SRA BOARD
CLASSIFICATION – CONFIDENTIAL BEFORE PUBLICATION

SOLICITORS REGULATION AUTHORITY
Minutes of the SRA Board meeting at the Leonardo Royal Hotel, 10 Godliman Street, St Pauls, London, EC4V 5AJ
22 September 2026

Present: Anna Bradley (present and Chair for items 7 to 13)
Ann Harrison
Claire Bassett (Chair for items 1 to 6)
Rob McWilliam
Simon Millhouse
Claudio Pollack
Sarah Rapson
Lisa Mayhew (for items 12 and 13)
Vikas Shah
Liz Smart
Nicola Williams
Shrin Honap (Board observer)
Ben Allgrove (Board observer (for item 9)

In attendance: Aileen Armstrong (for items 6, 7, 8, 10 and 11), Deborah Jones (for items 6 and 11), Kate O'Neill (for items 5, 7, 8, 9 and 11), Jonathan Peddie (for items 4, 6, 7, 8 9 and 11), Liz Rosser, Dominic Tambling, Naomi Nicholson (for items 6 and 10), Thea Edwards (for item 10)

1 WELCOME AND APOLOGIES

2.1 The Chair welcomed everyone to the meeting including Shrin Honap, the newly appointed Board observer who would be joining the Board in January. Ben Allgrove, also appointed as a Board observer and joining the Board in January, would attend part of the meeting later in the morning.

2 MINUTES OF THE PREVIOUS MEETING ON 30 JUNE 2026

2.1 The minutes of the meeting on 30 June 2026 were agreed subject to some amendments to paragraph 5.6 to clarify our position on, and response to, findings relating to the Axiom Ince and PM Law cases.

3 MATTERS ARISING AND DECLARATIONS OF INTEREST

3.1 There were no matters arising that would not be covered on the agenda. All actions due were completed or 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.

3.3 Since its previous meeting on 30 June 2026, the Board had agreed the appointment of two new Board members, Ben Allgrove and Shrin Honap, who would join the Board in January 2027 (Shrin Honap as the new chair of the Audit and Risk Committee) and until that time were Board observers. The Board had

also agreed revised practising fee determinations following the completion of the turnover validation exercise.

4 SRA MARCH 2026 TO JUNE 2026 PERFORMANCE REPORT

4.1 The Board was asked to consider an overview of the performance report for the four month period ended 30 June 2026.

4.2 The Board's attention was drawn to the update on Board performance monitoring format, annexed to the paper which would be used as the basis of reporting from January 2027, and would continue to evolve over time. The Board welcomed this new format which would enable it to focus more on the data that it really needed to see to assess the organisation's performance. It would though be necessary to be confident that the team putting the reports together had the data it needed to do so, and it was not clear that we were yet in that position. Board members also highlighted the connection between the new controls included in the new strategic and mid-tier risk registers.

4.3 The Board noted that following a reforecast for the 2025/26 year, we were projected to have a full year deficit of £9.9m, larger than the budgeted £5.5m but reduced from the previous forecast shared with the Board. Board members underlined the need to continue to push for efficiency savings and to be able to articulate the savings that we had already made.

4.4 Board members discussed the annex on the Investigations and Enforcement end to end process improvements. Board members noted the improvements that had been made and were planned and the positive impact that these had had so far on the backlog of cases. A date would be agreed at the December ARC meeting for when the associated risk would be brought back within appetite.

4.5 Subject to these comments, the Board noted the content of the performance report and the overall assessment of performance and the planned update to performance reporting.

NB: Annexes 1, 2 and 5 of this paper will not be published because they contain information which is commercially sensitive or relates to emerging policy or strategy.

5 COMMITTEE CHAIR REPORTS

5.1 The Board received an update on the most recent Audit and Risk Committee (ARC) meetings, including on 10 September 2026. This meeting had included updates on the risk and data programme, the supervision task force project and market risk and how the controls they offered came together. The Committee had commented that it was inevitable that in trying to avoid gaps there was a degree of overlap and further work would go into how to simplify the relationship between the different market risks.

5.2 Related to this was the creation of a single improvement programme which brought together all of the work and actions arising from the various investigations, reports and external requirements arising from recent difficult cases.

5.3 The Board member with responsibility for liaison with staff reported on some of his recent meetings and discussions about both positive matters raised with them and the matters of most concern. These issues were familiar to the Board which would continue to work with the Executive to address them.

5.4 The Board noted the reports.

NB: the paper for this item will not be published, as it relates to emerging strategy or policy

6 UPDATE ON DEVELOPMENT OF SRA CORPORATE STRATEGY

6.1 The Board was asked to consider an update on the development of the SRA's 2027–2030 Corporate Strategy. Proposals had been firmed up significantly since the Board's last discussion and the paper presented the structure and key deliverables for the Strategy and sought Board steers before consultation materials were finalised.

6.2 The CEO reported that she had had a high level discussion about the Strategy with the CEO at the Law Society and the Chair of the Legal Services Consumer Panel.

6.3 In discussion Board members suggested that the Strategy should say more about general principes such as the Rule of Law and Access to Justice and how our work would support these. It should also be clearer about our responsibilities in relation to the use of AI by the profession.

6.4 Board members also emphasised the need to have key partners such as the Legal Services Board and Legal Ombudsman on board if we were to make these proposals work. The Board challenged the Executive to do more on stakeholder engagement in general and was assured that further work on this was in hand.

6.5 The consultation on the Strategy should be explicit about what we were asking for from others in terms of expectations, powers etc. This should go along with clear statements about where we would be cutting activity and saving money to fund some of the additional work proposed. This should include our change in approach to the handling of complaints.

6.6 Subject to these points, the Board agreed the four proposed strategic themes and associated key deliverables as the basis for consultation. The Board also agreed that further work was needed on the proposed prioritisation principles which would support understanding of how we will behave in future.

NB: the paper for this item will not be published, as it relates to emerging strategy or policy

7 SRA BUSINESS PLAN AND FUNDING REQUIREMENTS FOR 1 NOVEMBER 2026 TO 31 OCTOBER 2027

7.1 The Board was asked to consider feedback from the consultation on the Business Plan and funding requirements for 2026-27 and how it would be addressed in the final version.

7.2 The Board noted that changes to the Business Plan had been made in a number of areas to reflect feedback received including:

- providing clarity that we will work with the profession and other stakeholders to inform work on our approach to supervision
- adding reference to being transparent on the governance arrangements and guardrails we put in place in relation to our own use of AI and data analytics
- in relation to transparency rules, adding that we will focus on supporting firms to drive improvements in compliance this year and will consider our next steps in the context of the prioritisation choices we will need to make when we have set our new Strategy for 2027-30
- adding reference to consumer outcomes and access to justice
- reflecting the Board's earlier decision to change the apportionment of Compensation Fund contributions for 2026-27.

7.3 In response to Board members' questions about how we might assist firms and individuals facing difficulties in paying fees, the Board was reminded that the Law Society provided a facility to pay these monthly, which was flagged as part of the Practising Certificate Renewal Exercise.

7.4 The Board

- agreed the changes to the Business Plan for 2026-27 made in response to consultation feedback

- delegated to the Chair and Chief Executive approval of the final Business Plan and funding requirements 2026-27 document – along with the accompanying impact assessment and feedback document – for publication, taking account of this discussion.

8 SRA BUDGET 2026/27

8.1 The Board was asked to consider an update on our latest expectations regarding the 2026/27 budget and expenditure from reserves.

[redacted]

8.4 The Board:

a) approved a capital budget of £6.45m

b) acknowledged the possibility of additional funds being requested as plans are developed throughout the year and the mechanism for additional expenditure to be agreed.
c) agreed that any underspend on projects forecast could be carried forward and added to the project budget for 26/27.

8.5 The Board also agreed that it would be helpful to hold a teach-in on how the organisation spends its funds, particularly for the benefit of new Board members.

NB: the paper for this item will not be published, as it is commercially sensitive

9 CHIEF EXECUTIVE'S REPORT

9.1 The Board was asked to consider an update on our priorities and any key developments that it needed to be aware of. The report also provided information on important external developments and our engagement activity with key stakeholders.

9.2 The CEO said that a key priority at present was closing the 'supervisory gap' which would be covered under item 11 on external reviews. Concern from the profession about our changes to rules on compliance roles was also high on her agenda and we were engaging with different parts of the profession to ensure that we were hearing the number of different views that existed. Achieving a single action plan to address the many actions including those that had been identified by different reports was also a priority.

9.3 The Board received an update on progress with some high risk cases including Pogust Goodhead, where a commercial dispute on whether its Client Committee could move claims to another firm was in train.

9.4 The Executive updated the Board on the position regarding the S.44B/Carter-Ruck/Amersi litigation on which judgement has been handed down the previous day. The judge had decided that we did not have the power under section 44B Solicitors Act 1974 to require the production of documents and information subject to a client's legal professional privilege. We were seeking permission to appeal and the parties' submissions as to that were currently with the judge. We would seek to 'leapfrog' straight to the Supreme Court as it was important that all possible avenues of appeal were exhausted before, if it proved necessary, considering whether a change in the law was required.

9.5 We were also considering the implications of the judgment on our investigations and enforcement activity in order to assess which cases (including those in the Tribunal) were impacted, and the next steps with those. It was agreed that a more detailed look at the cost and other implications of this judgement was needed.

9.7 The CEO reported that we had received a further letter from the Legal Services Board about future performance targets. The Justice Select Committee had also written to us asking for an update on our work to prevent firm failures. A Board Working Group would be established to consider the response to the LSB's requests and the Board would be kept informed.

9.8 The Board also discussed the proposals in relation to compliance officers which formed part of the client protection review. Some Board members had discussed this in a separate session the previous day.

9.9 Given the scale of the feedback including information about impact especially on the smallest firms, the Board agreed that we should pause our plans and undertake further engagement. This would ensure that those who were opposed had a full understanding of what was proposed, and to allow us to listen again to their concerns. We would then consider what changes were needed to target the risks, and seek to surface any related evidence. The Board was keen to engage, and learn, but was also concerned to ensure that we have the most effective regulatory response to tackling the issue. Once the engagement had been concluded, the Executive would make recommendations for the Board's approval.

9.10 The Board noted the report.

NB: the paper for this item will not be published, as it relates to emerging strategy or policy

10 UPHOLDING PROFESSIONAL ETHICAL DUTIES: LSB STATEMENT OF POLICY AND PROPOSED SRA RESPONSE

10.1 The Board was asked to consider proposals to ensure that we met the requirements of the Legal Service Board's (LSB) Statement of Policy on Upholding Professional Ethical Duties, and our proposed direction for the SRA's Professional Ethics Programme

10.2 The paper also set out the findings of a Listening Exercise held with members of the profession and key stakeholders about ethical matters and challenges facing the profession, which provides context for our proposed next steps.

10.3 Board members thanked the team for the proposals which represented excellent progress. It was good to see that in-house solicitors were properly covered but further thought might be given to solicitors working in non-traditional firms who might face particular difficulties in meeting these requirements,

10.4 In response to questions from the Board, the Executive confirmed that whether or not to require the passing of the ethics section of the SQE in order to achieve an overall pass was still being considered.

10.5 Board members questioned whether a rule or guidance would be the correct approach to implementing these changes and the Executive replied that a rule would send the right message about the importance of these requirements.

10.6 The Board:

(a) noted the findings of the Listening Exercise and the proposed programme of work

(b) endorsed the proposed targeted approach to meeting the LSB's Statement of Policy, while allowing any wider work on professional ethics to be undertaken over a longer period according to risk and available resources.

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11 ACTIONS FOLLOWING EXTERNAL REVIEWS, INCLUDING UPDATES ON THE RISK AND DATA PROGRAMME AND REGULATORY ACTION ON HIGHER RISK FIRMS

11.1 The Board was asked to consider a paper setting out actions and programmes that relate to how we are changing the SRA to better identify and address risks of consumer harm from higher risk firms in three parts:

i. a proposed action plan to address Jenner/Berkeley recommendations
ii. an update on progress and future plans for the Risk and Data Programme
iii. a note on immediate regulatory action for mitigating the risk of consumer harm from higher risk firms

11.2 The CEO introduced the papers and underlined the need to move on rapidly with work to move to a supervisory system of regulation. The Board was therefore being asked to agree in principle to the recruitment of up to twenty new supervisory staff. Having the right people with the right skills in place to deliver as this work crystallised was essential.

11.3 Board members asked how the supervisory work fitted with other initiatives under way, including the improvements to the Investigations and Enforcement end to end process and the Risk and Data Programme and were assured that this was aligned. It was acknowledged that some supervisory work was already under way and we would need to build this in as the supervisory function developed, with an appropriate migration of staff. In turn, building capacity in supervision would release the pressure in areas such as investigations.

11.4 Turning to the three papers, Board members were pleased with the positive trajectory in relation to the Jenner/Berkeley action plan but asked for more assurance that we were addressing the need to have everything that we knew about any given firm in once place where it could easily be accessed by everyone who needed to see it. We could also be better at articulating what we were doing in

relation to any particular firm; e.g., what we knew about it and what the basis for investigation or action was. This would help to explain our actions generally and when problems happened with firms as they inevitably would.

11.5 On the Risk and Data Programme, Board members iterated that they were impressed with the progress that had been made, though suggested that given the need to take everyone with us, internally and externally, better ways of communicating what was being done, such as short videos, might be developed. Board members also asked for more information about the 'signals and insight' element of the Programme. It was also agreed that reports on programmes such as the RDP should be made through the regular performance reporting system.

11.6 Subject to these points, the Board agreed that it took considerable assurance from all of the different work being done and noted the three papers.

12 SRA STRATEGIC RISK UPDATE

12.1 The Board was asked to consider a progress report on the SRA Strategic Register (SRR) and our approach to risk management development. The Board noted the significant work that had been done to develop new strategic and mid-tier risks which were annexed to the paper. These had been reviewed by ARC at a recent meeting and could continue to be developed.

12.2 Board members welcomed the revised registers and the other information provided, including on risks outside appetite. It was suggested that we might also need risks around organisational resilience in, for instance, the event of national power outages. The Executive confirmed that desk exercises on resilience were planned and that ExCo would be looking at cyber resilience in December. Energy outages would be included in this work. The new SRR1 should also adequately cover the supervisory gap which had been discussed earlier in the meeting

12.3 The Board also noted the need to consider whether the risks associated with LSB enforcement action and the associated work were appropriately reflected in the registers. The Board had also asked for ARC to look at the impacts of the s.44B judgment and this should include the impact on risks relating to Investigation and Enforcement.

12.4 It was agreed that any further comments on the emerging new strategic risks should be submitted to the Executive for further consideration by ARC in December.

12.5 The Board:

a) noted the summary risk registers tables and discussions from ARC

b) agreed the Strategic Risk and Residual Risk Level Report

c) agreed the emerging new strategic risks

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NB: The annexes for this item will not be published as they include discussion of risk that might be exacerbated by publication.

13 REVIEW OF MEETING AND ANY OTHER BUSINESS

13.1 Board members received an update on the recruitment of a new Board Chair to succeed Anna Bradley. Interviews would take place the following week. There was no other business.

13.2 The next meeting would be held on 16/17 November 2026 at The Cube in Birmingham.