

SRA Update

Issue 117 - July 2023

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Welcome to the latest SRA Update. We may be heading towards holiday season, but I am sure that, like us, law firms are as busy as ever. Whether you are interested in the potential opportunities technology and innovation provides, why individuals from certain backgrounds may be overrepresented in complaints made to us, or insights from the unreserved legal sector, I hope you find this edition of SRA Update useful. For those of you who have not logged into your mySRA account recently, we also outline the arrangements we have introduced to make your account more secure, and explain you need to do whenever you log in the future.

The window is also now open for your firm to provide details about the diversity of your workforce. We run this exercise once every two years and your co-operation in providing the data by the 23 July deadline is greatly appreciated. Hopefully this may never apply to your firm, but you can also read about our new approach to issuing financial penalties – including the fixed penalties we can apply for lesser breaches of our rules, for example failure to respond to our diversity data exercise. I hope you find this edition of use, and that all of you who do manage a break over the summer, enjoy it.

Paul Philip

Chief Executive

[Submit your firms' diversity information now](https://rules.sra.org.uk/solicitors/resources-archived/diversity-toolkit/your-data/) [<https://rules.sra.org.uk/solicitors/resources-archived/diversity-toolkit/your-data/>]

We require all law firms to report your firmwide diversity data every two years, and have written directly to your authorised signatory or organisational contact to request they now do this. If you hold either of these roles, you have until 23 July to complete your return.

[Read more about: Submit your firms' diversity information now](https://rules.sra.org.uk/solicitors/resources-archived/diversity-toolkit/your-data/)
[<https://rules.sra.org.uk/solicitors/resources-archived/diversity-toolkit/your-data/>]

[Verifying your mySRA account](https://rules.sra.org.uk/mysra/updates/verifying-mysra-account/)
[<https://rules.sra.org.uk/mysra/updates/verifying-mysra-account/>]



To make your mySRA account more secure, we have introduced an additional verification step. Next time you log in, if you have not already done it, you will need to register a phone number. You will then need to have this phone with you whenever you log in in the future, so that we can send you a code by SMS text or call you to verify your identity.

[Read more about: Verifying your mySRA account](https://rules.sra.org.uk/mysra/updates/verifying-mysra-account/)

[<https://rules.sra.org.uk/mysra/updates/verifying-mysra-account/>]

[Hear from the experts on lawtech and innovation](https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/) [<https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/>]

Do you want to learn more about how technology and innovation can help your firm and clients, both now and in the future? Hear what experts from across the legal sector, in law firms, from technology providers and from consumer groups had to say on this, and other lawtech issues, at our recent SRA Innovate events.

[Read more about: Hear from the experts on lawtech and innovation](https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/)

[<https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/>]

[Watch our 10-minute guide to AI](https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/#heading_58e5)

[https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/#heading_58e5]

What are AI and ChatGPT, how do they work, and what are their potential uses in a law firm setting? Watch SRA Data Scientist, Tom Wood's, 10-minute plain English explanation from our SRA Innovate event.

[Read more about: Watch our 10-minute guide to AI](https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/#heading_58e5)

[https://rules.sra.org.uk/sra/news/events/on-demand-events/innovation-2023/#heading_58e5]

[Law firms offering good standard of support on powers of attorney](https://rules.sra.org.uk/sra/news/sra-update-117-power-of-attorney/)

[<https://rules.sra.org.uk/sra/news/sra-update-117-power-of-attorney/>]

Read our report into the standard of solicitors' work on lasting powers of attorneys and deputyships. Find out what they are doing well, and in what areas there is potential room for improvement.

[Read more about: Law firms offering good standard of support on powers of attorney](https://rules.sra.org.uk/sra/news/sra-update-117-power-of-attorney/) [<https://rules.sra.org.uk/sra/news/sra-update-117-power-of-attorney/>]

Review looks at different outcomes by ethnicity in professional assessments

[\[https://rules.sra.org.uk/sra/news/press/2023-press-releases/review-influencing-outcomes-assessments/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/review-influencing-outcomes-assessments/)

What are the potential factors that lead to differing outcomes for different ethnic groups in professional assessments? Read the first phase of independent research we commissioned from the University of Exeter into this complex issue.

Read more about: [Review looks at different outcomes by ethnicity in professional assessments](https://rules.sra.org.uk/sra/news/press/2023-press-releases/review-influencing-outcomes-assessments/) [\[https://rules.sra.org.uk/sra/news/press/2023-press-releases/review-influencing-outcomes-assessments/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/review-influencing-outcomes-assessments/)

Why do we receive disproportionately more complaints about solicitors from certain ethnic groups?

[\[https://rules.sra.org.uk/sra/news/press/2023-press-releases/over-representation-in-complaints/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/over-representation-in-complaints/)

Read the first stage report from external research into why those from Black, Asian and minority ethnic backgrounds are overrepresented in reports made to us, and resulting investigations.

Read more about: [Why do we receive disproportionately more complaints about solicitors from certain ethnic groups?](https://rules.sra.org.uk/sra/news/press/2023-press-releases/over-representation-in-complaints/) [\[https://rules.sra.org.uk/sra/news/press/2023-press-releases/over-representation-in-complaints/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/over-representation-in-complaints/)

Practising certificate renewals 2023/24

[\[https://rules.sra.org.uk/mysra/updates/practising-certificate-registration-renewals/\]](https://rules.sra.org.uk/mysra/updates/practising-certificate-registration-renewals/)

Practising certificates and registrations renewals will take place from 1 to 31 October 2023. There are no new questions or changes to what we are asking for. However, we have made enhancements to the applications to improve your experience.

Read more about: [Practising certificate renewals 2023/24](https://rules.sra.org.uk/mysra/updates/practising-certificate-registration-renewals/) [\[https://rules.sra.org.uk/mysra/updates/practising-certificate-registration-renewals/\]](https://rules.sra.org.uk/mysra/updates/practising-certificate-registration-renewals/)

In-house solicitors needed to help shape our work [\[https://rules.sra.org.uk/sra/news/sra-update-117-in-house-vrg/\]](https://rules.sra.org.uk/sra/news/sra-update-117-in-house-vrg/)



Do you want to help shape our future work and resources for the in-house sector? If so, we'd love to hear from you and invite you to join the new in-house virtual reference group we are creating.

[Read more about: In-house solicitors needed to help shape our work](https://rules.sra.org.uk/sra/news/sra-update-117-in-house-vrg/)
[<https://rules.sra.org.uk/sra/news/sra-update-117-in-house-vrg/>]

Still time to have your say on our Corporate Strategy

[<https://rules.sra.org.uk/sra/news/press/2023-press-releases/enhancing-confidence-legal-services/>]

There is still time for you to have your say on our proposed 2023-26 Corporate Strategy. The strategy has been developed after extensive discussions with a range of experts and outlines our proposed priorities and key work programmes for the next three years. If you are interested in having your say, consultation runs until 2 August.

[Read more about: Still time to have your say on our Corporate Strategy](https://rules.sra.org.uk/sra/news/press/2023-press-releases/enhancing-confidence-legal-services/)
[<https://rules.sra.org.uk/sra/news/press/2023-press-releases/enhancing-confidence-legal-services/>]

New financial penalties approach now in place [<https://rules.sra.org.uk/sra/news/financial-penalties/>]

Our new approach to issuing financial penalties came into force on 1 June. This includes the introduction of fixed penalties for specific technical breaches of our rules, and linking fines to firm turnover or individual's salaries.

[Read more about: New financial penalties approach now in place](https://rules.sra.org.uk/sra/news/financial-penalties/)
[<https://rules.sra.org.uk/sra/news/financial-penalties/>]

Research on unreserved legal activities

[<https://rules.sra.org.uk/sra/news/press/2023-press-releases/information-protection-small-business-unreserved/>]

The unreserved legal services market is a significant part of the sector and providers are both regulated and unregulated. We undertook research on this area to see how businesses, individuals and the unregulated providers themselves felt about the legal services available. Find out what we discovered.

[Read more about: Research on unreserved legal activities](https://rules.sra.org.uk/sra/news/press/2023-press-releases/information-protection-small-business-unreserved/)
[<https://rules.sra.org.uk/sra/news/press/2023-press-releases/information-protection-small-business-unreserved/>]



[Unbundling could your increase client base](https://rules.sra.org.uk/sra/news/press/2023-press-releases/unbundling-legal-services/)

[\[https://rules.sra.org.uk/sra/news/press/2023-press-releases/unbundling-legal-services/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/unbundling-legal-services/)

Find out how offering unbundled legal services could increase your client base. Research into the experiences of clients and firms showed an appetite for this approach, with firms saying adopting unbundling could help them attract more business.

[Read more about: Unbundling could your increase client base](https://rules.sra.org.uk/sra/news/press/2023-press-releases/unbundling-legal-services/)

[\[https://rules.sra.org.uk/sra/news/press/2023-press-releases/unbundling-legal-services/\]](https://rules.sra.org.uk/sra/news/press/2023-press-releases/unbundling-legal-services/)

[Full stop to full stops in mySRA usernames](https://rules.sra.org.uk/sra/news/sra-update-116-mysra-usernames/)

[\[https://rules.sra.org.uk/sra/news/sra-update-116-mysra-usernames/\]](https://rules.sra.org.uk/sra/news/sra-update-116-mysra-usernames/)

Due to technical reasons, our policy for usernames for mySRA accounts has had to change. This means usernames included a full stop have had to be changed. If this applies to you, and you have not already done so, find out how to access your new username in order to log in to your account.

[Read more about: Full stop to full stops in mySRA usernames](https://rules.sra.org.uk/sra/news/sra-update-116-mysra-usernames/)

[\[https://rules.sra.org.uk/sra/news/sra-update-116-mysra-usernames/\]](https://rules.sra.org.uk/sra/news/sra-update-116-mysra-usernames/)

[Webinar - anti-money laundering enforcement](https://events.sra.org.uk/sra/646/home) **[\[https://events.sra.org.uk/sra/646/home\]](https://events.sra.org.uk/sra/646/home)**

Join our free webinar on Monday 11 September for an insight into trends seen in cases within our AML Investigations Team, where enforcement action has or is being taken for breaches of the money laundering, terrorist financing and financial sanctions regimes. You can also pick up tips on what controls you can put in place to avoid common AML breaches.

[Read more about: Webinar - anti-money laundering enforcement](https://events.sra.org.uk/sra/646/home)

[\[https://events.sra.org.uk/sra/646/home\]](https://events.sra.org.uk/sra/646/home)

[Your health, your career](https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/)

[\[https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/\]](https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/)

Are you worried about your health affecting your work? Life as a solicitor can be challenging and the demands and pressures can easily build up. We can signpost you to sources of help and make adjustments for you if you are in difficulty.



[Read more about: Your health, your career](https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/)

[\[https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/\]](https://rules.sra.org.uk/solicitors/resources-archived/your-health-your-career/)

Welcome to the latest Compliance News section of SRA Update. You will undoubtedly be aware of our focus on financial sanctions and efforts to keep money launderers out of legal services. That work has not let up, and there are important updates this month. The Government has laid out further details of a ban on providing services for Russian clients. We have also produced guidance on your different – but equally important – obligations under the Proceeds of Crime Act and Money-laundering Regulations. This issue also has advice from the UK Financial Intelligence Unit on submitting high-quality suspicious activity reports. We can never be complacent when it comes to thwarting money laundering.

Paul Philip

Chief Executive

Sanctions: Legal services

[\[https://rules.sra.org.uk/sra/news/sra-update-117-russian-services/\]](https://rules.sra.org.uk/sra/news/sra-update-117-russian-services/)

Restrictions are now in force on providing legal advisory services to non-UK persons in certain circumstances. Legal advisory services cannot be provided on this type of activity, even where the activity does not involve a UK person, or is not taking place in the UK.

[Read more about: Sanctions: Legal services](https://rules.sra.org.uk/sra/news/sra-update-117-russian-services/)

[\[https://rules.sra.org.uk/sra/news/sra-update-117-russian-services/\]](https://rules.sra.org.uk/sra/news/sra-update-117-russian-services/)

Guidance on Proceeds of Crime Act obligations

[\[https://rules.sra.org.uk/solicitors/guidance/proceeds-crime-guidance/\]](https://rules.sra.org.uk/solicitors/guidance/proceeds-crime-guidance/)

You have obligations under both the money laundering regulations and the Proceeds of Crime Act, and sometimes these duties can differ. Our new guidance helps you understand those differences and what to do to comply with both regimes.

[Read more about: Guidance on Proceeds of Crime Act obligations](https://rules.sra.org.uk/solicitors/guidance/proceeds-crime-guidance/)

[\[https://rules.sra.org.uk/solicitors/guidance/proceeds-crime-guidance/\]](https://rules.sra.org.uk/solicitors/guidance/proceeds-crime-guidance/)

Trust Services sanctions

[\[https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/\]](https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/)

It's now nearly six months since HM Treasury brought the provision of trust services into its financial sanctions regime. The Office of Financial Sanctions Implementation has published a blog to help clarify some of the issues that have arisen since then.

[Read more about: Trust Services sanctions \[https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/\]](https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/)

[Prior obligations general licence](https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/#prior)

[\[https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/#prior\]](https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/#prior)

OFSI has also issued a new general licence covering prior obligations. Again, a blog explains how the licence works. The licence took effect from 22 May 2023 and expires on 21 November 2023. OFSI's consolidated list provides details of designated persons.

[Read more about: Prior obligations general licence \[https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/#prior\]](https://rules.sra.org.uk/sra/news/sra-update-116-trust-sanctions/#prior)

[Submitting suspicious activity reports, UKFIU advice](https://rules.sra.org.uk/sra/news/sra-update-117-ukfiu-reports-advice/) [\[https://rules.sra.org.uk/sra/news/sra-update-117-ukfiu-reports-advice/\]](https://rules.sra.org.uk/sra/news/sra-update-117-ukfiu-reports-advice/)

Submitting high-quality suspicious activity reports helps to keep criminal elements out of professional services in the UK. Michael Jones from the UK Financial Intelligence Unit has provided us with guidance on making sure the reports you provide are as useful as possible.

[Read more about: Submitting suspicious activity reports, UKFIU advice \[https://rules.sra.org.uk/sra/news/sra-update-117-ukfiu-reports-advice/\]](https://rules.sra.org.uk/sra/news/sra-update-117-ukfiu-reports-advice/)

Subscription

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As a regulated individual, please **simply ensure that the SRA has your current contact email address on record.**

To ensure we have your current email address, log in to [mySRA](https://rules.sra.org.uk/mySRA) [\[https://rules.sra.org.uk/mySRA\]](https://rules.sra.org.uk/mySRA) and check your profile.

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Editorial comment

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