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*This paper will be published*

**Chief Executive's Report**

**Purpose**

- 1 This report provides an update to the Board on our priorities and any key developments that it needs to be aware of. It also provides information on important external developments and our engagement activity with key stakeholders.

**Recommendations**

- 2 The Board is asked:
  - a) to consider the Chief Executive's report.

**If you have any questions about this paper please contact: Paul Philip, Chief Executive, [paul.philip@sra.org.uk](mailto:paul.philip@sra.org.uk), 0121 329 6940.**

## **Chief Executive's Report**

### **Update against priorities / key developments**

#### ***Future Workspace programme***

- 3 Our Future Workspace was established formally as a programme in April 2021. The programme consists of several interdependent projects including the refurbishment of The Cube, relocation of Martin Lane, business readiness, technology, communications and engagement and staff focused initiatives.
- 4 As the Board is aware, the majority of our staff continue to work from home in line with government guidance. In recent weeks, we have run a series of 'return to the office' pilots to help inform our plans to support staff in coming back to work as government restrictions start to ease. Using both The Cube and Martin Lane, these pilots have tested several scenarios, which include traditional desk-based working, hybrid meetings, team collaboration, one to one discussions, cross functional meetings, interviews and engaging on a more informal basis.
- 5 In addition to helping us to pre-empt some of the logistical challenges we may encounter from 21 June onwards, each pilot has given those involved the opportunity to share their individual experiences and opinions of coming back to the office. We have used this feedback to help inform our approach for the next six to eight months, as we work on supporting staff through an interim solution between now and spring 2022, when refurbishment of The Cube is scheduled to be completed.
- 6 We recently started discussions with the organisation about how teams envisage working under the new hybrid model and how the agreed minimum of one day, maximum of two days a week could work. We are currently in consultation with both the Staff Union and staff members with a view to changing contracts of employment to accommodate the future ways of working.
- 7 We plan to fully re-open the offices as soon as government guidelines allow. Using the 21 June as the key date in the calendar, we are planning a phased and flexible approach. The first week will be to formally welcome those who joined the organisation during lockdown (109 staff), and we have several orientation days planned between 21 June and 2 July.
- 8 The office will then start to be opened more formally from 5 July and will focus on gradually bringing the wider workforce back to the office for a minimum of one day per week with the ability to flex to a maximum of two days per week, according to operational need and available space, whilst the refurbishing of The Cube takes place. The same pattern will apply to staff at Martin Lane until an alternative working location is agreed.
- 9 We will use this interim period to learn lessons and explore options for our future workspace, using the time and experience to consider how we might socialise people back into a new working environment. We will continuously review

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business needs as the hybrid model evolves. We will also develop the technology needed to support new ways of working, in particular the introduction of a new booking system that will help us to manage the required logistics.

***Solicitors Qualifying Examination (SQE)***

- 10 Preparations for the introduction of the SQE continue. At the end of March, we launched our first pre-SQE candidate processes – those for logging qualifying work experience, applying as a qualified lawyer for exemptions from SQE, and applying for qualifications or experience to be recognised as equivalent to a degree. The launch went smoothly, and we are now receiving the first applications.
- 11 We have recognised the qualifications of solicitors from Scotland, Northern Ireland and the Republic of Ireland for the purposes of SQE exemptions. Irish and Northern Irish solicitors will continue to qualify automatically as solicitors of England and Wales. They will not need to attempt SQE. Scottish law is significantly different to that of England and Wales and so Scottish solicitors will need to pass the whole of SQE1 but will be exempt from SQE2.
- 12 On 11 May, we launched the [SQE website](#). This is where all SQE-related information will be published and, in due course, where candidates will register to book a place to sit the SQE. Information about the other requirements for admission post-SQE will continue to be published on the main SRA website. We held webinars in May for training providers and potential candidates, taking them through the content of the new SQE website and providing practical information about how the SQE will operate.

***Continuing competence and advocacy***

- 13 We are currently undertaking a survey of solicitors to find out more about how they identify and address their competence requirements and how training and development needs vary as a solicitor's career progresses. We are also asking how solicitors have adapted their approach to training and development as a result of the pandemic.
- 14 The survey closes at the end of May. We have had a good response so far, with 413 solicitors providing their views and representatives of nearly 200 firms engaging with us through our virtual reference groups. We will publish the findings of this research later in the year and will use the information to inform new resources we are planning provide to solicitors about how they should maintain their competence.
- 15 As part of our work to better assure advocacy standards, we are also carrying out a review of training records for solicitors practising in the youth court. 122 firms working in the youth court were contacted to provide records for individuals practising in this area. So far, we have received 371 individual records. We are now examining each record to identify what training has been carried out and how it relates to the challenges of practising in the youth court.

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- 16 We will publish a summary of our findings later this year. We will use the information we learn from the exercise to inform our thinking on what further resources might help practitioners in this area and whether any further regulation in this area is required. We will also evaluate whether it might be appropriate to extend this sort of audit to other high-risk areas.

***Professional Qualifications Bill***

- 17 The Department of Business, Energy and Industrial Strategy (BEIS) has published the Professional Qualifications Bill. The Bill gives autonomy to professional regulators to set the conditions for recognition of overseas qualifications and to enter into recognition agreements with overseas jurisdictions. It does not make a substantive difference to our powers or our system for assessing international legal qualifications through the Qualified Lawyers Transfer Test and, shortly, the SQE. The Bill had its second reading at the end of May 2021. The committee stage will begin on 9 June.

***Anti-Money Laundering (AML)***

- 18 Last year the government consulted on a possible economic crime levy to be paid by regulated firms and collected by either AML supervisors or a central body, and we expect the government response to be published on this imminently. There are a number of government consultations on the money laundering regulations and wider AML regime taking place over the summer. We are also anticipating possible changes to the Proceeds of Crime Act in late 2021 or early 2022.
- 19 As Board members will be aware, our AML oversight supervisor the Office for Professional Body AML Supervision (OPBAS) visited us in January of this year to assess our effectiveness as an AML supervisor. Their feedback was positive and rated us as either 'effective' or 'largely effective' in each of the areas they assessed.
- 20 OPBAS had some suggestions for improvement and we have set out an action plan to address these. As part of our planned actions, we will undertake additional information sharing and make changes to our programme of visits – adding a review of Suspicious Activity Reports against guidance published by OPBAS and the National Crime Agency - as well as continuing with pre-existing plans to refine and improve the way we risk rate firms. Our programme of visits will start again from early autumn, assuming this aligns with government guidance.

***Technology and innovation***

- 21 The fieldwork for our research with Oxford University into innovation and technology adoption in the legal sector is almost complete. We are aiming to have the report published in the summer, along with a series of podcasts by the University of Oxford. Findings will inform our business planning for 2021-22.

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- 22 The first five technology innovators, targeting different consumer segments, have graduated from the Ministry of Justice funded Law Tech UK sandbox, to which we are a key contributor. All have reported a positive experience with the support they have received having helped them accelerate the development of their products and services.
- 23 We were a lead contributor to an instant guide for Lawtech pioneers about the regulatory landscape and which regulators and regulations are relevant in different scenarios, which was launched in May and can be found [here](#). The proof of concept for a secure data sharing platform, which we were participating in, has also successfully completed and results will be published shortly.
- 24 We are participating in the Agile Nations forum, an initiative to foster international co-operation on rulemaking, making it easier for businesses to introduce and scale innovations across their markets. We responded to a call for ideas co-ordinated by BEIS. We are now exploring interest across countries to co-operate, for example, the United Arab Emirates has indicated its support for a cross-jurisdictional regulatory sandbox.
- 25 The Queen’s speech referenced regulatory reform throughout and announced that BEIS will publish an Innovation Strategy this summer. Legislation to support court digitalisation, including making permanent provisions to allow participants in criminal hearings to attend remotely, was also announced.

***Immigration and Asylum***

- 26 The Queen’s Speech proposed ‘A New Plan for Immigration’ bill. The main elements of the bill include “creating a new and expanded ‘one-stop’ process to ensure that asylum, human rights claims and any other protection claims are made and considered upfront at the very start of the process, ending the cycle of limitless appeals”. Supporting our Corporate Strategy Objective Three, we had responded to the Home Office ‘A New Plan for Immigration’ consultation, which concluded the week before the Queen’s Speech. We highlighted the need for ready access to legal advice to help people to raise issues and provide evidence as early in the process as possible. We said that we would share insights and provide support as the Home Office develops its policy position to strengthen access to justice for those progressing through the immigration and asylum system.
- 27 We also said we would welcome discussions with the Home Office about how we could best encourage the reporting of concerns about the behaviour of solicitors to us. This was in the context of Home Office proposals for a good faith requirement for individuals and their lawyers in the courts and to encourage judges to issue more wasted costs orders, for example, where a lawyer promotes a case that is bound to fail. We highlighted that solicitors and law firms we regulate are bound by stringent principles and standards and may be subject to regulatory action when these are not met. We also noted the need for careful assessments and monitoring of impacts on individuals and their access to justice and to legal representation, as well as on lawyers, law firms and others working in the sector.

**CLASSIFICATION – PUBLIC*****Expert Panel***

- 28 The Expert Panel met for the second time this year, again virtually, on 5 May. Discussion focused on our quality indicators pilot following a guest presentation by Trustpilot who are participating along with six other digital comparison tool (DCT) companies (four new DCTs are also in the process of signing up). The first phase has gone well with 75 law firms also participating and emerging findings suggesting that for small law firms, the online marketing and related customer feedback is something they will develop actively, most say because it is a cost-effective way of attracting new clients. The Panel also had a short update on innovation and technology work, and we shared the highlights of the consultation on the Business Plan.

***Standards and Regulations - rule changes***

- 29 In April, the Chair exercised her delegated authority by the Board in making minor changes to the Standards and Regulations that did not involve any changes to agreed policy. These were required to go live with SRA Ltd on 1 June and comprised three very minor changes that needed to be made to the Glossary definitions to clarify that it is the SRA (not the Law Society) that holds statutory trust monies collected following an intervention. Following agreement by the Chair, we submitted an application for their exemption by the Legal Services Board.

***Diversity research***

- 30 We are progressing as planned with the procurement process, a full open tender, to commission independent research to investigate some difficult and complex aspects of Equality, Diversity and Inclusion that are present across a range of professions, including social mobility considerations and the intersectionality of different dimensions of diversity. Interviews with short-listed bidders are being held in June. We remain on schedule for the two studies to start in the summer.

***Upholding Professional Standards report***

- 31 We are taking forward the work we set out following our Upholding Professional Standards report about the overrepresentation of men and individuals from a Black, Asian and minority ethnic background in our enforcement work during 2018/19. We are finalising the monitoring data for 2019/20, due for publication in late Spring, and continuing to engage with the profession about these issues, meeting the Society of Asian Lawyers and speaking at an event held by the Black Solicitors Network in April. We delivered unconscious bias training across the organisation in March and are currently in the process of delivering further training through workshops with operational teams.
- 32 Our campaign to encourage all solicitors to update and complete missing diversity information recorded within their mySRA accounts started in May. We are targeting key groups where we know completion rates are currently low, such as inhouse or recently qualified solicitors. Improving the quality of diversity data

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held within mySRA is one of the key actions we committed to following publication of the Upholding Professional Standards report in December 2020.

***Head of Welsh Affairs appointment***

- 33 Our Business Plan 2020/21 sets out our commitment to establishing, for the first time, a presence in Wales. We have now appointed Liz Withers, who most recently worked as Head of Policy and Campaigns for Citizens Advice Cymru, as our Head of Welsh Affairs. She starts in post on 8 June and will be working with colleagues to consider next steps for establishing an office in Wales, probably Cardiff, subject to the pandemic constraints.

***Institute of Customer Service surveys***

- 34 Our Contact Centre was awarded ServiceMark accreditation from the Institute of Customer Service (ICS) in January 2019. That accreditation lasts for 3 years and towards the end of this year, the Contact Centre will need to re-apply for that accreditation. This will involve achieving a high score (70 plus) in two surveys that the ICS run: a survey of Contact Centre staff, which provides an assessment of staff engagement with our approach to customer care, and a survey of Contact Centre customers to assess customer satisfaction. These surveys will run over the summer, after which, should we achieve the scores we need, we will be able to re-apply for the accreditation.
- 35 Alongside the Contact Centre, we will also be running both of these ICS surveys for the wider organisation over the summer / early autumn as part of our corporate strategy and business plan commitments on delivering quality customer service. It will be the second time we have completed the survey of staff; the first survey took place in 2019. This survey will help us to understand how service-focused we are, which ICS research shows has an impact on overall customer satisfaction. The survey of our customers will focus on those customers who access our main operational services and will enable us for the first time to understand customer satisfaction across the organisation.

***Accreditations***

- 36 The Board recently asked about the external accreditations the organisation holds. Annex 1 sets out the accreditations we currently hold, and ones being considered for the future.
- 37 Decisions on accreditations to date have, in the main, been agreed at the Executive level. To ensure appropriate Board oversight moving forwards, we propose that authorisation of any accreditations with significant strategic or high resource impact will be presented to the Board through the business planning cycle, along with a rationale for taking them forward. Outside of that cycle, any other Executive decisions to pursue accreditations with strategic significance will be reported through the Chief Executive's report.

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- 38 Assessment of a potential future accreditation will be against criteria which considers:
- a) Does it provide a way to achieve a strategic goal such as 'quality customer service'?
  - b) Does it provide additional assurance that would otherwise not be evident?
  - c) Does it address a problem in an area of our work - for example where there have been information breaches?
  - d) Does it strengthen our reputation?
  - e) Does it help us to recruit and retain staff?

***SRA Law Society (TLS) collaborative working protocol***

- 39 There are three areas listed in the protocol that we have agreed to work collaboratively with TLS on in particular: technology, AML and equality, diversity and inclusion (EDI).
- 40 We continue to meet regularly with policy colleagues at TLS to make sure we are joined-up where possible on AML policy. We have worked with TLS to align AML messaging in our approach to a proposed legal sector fraud charter and the economic crime levy. Our teams have shared key dates for AML work and publications to make sure key messages are reinforced by both organisations. We attended the most recent Law Society AML taskforce meeting to speak about the results from our programme of visits and important learnings for firms. We also attended the first in a series of roundtables hosted by TLS with member firms to examine and discuss key AML themes.
- 41 On EDI, we jointly promoted our campaign for solicitors to declare their data on mySRA and we are collaborating in our support for the Ministry of Justice led work to enhance reporting about judicial diversity by providing data about the profession for the publication due in July. We are also coordinating our work on social mobility with the Law Society, including a joint event in the summer for the profession to promote the collection and use of social mobility data.
- 42 We have worked with the Law Society Lawyers with Disabilities Division to support the provision of appropriate reasonable adjustments for SQE candidates and spoke with the TLS EDI Committee on the SQE in April.
- 43 On technology, senior representatives continue to meet monthly to share ideas for, and updates on, our respective innovation projects. We have contributed to TLS research focusing on the role of ethics in legal technology, which is due to be published shortly, and they have supported and contributed to our Oxford University research. We have also discussed our respective responses to a recent Legal Services Board consultation on quality indicators that law firms might publish to help consumers choose the right legal services provider for



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them. TLS officials will also attend and contribute to our innovation and technology workshop to inform our 2021/22 business planning.

***Board forward planner***

- 44 Attached at annex 2 is the current forward planner for upcoming Board meetings for information and discussion.

**External Developments and Engagement Activity*****Stakeholder Engagement***

- 45 Our ongoing engagement programme with stakeholders continues. As we consult on our Business Plan and Budget (including practising fees), we have arranged a series of outreach events with the profession and a range of other organisations and charities, so that we can benefit from a wide range of perspectives. These include webinars and a series of roundtables with in-house solicitors, technology and innovation stakeholders and consumer groups. We are also holding focus groups with the public, hard to reach and vulnerable individuals, neurodiverse individuals, and other diversity groups. We are promoting the consultation extensively on social media and using polling to seek input on specific areas, building on the approach we tested last year, which secured more than 100,000 impressions and 10,000 votes.
- 46 Our webinars continue to prove popular. From 1st March, we had over 1,000 delegates view our webinars live, and this has increased to nearly 3,900 with on demand views. The average score for usefulness is 8.4 out of 10. 99.9% of delegates said they would attend a future webinar. As Covid-19 restrictions ease, whilst we will continue to run our successful webinar programme, we are starting to develop our face-to-face events calendar for the autumn.
- 47 We are continuing to engage with the profession and diversity groups about EDI issues: Anna Bradley chaired the fourth in our series of webinars on race equality in March, talking about the role of senior allies in making changes happen, I spoke informally to the Society of British Bangladeshi Solicitors about my career and reflections about my work as the SRA's CEO. We also delivered a session during April for the Social Mobility Business Partnership's online skills week, talking to sixth form students about routes into law.
- 48 Executive Director, Robert Loughlin, has been asked to join a new Legal Ombudsman (LeO) Challenge and Advisory Group, which has been established by the Office of Legal Complaints to tackle the current operational challenges at LeO.



**SRA BOARD**

8 June 2021

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**Author** Paul Philip, Chief Executive

**Date** 1 June 2021

**Annexes**

**Annex 1** Accreditations held by the SRA

**Annex 2** Board forward planner

*NB: annex 2 will not be published because it relates to emerging strategy or polic*