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17 September 2024

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This paper will be published

**12 month report on the Investigation and Enforcement
Continuous Improvement Programme**

Reason for paper	This paper reports on progress at the 12 month check-point, following the introduction of new ways of working developed and implemented through the Investigation and Enforcement Continuous Improvement programme.
Recommendations	The Board is asked to: note overall progress on timeliness of case progression, quality of case handling and customer service; and that this report and annexes will be shared with the Legal Services Board (LSB).
Previous Board and committee consideration	<p>At its workshop session on 28 February 2023 the Board received information on a deep dive into the Investigation and Enforcement function and the continuous improvement programme which was then in train.</p> <p>At its meetings on 12 September and 12 December 2023, the Board was provided with updates on progress of the continuous improvement programme and against the targets set out in the action plan, which was shared with the LSB.</p> <p>At each subsequent meeting, the Board has been provided with an update on our progress.</p>
Next steps	We will provide this paper and annexes to the LSB summarising the 12 month position on our continuous improvement programme, as at the end of June 2024.

If you have any questions about this paper please contact Juliet Oliver, General Counsel Juliet.oliver@sra.org.uk

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12 month report on the Investigation and Enforcement Continuous Improvement Programme

Background

- 1 Following scrutiny by the Board in 2022, surrounding the quality and timeliness of our investigation and enforcement work, we agreed to establish a Continuous Improvement Project to tackle issues within our investigation process, in particular the timeliness and quality of our investigations. In its assessment of our performance that year, the Legal Services Board asked us to demonstrate further progress to reduce the number of aged cases in our investigation work and for a sustained commitment to increasing the capacity and capability of our investigation and enforcement staff.
- 2 Our focus on this issue recognised the impact our proceedings have on the members of the public and those involved in our processes, but also that delivering fair, transparent and timely outcomes is critical to public trust and confidence in the profession and its regulation.
- 3 In July 2023, we implemented a wide sweeping suite of changes to our processes, and new guidance and ways of working, with the aim of improving consistency, streamlining our processes, reducing delay, and delivering improvements in the quality of our decision making and our levels of customer service. These changes were developed through lean six sigma methodology and supported by the Project Management Office.
- 4 Following a widescale training programme in June 2023, the changes were embedded over the period from July 2023 to October 2023, from which time all ongoing cases were required to be transferred to the relevant new stages on the electronic case management system.
- 5 We developed an action plan setting out timelines and targets up to the 12 month period post implementation (to end of June 2024), which we shared with the LSB. At its meetings in September and December 2023, the Board considered detailed updates at or near to the 3 month and 6 month points post implementation. At each subsequent meeting the Board has received an update on progress.

Twelve-month Progress Review

- 6 The 12 month position (to end of June) setting out our progress against the targets contained in the plan is captured in annex 1. Annex 2 identifies the further actions delivered as part of the plan. We set out below more detailed information about our progress against the key areas of timeliness, quality and customer service, respectively. These show improvements across all of these areas.

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- 7 At a high level, we now have a very different working environment within the investigation and enforcement function than we did 12 months ago. Work activities and delivery expectations are clearer, more consistent and more tightly monitored and enforced. This includes compliance with stricter timeframes and customer service protocols. This is supported by more effective knowledge sharing, and enhanced management information and performance management tools at team, case and individual level.
- 8 We recognise there is more to be done: our work to embed and assure ourselves of the quality of case handling is still evolving; we have further plans in hand, arising from our improvement work to date and learning from our operational casework; and we are already developing plans for the next phase of our improvement project. However, overall we consider that the programme has met its ambitious goals.

Resourcing/team changes

- 9 We have increased headcount across the investigation team which has grown from 195 FTE in July 2022 to 236, ensuring case-holdings of no more than 25 on average. Building on this, we have reviewed team sizes and added more managers and investigation officers across various teams within headcount to create smaller teams to enable additional support with managing case holdings. We have created additional flexibility through our training team, which is able to provide additional case-working support when capacity levels become stretched.
- 10 As well as our formal induction pathway, we have an ongoing programme of training, including face to face refresher training on effective case management and progression in March 2024, and further resources and quick guides being launched in September.

Timeliness

- 11 Over the last seven months, we have successfully met all four of our primary timeliness targets: (80% of initial assessments within 2 months and 93% of investigations (post assessment) concluded within 12 months, 95% within 18 months, 98% within 24 months). We have not previously been able to meet *all* of these targets *every* month in a sustainable way in the past. This is strong evidence that the changes introduced have stabilised our ability to manage work in progress.
- 12 We have had particular success in meeting the target to reduce our cases over 24 months. The target was to reduce the number of investigations by c.50% from 162 (as at July 2023) to 82 by the end of June 2024. We ended June with 60 matters in this cohort, a reduction of 63%. From July 2023 to the end of June 2024, we have also reduced the total number of investigations over 18 months old by 40%, and the number of investigations over 12 months old, by 21% in the same period.

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- 13 The focus to meet the 24 month target has required significant effort and resource, over and above BAU activities, including senior management time. However, this commitment and approach has not only delivered reductions in the number of aged cases, but also improvements in accountability and shared learning - and forecasting, tracking and monitoring deadlines, allowing early action to be taken when these are likely to be missed.
- 14 We appreciate how important it is to manage the volume of work in progress as well as closing aged cases. We have held the work in progress steady at around 1,600 live investigations since the new ways of working were introduced in July 2023. This steady state reflects the increase in reports received over the period, given the increase in cases closed - referrals to the Solicitors Disciplinary Tribunal (SDT) will have more than doubled this year.
- 15 The only area in which we have struggled to make improvements is the new stretch target to resolve 70% of investigations within 10 months from assessment. We have always understood that this was a challenging target which we introduced to help us to monitor progress as a result of the changes. Our average for this business year is the same as the year 2022-2023 and holds at around 60%. However, given the bedding in period following the introduction of the reforms we did not expect to achieve 70% by June 2024 and have been forecasting accordingly.
- 16 We also introduced a new stretch target to track impacts from improvements at the investigation stage on the timelines for lodging cases with the SDT post referral. We anticipated that with improvements in the quality of investigations, and therefore less additional work required post-referral, the time taken should reduce. In this business year, we have consistently exceeded the existing target of lodging 80% of cases within 20 weeks, averaging 94%. And we have also been tracking a new stretch measure of lodging 60% of cases within 3 months. We achieved an average of 59% in quarter one, increasing to 61% for quarter two, 64% in quarter three. This represents a significant improvement given that the case mix comprised of many cases which have not been investigated fully under the new process, as well as a significant number that were more than 24 months old at the point of referral.

Quality

- 17 As well as introducing training and resources to improve the quality and consistency of our casework, and decisions we reach, we have introduced new ways of monitoring and managing the quality of our work. These include:
- Quality checks carried out within the investigation team (including reviews of Investigation Plans and Notices by managers and members of our legal team and by our external legal provider) and dip-sampling of these documents by our arms length Quality Assurance Team. These have enabled us to check any quality or performance issues, but also identify any themes that needed to be addressed with further training or

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guidance. We have added additional guidance to the Notice template as a result of these reviews for example.

- Quality controls within our processes, including review forms completed by managers in relation to a sample of Investigation Plans for each Investigation Officer, and each Notice completed at the end of an investigation or recommending interim conditions during an investigation.
 - Enhanced legal oversight of casework at the investigation stage, including legal reviews of key documents, and a new triage lawyer to establish clear criteria and assessment of quality in the Assessment and Early Resolution Team (AERT).
- 18 These measures have given us greater confidence that the new ways of working are making a difference to the quality of our enforcement work, and that any issues will be picked up in real time, and themes identified and addressed as appropriate.
- 19 This is supported by findings from two reviews carried out by our arms length Quality Assurance team, at the 6 and 12 month point after implementation of the changes. These reviews assessed a small sample of investigations, end to end through our process, across a number of key areas, including: identification of risk, whether outcomes were proportionate and reasonable and whether the outcome had been properly reasoned. The reviews were limited in sample size, but the results are positive, and the 12 month review highlighted no issues of concern (for example, 100% of the files reviewed met the requirements surrounding consideration of risks and issues, and 96% of files fully met the requirements regarding decision making). And the feedback from the reviews has been useful, for example resulting in a new protocol and revised template letter relating to closure reasons.
- 20 There is more we want to do to deliver further improvements and to enhance our quality assurance activities, increasing the use of internal control measures and peer reviews, and developing our annual cycle to include larger scale substantive end to end reviews, risk based dip sampling exercises, and an audit conducted by external lawyers. However, the work we have done has achieved the aims of the programme and created the environment in which we can go on to develop and improve further.

Customer Service

- 21 The quality assurance checks described above have also looked at our communications. The results are a positive indicator that our communications are improving. As part of the programme, we introduced new templates, guidance and training for investigation officers about how communication should not only be timely (when there is a substantive development on the investigation, and at least every 3 months) but that the information provided

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needed to be meaningful. The 12 month review by the Quality Assurance team demonstrates that 95% of files reviewed had timely and meaningful updates and 95% of cases used plain and inclusive language.

- 22 We also started sending out customer satisfaction questionnaires in April 2024. We send out the surveys at three key stages (assessment decision, first substantive contact in the main investigation unit, and the outcome stage of investigations). Questions are specifically tailored to the contact that the individual (complainant or solicitor) has had with the relevant team at that stage and questions include: how easy was it to make the report, how well did we explain our decision making and communicate generally and how could we improve our service.
- 23 The aim for this process is to gain further insight into the service we are providing and to identify other areas for improvement. At the moment, response rates are relatively low, but at this early stage the investigation feedback has been positive, with an average customer rating of over 6 out of 10.
- 24 We started tracking complaints data from November 2023, to monitor impacts on complaints from the improvements in case handling - recognising that earlier figures would relate to cases investigated before changes to the process had been made. We have upheld an average of 1.6 complaints relating to delay per month this business year. This is an improvement on the baseline average of 4.7 in our 2022 annual report and 3.7 in our 2023 annual report.

Next steps

- 25 Whilst acknowledging the achievements of the programme, and the improvements across the board in timeliness, quality and customer experience, we recognise that there is still more to do. As highlighted above, we have programmes of work in hand, including to expand our quality management and quality assurance processes, to implement further improvements and to evolve the structure, capacity and capabilities of our teams and operating models further. However, in the meantime, we believe that the changes we have introduced provide a sound platform for this further work, and will continue to deliver improvements: including better data – both qualitative and quantitative - to monitor case progression and improve compliance with milestones, and a greater focus on quality, customer service and performance management.

Annexes

- Annex 1** **12 month progress report against targets in action plan**
Annex 2 **Table of other agreed deliverables**

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Supporting information

Links to the Corporate Strategy and/or Business Plan and impact on strategic and mid-tier risks

26 This paper relates to the first objective in our Corporate Strategy – upholding standards and improving the quality and timeliness of our internal operational work.

How the issues support the regulatory objectives and best regulatory practice

27 Having a robust approach to our regulatory and enforcement action is not only best practice but supports our regulatory objectives of upholding standards and protecting the public.

Public/Consumer impact

28 The continued improvements to our enforcement operational work will improve experience of all customers impacted by the regulatory process and drive better more timely outcomes in the interests of consumers and the public.

What engagement approach has been used to inform the work and what further communication and engagement is needed?

29 Significant engagement was undertaken in the scoping exercise part of the project, involving internal and external stakeholders. We commenced surveying our customers in 2024 to gain further insight on improvement opportunities and feedback as to the benefits delivered.

What equality and diversity considerations relate to this issue?

30 An EDI impact assessment was undertaken as part of the project deliverables.

How the work will be evaluated

31 Improvements in quality have been evaluated through quality checks and dip sampling outlined at paragraph 17 and 18. We will expand the activity of the quality assurance team to include end to end reviews and risk based dip sampling exercises on an annual basis, as well as conducting a further progress report 24 months post implementation. We will also introduce audits by external lawyers as part of our regular quality assurance cycle. Our internal auditors will be conducting an internal audit of the new processes and procedures this Autumn, which will be reported through our Audit and Risk Committee.

32 KPIs will continue to be reported to the Board as party of the usual performance pack, including the metrics tracked as part of the improvement plan. We propose a wider review of our KPIs in Summer 2025, 24 months post implementation.