

**SRA BOARD**  
12 September 2023

**CLASSIFICATION – PUBLIC**



*This paper will be published*

### **SRA Third Quarter Performance Report**

<b>Reason for papers</b>	These papers (items 7 and 8) provide the Board with an overview of the performance report for the first three quarters of 2022/23 to 31 July 2023 and a progress report covering the management of the SRA key risks set out in the Strategic Risk Register (SRR).
<b>Recommendations</b>	The Board is asked to: <ul style="list-style-type: none"> <li>a) note the content of the quarterly performance reports and the overall assessment of performance</li> <li>b) note and comment on the Investigation and Enforcement action plan.</li> <li>c) note the update on the LSB performance assessment and consider the first standard 'well led'.</li> </ul>
<b>Previous Board and committee consideration</b>	The Board receives performance reports and Strategic Risk updates on a quarterly basis.
<b>Next steps</b>	The fourth quarter performance pack, including the Strategic Risk Register, will come to the Board at its meeting in January 2024.

**If you have any questions about this paper, please contact Liz Rosser, Executive Director Operations and Resources, [liz.rosser@sra.org.uk](mailto:liz.rosser@sra.org.uk)**

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**SRA Third Quarter Performance Report**

**Purpose**

- 1 This paper provides the Board with an overview of the performance report for the third quarter of 2022/23.

**Introduction**

- 2 The Board is asked to consider four separate documents which, together with this summary, provide the Board with an update on performance at the end of April 2023. These are:

- Annex 1: Financial Performance Update
- Annex 2: Business Plan Update
- Annex 3: Balanced Scorecard with supporting commentary
- Agenda item 10: Strategic Risk Register.

- 3 Additionally this quarter we have included an update on our assurance mapping against the Legal Services Board's Regulatory Performance Assessment Framework Sourcebook of standards and characteristics (annex 4). We have also included an action plan provided to the Legal Services Board which highlights the activities and key milestones sitting underneath the Investigation and Enforcement continuous improvement programme (annex 5).

**Quarter Three 2022/23 performance update**

- Third quarter reporting against 2022/23 Business Plan.
- 76 activities to report against in our business plan.
- 71 on track and a further two have been deferred until the next business plan year.
- Three activities are 'amber', down from five in the previous quarter

**Key achievements**

<ul style="list-style-type: none"> <li>• Keeping of the roll exercise completed</li> </ul>	<ul style="list-style-type: none"> <li>• This exercise ensures we hold current information on all solicitors on the roll</li> <li>• Over 33,000 solicitors have remained on the roll from around 60,000 solicitors without practising certificates</li> </ul>
<ul style="list-style-type: none"> <li>• We published our first annual assessment of competence</li> </ul>	<ul style="list-style-type: none"> <li>• The report included the outcomes of our enhanced data analysis through which we identified the practice areas most likely to generate complaints</li> <li>• Publication of the report fulfilled a commitment we had made in response to the LSB's policy statement on on-going competence</li> </ul>

### **Exceptions**

- 4 Members of the Director team continue to challenge each other on the assessments of progress to ensure that our assessments reflect the realistic likelihood of achieving our ambition for the year.
- 5 This resulted in an increase in ‘amber’ activities in quarter two to five activities, with three of these remaining amber in quarter three but with clear plans for bringing them back on track by the end of the financial year.

### **Financial performance**

- 6 We remain under budget for the year to date and forecast to realise a surplus for the full year Underspend has allowed investment in operational areas throughout the remainder of the year and headcount has been increased in advance of planned changes in the 2023/24 financial year.
- 7 Expected surplus would ensure that our reserves are within the range required by the reserves policy at the end of the year.
- 8 At the discussion on the second quarter performance pack in June, the Board noted that the focus of the Continuous Improvement (CI) Programme had shifted from financial savings to operational outcomes with the consequence that the savings target for the year would not be achieved. It was agreed that we would review our reporting on CI work in this and future years with the assistance of a small group of Board members. The first meeting of that group has taken place with a further meeting to be scheduled later in the year to consider a deeper dive into metrics and improvements to organisational performance management.

### **LSB performance assessment**

- 9 In June 2023, the Board discussed the LSB’s 2023 regulatory performance assessment and our approach to providing assurance to the Board on our progress against the LSB’s regulatory performance framework. The Board will recall that this had followed a letter from the LSB’s Chair in February that set out a suggested approach for how the Boards of regulatory bodies might seek their own assurance for how regulators were performing against the LSB’s regulatory performance framework.
- 10 The Board considered our assurance mapping work against the LSB’s regulatory performance assessment framework sourcebook of standards and characteristics in June and agreed that it should review updates against it throughout the year as part of the performance pack. The current update is attached at annex 4.
- 11 The Board also agreed in June that each time it considered the assurance mapping update, it would have a general discussion on one of the three LSB standards and how the organisation was meeting it, taking each standard in turn over the course of the year. The Board is therefore asked to consider the first standard at this meeting: ‘well-led’, with more information set out in annex 4.

**Continuous Improvement programme – Investigation and Enforcement**

12 As Board members will be aware, we have a wide-ranging continuous improvement programme underway in our Investigation and Enforcement areas of work. This work - looking as it does across internal processes, ways of working, communication, and skills development - is a culture change programme that is intended to deliver long term and sustainable change; supporting our staff to achieve a greater standard of customer service, improved case analysis and more effective and timely case progression. The majority of these improvements have been rolled out in a comprehensive training programme delivered to 209 staff members across the relevant teams, and implemented on 3 July. The action plan attached at annex 5 sets out the activities underpinning the programme, and key milestones for delivery and for assessing and realising the benefits.

**Recommendation: the Board is asked to note and comment on the Investigation and Enforcement action plan.**

**Areas for discussion**

<p>LSB Performance Assessment</p>	<p>The Board agreed in June that each time it considered the assurance mapping update, it would have a general discussion on one of the three LSB standards and how the organisation was meeting it, taking each standard in turn over the course of the year. <b>The Board is asked to consider the first standard at this meeting: ‘well-led’</b>, with more information set out in annex 4.</p>
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**Strategic Risk Register**

- Discussed in greater detail under agenda item 8.
- The SRR has been re-worked to reflect the forthcoming Corporate Strategy.

**Summary**

- Almost all objectives are on track at the end of July, where there are exceptions plans are in place to bring them back on track.
- Majority of our key performance measures on target.
- No risk to the full budget with the current forecast indicating a surplus for the year of around £1.1m excluding movement on investments.

**Recommendation: the Board is asked to note the content of the quarterly performance reports and the overall assessment of performance.**

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**Next steps**

13 We will continue to report to the Board in full on our performance every quarter, the next update will be against quarter four of the 2022/23 business plan, the final quarter of the current corporate strategy period.

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**Date** 18 August 2023

**Annexes**

**Annex 1: Financial Performance update**

**Annex 2: Business Plan update**

**Annex 3: Balanced Scorecard**

**Annex 4: Legal Services Board Performance Assessment update**

**Annex 5: Investigation and Enforcement Action Plan**

*NB: Annex 1 of this paper will not be published because it contains information which is commercially sensitive*