Annex 3 - SRA Business Plan 2024-25 update

Our Strategic Priorities

Strategic Priority 1 - We will deliver high professional standards.

Strategic Priority 2 - We will strengthen our risk based and proactive regulation.

Strategic Priority 3 - We will support innovation and technology.

Strategic Priority 4 - We will be an authoritative and inclusive organisation, meeting the needs of the public, consumers, those we regulate and our staff.

Our business plan for 2024/25 is available on our website[1]. Annex 3a shows the business plan commitments within each priority.

Progress against commitments in our annual planned work programme

This is the first report against the business plan commitments in our 2024/25 business plan, which reflects the second year of the 2023-26 Corporate Strategy.

Annex 3a shows the RAG status of all the commitments under the four priorities. A summary of the status evaluation is as follows:

Status	Green	Amber	Red	Deliverable later in year	Total
Priority 1	9	1		1	**11**
Priority 2	5				**5**
Priority 3	3				**3**
Priority 4	7				**7**
Total	**24**	**1**		**1**	**26**

Relates to objective status based on progress to date:
Green (G) – means in line with expectation and overall delivery is expected;
Amber (A) – means generally in line although a challenge to maintain progress and deliver the overall objective;
Red (R) – means progress behind expectation and we will not succeed without direct action;
Blue (B) – means work to progress delivery of the objective is only achievable at a later point in the year.

We have no 'red' commitments from our 2024/25 business plan commitments. The amber commitments are considered below:

We will continue to implement and embed improvements to our casework processes.

As noted in the balanced scorecard annex we have seen a significant increase in the volume of reports, which has led to a material increase in reports to AERT and investigation cases. While we continue to implement improvements to our case working processes in both areas, successful embedding in the context of increasing individual case holdings is an additional challenge.

As detailed in the scorecard, we are taking steps to address the increased volume through increasing efficiency measures and temporary resource. We are also considering additional permanent resource as the increase appears likely to continue.

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[1] https://www.sra.org.uk/sra/corporate-strategy/business-plans/business-plan/business-plan-2023-24/

Incomplete commitments from our 2023/24 planned work programme

We had a red commitment at the end of our 2023/24 year and will continue to report on this in business plan update annexes in the manner below until it is achieved. We are not including this prior year commitment in the RAG reporting in Annex 3a below, which is intended to solely be on 2024/25 business plan commitments.

Make data about candidate performance available to help aspiring solicitors make informed choices about how they prepare for the assessment. We have not yet fulfilled our commitment to publish data linking SQE candidate outcomes with how they prepared for their assessments. We had expected to be able to publish some data in autumn 2024. However, we found some unexpected problems with the quality of the data. We have addressed the problems and remain committed to publishing such data as soon as we can. We have a new target date to publish the data of November 2025. We are contracting with an external supplier to support the development of a tool to enable the data to be published in an interactive way. We will continue to work with stakeholders to develop our publication approach.

We had an amber commitment in the final 2023/24 business plan delivery report annex included in the January 2025 Performance report, where we noted that the following commitment was made up of two components, with a different status:
- ***We will publish our firm diversity data with its new insight into the diversity breakdown at the most senior levels in law firms and***
- ***improve the diversity data we hold for individuals***.

The commitment as a whole was reported as red in the last performance report because it was not fully delivered. The first component has now been delivered.

On the second component we said we had updated the timelines for IT work to better support the diversity data we hold on individual solicitors and that we anticipated delivery to the new timeline in May 2025. We said that following this we will start a campaign to support improvements to the data we hold for individuals

We continue to expect that our project to re-platform the diversity data questions we use in the mySRA system will be implemented in May. We are not including this prior year commitment in the RAG reporting in Annex 3a below.

Achievements in this period

	Priority 1	Priority 2	Priority 4
Achievements	SQE availability • We made both SQE components available in the Welsh language from January 2025. Consumer Protection Review • We completed a three-part client money in legal services consultation. The first part of the consultation was on the model of solicitors holding client money. The second part was on protecting the client money solicitors hold, and the third part focused on delivering and paying for a sustainable compensation fund. • We had more than 300 attendees at 18 roundtable or focus group events, with some attending more than one event. • We ran polls on LinkedIn to gain further insights on compensation fund contribution proposals. • We had more than 450 responses, mostly from the profession, including law societies, other representative groups, stakeholders such as industry suppliers and members of the public. • We completed a spot check on 600 randomly selected firms to test compliance with the Solicitor Accounts Rules.	Risk and Data • We combined the two work programmes of the Data Strategy (providing the capabilities we need) and the Risk and Intelligence Framework (asking the right questions and prioritising the right things) as a single Risk and Data Programme (RDP). We have developed our approach in conjunction with the existing Risk Management Framework. • We have onboarded key resource and begun activities on the seven key strands of activity, after identifying priorities across both areas of work. Data analysis • We refreshed our AML AI model used to risk rate firms with new data sources to ensure it remains up to date and as reliable as possible. • We completed other analytical projects such as the development of a machine learning predictive model looking at the likelihood of firms failing.	Continuous improvement • A further 12 colleagues have achieved the Lean Six Sigma white belt training programme accreditation. A further 13 colleagues are progressing towards accreditation. Equality, Diversity, Inclusion • EDI. We now have a senior leadership group including 14.5% from an ethnic minority, up from 8% in 2022. First tier complaints • An extensive work programme has made progress in gathering evidence from firms about how they handle first tier complaints, specifically via a thematic review and a firm survey. • We have completed 25 thematic visits to firms and had responses from over 700 firms to our survey, of varying size and practice areas. Firms were selected using our data as well as Legal Ombudsman insight. Firms have been open and constructive in their feedback about the challenges they face when handling complaints and the resources they would find helpful.

	Priority 1	**Priority 2**	**Priority 4**
Impacts and Outcomes	SQE availability • This will enable any Welsh speaking SQE candidate to have a choice of language medium and recognise the value of Welsh speakers joining the profession. Consumer Protection Review • Taken with the research we previously did with consumers, the consultation responses provide us with a robust basis to formulate good proposals to put to our Board. • We are able to categorise topics between those that are the first priority for delivery, those that need further analysis, and those where it is recommended no changes are made. • The Board will be able to agree the first priorities and a summary of responses will be published online.	Risk and Data • Aligning the approach to risk identification with the existing Risk Management Framework ensures we more clearly capture, understand and can mitigate both internal (business) and external (regulatory) risks. • It also ensures that we best manage the interdependencies between risk identification and data capability. Data analysis • The refreshed model will identify a new set of higher risk firms for our AML proactive team to visit. Initial feedback suggests the model is working well in identifying firms with issues. • Work on the model has helped us to identify and analyse some key proxies for risk.	Continuous improvement (CI) • Approximately 130 people will be Lean Six Sigma trained by 2025/26, a substantial proportion of our workforce. • This should mean that most teams will have a team member with the philosophy and skillset to deliver our CI goals of better customer focus, simplified processes and procedures, and positive cultural and behavioural change. • These goals have the overall objective of increasing the efficiency and effectiveness of our operations. Equality, Diversity, Inclusion • We are on track to achieve our published action plan of having 20% of our leadership group from an ethnic minority by 2032. Our mid-term target is to have 16% by 2026. • Colleagues and prospective colleagues from an ethnic minority will have more confidence in the SRA being a place in which they can thrive. First tier complaints • We have reviewed, and will be updating, our requirements on first-tier complaints, as well as producing new supporting materials for firms. • We are engaging with the Legal Ombudsman (LeO) and other legal regulators to identity opportunities to work collaboratively.

Annex 3a

Priority one – We will deliver high professional standards	
This means setting, upholding and promoting high professional standards for those we regulate, in a way that is fair, proportionate and robust.	
Commitments	**Current RAG rating**
We will deliver the year-three evaluation of the SQE.	🟩
We will make both SQE components available in the Welsh language from January 2025.	🟩
We will deliver commitments from our annual assessment of continuing competence process including undertaking training record reviews and a thematic review focused on family law and landlord and tenant solicitors and firms, to understand whether and how solicitors meet their professional obligations to maintain competence.	🟩
We will build on the work we have already done to improve information available for consumers on legal services, focusing on how we can drive improved information around costs and how that interacts with quality indicators.	🟩
We will continue to lead work with other regulators to develop a cross-regulator portal that will help users, and potential users, of legal services to identify a suitable provider for their needs.	🟩
We will respond to the Legal Services Board's guidance around the new regulatory objective to promote the prevention and detection of economic crime, and to changes in money laundering regulations	🟩
We will consider the outcome of the Treasury's consultation on the future of AML supervision.	🟦
We will progress actions arising from our research findings into differential outcomes in legal professional assessments and overrepresentation in our investigation processes and continue to encourage diversity at senior levels in law firms.	🟩
We will take forward our plans to introduce an EDI evaluation framework.	🟩
We will progress relevant actions from the early stages of our Consumer Protection Review.	🟩
We will continue to implement and embed improvements to our casework processes.	🟨

Priority two – We will strengthen our risk based and proactive regulation

This means delivering and supporting better regulation through proactive and risk-based activity using robust evidence based on our data, insights and intelligence.

Activities	Previous RAG rating
We will start to deliver our data strategy in light of reviews of data capability and maturity.	
We will undertake short term improvements to expand our use of data analysis, including the application of AI and machine-learning to additional areas.	
We will deliver our programme of proactive thematic reviews in key areas, including an AML review focused on source of funds, and a review on the roles of compliance officers.	
We will proactively respond to developments including new or amended money laundering regulations.	
We will undertake a data-based programme of proactive sanctions supervision, incorporating information received under our MoU with the Office of Financial Sanctions Implementation.	

Priority three – We will support innovation and technology

This means that we will keep up to date with and actively support innovation and technology that improves the delivery of legal services and access to them, particularly for individuals and small businesses, as well as supporting small firms to use technology effectively.

Activities	Previous RAG rating
We will develop our regulatory approach to AI so that our regulated community, and consumers of legal services, can keep pace with risks driven by this rapidly evolving area.	
We will develop our support for small law firms to adopt technology, based on findings from our research.	
We will progress recommendations and outcomes from our Regulators Pioneer Fund project focused on exploring how online dispute resolution (ODR) can help tackle the unmet legal need of individuals, consumers and micro/small enterprises.	

Priority four – We will be an authoritative and inclusive organisation, meeting the needs of the public, consumers, those we regulate and our staff

This means that we place our customers at the heart of all we do, working as an authoritative, inclusive and responsive organisation.

Activities	Previous RAG rating
We will extend our customer service plans and model into more operational areas, including our Client Protection team who – among other things – deal with interventions and compensation fund claims.	
We will progress our communications review to build on our stakeholder perceptions profiling work.	
We will continue to progress and evaluate our actions to increase diversity in SRA leadership roles and to close ethnicity and gender pay-gaps.	
We will develop and broaden understanding and knowledge within the SRA to grow and embed a culture of continuous improvement.	
We will continue to deliver on our internal ESG commitments, and work with key stakeholders on reducing our environmental impact.	
We will review and update our requirements for first-tier complaints.	
We will deliver the five year Transparency Rules evaluation.	