



SRA delegation framework

Introduction

The SRA Delegation Framework sets out how the SRA’s Board, Committees and Executive work together to discharge the SRA’s functions.

The SRA is the regulator of solicitors and law firms in England and Wales, protecting consumers and supporting the rule of law and the administration of justice. We exercise the regulatory functions conferred on the Law Society of England and Wales (TLS) by statute relating to solicitors, registered European lawyers, registered foreign lawyers, law firms and individuals working and holding roles within those firms. The statutory powers are found within the Solicitors Act 1974, the Administration of Justice Act 1985, the Courts and Legal Services Act 1990, and the Legal Services Act 2007 (LSA 2007).

TLS has delegated its regulatory powers and functions to the SRA (the “**Company**”), an independent wholly-owned subsidiary of the Society. The TLS General Regulations set out the SRA’s terms of reference, along with the framework governing assurance of its work by the Council. This is also governed by the Legal Services Board’s Internal Governance Rules, the Company’s Articles and an Assurance Protocol agreed between the Law Society and the Company.

The Company is entitled to carry out its delegated functions through its Board, sub-committees and staff. Delegations are a key element in effective governance and management. The Board has established two committees the Audit and Risk Committee (ARC) and Remuneration Committee (Remco). Their Terms of Reference can be found [\[here\]](#). Matters delegated to the Executive are carried out by individuals within the organisation in accordance with our published Schedule of Delegation [\[found here\]](#).

Delegation Principles

Delegation should:

1. Be robust and transparent, with clear lines of accountability and effective oversight.
2. Be consistent and proportionate – with decisions being made at the most effective operational level and reflecting the strategic role of the Board.
3. Promote efficiency - avoiding duplication and overlap of roles, and ensuring realistic sequencing/timelines to enable work to progress in a timely manner.
4. Reflect only the following key activities: prepare, approve, review, monitor, perform, report. ¹

¹ See the Legend at the bottom of the document for an explanation of how these terms are applied.

Delegation Framework

Category	Legislative references	Delegation	TLS Group governance
Strategy and risk			
SRA Corporate Strategy	Reg {24(a)} General Regulations (GRs); Rule 4(2)(a) of the Internal Governance Rules 2019 (IGRs)	<ul style="list-style-type: none"> - Prepared by Executive - Approved by Board - Monitored and reviewed by Board 	
Business plan	Reg {24(a)}	<ul style="list-style-type: none"> - Prepared by Executive - Approved by Board - Actions performed by Executive - Performance against plan monitored and reviewed by Board 	

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Strategic risk register	Reg 24(c) - (e) 27 and Agreed Assurance Protocol	<ul style="list-style-type: none"> - Prepared by Executive - Reviewed by ARC - Approved by Board - Controls/actions performed by Executive - Monitored by ARC and reported to Board 	Systems and processes for risk management reported to GAC
LSB Self-assessment	Section 4 Legal Services Act 2007	<ul style="list-style-type: none"> - Prepared by Executive - Approved by Board 	
Internal audit plan	Reg [24(c) - (e)] and Agreed Assurance Protocol	<ul style="list-style-type: none"> - Prepared by Executive - Reviewed and approved by ARC - Internal audit reports are prepared by the internal auditor in accordance with the plan, discussed with Executive and reviewed by ARC - Recommended actions performed by Executive and reviewed by ARC 	Systems and processes for internal audit reported to GAC
External audit	Reg 27(2)	<ul style="list-style-type: none"> - Selection of external auditors overseen by ARC - ARC to recommend appointment of external auditors to Board - ARC to approve external audit plan from external auditors - External auditor's management letter reviewed by ARC - Actions arising from the management letter performed by Executive and monitored by ARC. 	Annual report and accounts provided to GAC for preparation of consolidated accounts

Financial			
Annual budget	Reg 24(b)	<ul style="list-style-type: none"> - Prepared by Executive - Approved by Board - Performance against budget, and development and progress of major capital programmes monitored, by Board 	
SRA Net funding requirement	Reg 24(b)	<ul style="list-style-type: none"> - Prepared by Executive - Approved by Board to submit to Council 	
Setting regulatory fees	Reg 24(6) and 19(2)B(3)	<ul style="list-style-type: none"> - Policy approach prepared by Executive - Fee levels and respective contributions prepared by Executive and approved by Board to collect the total Law Society Group Net Funding Requirement approved by the Council. - s51 application for approval of fee levels by the LSB (to give effect to Council and SRA Board decisions) prepared and submitted by the Executive. 	Council sets the proportion of practising fees to be applied for permitted purposes relating to representative functions
Annual Accounts		<ul style="list-style-type: none"> - Prepared by Executive - Reviewed in detail by ARC, including as to accounting policies adopted - Audited by external auditors - Approved by Board 	
Compensation fund contributions	Reg 23(4)	<ul style="list-style-type: none"> - Policy approach prepared by Executive and reviewed by Board - Level of respective contributions prepared by Executive, reviewed and approved by Board 	

Compensation Fund financial statements	Reg 23(4)	- Prepared by Executive, reviewed in detail by ARC and approved by Chair of Board and CEO	
Governance			
Determining the number of committees, their composition and terms of reference		<ul style="list-style-type: none"> - Proposals prepared by Executive - Reviewed by Committee Chairs - Approved by Board - Appointments to committees to be made by the Chair, on consultation with the Board 	
Performance management, appointment, reappointment, terms and conditions of Board members	Regulation 7 the IGRs, Articles of Association	<ul style="list-style-type: none"> - Protocols for appointment, reappointment, suspension and removal of members prepared by Executive - Appraisal framework prepared by Executive - 	
Performance framework and remuneration for CEO and SMT		<ul style="list-style-type: none"> - Remco to determine performance and remuneration framework - Chair to determine bonus, incentive and non-contractual severance payment for the Chief Executive, and the Chief Executive, for the SMT 	

Delegating authority	Articles of Association	<ul style="list-style-type: none"> - Delegation framework prepared by Executive and approved by Board - Delegation of executive functions through schedule of delegation, performed by the Executive - Ad hoc decisions to delegate Board matters to the Chair, Executive, committees or working groups to be approved by the Board 	
Management reporting	Reg 24(d), and (e); 27(1) and (2) and Agreed Assurance protocol	<ul style="list-style-type: none"> - Annual report to the Council prepared by Executive and approved by the Board - Annual reports to GAC prepared by Executive and approved by the Board 	<p>Annual report to be made to the Council on oversight/governance and financial performance.</p> <p>Annual report from the SRA to be made to, and considered by, the GAC on operation of effective systems of financial control to include accounting principles, financial policies and controls adopted by the SRA, and risk management and internal audit</p>

Regulatory Policy			
Regulatory and Education policy programme	Reg 23(7)	<ul style="list-style-type: none"> - Incorporated in business plan (see above). Reviewed by the Board - Annual consultation plan prepared by Executive and approved by Board - Consultation proposals prepared by Executive and approved in accordance with plan Consultation documentation prepared and approved for publication by Executive 	
Research programme	Reg 24(a)	<ul style="list-style-type: none"> - Annual schedule prepared by Executive - Reported to Board - Performed by executive 	
Risk Outlook	Reg 23(7)	<ul style="list-style-type: none"> - Annual Risk Outlook and half yearly update prepared by Executive - Reviewed by the Board 	
Making, amending and revoking rules, regulations and codes	Reg 23(7)	<ul style="list-style-type: none"> - Draft rules/regulations/codes prepared by Executive - Approved by Board 	

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Applications to LSB/FCA for approval of changes to regulatory arrangements	Reg 23(9)	- Prepared and performed by Executive	
Operational functions			
Exercising regulatory powers and operational performance	Reg 23(1) to (5), (8) and (10) and 24(a), (f) and (h)	<ul style="list-style-type: none"> - Statutory powers performed by Executive - Operations and administrative support functions performed by Executive (with responsibility for shared services relating to SRA) - Quality assurance activities and handling of complaints about SRA performed by Executive - Exercise of powers and operational performance monitored by Board 	
Key performance indicators	Reg 24(a) and (i), and Regulation 4 of the IGRs	<ul style="list-style-type: none"> - Prepared by Executive - Monitored by Board 	
Guidance governing regulatory approach	Reg 23(7)	<ul style="list-style-type: none"> - Plan prepared by Executive and strategic issues reported to Board - Guidance prepared by Executive and approved in accordance with plan 	

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Internal controls/operational and compliance policies	Reg 42(c) and (f), and Regulation 4 of the IGRs	<ul style="list-style-type: none"> - Prepared by Executive - Reviewed by ARC - Performed by Executive 	
Procurement	Reg 24(f) and Regulation 4 of the IGRs	<ul style="list-style-type: none"> - Performed by Executive - Exceptional spend of £5million+ approved by the Board 	

Legend	
Prepare	To draft or design a document, procedure or proposal
Review	To consider a draft document or proposal and input into its development
Approve	To consent or ratify – includes making final amendments/decision on a document, proposal or course of action
Monitor	To maintain oversight and control
Perform	To exercise a function or complete a task
Report	To present an account of progress or performance
Advise	[Used in the Committee terms of reference] This includes making recommendations as to a particular course of action.