



# Draft Business Plan and funding requirement 2026–27

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# Background

- **We're seeking views on:**
  - our priorities
  - proposed budget
  - proposed practising certificate fee and compensation fund contributions
- **Context:**
  - acts as a **bridge to our longer-term strategy**

# Priority one

## Operational excellence

1. Deliver clearer, faster and more proportionate outcomes
2. Expand capability and capacity
3. Upgrade IT systems to support risk, data and supervision capabilities
4. Build a high-performance organisation and drive operational excellence

# Priority two

## **Develop the ability to proactively identify and address risk**

1. Establish a proactive supervision function
2. Strengthen risk-based prioritisation and early case escalation
3. Expand an intelligence-led approach to risk

# Priority two

## **Develop the ability to proactively identify and address risk**

4. Enhance risk insight through stronger data and analytics
5. Improve the experiences of consumers in vulnerable circumstances
6. Strengthen and build on partnerships with other regulators to mitigate shared risks

# Priority three

## Focus on the biggest issues

1. Strengthen protections for client money, explore ways of reducing future consumer harm
2. Boost consumer protection in high-volume consumer claims
3. Enhance confidence in the Solicitors Qualification Examination (SQE)
4. Enable and encourage responsible innovation and growth in legal services

# Investing to improve how we work

**Funding:** increase of £25m (29%). Total budget: £194.6m (£111.5m from practising fees)

**Dual run:** transformation alongside core regulatory activity

## **Largest expenditure items:**

- Education and training: £58m (£2.9m increase)
- Investigations and enforcement: £36.2m (£4.2m increase)
- IT and change projects: £21.9m (£1.3m increase)
- Addition to reserves: £10.3m increase

# Practising certificate fee and compensation fund

- **Practising certificate fee:**
  - individual fee: £190 → £240; firm fees: increase linked to turnover
- **Compensation fund:**
  - significant pressure
  - individual contribution: £70 → £120
  - firm contribution: £1,950 → £3,600
- **Also consulting on split:**
  - currently: 50% individuals / 50% firms
  - option: 70% individual / 30% firms

# Have your say

- **Responses online:** [sra.org.uk/consultations](https://sra.org.uk/consultations)
- **Closing date:** 22 June 2026, midday
  - further engagement planned
  - review what we have heard to inform the final plan
- **Autumn 2026:** publish final Business Plan and funding, our fees, and a summary of responses and feedback

# Lifting our sights

- Client money in legal services
- End-to-end review of our caseload
- Longer-term: our next **three-year strategy**
- Greater collaboration and engagement with the sector