

SRA BOARD
6 December 2017



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Chief Executive's Report

Purpose

- 1 This report sets out progress against our strategic objectives and provides an update on operational performance.
 - Section 1: reports on our priorities and progress against the 2016/17 Business Plan.
 - Section 2: provides an update on operational performance.
 - Section 3: provides details on publication and engagement activity.

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

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Section 1: Priorities for 2016/17

- 2 This section provides an update focusing on developments and progress against our 2016/17 Business Plan. We will be reporting against our 2017/18 Business Plan from the next meeting.

Practising Certificate Renewal Exercise (PCRE)

- 3 The PCRE project remains on track. As of 27 November 2017, £108.3 million has been collected against a target of £109.7 million (98.7%). 36,765 renewal forms have been submitted compared to 34,763 in 2016. 136,222 practising certificates have been approved compared to 130,235 practising certificates in 2016.
- 4 The Contact Centre successfully answered 29,061 calls in October. All KPIs were achieved. 89% of calls were answered in 20 seconds and 84% of calls were answered immediately. We have improved our performance by training staff from across the organization to provide telephony support on peak days. We have also worked weekends to ensure that all emails were answered quickly to support customers with the renewal process.
- 5 The project team is currently preparing to commence the revocation process. Individuals who have not renewed will have their Practising Certificates revoked on 7 December 2017.

Progress against our 2016/17 Business Plan

- 6 We continue to make good progress to achieve the objectives set in our 2016/17 Business Plan. Below I highlight key areas of development to note against each Business Plan objective.

<p>Objective 1: We will reform our regulation to enable growth and innovation in the market and to strike the right balance between reducing regulatory burdens and ensuring consumer protection</p>	<p>On track</p>
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- 7 We are on track to deliver this objective.

Looking to the Future Phase 2 Consultation

- 8 As the Board is aware, we are currently consulting on further changes to our Handbook and our proposed revised Enforcement Strategy. This follows the consultation on phase 1 during summer 2016. The consultation closes on 20 December and can be viewed at the following link:
<http://www.sra.org.uk/sra/consultations/ltf-phase-two-handbook-reform.page>.

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Risk Outlook – Autumn Update

- 9 We published our new Risk Outlook in July 2017. On 21 November, we published the Autumn update to the Outlook, which highlighted that money launderers hoping to infiltrate the profession continues to be a major problem. The update can be viewed at the following link: <http://www.sra.org.uk/sra/news/press/outlook-autumn-update-2017.page>.

<p>Objective 2: We will work with solicitors and firms to raise standards and uphold core professional principles</p>	<p>On track</p>
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- 10 We are on track to deliver this objective.

Solicitors Qualifying Examination (SQE)

- 11 Our response to the consultation on the SQE regulations was published on 15 November (<http://www.sra.org.uk/sra/consultations/new-regulations.page>).
- 12 Public engagement on the SQE continues. We have held a number of meetings with individual universities and law firms. We ran a plenary session on the SQE at the Compliance Conference on 31 October. A constructive first meeting of the SQE Reference Group was held on 3 November. The SQE sourcing process continues to run to the planned timescales with the launch of the second stage of the process due to start in December 2017.

Regulating advocacy

- 13 At the Westminster Policy Forum on 29 November, we announced the start of work to explore how we regulate competence and quality in criminal practise and advocacy with a view to developing a more effective framework. We will be looking at whether this could provide a better way to regulate than the Quality Assurance Scheme for Advocates (QASA).

Diversity in the legal profession research reports

- 14 We published two research reports on diversity in the legal profession to coincide with the Compliance Officer conference on 31 October. The 'Unlocking the benefits of diversity' can be viewed at the following link: <http://www.sra.org.uk/sra/how-we-work/reports/unlocking-benefits-diversity.page> and 'Mapping advantages and disadvantages: Diversity in the legal profession in England and Wales' at <http://www.sra.org.uk/sra/how-we-work/reports/diversity-legal-profession.page>.

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<p>Objective 3: We will improve our operational performance and make justifiable decisions promptly, effectively and efficiently</p>	<p>On track</p>
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15 We are on track to deliver this objective.

Modernising IT Programme

16 Work continues to progress to plan on the Modernising IT Programme. Following the successful roll-out of Windows 10 and Office 365 to all SRA and Shared Services staff, more detailed work is now progressing on Wave 3, which focuses on our outward-facing user experiences, including the web and social media.

<p>Objective 4: We will work with our stakeholders to improve the quality of our services and their experience when using them</p>	<p>On track</p>
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17 We are on track to deliver this objective.

Corporate Strategy

18 Following consultation and consideration of the outcomes of the consultation by the Board at the last meeting, we published our new Corporate Strategy on 9 November. The corporate strategy can be viewed at: www.sra.org.uk/sra/strategy-2017-2020.page.

Compliance Officer Conference

19 This year's Compliance Conference attracted a record number of around 1000 attendees with a further 1,000 watching on Periscope – our webcasting service. We had over 7million impressions on Social media. There was positive feedback from attendees, with an average score of around 8 out of 10 for the event's usefulness. And 95% of those who came said they would come to a similar event in the future.

Section 2: Operational Performance

KPIs

20 Below are the KPI results for October:

- 94% of conduct matters closed within 12 months of receipt in October against a target of 93%.

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- 90% of Compensation Fund claims were closed within 12 months against a target of 90%.
- 87% of medium / high risk applications closed within 3 months in Firm Based Authorisation against a target of 90%. This slight dip in performance was due to three complex cases that required further investigation. We expect to achieve the KPI in November. Our other KPIs in Authorisation were achieved in October.

Section 3: External Developments, Publications and Engagement Activity

Stakeholder Engagement

- 21 Our ongoing engagement programme with stakeholders continues. At the Citizens Advice conference, we engaged with over 100 delegates who visited our stand. We promoted our work with advocacy groups, how we can help vulnerable people, the Legal Choices website and how we are changing our processes and IT systems by placing service users at the heart of what we do. We addressed the Age UK conference on similar themes.
- 22 We partnered with representative groups, including the Black Solicitors Network (BSN) North, the Society of Asian Lawyers (SAL), the Association of Muslim Lawyers and the Hindu Lawyers Association for the Race equality: challenges and opportunities for solicitors and firms event on 25 October. Hosted by Freshfields Bruckhaus Deringer LLP and chaired by Geoff Nicholas, 90 delegates heard a panel discussion followed by a speed networking session where the panel talked about their route and progress in the law.
- 23 We sponsored the awards ceremonies of BSN and SAL this year. David Heath spoke at the SAL dinner on 28 October and I opened the BSN Diversity Awards event on 28 November. We also joined the Hindi Lawyers Association to celebrate Diwali and discuss access to justice at their event – A Diwali for all: Illuminating Access to Justice, at Eversheds on 6 November.
- 24 The Legal Services Board has published a letter clarifying responsibilities for enforcing the new anti-money laundering regulations. The letter can be viewed at: http://www.legalservicesboard.org.uk/Projects/independent_regulation/index.htm#6.

Author Paul Philip, Chief Executive
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