Annex 3 - SRA Business Plan 2025-26 update

Our Strategic Priorities

Strategic Priority 1 - We will deliver high professional standards.

Strategic Priority 2 - We will strengthen our risk based and proactive regulation.

Strategic Priority 3 - We will support innovation and technology.

Strategic Priority 4 - We will be an authoritative and inclusive organisation, meeting the needs of the public, consumers, those we regulate and our staff.

Our business plan for 2025/26 is available on our website[1].

Progress against commitments in our annual planned work programme

This is the first report against the business plan commitments in our 2025/26 business plan, which reflects the third year of the 2023-26 Corporate Strategy.

A summary of the RAG status evaluation is as follows:

Status	Green	Amber	Red	Total
Priority 1	7	2		9
Priority 2	1			1
Priority 3	1			1
Priority 4	4			4
Total	**13**	**2**	**0**	**15**

Relates to objective status based on progress to date:
Green (G) – means in line with expectation on delivery of specific measurable actions and overall delivery is expected;
Amber (A) – means generally in line although a challenge to maintain progress and deliver the overall objective;
Red (R) – means progress behind expectation and we will not succeed without direct action;

We have two 'amber' commitments from our 2025/26 business plan considered below.

Equality, Diversity and Inclusion (EDI)- work to develop a framework to help us evaluate the impact of our work to tackle diversity in the profession and on overrepresentation in our enforcement processes.
This commitment is related to the LSB's policy statement on EDI, which will set EDI expectations for all frontline legal services regulators. We responded to the LSB's consultation welcoming the proposed outcomes and also flagging the need for further consideration of the level of prescription and particularly the proposal to set new requirements on law firms. We understand responses to this consultation are currently being analysed and we are awaiting the final response from the LSB.

The route to green for this commitment is reliant on a final position being taken by the LSB. The LSB's regulatory expectations, in particular the level of prescription set out, will impact on our strategic Approach to EDI and any evaluation framework we develop. While we are developing our thinking internally on these matters, we will need to ensure any evaluation framework aligns with regulatory expectations and therefore this work may be delayed beyond the current reporting year.

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Continue to improve and maintain the quality and timeliness of our investigation and enforcement work

This aim was red at the end of 2025/26.

During the reporting period we increased average monthly report assessment closures by 32% compared to the prior year level. However, the average performance was 58% against the KPI timeliness target of assessing 80% of reports within two months. This was higher than the 45% average in the second half of 2024/25, despite the impact of two consecutive record numbers of monthly reports in October and November 2025.

In the first four months of 2025/26 our assessment and early resolution team (AERT) experienced a 50% increase in average reports received per month compared to 2023/24 when a sustained trend of increase in volumes began.

In 2025/26 our investigation teams met two of their three overall timeliness KPI targets in all four months of the period, and in three of the four months for the other measure. This was despite a 55% increase in investigation cases compared to 2023/24.

We have increased resource and delivered efficiencies and improvements. We have an AERT improvement project underway which aims to transform the experience of those reporting misconduct to us.

Top achievements in this period

	Achievements	Impacts and Outcomes
All under Priority 1		
Progress our work programme on high-volume consumer claims (HVCC)	This is a focus area for 2025/26. Improved collaboration Our discussion paper closed in November 2025 and achieved 56 written responses and wide engagement with stakeholders including other regulators, the government, ombudsman schemes, consumer representatives, insurers, funders, representative bodies, practitioners, and academics. We are amassing a broad evidence base of concerns and are now developing policy responses to address the harms we've identified. We issued a warning notice on 'no win, no fee' arrangements in January, and updates to our claims management activity guidance in February, alongside a joint statement with the FCA on multiple sign-ups and termination fees in motor finance commission cases. We published information in November for solicitors and firms handling housing disrepair claims, following the introduction of Awaab's Law. Draft guidance is also being prepared for publication on insurance distribution and litigation funding. We are working in close partnership with the FCA on motor finance claims, and with MHCLG and MoJ on housing disrepair. Proactive risk identification We have analysed responses from 360 firms confirmed as operating in HVCC. Nine firms have already committed to making changes to improve compliance. Eighty-three higher risk firms had an in-depth assessment resulting in eight new investigations.	Effective alignment and partnership with other regulators and stakeholders in this area strengthens our regulation. The declaration exercise is helping to drive compliance and is providing essential information about how the market is working, for example providing a clearer picture of firms' funding arrangements and relationships with lead generators and insurers. We have built a strong evidence base from which to develop policy solutions. Extensive coverage in the legal press and on BBC This Morning Live, helps to improve consumer awareness of the risks involved with HVCC. We are continuing to hold firms to account through our ongoing investigations work.

	<u>Operational excellence</u> As of 31 January 2026, we have 89 open investigations relating to 71 firms providing high-volume consumer claims services. We have now also closed down a total of seven firms working in HVCC.	
Deliver a timely and effective response to changes to the legislative developments in England and Wales, particularly in relation to AML and other economic crimes. *Continue our economic crime prevention and detection efforts, responding to increased expectations for our work, managing higher caseloads, and reducing aged matters.*	<u>Operational excellence</u> The AML Directorate has continued to deliver strong performance in the year to date, maintaining high-quality outcomes, sustained supervision levels and operational resilience. While the future transfer of legal-sector AML supervision from the SRA to the FCA remains subject to legislation and transition arrangements that are yet to be defined, the team has sustained full business-as-usual standards, contributing to our overarching aims of enhancing the UK's resilience to economic crime and safeguarding public trust in the legal profession.	This readiness will provide a strong baseline for future organisational change.
Continue to improve and maintain the quality and timeliness of our investigation and enforcement work.	We have enhanced our approach to quality assurance and delivered training to improve our case work processes. Our performance against the core KPI target of assessing 80% of reports within two months KPI has improved from 54% to 59% despite a 12% increase in average monthly reports of potential misconduct from 1,375 in 2024/25 to 1,534 in the first four months of 2025/26. We have increased average monthly investigation resolutions by 66% to 263 in 2025/26 compared to 158 in 2023/24.	The quality and consistency of decision making have improved. People making a report to us are receiving an assessment more rapidly, as are individuals we are investigating, reducing uncertainty for them. This is also ensuring a quicker updating of our wider view of risks.

Priority one – We will deliver high professional standards. This means setting, upholding and promoting high professional standards for those we regulate, in a way that is fair, proportionate and robust.	
Commitments	**RAG**
We will deliver well-functioning SQE assessments, including the SQE in Welsh, and analyse and publish statistical data and feedback about the SQE and its impacts.	
We will improve our understanding of, and our response to, the continuing competency of all solicitors, firms and their employees.	
We will Develop enhanced Transparency Rules and supporting resources for firms and consumers, improving the information available to consumers, particularly about the quality of legal services.	
We will deliver a timely and effective response to changes to the legislative developments in England and Wales, particularly in relation to AML and other economic crimes.	
We will work to develop a framework to help us evaluate the impact of our work to tackle diversity in the profession and on overrepresentation in our enforcement processes.	
We will continue to improve and maintain the quality and timeliness of our investigation and enforcement work.	
We will consult on changes to the current system to better safeguard client money and improve how we protect consumers.	
We will progress our work programme on high-volume consumer claims.	
We will take forward work on professional ethics, ensuring that we take account of learnings from the Post Office Horizon scandal, SLAPPs and the experiences of the in-house sector.	
Priority two – We will strengthen our risk based and proactive regulation. This means delivering and supporting better regulation through proactive and risk-based activity using robust evidence based on our data, insights and intelligence.	
We will continue to develop and embed our Risk and Data Programme, enabling us to take a more systematic approach to identifying key risks to consumers, the profession and the public.	
Priority three – We will support innovation and technology. This means that we will keep up to date with and actively support innovation and technology that improves the delivery of legal services and access to them, particularly for individuals and small businesses, as well as supporting small firms to use technology effectively.	
We will continue to support the responsible use of technology and innovation with guidance, resources and shared insights, and consider what further support we could offer to innovators and our regulated community.	
Priority four – We will be an authoritative and inclusive organisation, meeting the needs of the public, consumers, those we regulate and our staff. This means that we place our customers at the heart of all we do, working as an authoritative, inclusive and responsive organisation.	
We will continue to contribute to sector-wide workstreams, collaborating and partnering with others so that our contribution has demonstrable benefit for the public interest. These will include issues related to high-volume consumer claims, client protection, EDI, technology and innovation including AI and access to justice.	
We will review and improve how we communicate - including how we write and engage with our customers and others, the information we make available and our communication channels, with focus on inclusive, user centred design principles.	

We will continue our pathway to achieve NetZero and deliver our internal ESG commitments.	
We will expand continuous improvement training, as part of our wider focus on ensuring we deliver across all our work in the most efficient manner possible.	