>12. We are continuing to tackle areas of non-compliance in relation to our transparency rules. This has included contacting a further 2,000 firms to gain assurance that the necessary information is available to consumers, and publishing enforcement outcomes.</p> <p>13. We provided diversity data from mySRA to the MoJ for their publication of combined data on judicial diversity.</p>		
Impacts and Outcomes	<p>1. We participated in a series of four Law Society webinars on the new LSAG guidance, which were well received. We raised awareness of key AML issues including the use of technology, findings from visits and risk from tax advice through a series of webinars.</p> <p>2. Through SQE, we will set and maintain the same high professional standards for solicitors however and wherever they learn and make it easier for people from every background to become a solicitor.</p> <p>3. The results of the survey will help us develop the resources we are planning to publish to support solicitors in maintaining high professional standards.</p>	<p>1. This high response rate will allow many of the findings to be segmented, for example, by region and customer base. This will allow us to target information, interventions and support to certain types of firms.</p> <p>2. We have supported two project ideas which have received interest from a number of other nations.</p> <p>3. This has ensured there are no overlaps between research being undertaken by various parties and reduced the risk of conflicting findings and others publishing research similar to ours before we do.</p>	<p>1. The new horizon scanning programme will enable the whole organisation to input and ensure that risks facing the legal market are reflected in our strategic and operational plans.</p> <p>2. Our work in Q2 has identified the opportunity to publish more resources on our own website, as well as through Legal Choices.</p>

	Objective 1	Objective 2	Objective 3
	<p>4. Partnering with a reputable independent organisation will allow us to complete a robust and accurate evaluation, and also signals externally that we are conducting this work independently and openly.</p> <p>5. Opportunities for financial savings taken. Programme established to create collaborative workspace, focusing on staff engagement and wellbeing.</p> <p>6. The outcome of the banding review is due end of July 21 and will impact on our future pay philosophy and how we determine base salaries.</p> <p>7. Mimecast offers a secure mechanism for sending and receiving large amounts of information which replaces a number of inefficient and less secure mechanisms.</p> <p>8. Our new testing partner will help manage security risks and also test our detection and response capabilities, reducing the risk of an incident and allowing us to respond better when they do happen.</p> <p>9. Modern Cloud-based technology replaced ageing legacy systems. Benefits tracked and reported to Board, Closure report shared with ARC members. Ongoing monitoring and reporting taking place on any 'open' benefits realisation activities. ICT Services continue to monitor and report weekly on MIT any defect & problem matters.</p> <p>10. The development plan includes building on existing products, more work to understand user needs and to evaluate impact, so Legal Choices can continuously improve the offer,</p> <p>11. Reporting on the profile of people in our processes is transparent and accountable. Commissioning authoritative independent analysis of the issues will give insight into the longstanding picture of overrepresentation in reports made to us, and in</p>	<p>4. The pilots will lead to real solutions that will help both law firms and consumers.</p>	

	Objective 1	Objective 2	Objective 3
	<p>our processes, so that we can work with others to address the issues.</p> <p>12. Media coverage of this work will help to raise awareness and will add to our overall drive to improve compliance.</p> <p>13. Contributing data that supports the understanding of judicial diversity in turn enhances public confidence in the rule of law and administration of justice.</p>		

Ref	Objective	Current (Q2) RAG rating	Previous (Q1) RAG rating
Objective one – We will set and maintain high professional standards for solicitors and law firms as the public would expect and make sure we provide an equally high level of operational service.			
Solicitors Qualifying Examination and solicitor competence			
1.1	We will continue to work with key stakeholders, the profession, academics and education and training providers to develop the Solicitors Qualifying Examination SQE ahead of its introduction in autumn 2021.	G	G
1.2	We will work with our assessment provider to make sure we can introduce the SQE in Welsh in an incremental way, helping to meet the needs of the profession and the public in Wales.	G	G
1.3	We will also undertake a strategic review of our approach to regulating solicitors' continuing competence which is likely to be a programme of work that continues over several years.	G	G
1.4	We will build on our work supporting the profession to attain high standards in advocacy and supporting solicitors working in the youth justice system and the young people involved.	G	G
1.5	We will continue to authorise providers of the Police Station Representatives Accreditation Scheme qualification and we want to enhance our quality assurance of this qualification by reviewing current arrangements this year-	G	G
Anti-Money Laundering			
1.6	We will continue working with the profession and others, such as the Law Society and we are committed to meeting our obligations in legislation to preventing money laundering that involves the solicitors and firms we regulate.	G	G
1.7	We will expand our Anti Money Laundering (AML) visits to visit all high-risk firms on a three-year rolling basis, along with visiting a sample of lower risk firms. Every month we will call in and analyse a sample of firms' AML policies, procedures and controls, or their risk assessments, and we are planning to undertake a thematic review into tax advice. We will publish what we learn from the reviews, as well as other guidance as needed to help firms get it right, including our work to support the implementation of the Sixth Money Laundering Directive.	G	G
1.8	As part of making sure we meet high standards ourselves, and those required by Office of Professional Body Anti-Money Laundering Supervisors (OPBAS), we will start to review the methodology we use to risk rate firms and target our AML oversight, so that we can make changes in future.	G	G
1.9	We will report transparently on our AML work, directly to OPBAS and HMT, and through our Board, making sure we are fully accountable to the public and the profession.	G	G

Ref	Objective	Current (Q2) RAG rating	Previous (Q1) RAG rating
Our regulatory model, Standards and Regulations and Transparency Rules			
1.10	We will work with the Competition and Markets Authority (CMA) to provide evidence for their review of the effectiveness of the pricing and transparency requirements we set for firms, and of the clickable logo we brought in to help the public understand the consumer protections regulated firms provide.	Complete	G
1.11	We will continue our rolling programme of firm website reviews and enforcement and we will increase the resourcing of this work.	G	G
1.12	We will continue to work with the other regulators to develop the joint consumer website, Legal Choices. We will report on progress against our target of two to three million visitors at the start of this business year and work with the legal regulators to set out the plan for the 2020–2023 period.	G	G
1.13	We will start our evaluation of our new Standards and Regulations, which we introduced in November 2019. As part of our commitment to mainstreaming equality diversity and inclusion (EDI) throughout all our work, our evaluation approach will include an assessment of the EDI implications for both the public and the profession.	G	N/A
1.14	We will improve the monitoring of our investigation and disciplinary work by establishing an in-house ‘arms-length’ quality assurance team for all our disciplinary work	G	N/A
1.15	Subject to LSB approval we will implement the changes to the Compensation Fund following public consultation.	A	G
Equality, diversity and inclusion			
1.16	We will continue the collection and sharing of diversity data on protected characteristics and socio-economic status so that all those with an interest, including government, the judiciary, charities and the Law Society can see how the profession is developing.	G	G
1.17	Utilising the improvements that our new IT systems have brought, we will work to increase and the diversity data capture rates on mySRA offering an enhanced picture of the profession.	G	G
1.18	Building on our 2019/20 we will work to analyse and report on the profile of solicitors in our disciplinary processes, we plan to look at how best to understand the factors that bring the profession into our processes. We will publish any research so that interest groups and the profession can join with us and others to address any underlying factors.	G	G
UK-EU exit			
1.19	We will continue to monitor how the March 2020 UK exit from the EU will change the way solicitors and law firms work. In order to do that, we will work closely with the government and other agencies, including EU and international regulators, to ensure a smooth transition to any new arrangements.	G	G
Developing our work in Wales			
1.20	We will establish an increased presence in Wales.	G	G

Ref	Objective	Current (Q2) RAG rating	Previous (Q1) RAG rating
Continuous improvement			
1.21	We are committed to working as efficiently and effectively as possible while providing good customer service. In order to do that, we are reviewing key areas of our supporting resources, for example, our premises strategy.	G	G
1.22	We will scope out a programme of work to undertake a full review of the fees we charge solicitors and law firms and develop an updated approach to our regulatory fees model for introduction in subsequent years.	G	G
1.23	We will continue our Modernising IT programme of work which will include a new case management system, updated support for our disciplinary processes and building on the IT that we need for the introduction of the SQE.	G	G
1.24	We will build on our 2019/20 work with the Institute of Customer Service to develop an organisation-wide approach to understand what our service users think and to improve customer experience across everything we do.	G	G
1.25	We will commission independent surveys of a cross-section of our stakeholders, including the profession, the public and opinion formers, as well as asking the organisations with which we work most closely for their views	G	G

Ref	Objective	Current (Q2) RAG rating	Previous (Q1) RAG rating
Objective two - We will actively support the adoption of legal technology, and other innovation, that helps to meet the needs of the public, business community, regulated entities and the economy.			
2.1	We will continue to look at the how technology can transform the way the profession works and how legal services are delivered, contributing to the regulatory objectives to increase access to justice, to promote competition in the provision of services and to promote the consumer interest.	G	G
2.2	We will look closely at how Covid-19 has and will affect access to justice. We, like others, also need to consider how best innovation and technology can help people, recognising that digital access and skills vary	G	G
2.3	We will take forward research that looks at how best technology can help those with limited or no access to digital services, and work to facilitate more publicly available data law firms and the justice system, which is often cited as one of the key barriers to the development of legal technology.	G	G
Increase our understanding of the use of technology in the legal sector			
2.4	We are committed to supporting fair, accessible and inclusive legal technology that has the potential to increase access to justice. In order to add value, we will undertake research to segment the market, with a focus on where and at what level the adoption of new technology is taking place.	G	G
2.5	We will look at what benefits and risks there might be for consumers, including the vulnerable (both long term and situational), those in digital poverty and small businesses, from new technology. This will also consider the impact on legal service provision that innovation and technology has had to date and the changes already brought about by the global Covid-19 pandemic.	G	G
2.6	We will work with existing UK and international networks – including the Better Regulation Executive’s Regulator Forum, Innovation Network, Tech Nation and Innovate UK and the legacy of the Legal Access Challenge (LAC) network – and build new ones as needed. Part of that will be exploring and scoping the need for a specialist innovation and technology panel. We will also explore opportunities to join up with business schools, charities and others to develop collaborative innovation-based projects, and we will look at international developments in this area.	G	G

Ref	Objective	Current (Q2) RAG rating	Previous (Q1) RAG rating
Develop specific initiatives to promote and develop the use of legal technology and innovation			
2.7	We will look at how the planned second round of the Regulators' Pioneer Fund, which will provide £10m of funding subject to the outcome of the Government Spending Review, can contribute further to increasing access to justice.	On hold	R
2.8	We will review how the SRA Innovation Space is working and use information from our first-year evaluation of the new Standards and Regulations to look at how best to develop its focus and operation.	G	G
2.9	We will explore the opportunities to work in partnership with others, including law firms that have already adopted technology effectively, to ensure that the profession can put their ideas into practice.	G	G
2.10	We will also work to increase our guidance and support materials for the both the profession and the public. Building public trust in lawtech solutions is an important component of increasing access to justice.	G	G
2.11	We will explore cyber -attack prevention methods and how other industries/regulators/jurisdictions have responded, as well as working with key stakeholders to undertake a review of how losses linked to cyberattacks and fraud can be better prevented using technology and innovation.	G	G
2.12	We also recognise that technology and innovation crosses national boundaries and impacts on people from every community. We will build this into our engagement on the EU exit and work with international authorities, including through the International Conference of Legal Regulators, whose website ICLR.net we run.	G	G

Ref	Objective	Current (Q2) RAG rating	Previous (Q1) RAG rating
Objective three - We will continually build our understanding of emerging opportunities and challenges for the users of legal services, the legal sector and our role in effectively regulating it.			
3.1	We will build on our current sector risk analysis, publish through our Risk Outlook, and work across boundaries to support consumer protection and to speak up in line with the regulatory objectives where it is necessary to do so.	G	G
Improving our understanding			
3.2	We will also work with others to develop our understanding of the legal services market from a longitudinal and economic perspective, so that we improve our understanding of consumer concerns and requirements.	G	G
3.3	We will commission research, including reaching out directly to consumers to listen to their needs, and monitoring the findings of research undertaken by others. We will share our data and publish authoritative reports on key issues.	G	G
3.4	We will analyse the impact of the Covid-19 pandemic on the structure of the legal market over several years and any implications for how services are accessed by consumers.	G	G
Speaking up			
3.5	We will work to address relevant public protection and public policy issues, using clear criteria, including consumer protection, to assess where we can add value.	G	G
Public legal education			
3.6	We plan to develop a strategy for 2020–2023 to help us to identify opportunities to work with others to increase our provision of public legal education building on our work to date.	G	G
Immigration and asylum services			
3.8	We will continue to look into issues around the accessibility and quality of immigration and asylum legal advice.	G	G
3.9	We will carry out a thematic review into the quality of service delivery and ensure that those who need immigration and asylum services can access quality advice.	G	G
Understanding patterns of attainment in education and training			
3.10	We will continue to review the attainment gap and ensure that everyone meets the same high standard however they learn and contribute to a truly diverse profession by making it easier for people from every background to become a solicitor.	G	G
3.11	We plan to share our data, commission research and work with others to increase understanding of the difficult issues around the attainment gap, including how protected characteristics and social mobility intersect, and what might be done.	G	G