

**SRA BOARD****CLASSIFICATION – PUBLIC****SOLICITORS REGULATION AUTHORITY  
Minutes of the SRA Board meeting  
held on 21 January 2020 at 12.30  
at 24 Martin Lane, London EC4R 0DR.**

*Subject to final approval by the SRA Board at its meeting on 3 March 2020*

Present: Anna Bradley (Chair)  
Sharon Darcy  
Peter Higson  
Paul Loft  
Barry Matthews  
Selina Ullah  
Tony Williams

In attendance: Paul Philip, Mark Draisey, Robert Loughlin, Jane Malcolm, Juliet Oliver, Liz Rosser, Julie Brannan, Chris Handford, Dominic Tambling

**1 APOLOGIES**

1. The Chair welcomed Board members to the meeting. Apologies had been received from David Heath, Geoff Nicholas, Dame Denise Platt, Elaine Williams and David Willis.

**2 MINUTES OF THE MEETING HELD ON 3 DECEMBER 2019**

- 2.1 The minutes of the meeting held on 3 December 2019 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 and all actions due had been completed or were in hand.
- 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.

**4. CHAIR'S UPDATE**

- 4.1 The Chair thanked Board members for attending the morning workshop session. The Board used the session for a deep dive into the development of SQE over the last five years and is planning to publish a summary of our work to date.
- 4.2 The Board had also discussed recent developments in Wales, including the report from the Commission for Justice in Wales and our work with key organisations. There would be a further discussion at the formal Board meeting in Chester on 3 March 2020.

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- 4.3 Finally, the Board had talked about our externally facing equality, diversity and inclusion (EDI) work and our plans for addressing particular EDI issues. The Board also talked about work we have been doing to understand the impact of our policy work on diverse groups, and to make sure that our systems are accessible and fair. There would be further discussion of our EDI work under item 9 on the agenda.
- 4.4 The Chair reported that her attendance at a meeting of the Law Society Council on 5 December 2019 had been a positive discussion around how the two organisations work together and where we could collaborate on key issues.
- 4.5 On 20 January 2020 the Chair and CEO had met Philip Davies MP, former member of the Women and Equalities Committee prior to the general election, to discuss non-disclosure agreements and our Corporate Strategy.
- 4.6 Finally, the Chair noted that Julia Black, who had been a Board member until the end of 2018, had been awarded a CBE in the New Year's Honours List for services to the study of law and regulation. The Board passed on its congratulations.

## 5 CHIEF EXECUTIVE'S REPORT

- 5.1 The Chief Executive presented his report. The Board approved its annual reports to the Business Oversight Board and Group Audit Committee, subject to some minor updates and amendments to the former following comments received from Board members in advance of the meeting.
- 5.2 The Board noted that we would be consulting on proposals to make permanent transitional arrangements which had been introduced to maintain the status quo in relation to solicitors providing immigration advice and services when the new Standards and Regulations had been launched in November 2019.
- 5.3 The Chief Executive reported that the Fifth Anti-Money Laundering Directive had come into force earlier in the month. This meant that we needed to change the way in which we approved some individuals and would in some cases now require basic Disclosure and Barring Service checks to be provided. The new regulations also expanded the definition of 'tax adviser' and this would require us to extend our anti-money laundering supervision to include firms offering tax advice. Some work was needed to establish which firms needed to be supervised and we would be publishing guidance for firms and communicating the changes to the profession.
- 5.4 The Chief Executive drew the Board's attention to the publication of the annual Education Authorisation and Monitoring report 2017-8, which analysed information we received from course providers that we approved or authorised to provide courses on the academic and vocational stages of pre-admission training.
- 5.5 The Chief Executive noted that the Law Society Group Gender Pay Gap Report for 2019 would be published in February 2020 in accordance with statutory requirements.

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- 5.6 The Board noted that the LSB was currently consulting on its draft business plan for 2020/21. We would be making a formal response and agreed that we should also make the most of opportunities for collaboration with the LSB and others where our priorities were similar.
- 5.7 The Board also noted that the LSB's December 2019 assessment of our performance included a change from 'not met – action being taken' to 'not met – action required' in relation to transparency and decision making. Since our Autumn performance update to the LSB we have published a suite of Board information, including transparency and accountability statements as well as a Board decision making framework and new web pages about the work of the Board. The Chief Executive would write to the LSB asking what, if any, further action it considered necessary in this area.

*NB: Some of the annexes to this paper will not be published because they contain information which is commercially sensitive or include discussion of risk that might be exacerbated by publication.*

### 6 UPDATE ON THE SOLICITORS INDEMNITY FUND

- 6.1 The Board was asked to consider an update on the ongoing activity of the Solicitors Indemnity Fund (SIF) and Solicitors Indemnity Fund Limited (SIFL). The Chair welcomed John Young, Chair of the Board of SIFL and George Raubenheimer, CEO of SIF, to the meeting.
- 6.2 George Raubenheimer set out the history of SIF and reminded the Board that on 30 September 2020 SIF would cease to provide supplementary run-off cover to firms that have closed, or will be closing, without a successor practice. Claims made against firms after this date and outside of the six-year run-off period would not be covered.
- 6.3 John Young gave an update on the position of the Fund and said that following further discussion with the Executive and the Law Society he would return with further advice at a future date.
- 6.4 The Board noted the update and that we had undertaken a significant communication exercise to ensure that firms were aware that supplementary run-off cover would cease on 30 September 2020.

### 7 APPROACH AND TIMETABLE FOR DEVELOPING THE 2020/21 SRA WORK PROGRAMME AND BUDGET

- 7.1 The Board was asked to consider proposals for the approach to and timetable for developing and agreeing the Work Programme and Budget for 2020/21, the first year under the new Corporate Strategy.
- 7.2 The paper proposed a new approach to developing the Work Programme for 2020/21 which for the first time included consultation on the proposed Programme

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and Budget, in line with our commitment to openness and engagement. It would also help law firms to see the future direction of regulation and its cost.

- 7.3 The paper also recommended that for the first time there would be a separate consultation on the proposed Compensation Fund contributions for 2020/21. Board members noted that the longer-term position in relation to the Compensation Fund could not be finalised until decisions had been made on any changes to the way in which the Fund operated. A consultation on proposed changes was being launched that day following discussion at the December 2019 Board meeting.
- 7.4 The Board noted the new approach to and timetable for finalising the Work Programme and Budget for 2020/21.

### 8 POLICY DEVELOPMENT PROCESS

- 8.1 The Board was asked to agree proposals for a process for developing policy and the way in which the Executive would engage with the Board on matters of policy.
- 8.2 The paper proposed a new approach following the decision to discontinue the Policy Committee. It identified four categories of policy work which were set out in paragraph 4 of the paper.
- 8.3 The Board agreed the proposed approach to policy development and a three-stage process for developing policy: identifying and defining the problem; designing and developing policy options; and deciding, implementing, monitoring and evaluating policy solutions.
- 8.4 The paper included proposals for obtaining input from external expert advisers including through the establishment of a standing panel to provide access to a range of people who can bring focused expertise in a range of areas to our policy development work.
- 8.6 Board members suggested that care would need to be taken to ensure that the membership of the expert panel was regularly reviewed so that the perspectives and advice individuals offered were truly independent. It was noted that it was not envisaged that the panel would meet regularly, but rather that views would be sought from individual members. It was agreed that terms of reference should be developed for the standing panel.
- 8.7 Board members were supportive of the proposed approach, which complemented our approach for consultation, which is published on our website.
- 8.8 Board members also commented on the importance of early engagement to understand what consumers' interests and priorities were. Examples of good practice in this area were the focus groups which we hold and which Board members regularly attend.

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8.9 Subject to Board members' comments the Board agreed the proposed approach to policy development. The full policy development process will be published on our website as part of our commitment to transparency.

*NB: the annexes to this paper will not be published as they relate to emerging policy.*

### 9 ANNUAL EQUALITY, DIVERSITY AND INCLUSION AND FIRM DIVERSITY DATA REPORTS 2018/19

- 9.1 The Board was asked to consider reports on our work on equality, diversity and inclusion (EDI) during 2018/19 and the findings from our firm diversity data survey in 2019.
- 9.2 Board members' attention was drawn to paragraphs 5 to 24 of the paper which set out highlights of our work on EDI in 2018/19 including our work on disability in the profession and continued work on responding to complaints about sexual harassment.
- 9.3 The report on firm diversity data was published every two years and covered all staff in regulated firms and not just solicitors. The report enabled us to see where changes were taking place in the profession and would also support information on judicial diversity which the Ministry of Justice would be publishing.
- 9.4 The data collection was carried out last year and we had a good response - 96 percent of firms compared to 92 percent in 2017. This reflects the steadily increasing response rate with each successive data collection and the Board welcomed the support from firms. The Board agreed that there are positive changes towards an increasingly diverse profession, but progress is still slow and there is much to do.
- 9.5 It was also noted that the survey had included updated questions on social mobility, in line with the [government recommended socio economic measures for use by employers](#). We had worked closely with the civil service as the measures were developed, including trialling them with our own workforce.
- 9.6 Board members suggested that comparisons to overall population figures should be provided in the report where available and that areas where there had been significant change should be highlighted.
- 9.7 The Board agreed that it was timely to bring all of our EDI work and the data together in one place and take a strategic look at how we can make a difference on some of the key issues. This would be discussed this at the March meeting and published.

*NB: the paper relating to this item will not be published as it relates to emerging policy.*

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#### 10 ANY OTHER BUSINESS

- 10.1 The Chair thanked Board members for their contributions and especially Sharon Darcy who was leaving the Board after more than four years as a member. She had in particular brought a strength of focus on consumer issues and an ability to think outside of the box. The Board wished Sharon the very best with her future endeavours.
- 10.2 Board members congratulated staff on the Corporate Strategy consultation events which had been run over the past couple of months. Board members had attended several of the events and commented positively on the range of views and insights that they had heard.
- 10.3 The Board would next meet on Tuesday 3 March 2020 at the Chester Grosvenor Hotel, Eastgate Street, Chester, CH1 1LT