

SRA BOARD

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**SOLICITORS REGULATION AUTHORITY
Minutes of the SRA Board meeting
held on 10 September 2019 at 11.15
at the Hotel du Vin, Narrow Lewins Mead, Bristol BS21 2NU.**

Subject to final approval by the SRA Board at its meeting on 22 October 2019

Present: Anna Bradley (Chair)
Peter Higson
Paul Loft
Barry Matthews
Geoff Nicholas
Chris Randall
Selina Ullah
Tony Williams
David Willis

In attendance: Paul Philip, Mark Draisey, Robert Loughlin, Jane Malcolm, Juliet Oliver, Liz Rosser, Julie Brannan, Chris Handford, Dominic Tambling

1 APOLOGIES

1.1 The Chair welcomed Board members to the meeting. Apologies had been received from Dame Denise Platt, Sharon Darcy, David Heath and Elaine Williams.

2 MINUTES OF THE MEETING HELD ON 17 JULY 2019

2.1 The minutes of the meeting held on 17 July 2019 were approved as a true and accurate record.

3 MATTERS ARISING AND DECLARATIONS OF INTEREST

3.1 There were no matters arising that would not be covered elsewhere on the agenda and all actions due had been completed or were in hand. There was one new declaration of interest - Chris Randall noted that his firm, Mayo Wynne Baxter, had submitted an application to the Legal Access Challenge which was being run by us in partnership with the National Endowment for Science, Technology and the Arts (Nesta). The Board Chair was Chair of the judging panel for the Challenge and was currently considering applications.

3.2 The Chair noted that at the end of July the Legal Services Board had published new Internal Governance Rules which set out requirements for regulators to ensure separation of regulatory and representative functions.

3.3 One of the new requirements, set out in the guidance to the new rules, was that all decisions on regulatory functions must be taken at a meeting in which the board is constituted with a lay majority and a lay chair. If that was not the case, as for

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today's meeting, decisions would need to be ratified either at the next meeting with a lay majority and a lay chair, or by correspondence. We would therefore be asking members who were not able to attend today's meeting to confirm their agreement with decisions made when the minutes of the meeting were circulated for approval.

4 CHAIR'S UPDATE

- 4.1 The Chair thanked Board members for attending the focus groups with the public on the digital register and on how to share information about consumer protections in an accessible way for the users of legal services the previous afternoon. Board members commented that they found this sort of engagement with the public very beneficial and would like the opportunity to attend more similar events in the future.
- 4.2 Board members said that they had also found the dinner held the previous evening for local stakeholders, including local law societies, consumer groups, universities and charities dealing with issues such as homelessness and domestic abuse, very helpful. Having a small number of the attendees speak briefly at the start of the dinner to kick start discussion had worked well. Key themes throughout the evening were the impact of legal aid cuts the growth of technology and the importance of investment in digital infrastructure, and the importance of diversity in the profession to meet the needs of different communities. Board members noted the need to maintain contact with those who had attended.
- 4.3 The Chair summarised the discussions from the workshop session that morning. The Board had considered the direction of travel in relation to the review of the Compensation Fund including the underlying principles. The Board would consider this again later in the year and then consult on any proposed changes.
- 4.4 The Board had also run through issues which might affect its future size and composition, including in the context of the new Corporate Strategy which would be discussed later on the agenda. Finally, the Board had reviewed what we were doing to tackle money laundering and how this might need to change in response to the evolving legal and political environment.
- 4.5 The Chair reported that although she had had fewer meetings than usual over the summer months, she had been in regular contact with the Law Society and had met Helen Philips, the chair of the Legal Services Board. The Chair had also met Sarah Chambers, Chair of the Legal Services Consumer Panel and some panel members in late July.
- 4.6 The Chair and some of the Executive had spoken at the International Conference of Legal Regulators in Edinburgh the previous week and the Chair would be attending the Conference of Regulatory Officers in Australia in October.

5 COMMITTEE CHAIR REPORTS

- 5.1 The Board was asked to consider a written update from the Chair of the Policy Committee which had met on 30 July 2019. The Board discussed the report and

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noted that the Committee had considered the review of the Compensation Fund which had been discussed in the morning's workshop session. The Committee had also considered the draft response to the consultation on Professional Indemnity Insurance which would come to the Board later in the year.

NB: this paper will not be published as it relates to emerging policy.

6 CHIEF EXECUTIVE'S REPORT

- 6.1 The Chief Executive presented his report. The Board noted that on 30 September 2020 post 6 year run-off cover provided by the Solicitors Indemnity Fund (SIF) would not be available to firms that have closed or will be closing. We would be communicating with practitioners who might be relying on coverage provided by SIF so that they understood the impact this might have on them.
- 6.2 The CEO reported that following further discussions with the provider it had been agreed that there would be a 4% increase in fees for the Qualified Lawyers Transfer Scheme, to take effect from this year.
- 6.3 The Board noted that the Legal Access Challenge application stage had ended and that 117 applications had been received. The total prize fund available had been increased from £250,000 to £500,000 which would enable us to double the number of finalists and overall winners. Eight finalists would receive development grants of £50,000 and the two final winners a further £50,000.
- 6.4 The Board also noted plans for a review of regulatory fees in the second half of 2020, following the introduction of the new Standards and Regulations in November 2019.
- 6.5 The CEO reported that the date for implementing amendments to our current Handbook to address Brexit would need to be changed or revoked depending on developments over the coming weeks. Brexit changes to the new Standards and Regulations were being finalised and would similarly need to be made, revoked or amended.
- 6.6 The Board agreed to delegate authority to the Chair to make further Brexit changes to our current Handbook as considered necessary or appropriate and to make Brexit changes to the Standards and Regulations version of the rules before 25 November 2019, and, if necessary, revoke them or amend the date they come into force if exit date changes.
- 6.7 The CEO updated the Board on progress on delivery of the Modernising IT Programme and reported the successful migration of the website to new infrastructure, supporting the delivery of the Standards and Regulations and position the website on a new cloud environment.

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NB: the annexes to this paper will not be published because they contain information which is commercially sensitive or include discussion of risk that might be exacerbated by publication.

7 IMPLEMENTING OUR NEW STANDARDS AND REGULATIONS

- 7.1 The Board was asked to consider an update on our work to prepare the organisation, profession and public for the introduction of the new Standards and Regulations which would replace our current Handbook on 26 November 2019. The aim was to ensure that both we and the profession were as prepared as possible when the change comes into force.
- 7.2 There had been a great deal of engagement with stakeholders - over 35,000 in total over the five-year reform programme - including through consultations, conferences and surveys. There had also been a comprehensive training scheme for staff and this would continue following the introduction of the Standards and Regulations in November.
- 7.3 Changes had been made internally to our processes including to the way in which we deal with concerns reported to us. These should ensure that we focus resources into dealing with those matters that are most serious and also that customers get the support they need. We were also improving support for the profession, for instance through the launch of a new online platform which reflects what the profession has asked for from us.
- 7.4 Board members asked for further information on the evaluation programme for the Standards and Regulations. It was confirmed that Economic Insight had been appointed to develop a framework for evaluation. The emerging work would be considered at the next meeting of the Policy Committee and a report would then be brought to the Board.
- 7.5 The Board noted the update.

8 DELIVERING THE SOLICITORS QUALIFYING EXAMINATION IN WELSH

- 8.1 The Board was asked to consider emerging proposals on how to meet the needs of those who may wish to take the Solicitors Qualifying Examination (SQE) in Welsh. The Board discussed how best to assess whether candidates should be given the option of writing their answers in Welsh from the introduction of the SQE; the possibility of permitting candidates to take oral skills assessments in Welsh; and whether to provide a Welsh version of the Functioning Legal Knowledge assessment.
- 8.2 The proposals included work on establishing the likely demand for assessment in Welsh and the views of stakeholders. It was also suggested that the option to provide written answers in Welsh would be the subject of a feasibility study by Kaplan, the SQE provider, and would look at technical issues and practicalities such as whether enough bi-lingual markers could be recruited.

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- 8.3 Board members commented that the proposed approach reflected that we regulate in a bilingual jurisdiction and was positive and measured. Members cautioned that gathering data on those who took, or wished to take, examinations in Welsh was difficult because anecdotal information suggested that numbers were likely to be small. Board members emphasised the importance of making proportionate provision to meet the needs of Welsh speakers, while ensuring consistent high standards of entry into the profession for all candidates and keeping the costs of SQE as low as possible for everyone.
- 8.4 Board members discussed whether it was appropriate to agree an emerging position in relation to these issues at the present time. The Board agreed the emerging position, with one member saying they thought this was premature. Notwithstanding the Board agreed that:
- a) we should undertake a feasibility study and seek stakeholder views on giving candidates the option of writing their answers in Welsh from the introduction of the SQE
 - b) we should explore the possibility of permitting candidates to take their oral skills assessments in English or in Welsh, subsequent to the introduction of the SQE
 - c) we should seek stakeholder views on the emerging position that we do not at this time provide a Welsh version of the Functioning Legal Knowledge assessment questions, but that we should keep this decision under review .
- 8.5 A further paper would be brought to the Board for final decisions in the New Year.

9 CORPORATE STRATEGY 2020-23

- 9.1 The Board was asked to consider a draft Corporate Strategy for 2020-23 which would be published for consultation. The Strategy would be the first following the implementation of our policy reform programme and would be delivered against the background of ongoing issues around access to justice and advances in the use of technology in the legal sector.
- 9.2 Board members welcomed the draft Strategy which reflected previous Board discussions and comments provided following the circulation of an earlier draft. Comments from Board members included that we should add in more content on our role, so that both the profession and the public can be clear about what we do, and say more about the intended effect and impact of some of the objectives and activity set out in the Strategy .
- 9.3 The Board approved the draft Corporate Strategy for consultation, subject to amendments arising from the discussion which would be signed off by the Chair. Board members also said that they would like to be invited to any events associated with the consultation on the Strategy.

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NB: this paper will not be published as it relates to emerging policy. The final consultation paper will be published in the near future.

10 ANY OTHER BUSINESS

10.1 The Chair thanked Board members. There was no other business. The Board would next meet on Monday 21 and Tuesday 22 October 2019 at The Cube, Birmingham BH1 1RN.