

SRA BOARD

CLASSIFICATION – PUBLIC



**SOLICITORS REGULATION AUTHORITY
Minutes of the SRA Board meeting
held on 13 September 2017 at 09.30
at The Radisson Edwardian Manchester, Free Trade Hall, Peter Street, Manchester
M2 5GP**

Subject to final approval by the SRA Board at its meeting on 25 October 2017

Present: Enid Rowlands (Chair)
Julia Black
Sharon Darcy
Jane Furniss
David Heath
Geoff Nicholas (for items 1 to 7)
Barry Matthews
Dame Denise Platt
Chris Randall
Deep Sagar (for items 1 to 9)
Shamit Saggarr
Elaine Williams
David Willis

In attendance: Paul Philip, Richard Collins, Robert Loughlin, Jane Malcolm,
Crispin Passmore, Mark Draisey (for item 9), Dominic Tambling.

1 APOLOGIES

1.1 The Chair welcomed Board members to Manchester. Apologies had been received from Paul Marsh, Tony Williams, David Middleton and Juliet Oliver.

2 MINUTES OF THE MEETING HELD ON 12 JULY 2017

2.1 The minutes of the meeting held on 12 July 2017 were approved as a true and accurate record subject to Board members' consideration of comments submitted by one member shortly before the meeting.

3 MATTERS ARISING AND DECLARATIONS OF INTEREST

3.1 The Board reviewed the action log and noted that all actions that were due had been completed.

3.2 Sharon Darcy declared an interest in relation to item 6 on regulatory data and consumer choice as she was a Trustee and Council Member of Which? The Chair congratulated Jane Furniss on behalf of the Board following her appointment to the Judicial Appointments Commission. Interests were otherwise as previously declared and available to view on the SRA website. Members would declare any additional particular interest in an individual item if necessary.

SRA BOARD



CLASSIFICATION – PUBLIC

4 CHAIR'S UPDATE

- 4.1 The Chair thanked Board members for their engagement in the public focus groups and dinner for stakeholders which had taken place the previous evening. Feedback from attendees had been very positive and it was pleasing to hear that Board members also felt that they had learnt a great deal from the events.
- 4.2 The Chair set out her proposed changes to committee membership which would take effect from 1 January 2018, and were that: Tony Williams and Elaine Williams should join the Finance and Audit Committee, Sharon Darcy should join the Policy Committee and Barry Matthews should join the People Strategy Committee. Chris Randall would become our representative on Remuneration Committee. The Board agreed the changes and noted that a new representative to the Group Audit Committee would also need to be appointed for January 2018.
- 4.3 The Chair thanked the Board for the confidence expressed in her as part of the process which had resulted in an independent panel chaired by Elizabeth Filkin confirming her reappointment as Chair of the Board for one further and final year to the end of 2018.
- 4.4 The Chair set out her priorities for the remainder of her time in office including: seeing through the significant regulatory changes in hand, including those being discussed that day; keeping the Modernising IT programme on track; and ensuring the mainstreaming of equality, diversity and inclusion issues (EDI) within the organisation. She also noted that the Board would need to give time to considering what criteria should be used in the selection of the next Board Chair and would also need to consider the Senior Independent Director (SID) role given that the present SID was leaving the Board at the end of the year.

5 CHIEF EXECUTIVE'S REPORT

- 5.1 The Chief Executive Officer, introduced his report ([link](#)).
- 5.2 The CEO highlighted the extensive programme of work under way in relation to anti money laundering and noted that there was nothing of substance to report on our financial or operational performance - all was going as planned.
- 5.3 The CEO noted that the Board had received an update on the Modernising IT programme in a seminar session immediately before the meeting. The roll out of Wave 1 of the programme which was introducing new desktop software and equipment across the organisation was progressing well. Work on subsequent waves was continuing according to the programme plan.
- 5.4 The CEO highlighted the issue of transfer of claims management companies (CMC) regulation to the Financial Conduct Authority (FCA) and the implications for the SRA going forward.

SRA BOARD



CLASSIFICATION – PUBLIC

6 REGULATORY DATA AND CONSUMER CHOICE

- 6.1 The Board was asked to consider a draft consultation paper on regulation and consumer choice which would seek views on proposals to make information on regulated legal service providers more accessible to consumers and small businesses.
- 6.2 Board members discussed the draft consultation paper. A range of comments were made on the draft paper. Reassurance was given that the need to ensure that all consumers were able to understand and respond to the proposals had been carefully considered and that a consumer oriented version of the paper was being prepared.
- 6.3 The Board agreed the regulatory data and consumer choice consultation for publication in September 2017 subject to consideration of the proposed amendments. The Board also agreed that a version for publication should be signed off by the Chair.

7 LOOKING TO THE FUTURE PHASE TWO

- 7.1 The Board was asked to consider a draft consultation paper on phase two of the Looking to the Future programme of regulatory reform which would seek views on a number of areas including how we assess character and suitability and how we regulate overseas practice. The consultation would also seek views on a revised Enforcement Strategy.
- 7.2 Board members discussed the draft consultation paper which they felt evidenced the great quantity of high quality work which had been done on the proposals. They expressed a range of views on the draft paper which would be considered in the preparation of a final version for publication.
- 7.3 The Board agreed to publish the Looking to the Future phase two paper for consultation, including a draft revised Enforcement Strategy, subject to consideration of the proposed amendments. The Board also agreed that a version for publication should be signed off by the Chair.

8 IMPLEMENTING THE INSURANCE DISTRIBUTION DIRECTIVE

- 8.1 The Board was asked to consider a paper on plans for implementing the Insurance Distribution Directive (IDD). The IDD was a European Directive which replaced the Insurance Mediation Directive and sought to strengthen consumer protection by imposing requirements on firms that provide, facilitate and arrange insurance products. SRA-authorized firms involved in personal injury, conveyancing and probate were likely to be carrying on insurance distribution activities.
- 8.2 The IDD would be implemented on 23 February 2018 and new legislation, regulations and rules would be introduced by the Treasury and the Financial Conduct Authority on or before that date. We would need to consult on subsequent

SRA BOARD



CLASSIFICATION – PUBLIC

changes to our rules but given the uncertainty over when the FCA would publish a policy statement and rules the Board was asked to delegate sign off of the resulting consultation paper to the Chair.

- 8.3 The Board noted the need to consult on changes to rules to implement the IDD and given the timescale agreed to delegate sign off of a consultation paper to the Chair.

9 IMPACT OF THE GENERAL DATA PROTECTION REGULATION

- 9.1 The Board was asked to consider a report on actions being taken to ensure compliance with the General Data Protection Regulation (GDPR). The GDPR would replace the Data Protection Directive and was designed to harmonise data collection within the EU, strengthen the existing rights of citizens over their data and force organisations to evaluate carefully how they collect, store and manage data. The Directive would come into force on 25 May 2018.

- 9.2 In response to questions from Board members reassurance was given that the new systems being introduced through the Modernising IT programme would assist with compliance with the GDPR. Work would also be done to ensure that Board members understood their obligations in respect of the Directive.

- 9.3 Board members noted the actions being taken to ensure compliance with the GDPR.

10 REVIEW OF MEETING AND ANY OTHER BUSINESS

- 10.1 The Board received an update from committee chairs in relation to committee meetings that had taken place since the last Board meeting.
- 10.2 The Chair reviewed the meeting and thanked Board members for their contributions.
- 10.3 The next meeting of the Board would be on Wednesday 25 October 2017 at The Cube, 199 Wharfside Street, Birmingham B1 1RN at 10.00.