

SRA BOARD

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**SOLICITORS REGULATION AUTHORITY
Minutes of the SRA Board meeting
held on 18 July 2018 at 10.00
at The Cube, Birmingham B1 1RN**

Subject to final approval by the SRA Board at its meeting on 12 September 2018

Present: Enid Rowlands (Chair)
Sharon Darcy
David Heath
Barry Matthews
Geoff Nicholas
Dame Denise Platt
Chris Randall
Elaine Williams
Tony Williams
David Willis

In attendance: Paul Philip, Richard Collins, Robert Loughlin, Jane Malcolm, David Middleton, Juliet Oliver, Crispin Passmore, Dominic Tambling

1 APOLOGIES

- 1.1 The Chair welcomed Board members to the meeting. Apologies had been received from Julia Black and Paul Loft.
- 1.2 The Chair asked Board members to take a few moments to reflect on the passing of Paul Marsh who had been a Board member for five years until December 2017. Paul had made a substantial contribution to the work of the SRA and would be sadly missed. The Chair and Chris Randall had attended his memorial service the previous week.

2 MINUTES OF THE MEETING HELD ON 30 MAY 2018

- 2.1 The minutes of the meeting held on 30 May 2018 were approved as a true and accurate record.

3 MATTERS ARISING AND DECLARATIONS OF INTEREST

- 3.1 There were no matters arising that would not be covered elsewhere on the agenda. The Chair noted that a session on Board responsibilities with regard to the General Data Protection Regulation would be held at either the September or October Board meetings.
- 3.2 Interests were as previously declared and available to view on the SRA website. Members would declare any additional particular interest in an individual item if necessary.

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4 CHAIR'S UPDATE

- 4.1 The Chair updated the Board on the process of recruiting the next Board Chair, who would take on the role in January 2019. Work was also underway on the recruitment of the two new lay members who would be needed from January 2019 and she was grateful for Board members' suggestions on selection criteria.
- 4.2 The Chair reported that Helen Phillips had been appointed as Chair of the Legal Services Board (LSB) for a five year term. She and Paul Philip had met Dr Phillips and the LSB's CEO in June. Since the last Board meeting she had also had meetings with the Legal Ombudsman, and the Law Society of Scotland. She had also, with Jane Malcolm, met the Counsel General of Wales. The Business and Oversight Board had met in June and she had also attended the valedictory dinner for the immediate past president of the Law Society, Joe Egan, who she had very much enjoyed working with.

5 CHIEF EXECUTIVE'S REPORT

- 5.1 The Chief Executive Officer introduced his report and covered a number of issues for noting. These included that our appeal against the decision in the Solicitors Disciplinary Tribunal case against Leigh Day was now underway, the changes to portfolios of Senior Management Team members which had come into effect from 16 July 2018 and progress on the Modernising IT Programme including the successful introduction at the start of the week of a new intranet and suite of software for staff.
- 5.3 The Board noted that the Solicitors Disciplinary Tribunal had issued a consultation on its rules including the standard of proof which it applied and whether this should change from the criminal standard to the civil one. A draft response to the consultation would be brought to the Board meeting on 12 September 2018.
- 5.4 The Board also noted that following the discussion at its 30 May 2018 Board meeting the Policy Committee had considered a draft consultation on misconduct. This was being refined following comments from Board members and would be issued in the near future.

6 LEGAL SERVICES BOARD REPORT INTO THE LAW SOCIETY'S OVERSIGHT AND MONITORING ARRANGEMENTS OF THE SRA

- 6.1 The Board was asked to consider the LSB's report into the Law Society (TLS)'s oversight and monitoring of the SRA which had been published soon after the previous Board meeting.
- 6.2 The Board noted the report and its conclusions and discussed the importance of good governance in the public interest. It was noted that the report's conclusions would be fed into the LSB's review of the Internal Governance Rules. It was noted that the Board's preferred structural approach would be for the SRA to be constituted as a subsidiary company of the Law Society. This would provide clarity

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as to reporting structures and the presence of the SRA's own balance sheet would enable it to continue to apply downward pressure on its operational costs.

7 2018/19 PRACTISING FEES AND COMPENSATION FUND CONTRIBUTIONS: FINAL DECISIONS

7.1 The Board noted that the Law Society Council had approved the net funding requirement for 2018/19 at its July meeting and the related fee levels. Compensation Fund contributions were now solely a matter for the Board. The Board made the following determinations, which would now be subject to the approval of the Legal Services Board:

- (a) the Practising Certificate Fee Determination [2018]
- (b) the Recognised Body and Recognised Sole Practice Fee Determination [2018]
- (c) the Licensed Body Fee Determination [2018]
- (d) the Determination of Compensation Fund Contributions [2018]
- (e) the Determination of Compensation Fund Contributions for Licensed Bodies [2018].

8 SOLICITORS QUALIFYING EXAMINATION UPDATE

- 8.1 The Board was asked to consider an update on the process of entering into a contract with a delivery partner for the Solicitors Qualifying Examination (SQE).
- 8.2 The Board agreed to authorise the Executive to conclude the contract negotiations and enter into the contract for the further development of the SQE.

9 ANTI-MONEY LAUNDERING

9.1 The Board noted the report on recent developments relating to anti-money laundering including the first regulatory visit by our new oversight supervisor, the Office of Professional Body Anti-Money Laundering Supervision (OPBAS), which had taken place in June.

10 UPDATE: INSURANCE FRAUD TASKFORCE AND RELATED MATTERS

10.1 The Board noted the report on activities being undertaken in response to recommendations made by the Insurance Fraud Taskforce and other work relating to the personal injury sector.

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11 REVIEW OF MEETING AND ANY OTHER BUSINESS

- 11.1 The Board received an update from committee chairs in relation to committee meetings that had taken place since the last Board meeting.
- 11.2 The Chair thanked Board members for their contributions. The next meeting of the Board would be on Wednesday 12 September The Principal Hotel, Station Road, York, YO24 1AA at 09.00.