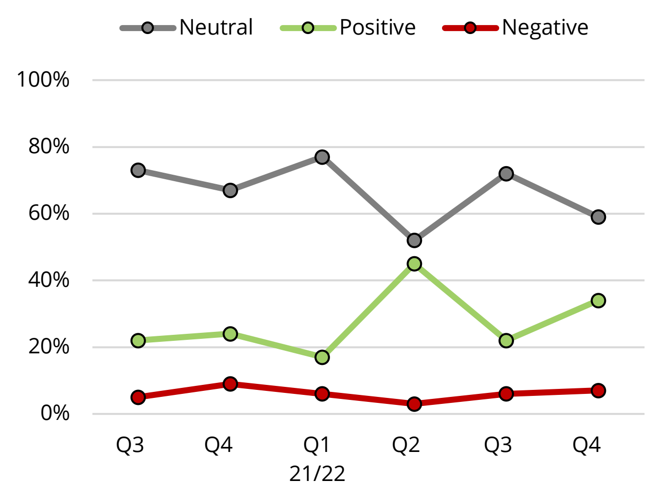
External

Core measures

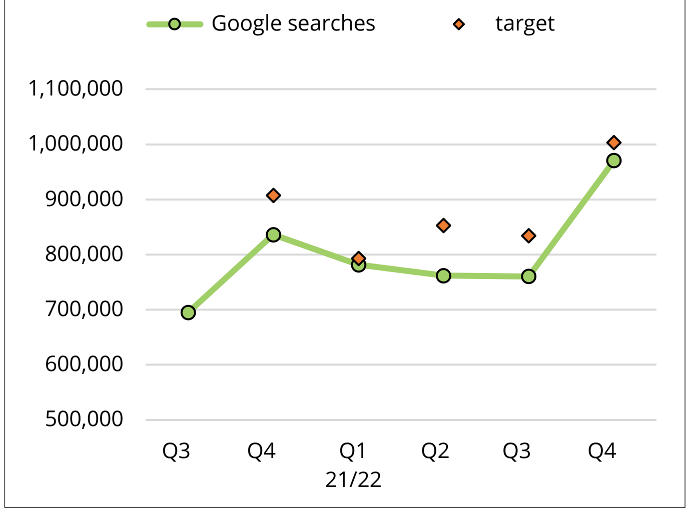
Sentiment of media coverage

Target: Positive should exceed negative



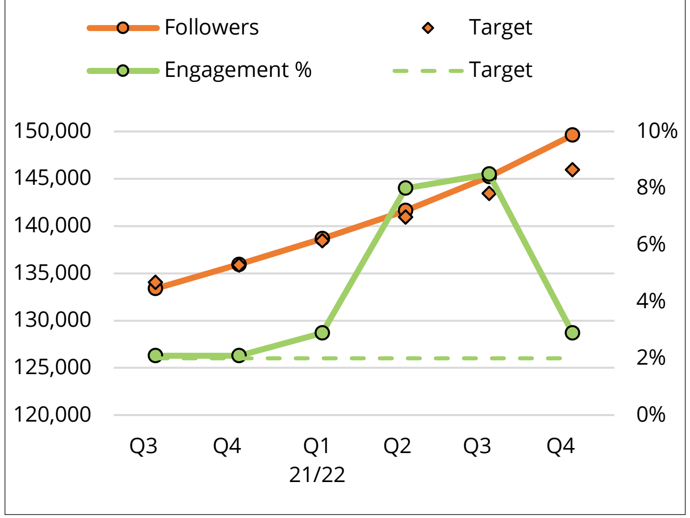
Click throughs to our website from Google searches

Target: 20% up from the same quarter a year earlier



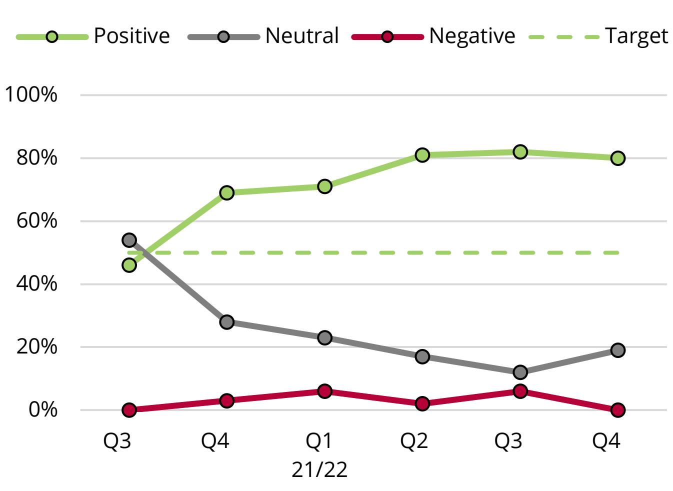
Social media engagements and followers

Target: Followers – 2,500 increase per Q, Engagement % – 2%



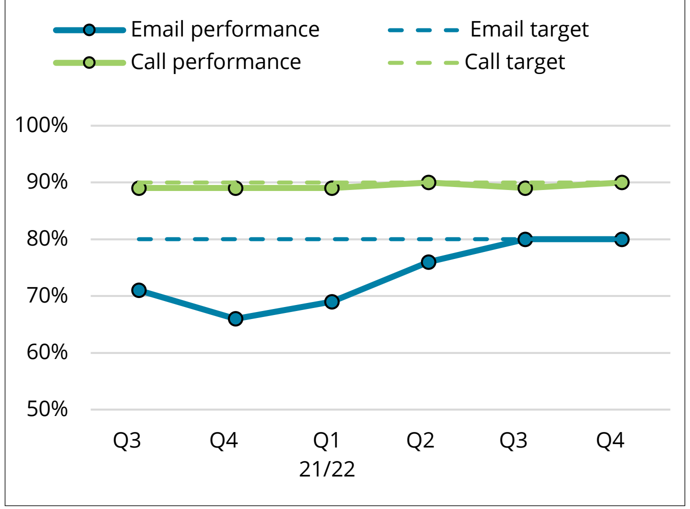
How stakeholders who attend our events view the SRA

Target: Positive feedback 50%



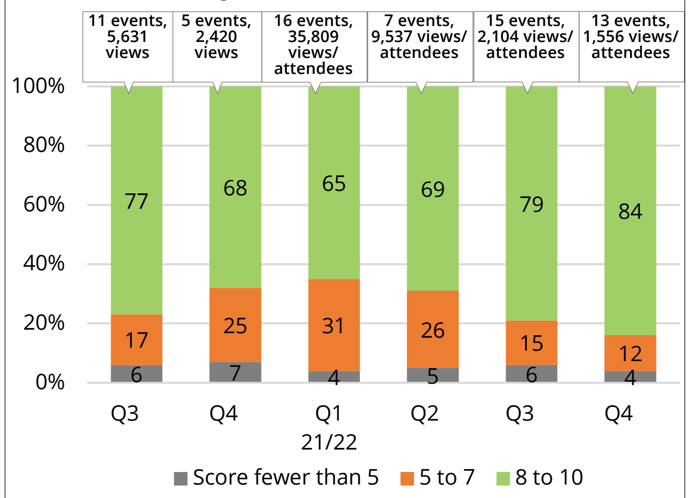
Customer feedback on our Contact Centre calls and emails

Target: % of satisfied responses – calls 90%, emails 80%



Events feedback – usefulness rating

Target: 60% score of 8 or above

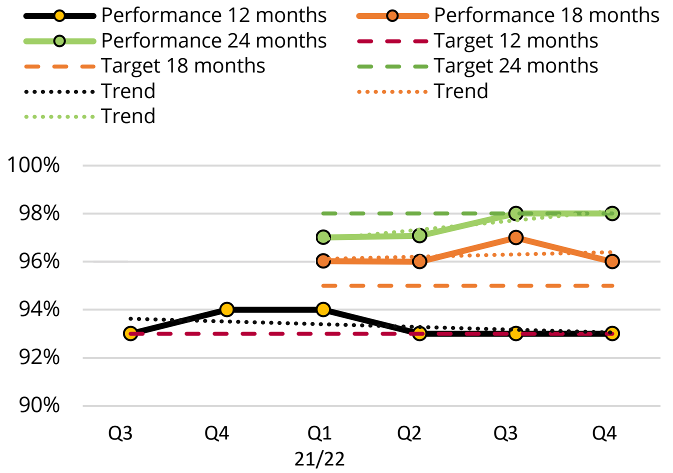


Scale: 1 = not useful at all, 10 = extremely useful

Core measures

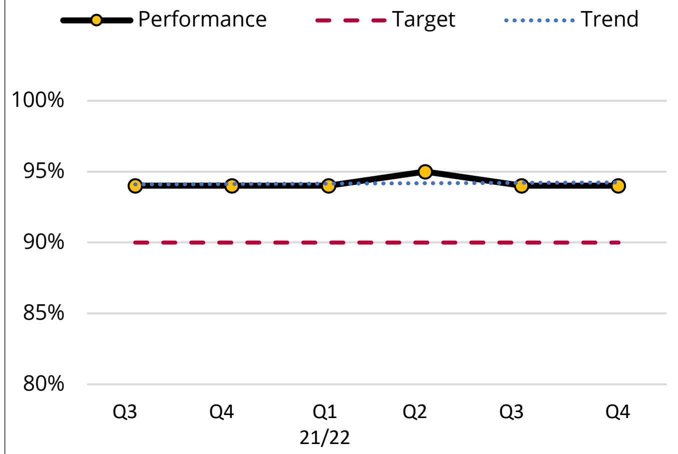
Investigation and Enforcement

Target: 93% of cases to be completed within 12 months; 95% within 18 months and 98% within 24 months



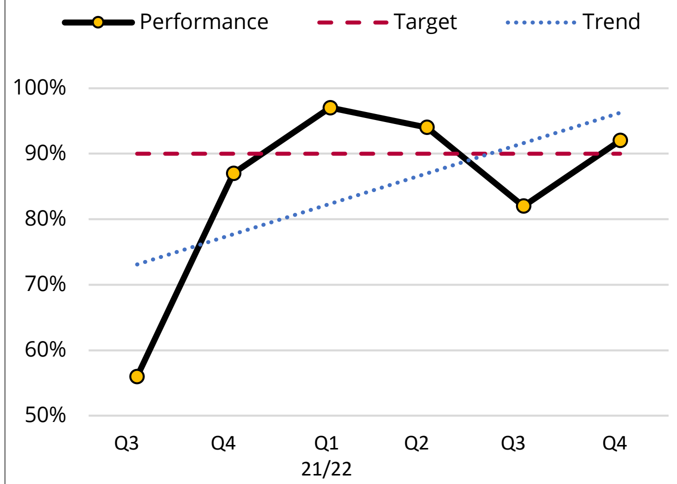
Firm based authorisation

Target: 90% of medium and high-risk applications dealt with in 3/6 months



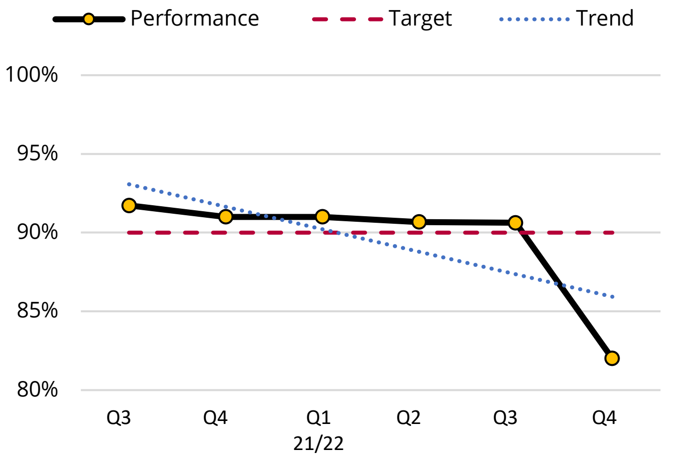
Individual based authorisation

Target: 90% of medium and high-risk applications dealt with in 3/6 months



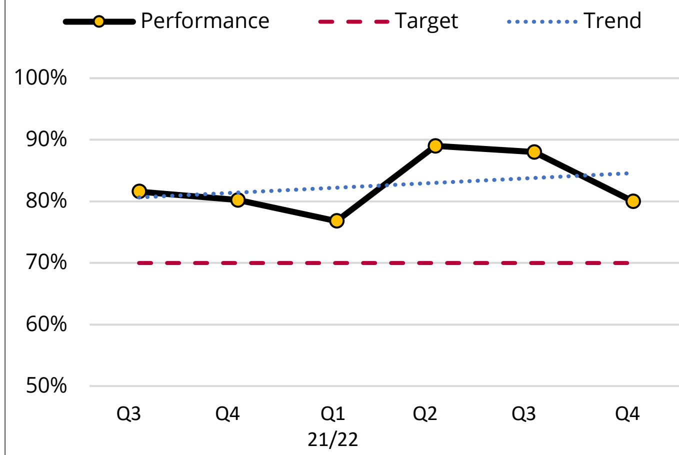
Compensation Fund

Target: 90% of compensation claims completed in 4/6/12 months

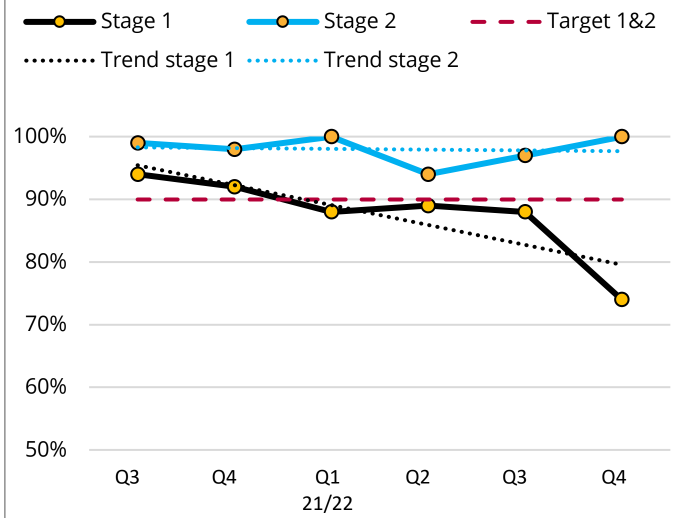


Contact Centre

Target: 70% of calls answered in 60 seconds



Stage 1 and 2 complaint handling



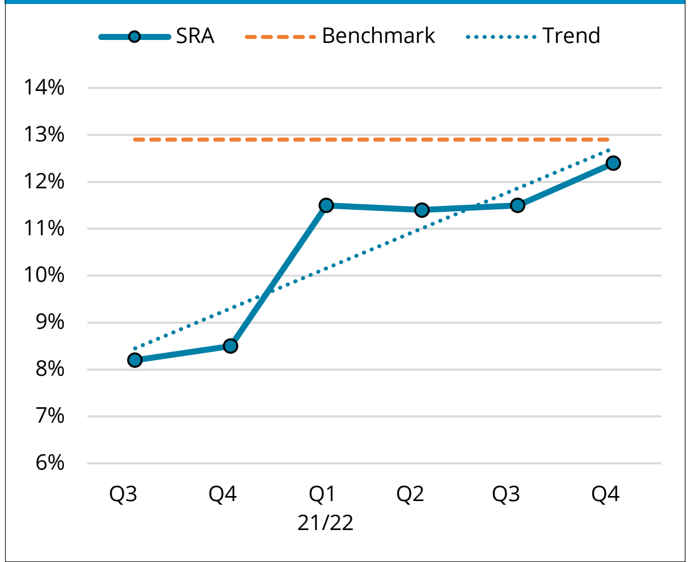
Notes:

1. **Compensation Fund targets:** 90% of straightforward claims concluded in four months; 90% of moderate complexity claims concluded in six months; and 90% of complex claims concluded in 12 months.
2. **Stage 1 and 2 complaint handling targets:** To handle stage 1 complaints within 10 days and stage 2 complaints within 20 days. Stage 1 is the response from the team concerned and stage 2 is the response from our Corporate Complaints team, where the matter is not resolved at stage 1.

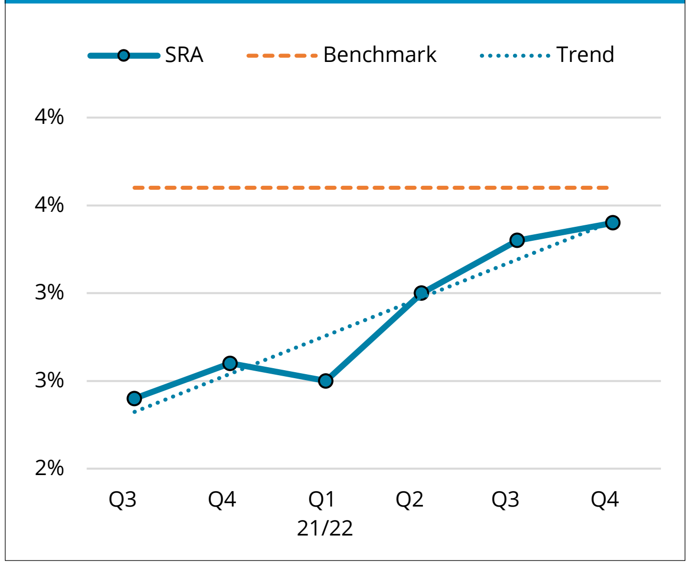
Internal

Core measures | Topical measures

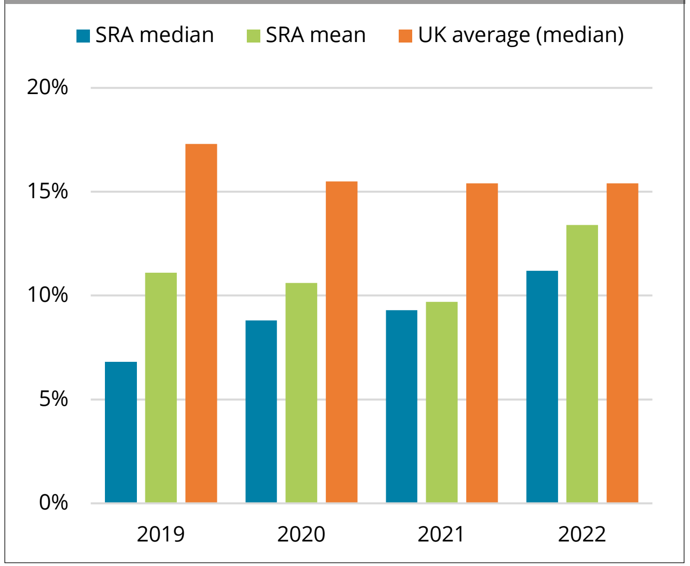
Voluntary staff turnover



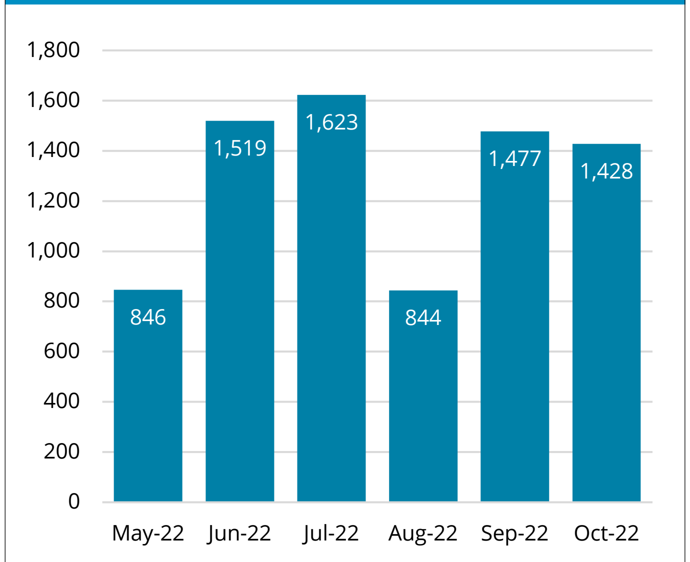
Time lost to sickness



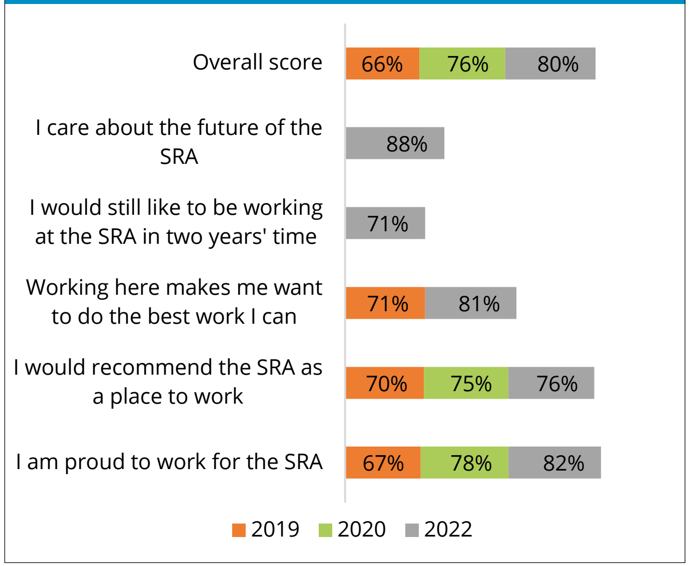
Gender pay gap



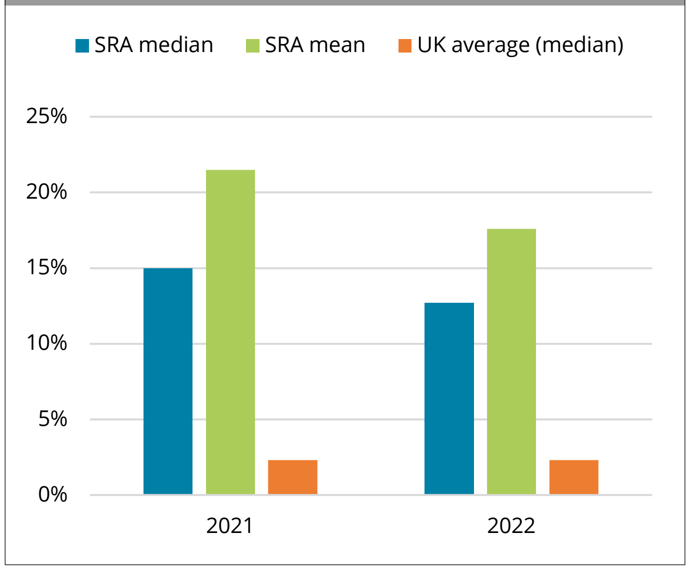
Number of training hours



Staff engagement

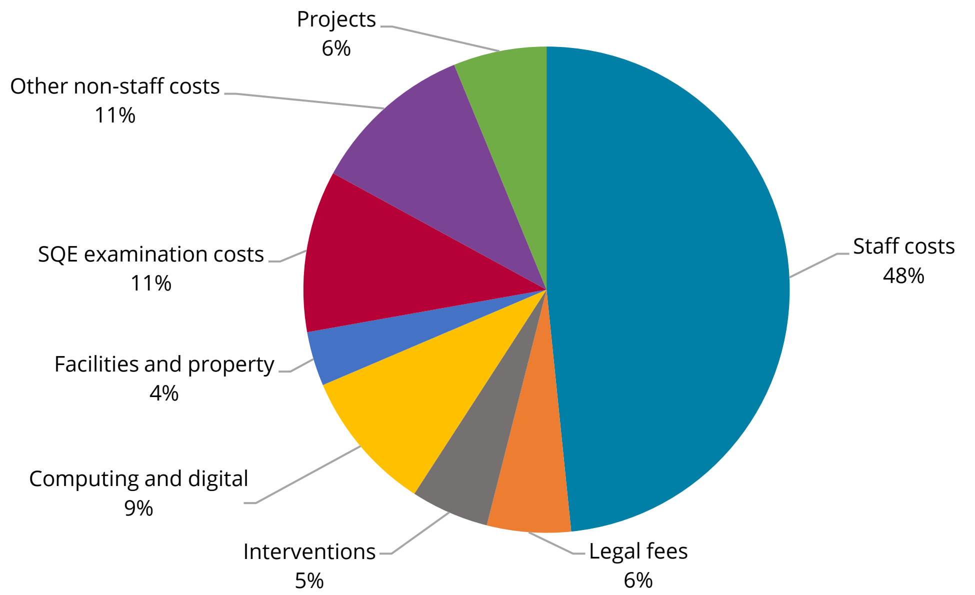


Ethnicity pay gap

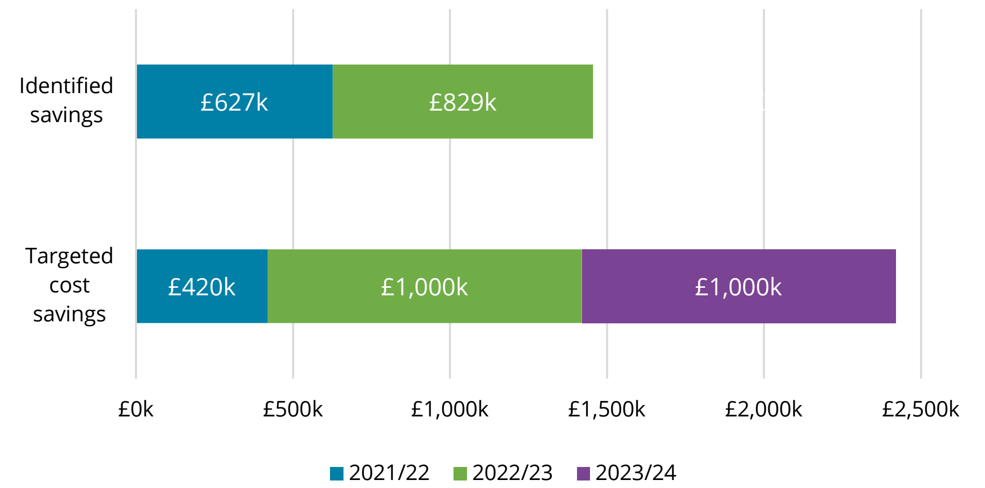


Core measures

Where our money is spent



Continuous Improvement Programme progress



Variance to budget 2021/22 Q4				
£m	Actual	Budget	Variance	Variance %
Income	76.07	77.65	1.58	-2.0%
Staff costs	34.92	34.22	0.70	-2.0%
Other costs	39.81	43.43	3.62	8.3%

Variance to forecast 2021/22 Q4				
£m	Actual	Forecast	Variance	Variance %
Income	76.07	77.55	1.48	-1.9%
Staff costs	34.92	34.61	0.31	-0.9%
Other costs	39.81	42.09	2.28	5.4%

Quarter 4 2021/22 performance update

External

Media sentiment

Positive coverage was significantly up as a proportion of all media coverage during Q4, compared to Q3 and to the same period a year ago.

For a seventh consecutive quarter, there was more positive media coverage than negative coverage. In August we saw a much-larger-than-expected volume of favourable coverage in response to our announcements about the future of the Solicitors Indemnity Fund, our approach to keeping of the roll, practising fees and SQE2 results. Later in the quarter, there was substantial positive coverage when we published sexual misconduct guidance and, separately, guidance about convictions for principled action.

Web traffic

Visits to our website by Google web search users in Q4 were up 16% from a year ago, slightly below our ambitious target of 20% year-on-year growth.

Events

We held three events during Q4, which partly coincides both with the summer period and with our annual practising certificate renewal exercise. Event attendance for the quarter totalled 1,556 (in person, virtual streaming and virtual on-demand). More than four-fifths of attendees who scored the usefulness of our events rated it as eight out of 10 or higher.

Four out of five of all event attendees who responded to the question in Q4 said they had a positive perception of the Solicitors Regulation Authority (SRA).

Social media

We continue to see strong, above-target growth in our followers on social media. This has mainly been driven by an increase in followers on LinkedIn.

Much-higher-than-normal rates of engagement in Q2 and Q3 were partly a result of paid-for social media campaigns promoting information for legal services users about choosing a solicitor. Rather than seeking to stimulate in-platform engagement, our digital marketing activities in Q4 were designed to drive traffic to the website. They did so very successfully, generating nearly a quarter of a million visits to content for legal services users about advocacy standards and lawtech. Meanwhile, our social media engagement rate returned to a more sustainable level of 2.9%. This is well above our target rate of 2.%. It is also up 42% from our engagement rate of 2.1% in Q4 last year.

Customer feedback on Contact Centre calls and emails

We continued to receive positive feedback regarding our calls to the Contact Centre and achieved a 90% positive response rate in Q4 (against our target of 90%). We also saw a sustained improvement in our email satisfaction levels, achieving 80% against our 80% target in Q4. This was particularly positive as it was our busy Practising Certificate Renewal Exercise (PCRE) period. Strong system performance and our speedy response to calls and emails were key contributing factors and our overall performance was significantly up on the previous two years.

Delivery

We have seen continued positive performance against the delivery measures in Q4 and expect this to continue as we move into Q1 of the next financial year. We just missed the compensation fund claim handling Key Performance Indicator (KPI) as there was a drop in the volume of claims during the quarter, and we used the opportunity to focus on clearing more of our older complex claims. We achieved all our Investigation and Enforcement KPIs once again this quarter, but it looks likely that we are going to fall short of our target of reducing cases that are over 24 months old to 100 by the end of November.

PCRE (Authorisation and the Contact Centre)

We successfully delivered the PCRE during October. This involved issuing 148,446 practising certificates and collecting £121,223,479 of regulatory income. Both Firm Based Authorisation and Individual Based Authorisation performed well achieving 94% and 91% respectively (against the 90% KPI for these areas). The Contact Centre also performed well, and we saw a lower volume of technical issues raised this year compared to the previous two years. During the peak October period, we answered 79% of calls in 60 seconds (against our 70% target) and responded to 99% of emails within five days (against our target of 95%). Two key factors that supported the successful delivery this year was the fact that we worked well to anticipate and prepare for technical issues, and we invested heavily in staff training (on multiple lines/technical workarounds) in advance of the window opening.

Investigation and Enforcement

We achieved the three Investigation and Enforcement KPIs during the quarter, building on the improvement that we achieved last quarter. We have seen a reduction in our over 24-month case cohort to 201 cases and it looks likely that we will bring the number down to 180 by the end of the November and 130 by the end of April. This is short of the target we set at the start of the year (to bring the over 24-month cohort down to below 100). Our further short-term targeting of these cases and the continuous improvement project that is currently underway will, however, lead to further reductions as we begin to roll out improvements over the next year.

Client Protection

The compensation fund did not achieve the overall KPI figures for the final quarter of the year. The key KPI in terms of overall closure of compensation fund claims was achieved in August and September but fell to 75% in October, resulting in the KPI for the quarter being marginally missed.

However, this performance was anticipated as, given the relatively low volume of new claims received in the last quarter, we implemented a strategic plan to focus specific resources on the closure of a high volume of outstanding complex cases. By allocating a dedicated resource of caseworkers, technical specialists, and decision makers we were able to close 62 of our oldest cases. While this had a significant impact on the KPI performance (as a number of the cases had exceeded the KPI), it has seen us reduce the overall caseload by 17% and we achieved total closures of 282, which is the highest for the year. It has resulted in us reducing the outstanding caseload to 323, which is the lowest figure for the last 12 months and down from 507 at the start of the year. Having undertaken this specific exercise, we anticipate being back on target for next month.

Complaints

We saw a further drop in performance against our Stage 1 KPI in Q4, as the team continued to pilot a 15 day response (rather than the current 10 days). Performance against the revised target was 94%. We will be evaluating the pilot in Q1 to assess whether the increased time for response provides an improved level of overall service.

Voluntary staff turnover

Staff turnover has increased again this quarter. We are still observing the volatile recruitment market and it continues to indicate uncertainty. The percentage this quarter again demonstrates staff are starting to make a move post the uncertainty of the pandemic. We anticipate this to settle as the year goes on.

Time lost to sickness

Time lost to sickness has increased slightly due to a small amount of hospitalisation leading to longer term absence. We continue to promote well-being initiatives and other interventions such as our employee assistance and occupational health provisions. Both the turnover and sickness continue to be below the external benchmark.

Number of training hours

The high level of training hours this quarter is starting to become the norm as we deliver more online learning. This has included mandatory modules on trans and non-binary inclusion and information, governance and security. A portfolio of bitesize learning introducing the new HR system, myHR, was also launched.

Gender pay gap

We are preparing to report both our gender and ethnicity pay gap reports before the end of the calendar year. In regards to gender pay, we have seen an increase in both the mean and median, an increase of 3.7% and 1.9% respectively. This is due mostly to having a higher percentage of female staff in the lower grades. The percentage of male staff decreasing in the lower grades and increasing in the upper grades is also a cause of the increase in the pay gap. The gap is still below the UK median benchmark of 15.5%.

Ethnicity pay gap

Around nine out of 10 of our staff disclosed their ethnicity, with 67% of the workforce White and 24% from Black, Asian and minority ethnic backgrounds. The percentage of Black, Asian and minority ethnic staff in our workforce has decreased by 2%. The data shows that the mean pay gap has decreased by 3.9% and the median by 2.3%. The gap is still driven by a higher proportion of White staff in more senior positions, with 80% in the upper pay quartile (a decrease of 8%). Although we have a good ethnic diversity in our workforce, we do not when it comes to diversity in senior positions.

Our data shows that we have a long way to go to address the gaps in both gender and ethnicity pay. An action plan to help address our ethnicity pay gap has now been defined and we can apply these principles to assist addressing both gaps.

Staff engagement

The next annual staff engagement survey is due to be run next February and the new data will be available for the 2022/23 quarter two scorecard. We have now concluded the first of our surveys on hybrid working and how staff are settling in. We are currently working through what that means to us. We are planning a second survey early in the new year to seek staff opinion on the current relationship between their performance and pay. The aim of this is to help inform our future approach to rewarding staff.

Financial

Income for the year appears to be below budget and forecast, despite additional income from practising fees. We continue to see increasing numbers of solicitors entering the profession (more than 160,000 practising solicitors at the end of October 2022, an increase of 2.4% on the same point in 2021). Included within income is a recovery of costs from the compensation fund, which is lower than expected due to lower levels of intervention activity. This is reflected in the lower level of costs within ‘other costs’. We have also seen a reduction in the value of our investments in the year, which is reflected as a loss income. Other regulatory income is in line with forecast and budget.

Expenditure was managed within the overall budget for the year and, where possible, we looked to bring forward activity to make sure we made the best use of the available resources. Additional practising fee income allows us to mitigate the impact of the high inflation that will inevitably translate into higher costs within the SRA. Around 50% of our expenditure continues to be on staff costs, and we have recently reached agreement with staff on pay awards for 2022/23 which is within our budget. Staff costs were ahead of forecast and budget as we made a decision to make a one-off payment to lower paid staff in October in recognition of the challenges around the cost of living.

The ongoing Continuous Improvement Programme is expected to identify £2.4m of cost savings by the end of the 2022/23 financial year, of which over £1.4m has been identified so far.

The programme remains on track to identify these savings in line with the targets. However, the impact of that saving may be offset to some degree by inflationary pressures as we move through 2022/23.