

News release

SRA asks for views on detail of new fining regime

22 August 2022

We have launched [a consultation](https://rules.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-new-approach/) [https://rules.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-new-approach/] on the detail of planned reforms to our approach to issuing financial penalties for law firms and solicitors. The principles behind these changes were consulted on earlier this year.

Among the areas on which we are consulting are steps to improve the openness and robustness of our procedures, including.

- Explicit rules to clarify that fines are imposed by functionally independent adjudicators
- Publishing guidance on our decision-making processes and procedures, to better demonstrate the safeguards in place to ensure a fair and transparent process
- A new programme to introduce fixed fines for lower-level misconduct
- New arrangements to set the level of fines for both firms and individuals, linked directly to bandings which are based on percentages of income/turnover.
- Piloting the use of victim impact statements for cases involving sexual misconduct, discrimination or any form of harassment.

Following feedback from the earlier consultation, which saw more than 7,000 people engaged, we have also [published a short statement](https://rules.sra.org.uk/sra/news/financial-penalties/) [https://rules.sra.org.uk/sra/news/financial-penalties/] explaining the processes which currently, underpin the financial penalty decision making and summarises what we are looking to change.

Alongside the consultation, we have published proposed updates to our Enforcement Strategy and supporting guidance. These changes make clear how in future a financial penalty alone is highly unlikely to be considered the appropriate sanction in areas such as sexual misconduct, harassment, or discrimination.

Anna Bradley, Chair of the SRA Board, said: 'The overwhelming majority of solicitors meet the standards we all expect, but when they don't, we step in to protect the public and maintain confidence in the profession. The changes we proposed will help to resolve issues more quickly, saving time and cost for everyone and, importantly, reducing the inevitable stress for those in our enforcement processes.'

'We received broad support for our original proposals, but we recognise that with stronger powers comes a need for even greater transparency and accountability. The SRA Board has been concerned therefore to ensure that we review our approach in the round, not only to implement the original proposals, but also to change our processes where necessary, and we cover this in our statement. Please read it in conjunction with the consultation and give us your views so we can make sure our new regime is clearly fair, transparent and proportionate.'

In July 2022, the Ministry of Justice brought legislation into effect which saw an increase in the level of fine we could directly issue to 'traditional' law firms and those that work within them. The limit was raised from £2,000 to £25,000.

As outlined during our previous consultation, the aim of the reforms proposed is to help cases to be resolved much more quickly, saving time, cost and stress for all involved, improve public protection and ensure a fining regime that acts as an effective deterrent.

The consultation on our [detailed proposals](https://rules.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-new-approach/) [https://rules.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-new-approach/] runs until Monday 14 November.