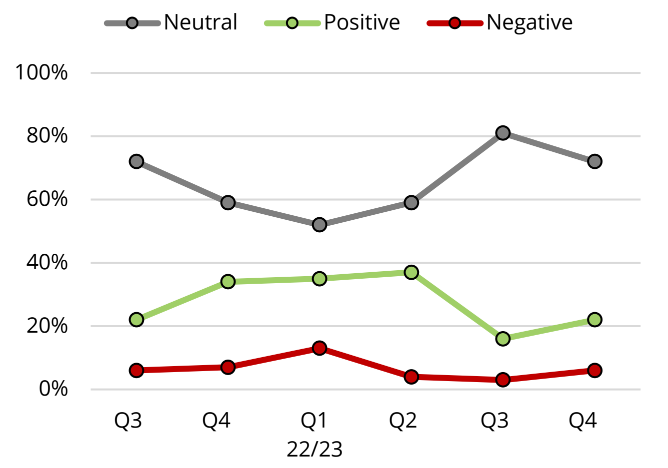
External

Core measures

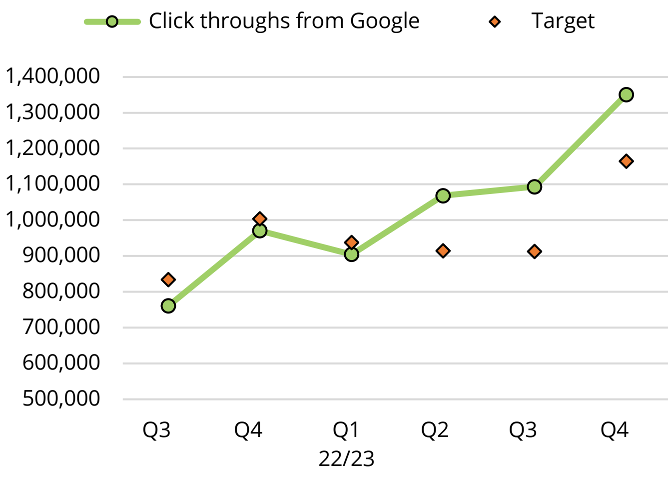
Sentiment of media coverage

Target: Positive should exceed negative



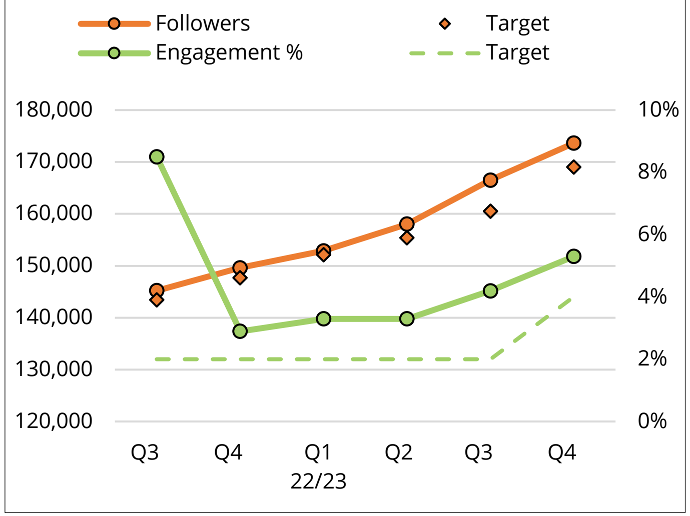
Click throughs to our website from Google searches

Target: 20% up from the same quarter a year earlier



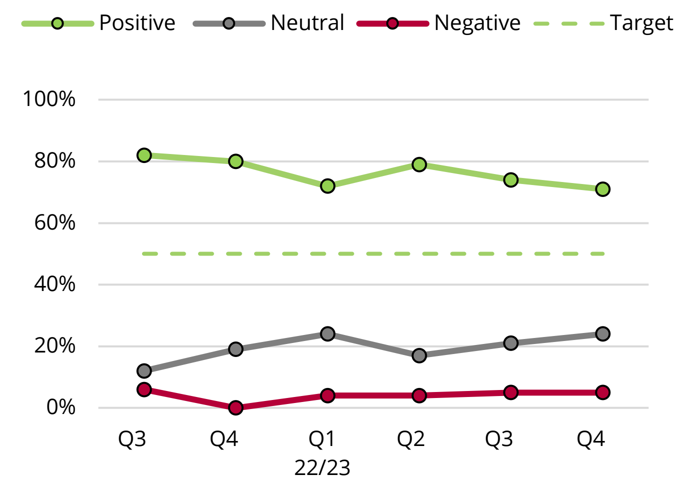
Social media engagements and followers

Target: Followers – 2,500 increase per Q, Engagement % – 4%



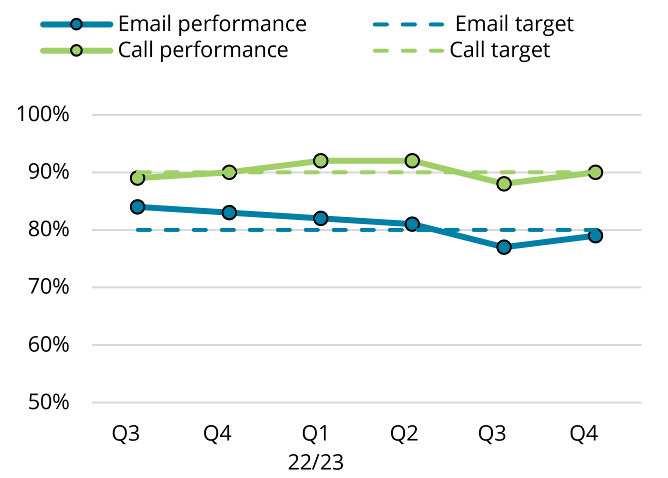
How stakeholders who attend our events view the SRA

Target: Positive feedback 50%



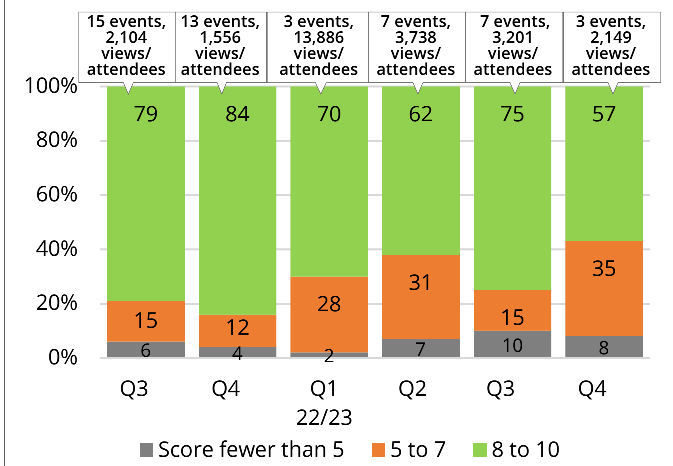
Customer feedback on our contact centre calls and emails

Target: % of satisfied responses – calls 90%, emails 80%



Events feedback – usefulness rating

Target: 60% score of 8 or above



Scale: 1 = not useful at all, 10 = extremely useful

Notes:

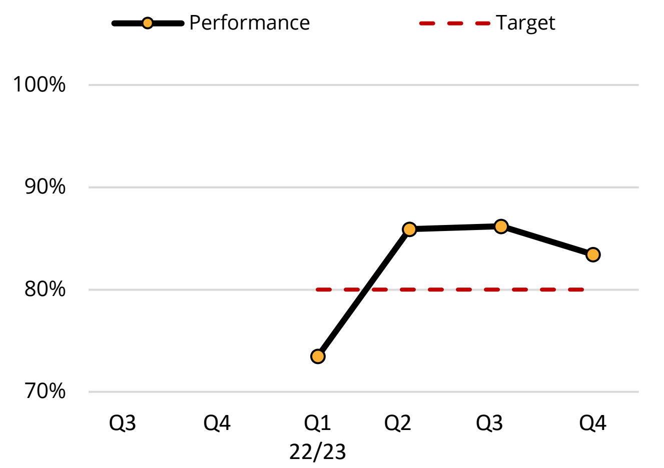
1. We have increased the social media engagement target from 2% to 4% this quarter. One of the key aims of our social media strategy is to increase audience engagement with our social media posts. In our communications business planning for 2022/23, we set ourselves the goal of increasing average monthly engagement across all platforms to 4% by the end of 2022/23, a goal we had achieved by Q3.

Delivery

Core measures

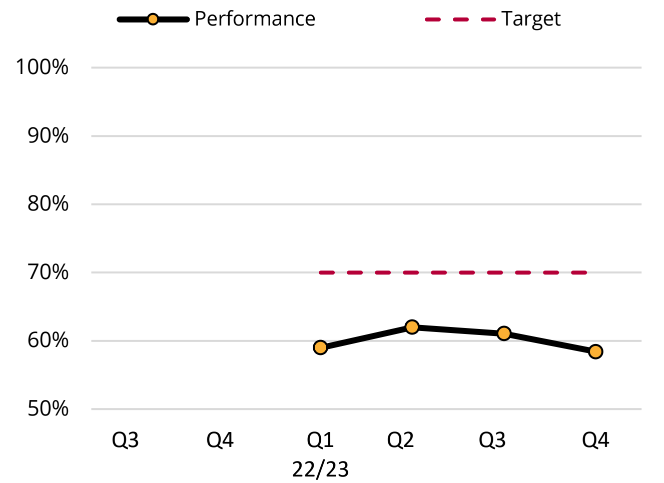
Assessment and early resolution

Target: 80% of assessments to be concluded within 2 months of being reported



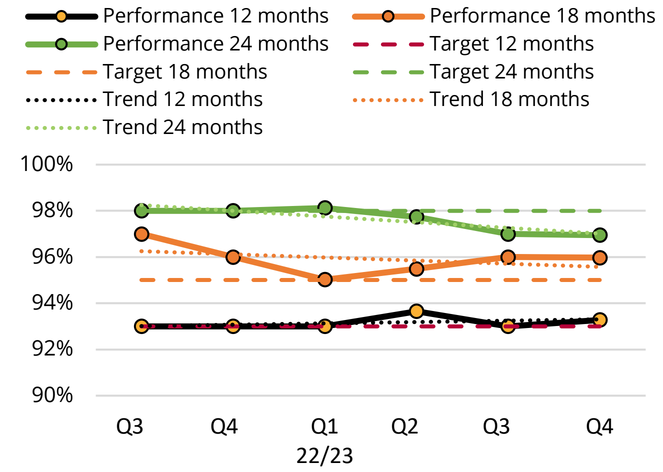
Investigations

Target: 70% of investigations to be concluded within 10 months from case creation (post-AERT process)



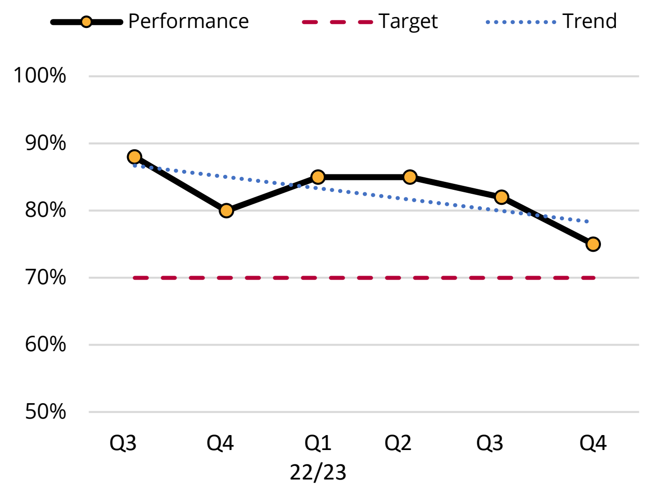
Investigation and enforcement

Target: 93% of cases to be completed within 12 months; 95% within 18 months; and 98% within 24 months



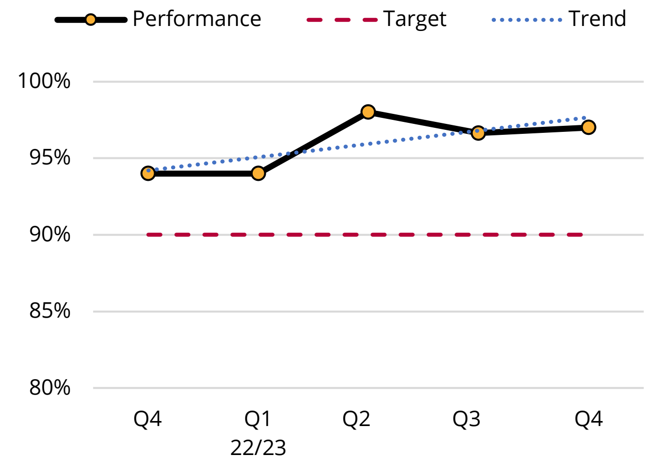
Contact centre

Target: 70% of calls answered in 60 seconds



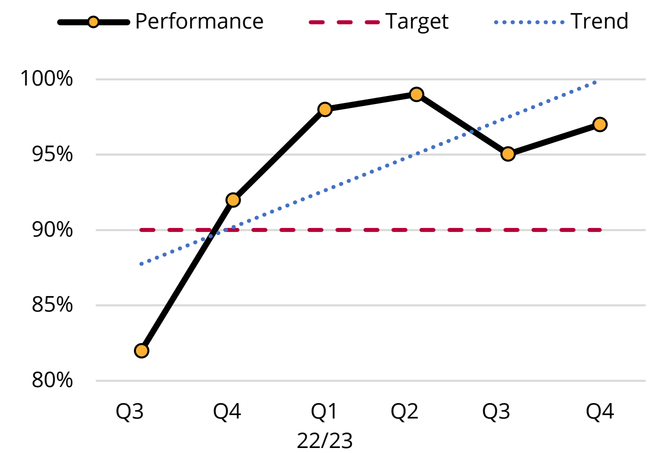
Firm based authorisation

Target: 90% of medium and high-risk applications dealt with in 3/6 months



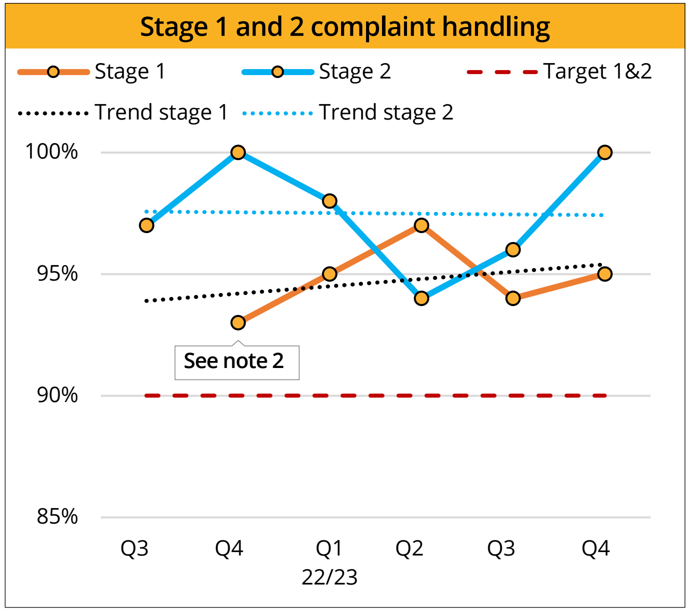
Individual based authorisation

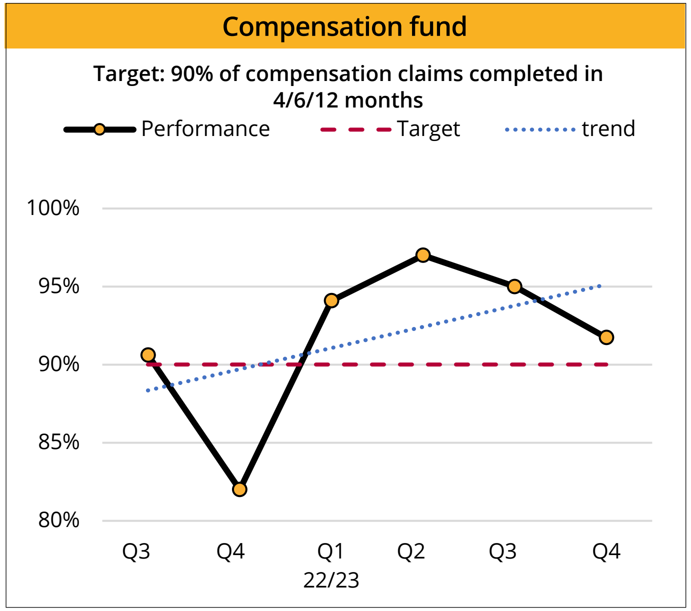
Target: 90% of medium and high-risk applications dealt with in 3/6 months



Notes:

1. Two new KPIs were introduced in March 2023: Investigations, an ongoing measure to demonstrate the benefits of the continuous improvement project, and assessment and early resolution, which measures assessments being concluded within two months of being reported.
2. Our Assessment and Early Resolution team (AERT) takes an initial look at all the concerns we receive. It then assesses them to see whether an investigation should take place.





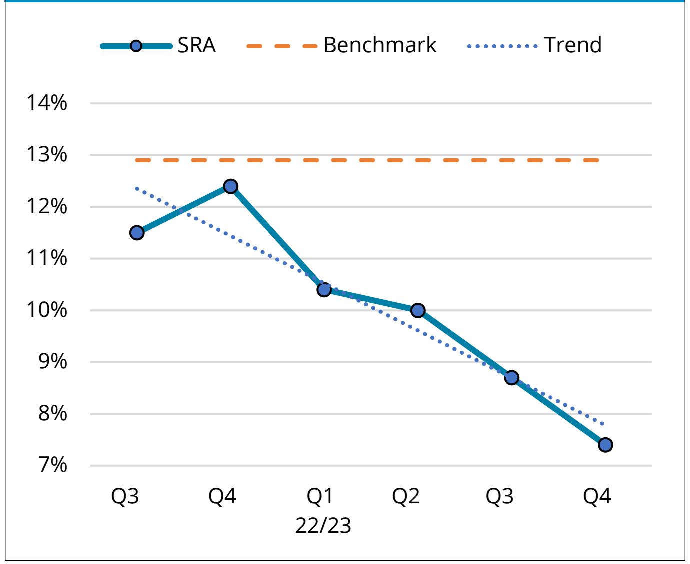
Notes:

1. Stage 1 and 2 complaint handling targets: to handle stage 1 complaints within 15 days and stage 2 within 20 days. Stage 1 is the response from the team concerned and stage 2 is the response from our Corporate Complaints team, where the matter is not resolved at stage 1.
2. Reporting was amended in August 2022 to reflect the new 15-day target.
3. Compensation fund targets: 90% of straightforward claims concluded in four months; 90% of moderate complexity claims concluded in six months; and 90% of complex claims concluded in 12 months.

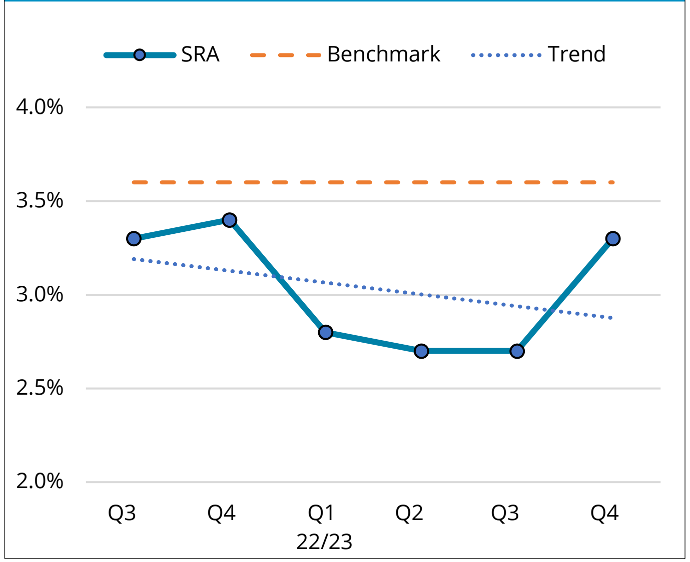
Internal

Core measures

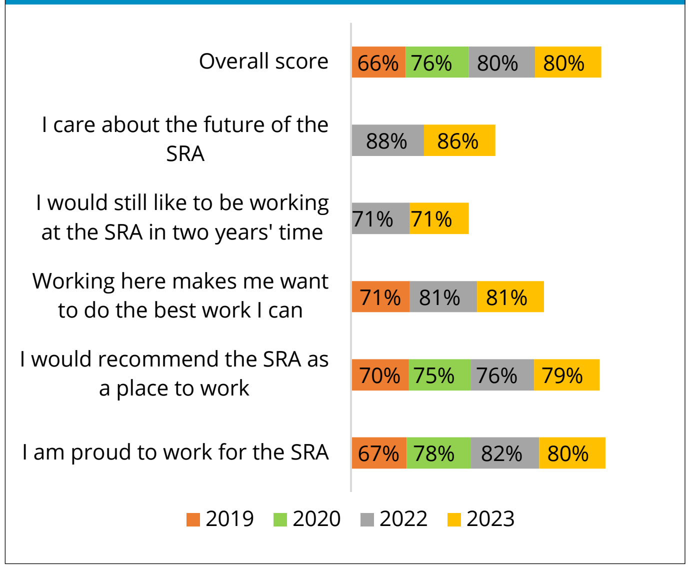
Voluntary staff turnover



Time lost to sickness

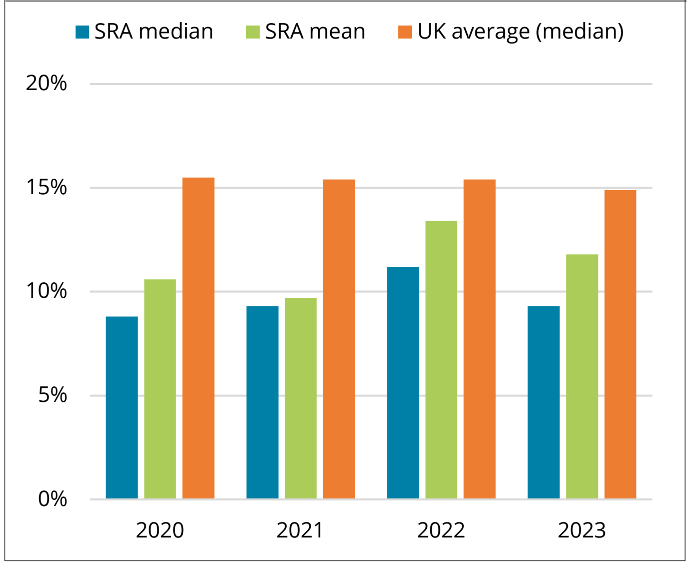


Staff engagement

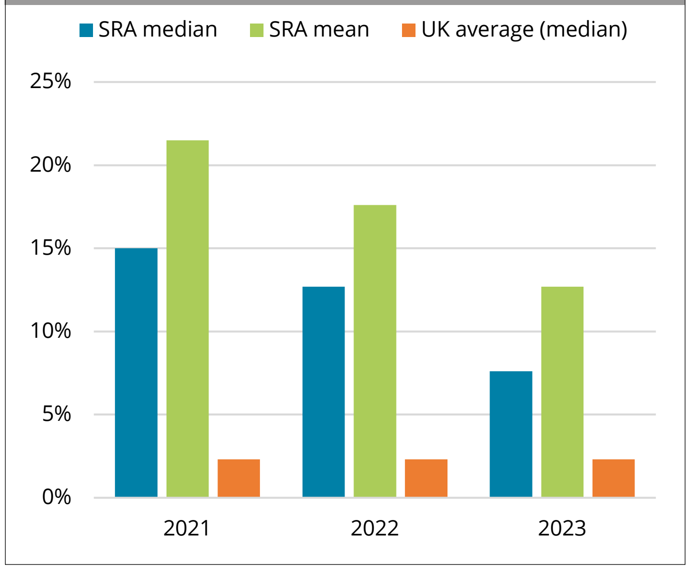


Topical measures

Gender pay gap

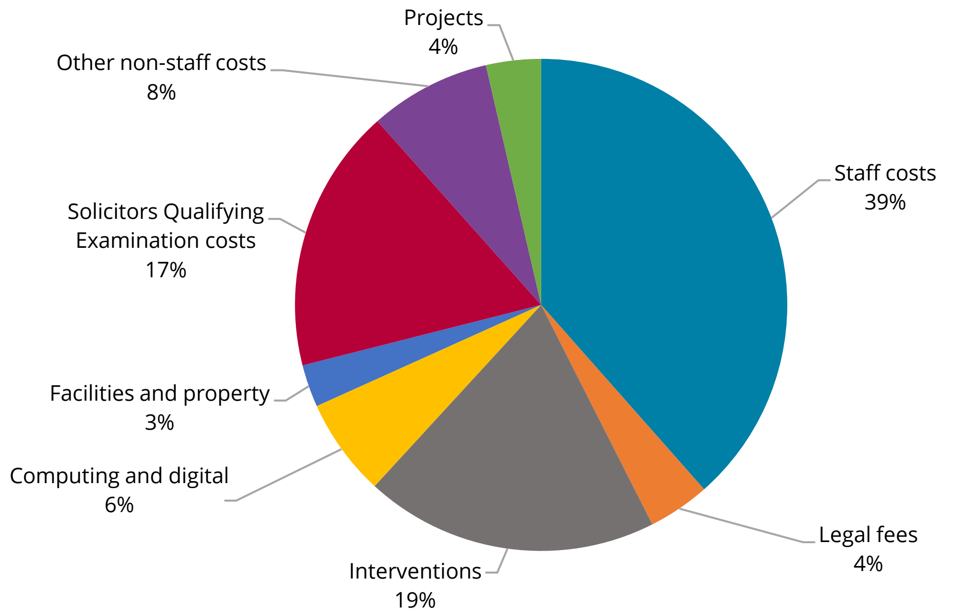


Ethnicity pay gap

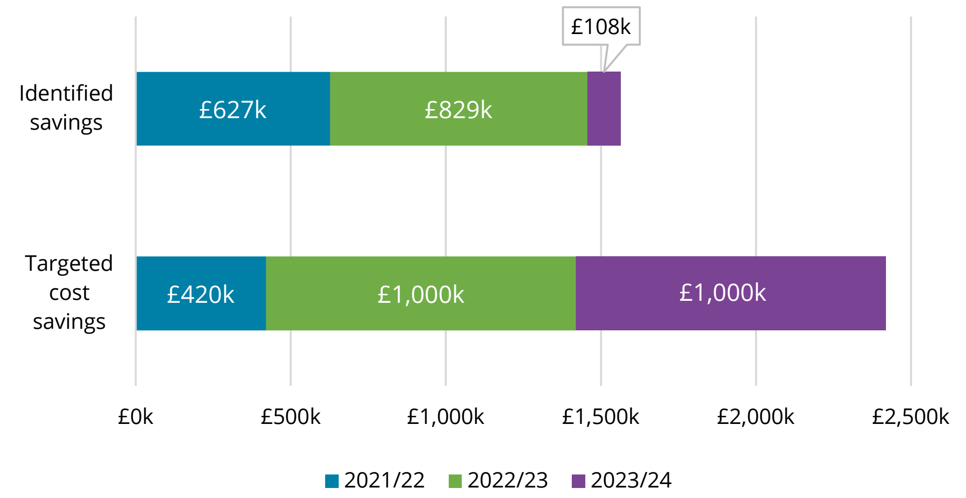


Core measures

Where our money is spent



Continuous improvement programme progress



Variance to budget 2022/23 Q4

£m	Actual	Budget	Variance	Variance %
Income	108.80	101.09	7.71	7.6%
Staff costs	39.32	39.65	0.33	0.8%
Other costs	66.90	60.03	-6.87	-11.4%

Variance to forecast 2022/23 Q4

£m	Actual	Forecast	Variance	Variance %
Income	108.80	87.31	21.49	24.6%
Staff costs	39.32	38.52	-0.80	-2.1%
Other costs	66.90	48.79	-18.11	-37.1%

External

Media sentiment

Quarter 4 (Q4) was the 11th consecutive quarter in which there was more positive media coverage than negative coverage. Compared to the previous quarter, the proportion of media coverage that was either positive or negative was slightly up, while the proportion of coverage that was neutral was slightly down.

The overall volume of media coverage of our work in Q4 was much greater than usual. This was mainly due to the Daily Mail's undercover investigation of immigration solicitors and surrounding events, including our intervention into a firm that featured in the Daily Mail report. There was also significant coverage of our intervention into Axiom Ince.

Topics generating positive media coverage in Q4 included:

- our thematic review of non-disclosure agreements
- our warning notice for providers of immigration advice
- our involvement in a SLAPPs (strategic lawsuits against public participation) taskforce set up by the government
- the launch of the Solicitors Indemnity Fund operations under our management
- our publication of anti-money laundering client risk assessment templates.

Examples of negative media coverage during the quarter dealt with:

- our approach to the crisis at Axiom Ince
- our request to the government for unlimited fining powers
- issues around the marking of one group of Solicitors Qualifying Examination (SQE) 1 papers.

Web traffic

Almost 1.4 million Google web search users clicked through to our website in Q4. Click throughs from Google in Q4 were up 39% from a year earlier, almost doubling our target of 20% annual growth. Google search queries related to the crisis at Axiom Ince were responsible for tens of thousands of click throughs to our website during the quarter.

Social media

The number of followers to Solicitors Regulation Authority (SRA) accounts across all social media platforms reached more than 173,000 by the end of Q4, up 16% from a year earlier.

During Q4, the average rate of engagement with our social media posts was 5.3%, exceeding our goal to reach an engagement rate of 4% for the final months of the year.

Posts that generated most interest and engagement from social media users during the quarter dealt with:

- upcoming SQE assessment dates, assessment bookings and release of SQE results
- our warning notice for providers of immigration advice
- changes to the government's Russia financial sanctions regime
- our anti-money laundering question and answer webpage.

There was also a great deal of engagement with social media content we posted during and about our annual Compliance Officers Conference.

Events

We held three events during Q4, including our annual Compliance Officers Conference in Birmingham. Almost 1,000 people joined us at the ICC in Birmingham to take part in sessions covering anti-money laundering, continuing competence, cybercrime, workplace culture, financial crime and more. There was a lot of positive feedback from attendees on the day. The metrics from our virtual version of the event, which significantly extends its reach and was delivered over several days in November, are not included in the Q4 figures.

Event attendance for the quarter totalled 2,149 (in-person, virtual streaming and virtual on-demand). More than 90% of attendees who scored on the usefulness of our events rated them five or higher out of ten, and more than 50% rated them eight or higher out of 10.

During Q4, one in every 20 event attendees who responded to the question said they had a negative perception of the SRA, which was unchanged from the previous quarter. The proportion of event attendees who say they have a positive perception of the SRA has declined for each of the past six quarters. At 71% in Q4, it was 82% 18 months earlier.

Investigation and enforcement

We achieved our end-to-end investigation and enforcement (I&E) key performance indicators (KPIs) in Q4 of completing 93% of investigations in 12 months and 95% in 18 months. However, we missed the KPI of completing 98% in 24 months target, achieving 97%. We continued our focus on reducing the volume of cases that are open for more than 24 months, from 183 cases at the end of Q1 to 161 at the end of Q4. Additional resources have been allocated to this priority, with an expectation for continuing progress in Q1 and Q2 of the new year.

A new KPI was introduced in March to demonstrate the benefits of our continuous improvement project. The KPI is for 70% of investigations to be concluded within 10 months from case creation (post the assessment and early resolution process). For the months of August, September and October, 55%, 62% and 56% of cases were concluded within this timeframe, respectively, giving an average of 57%.

The I&E continuous improvement project went live over the summer and has required continued resource as these new ways of working are embedded. This has been a source of pressure on the teams but is the foundation of the sustainable performance improvements we are delivering. We will continue to support this programme into the new year through overtime and outsourcing work, albeit at reduced levels as the need for this reduces. We expect to see improvements continue over the next year.

The Assessment and Early Resolution team (AERT) has a KPI to complete 80% of assessments within two months of being reported. Performance against this KPI remains strong, with 85%, 84% and 81% achieved in August, September and October, respectively.

Authorisation

We maintained a strong performance in both our firm based and individual based authorisation functions. We exceeded our KPIs, with 99% of all cases across both areas closed within service level agreement over not only the fourth quarter but the whole year.

We successfully delivered the annual practising certificate renewals exercise (PCRE) during October. This involved issuing more than 168,000 practising certificates and collecting more than £135m for the SRA and wider Law Society group. Like the Keeping on the Roll application, we obtained customer feedback relating to the PCRE application and received positive feedback from the profession.

Contact centre

Performance was positive, achieving an overall performance of 74% against our target of answering 70% of calls in 60 seconds. This was during our busiest time, with the PCRE window in October. Furthermore, we achieved our target of responding to 95% of emails within five days.

Client Protection

The overall compensation fund KPI target has again been met for this quarter and indeed for every quarter this year. This is despite the extremely high claims volume following the increased number of interventions (up from 25 last year to 65 this year) and particularly the Metamorph intervention.

Complaints

We consistently exceeded both stage one and stage two timeliness targets across the business for complaint handling. We also continue to provide support to the Chief Executive and the wider business, responding to MP and other stakeholder correspondence.

Staff turnover

Staff turnover has decreased again this quarter. The turnover has gradually decreased over the year, which indicates some stability within the organisation while the recruitment market remains volatile.

Time lost to sickness

Time lost to sickness has increased slightly. We continue to monitor the trend and promote our wellbeing initiatives and other interventions, such as our employee assistance and occupational health provisions. Both turnover and sickness remain below the external benchmark, although the benchmark data is now dated.

Gender and pay gap

Our latest pay gap reporting has been published. We have seen a decrease for both the mean and median, of 1.6% to 11.8% and 1.9% to 9.3%, respectively. Overall, our population has more female staff than male, with 63% female. This remains the same as last year. We have identified two significant drivers that impact our pay gap: the overrepresentation of females in the lower quartiles and the underrepresentation of females in the upper quartiles in comparison to our overall gender split. The gap is still below the UK median benchmark of 14.9%. The gender bonus gap has significantly increased in 2023, the mean gap rising 13.7% to 39.3% (a median rise of 7.5% to 20%). There are two main causes of the bonus gap. One is the distinct bonus schemes at a senior level, which could have the greatest influence on the mean gender bonus gap. This is then further influenced by the split of males/females qualifying for the bonus.

From those staff declaring their ethnicity, 438 are White (including White British, White Irish and any other White people) and 155 are from Other ethnic backgrounds. The percentage of Black, Asian and minority ethnic staff in our workforce has decreased by 2%. The data shows that the mean pay gap has decreased a further 4.9% to 12.7% and the median by 5.1% to 7.6%. The gap is still driven by a higher proportion of White staff in more senior positions, with 73% in the upper pay quartile. However, this is a decrease of 7% compared to last year. Although we have good ethnic diversity in our workforce, we do not when it comes to diversity in senior positions. The mean and median ethnicity bonus gaps have reduced by 11.8% to 37.7% and 6.7% to 23.3%, respectively. The reasons for the bonus gap are similar to that of the gender bonus gap, with the added dynamic of a higher proportion of White staff in more senior positions.

Our data still shows that we have a long way to go to address the gaps in both gender and ethnicity pay. Action plans to help address our gender and ethnicity pay gaps have been developed to assist addressing both gaps and are progressing well.

Staff engagement

The pulse survey on barriers to career development within the SRA has been analysed and we are in the process of drawing up an action plan based on the results and feedback. The first year of our Black, Asian and minority ethnic mentoring programme has successfully concluded, and we will run a similar programme in 2023/24. Likewise, the success of our reverse mentoring programme for Black, Asian and minority ethnic staff will now expand into our director population and widen to include LGBTQ+ staff and staff with a disability.

Financial

For the full financial year (prior to the year-end audit), we have a surplus of £2.6m, increasing the level of reserves to within the range outlined in our reserves policy. The reserves policy is also being reviewed, as it is every year, to make sure it remains appropriate.

The variance in income shown in the scorecard relates to mainly two factors. The SQE income for the year was higher than the forecast and the budget. This was because we saw higher candidate numbers than expected, resulting in income for the year of £19.1m against a forecast of £18.6m and an initial budget of £12.7m. The high inflationary environment during the year resulted in higher interest rates, meaning we achieved a greater return on working capital, earning £1.3m in interest against an initial budget of £555k.

Expenditure on staff costs for the full year was slightly below forecast but greater than the budget for the full year. As the year progressed, we took the decision to utilise some of the additional income to bolster our I&E functions ahead of increases already planned in the 2023/24 financial year. At the end of October, headcount was 1.5% above the initial budgeted figure, but around 6% below where we expect to be when all roles are recruited.

At first viewing, non-staff expenditure for the full year appears to be above forecast and budget. However, the majority of this cost is associated with delivering the SQE, offset by the additional income received, and the higher cost of interventions in the year, which is recharged to the SRA Compensation Fund, therefore having no net impact on the SRA. When these factors are excluded, non-staff costs were 3.2% below the forecast and 5.8% below budget for the year, due to wide-ranging savings against various budget lines.

The continuous improvement programme was targeted to identify £2.4m of cost savings by the end of the 2022/23 financial year, of which more than £1.6m has been identified.

However, the focus of the programme shifted in recent months from financial savings to operational outcomes, including improvements in our I&E functions, the first phase of which has recently completed.