SRA BOARD
22 September 2026

CLASSIFICATION – CONFIDENTIAL BEFORE PUBLICATION

This paper will be published

SRA Strategic Risk Update

Purpose

1 This paper provides the SRA Board with a progress report on the SRA Strategic Register (SRR) and our approach to risk management development.

Recommendation

2 The Board is asked to:

a) consider and offer comment on our proposed new Strategic Risks (annex 1)

b) note the summary risk registers tables and discussions from ARC (annex 2)

c) agree the Strategic Risk and Residual Risk Level Report (annex 3)

d) agree the revised Strategic Risk Register (annex 4).

If you have any questions about this paper, please contact Liz Rosser, Chief Operating Officer and Executive Director of Regulatory Operations, liz.rosser@sra.org.uk

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Background

3 Risk in the organisation is managed in accordance with the SRA Risk Management Framework (RMF). This sets out responsibility for managing risk in the SRA together with the reporting arrangements for the Executive Team, Audit and Risk Committee (ARC) and the SRA Board. The Strategic Risk Register (SRR) is reviewed regularly and reported to the Board three times a year as part of our performance reporting.

4 The Executive Team considered our key organisation risks and agreed general updates to the SRR and these were subsequently reviewed by the Audit and Risk Committee.

Strategic Risk Register (SRR)

5 The Strategic Risk Register comprises the following risks:

- Regulatory Focus (SRR1)
- Equality, Diversity, and Inclusion (SRR2)
- Technology (SRR3)
- Risk Based Regulation (SRR4)
- Investigation and Enforcement (SRR5)

6 ARC received the latest updates to the Strategic Risk Register at its September 2026 meeting, which covered changes to the strategic risks, including updates on progress of activities and risks which are outside of risk appetite.

7 The report also noted a series of deep dive reviews that have taken place with the relevant Risk Owners and the Executive Committee. The findings of these reviews have been reported to ARC.

8 ARC has also had sight of and discussed our proposed new strategic and mid-tier risks. These are included in annex 1 along with ARC comments. Work will now commence to finalise these risks for approval by ARC in December.

9 Our current risks are summarised in annex 3, and the full details of all the risks held on the SRR are contained in annex 4.

Mid-tier risk register (MRR)

10 A new risk around Client Money Protection has been developed as part of our Market risk register. ARC discussed this in detail alongside the rest of the MRR, with a particular focus on risks outside the risk appetite.

11 Future reporting will separate mid-tier (operational) risks and market risks for clarity, recognising these are distinct categories.

12 Annex 2 summarises the SRR, MRR (operational) and Market risk position and key discussion items from ARC.

Other discussions on risk

13 The Committee was provided with updates on our Market Risk Assessment process along with the Risk and Intelligence Framework (RIF) throughput report and the Annual report on RIF activities.

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14 In June ARC received a demonstration of our risk management system (4Risk) setting out our internal control framework using the 'three lines of defence' model.

15 Our internal auditors (RSM) provide ARC with an 'Supplier Risk' session in June which focussed on supplier assurance controls and risks around technology, system integrations and cyber.

Next steps

16 The new SRR will continue to be developed with Exco and ARC, building on comments from ARC and the Board. Further deep dives into market and mid-tier risks are planned with Exco and ARC.

Recommendations: the Board is asked to:

a) consider and offer comment on the proposed new Strategic Risks (annex 1)

b) note the summary risk register tables and discussions from ARC (annex 2)

c) agree the Strategic Risk and Residual Risk Level Report (annex 3)

d) agree the revised Strategic Risk Register (annex 4).

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Supporting information

Links to the Corporate Strategy and/or Business Plan and impact on strategic or mid-tier risks

17 The recommendations affect the organisation's Corporate Strategy/Business Plan as, if the strategic and mid-tier risks are not managed effectively, this could adversely impact on our ability to successfully deliver our key objectives. It may also have a reputational impact.

18 This work will underpin our commitment to improving our operational performance and making justifiable decisions promptly, effectively, and efficiently.

How the issues support the regulatory objectives and best regulatory practice

19 Effective risk management procedures, combined with robust internal controls, will enable the SRA to deliver its regulatory objectives.

Public/Consumer impact

20 Effective risk management procedures, combined with robust internal controls, helps to protect the public.

What engagement approach has been used to inform the work and what further communication and engagement is needed?

21 The SRR is discussed by the Executive Team, Director Team, reviewed by ARC and is reported to the SRA Board regularly.

What equality and diversity considerations relate to this issue?

22 Risk management is embedded across the organisation and any risks associated with EDI will be captured within risk registers as appropriate. There is also a specific risk in the SRR around EDI.

How the work will be evaluated

23 As part of the ongoing risk assurance programme of strategic and mid-tier risks, the documented control measures will be reviewed and assessed to determine the effectiveness in managing the SRA risks.

Annexes:

Annex 1	**Proposed new Strategic Risks (including ARC comments)**
Annex 2	**Summary risk registers**
Annex 3	**Strategic Risk and Residual Risk Level Report**
Annex 4	**Strategic Risk Register**

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NB: the annexes to this paper will not be published as they include discussion of risk that might be exacerbated by publication.