



Solicitors
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Our work since the Independent Comparative Case Review on the profile of solicitors in our enforcement work

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Introduction

There is a longstanding overrepresentation of certain groups – men and people from a black, Asian and minority ethnic (BAME) background – in our enforcement processes, as is widely seen across many regulators and sectors. We have, over the years, commissioned a series of independent reports into what is causing this to happen.

Alongside the publication of the diversity profile of solicitors in our enforcement work in 2018/19, which again shows this overrepresentation, we are also now reporting on our work since the most recent review – Professor John’s review of fairness in our enforcement processes, the [Independent Comparative Case Review \(ICCR\)](#).

We published a [response](#) to the ICCR in 2014, setting out our commitments on the broad themes of the review, which we took forward as part of our corporate strategy.

Before the ICCR, we had commissioned reviews from [Pearn Kandola](#) and [Lord Ouseley](#), building on work undertaken by the Law Society in 2004 and reported in 2006, before the establishment of the SRA. All three external reports confirmed the position, highlighted by our own annual diversity monitoring reports up to 2014, that there is overrepresentation of certain groups – men and people from a BAME background – in our enforcement processes. None of the external reports found any evidence of discrimination.

Professor John analysed our data, reviewed our processes and considered complaints that had been made and, as above, found no evidence of discrimination. His report recommended some improvements to our processes and considered some of the external factors that may be responsible for a higher proportion of BAME solicitors being brought within our investigation and disciplinary work. These included working in small firms and establishing sole practices after only a few years in practice – both categories where BAME solicitors are significantly overrepresented.

The insight and recommendations from all the reports, including the ICCR, have significantly influenced our work, both internally and externally.

Earlier this year, as we were consulting on our new corporate strategy for 2020, we reflected on our work to promote [equality, diversity and inclusion \(EDI\) over the past five years](#), including the work we have taken forward following the ICCR.

That work has included:

- a full programme of regulatory reform
- a new Enforcement Strategy
- reviewing our processes
- the development of the Solicitors Qualifying Examination (SQE) and the related EDI benefits
- work to support and increase diversity in both the profession and our own workforce
- the delivery of bespoke support for small firms.

We provide more information in this report.

We also made a commitment to regularly publish the diversity profile of people in our processes, while recognising that picture was unlikely to change quickly. Although previously

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an annual exercise, we paused this reporting in 2015 because of an increasing focus on the role of law firms in maintaining high professional standards.

This meant we were recording a growing proportion of our enforcement work against firms, rather than individuals. This, and the falling number of newly enrolled solicitors providing their diversity data to us through our online portal (following our move to an online admissions process), meant that monitoring the diversity of individuals in our enforcement work was a challenge.

We have now resumed this monitoring and, to do so, undertook a resource-intensive, manual review of the reports we received in 2018/19 to identify information about the individuals involved. New systems and processes we are putting in place will allow us to better extract and analyse data about our enforcement decisions in the future.

Importantly, we have already committed, in our Business Plan 2020/21, to commissioning independent research to understand the factors that bring the profession into our processes. We go on to say: 'These are difficult and often contentious matters and it will mean commissioning research and establishing an advisory group of expert voices to help us with these complex issues over the three years of the strategy. We will publish any research so that interest groups and the profession can join with us and others to address any underlying factors.'

We are not complacent about our processes and will also undertake a forward review of our decision making, alongside improving the monitoring of our investigation and disciplinary work by establishing an in-house 'arms-length' quality assurance team for all our disciplinary work.

To improve our data, we will work to increase the number of individuals who disclose information concerning their diversity characteristics to us and, as above, we will report annually on the profile of people in our enforcement processes.

Understanding the impacts on EDI will form a key part of our planned evaluation of the changes we have made to our regulatory model, and we will continue to build our wider work to promote and support diversity in the profession.

Reporting our work on EDI

We have reported regularly and openly on our equalities work over the past six years. We took forward the broad themes from the ICCR into our [EDI strategy 2014 to 2017](#). Our equality objectives in the strategy were to:

- develop a more diverse workforce and promote an inclusive culture, equality of opportunity for all staff and the behaviours and capabilities needed to regulate proportionately, fairly and free from bias
- ensure that the way we operate, our rules and the decisions we make are proportionate, fair and free from bias and help firms and individuals understand and comply with our requirements
- work with those we regulate to support them in achieving a more diverse and inclusive profession.

We reported annually on our progress for each year of the strategy, with the first two annual reports summarised in [an overview of our progress in meeting the strategy for 2014 to 2017](#).

By 2017, we had mainstreamed EDI into our [corporate strategy for 2017 to 2020](#), setting ourselves equality objectives aligned to five themes, set out in the [Business Plan 2017/18](#):

- a diverse profession
- fair decision making
- EDI implications of our regulatory reforms
- inclusive engagement
- accessible IT and business systems.

We published annual reports on our progress under the 2017 to 2020 strategy in [2017/18](#), [2018/19](#), with the 2019/20 report currently being drafted, and an overall review of progress to date in our [five-year review](#) in March 2020.

High-level summary of our work

Our [response](#) to the ICCR in 2014 sets out our commitments on the broad themes of the review, which we took forward as part of our corporate strategy. The table below summarises these commitments and the work we carried out. More detail on the work we carried out can be found in this report.

Commitments we made	What we have done
<p>A new approach to regulation, which is more targeted, proportionate and reduces the regulatory burden for small firms</p>	<p>Worked closely with the profession to deliver our regulatory reform programme. This included new, easier to navigate Standards and Regulations, with a sharp focus on professional standards rather than prescriptive rules, and which are less burdensome for firms.</p> <p>Developed and implemented our new Enforcement Strategy, which focuses on the most serious of issues, rather than technical breaches.</p> <p>Developed new pathways to widen access to the profession, such as equivalent means and the Solicitors Qualifying Examination.</p> <p>Provided support for small firms, including through a dedicated helpline, roadshows, online resources and seminars.</p>
<p>Strengthening our decision making</p>	<p>Underpinned our new Enforcement Strategy with guidance and other tools. This includes topic guides and warning notices, increasing transparency and making it clear how we decide when to take enforcement action.</p> <p>Strengthened our internal quality assurance arrangements and operational processes to support high-quality decisions.</p> <p>Continued to use feedback from complaints and other sources to improve our decisions.</p>

Commitments we made	What we have done
Promoting and supporting diversity in the profession	<p>Shared the diversity profile of the profession by collecting and publishing firm diversity data every two years.</p> <p>Commissioned and undertook a range of research on diversity issues to understand the barriers to diversity and how these can be addressed.</p> <p>Provided extensive resources and facilitated firm-to-firm mentoring schemes, to promote diversity and inclusion in the workplace.</p> <p>Collaborated with and sponsored a range of diversity groups in the profession to increase the impact and reach of their and our work.</p>
Promoting diversity and inclusion at the SRA, making sure our staff are trained on EDI and improving our governance arrangements in relation to EDI	<p>Improved Board visibility and focus on EDI.</p> <p>Published annual reports about the progress we are making to increase the diversity of our staff.</p> <p>Improved our approach to recruitment and other staff processes through benchmarking schemes such as Disability Confident and securing a top 100 place in the Stonewall Workplace Equality Index.</p> <p>Introduced mandatory EDI training modules for staff across the SRA which are kept under review.</p> <p>Developed our inclusive culture through staff-led networks across a range of diversity characteristics.</p>
Monitoring individuals in our enforcement processes by protected characteristics	<p>Reviewed our approach to diversity monitoring and identified improvements to carry forward into our work to modernise our IT and business processes.</p> <p>We improved our recording of complaints received, so our monitoring would be more reliable.</p> <p>Updated how we capture diversity data from solicitors so we can encourage solicitors to disclose their information.</p> <p>Resumed our annual monitoring of the diversity of individuals in our enforcement processes.</p>

Commitments we made	What we have done
Tackling discrimination in the profession	<p>Provided guidance and resources to clarify our expectations in relation to the professional principle to encourage EDI and the obligations and protections in reporting concerns to us.</p> <p>Tracked and reported on any complaints raised against us with our Independent Complaints Reviewer, which publishes an annual report on our corporate complaints handling.</p> <p>Monitored trends in the profession and responded promptly to complaints of sexual harassment in the profession.</p>

Our work on the key themes arising from the ICCR

We published [our response to the ICCR report](#) in 2014 and have taken forward the work we committed to.

A new approach to regulation

We made a commitment to publish proposals to reduce regulatory burdens for small firms and to improve our engagement with, and regulation of, them.

In 2014, we announced a [programme of regulatory reform](#), with one of the objectives to reduce regulatory burdens, particularly on smaller firms, to provide more flexibility for them to operate within our regulatory framework. We also recognised the need to engage better with these firms and provided better information to support compliance.¹

In making this commitment, we recognised that sole practices and smaller firms, without well-resourced compliance departments, may be vulnerable to a range of challenges² in the sector and more at risk of coming within our enforcement processes. Given the overrepresentation of BAME solicitors in this sector,³ this may be one of the reasons why there is overrepresentation of BAME solicitors reported to us. This involves structural issues in the profession, which we and others have a responsibility to address. As Professor John said in his report: ‘the Law Society should pay close attention to the wide range of practice challenges, as well as challenges in the legal services marketplace that render BME [black and minority ethnic] solicitors vulnerable to events being triggered, cases raised or complaints lodged.’⁴

Standards and Regulations

We undertook a comprehensive review of our regulatory model, introducing our new [Standards and Regulations](#) in November 2019 after extensive development and consultation. And, as we developed our regulatory reform work, the EDI implications were considered throughout the [consultation process](#).

¹ In our 2015 [policy statement](#), we stated: ‘There is also clearly a desire for the SRA to provide greater clarity about its approach to regulation. For example, the 2014 report of the Independent Comparative Case Review recommended that the SRA be clearer about its regulatory approach and do more to engage with stakeholders about it. This policy statement is designed both to aid understanding of the SRA’s approach and serve as the basis for wider engagement with all stakeholders about it.’

² Including those highlighted in our [Risk Outlook](#), such as handling client money, cyber security and money laundering.

³ In our [analysis of firm diversity data in 2019](#), we noted that 36% of partners from one-partner firms are from a BAME background (compared to 22% of partners overall), a rise of 2% since 2017. The rate of increase in BAME partners in one-partner firms from 2014 to 2019 (38%) is more than twice that of firms with 50+ partners (14%).

⁴ [Independent Comparative Case Review](#), chapter 11, paragraph 11.21.

Our new Standards and Regulations have reduced the regulatory burden on firms overall, with a sharp focus on professional standards, rather than prescriptive rules. We have:

- provided [shorter, more accessible Standards and Regulations](#), giving small firms more autonomy in the way they operate while maintaining high standards
- set out clear expectations for individual [solicitors](#) and [firms](#) in separate Codes of Conduct
- introduced [less prescriptive Accounts Rules](#), an issue flagged in the ICCR
- provided greater flexibility in our practice rules by [allowing solicitors to work outside a law firm](#) as a freelancer, offering a wider range of career choices
- made a range of [guidance](#) available to help solicitors understand their responsibilities and our concerns.

Enforcement Strategy

We engaged with a diverse range of solicitors, including small firms and sole practitioners, and consumers in our successful and extensive 2015 [Question of Trust](#) programme. It helped us to understand the high ethical standards expected of solicitors.

This work informed our [consultation](#), leading to our new [Enforcement Strategy](#) in February 2019. This has a sharp focus on professional standards, making it clear that we will take action on the most serious issues, rather than technical breaches and, if appropriate, seek to pursue constructive engagement to support firms and individuals to achieve compliance. We rolled out our new approach during 2018/19, training staff on it over the year.

During 2018/19, we also piloted and then implemented a new assessment and early resolution process for assessing all concerns reported to us. The new assessment process relies on a new three-stage assessment threshold test directly linked to the new Enforcement Strategy. It helps us to decide if an investigation should take place, helping us to focus on serious issues and to progress matters in a timely way.

We are now developing our approach to evaluating the impact of our regulatory reforms and our new Enforcement Strategy, which will include understanding the impact on EDI.

Education and training

We have been taking steps to widen the pathways into law through our education and training work. Since 2014, we have made it possible to recognise and admit those with [equivalent qualifications](#) to the profession. And, in 2015, we welcomed the introduction of legal apprenticeships by facilitating a pathway for apprentices to train and to qualify alongside the introduction of the SQE and have seen these being taken up since 2016.

Over the last few years, we have worked to develop our new single rigorous assessment for all aspiring solicitors, with its twin objectives to ensure high consistent standards at point of entry and to remove unjustifiable barriers to access, supporting diversity. Diversity has been at the heart of the development of the new SQE, which we are introducing in Autumn 2021, and we are working on a range of actions to maximise the powerful potential that it has to encourage diversity among aspiring solicitors, as set out in the [Bridge Group report](#) and our [EDI risk assessment](#).

Engaging with and listening to small firms

In response to the discussion on external factors in the ICCR, and our own diversity reporting, which shows that BAME solicitors are overrepresented in small firms, and that firms mainly doing criminal work and those mainly doing private client work both have a higher proportion of BAME lawyers, we have delivered an annual roadshow of regulatory workshops to discuss practice issues of interest to small firms. Since 2016, that roadshow has taken us across the country, including to London, Birmingham, Manchester, Bradford, Swansea and Wrexham. We work closely on these events with key groups in the sector, including the Sole Practitioners Group and the Black Solicitors Network, the Society of Asian Lawyers, the British Nigerian Law Forum, and the Society of British Bangladeshi Solicitors, many of whose members own or work in small firms.

We set up a virtual reference group for small firms in 2015, so that we can share our developing thinking and seek feedback. In the same year, we established a dedicated service to support small firms, including a [call-back service](#).

In response to a request from the Sole Practitioners Group at its annual conference in 2015, we reduced the burden of reporting [firm diversity data](#) on small firms by changing the frequency of data collection to every two years instead of annually.

In December 2018, we introduced [a clickable logo](#), responding to concerns from small law firms about how they could give their clients assurance that they were regulated by the SRA. The logo was widely adopted and we made it mandatory in November 2019.

Approach to decision making

We made a commitment to revise and strengthen our internal quality assurance processes, so as to provide greater assurance that our discretionary decisions are fair, consistent and free from bias.

Information and transparency

We have significantly increased transparency on how we make decisions, so that the profession and others can see how we work. We have published our new [Enforcement Strategy](#), supplemented by [new guidance to support the Standards and Regulations, topic guides](#) and a range of subject-specific [warning notices](#). These make it clear what factors we take into account when considering whether or not to take enforcement action.

Training and internal quality assurance

We reviewed and published new [guidance](#) to support decision making in 2016. This was updated in November 2019 and we provided comprehensive staff training during 2018/19 to support our new approach to regulation.

We have strengthened our internal quality assurance arrangements and our operational systems and processes to assure high-quality decisions. We have been developing controls around key decision-making points and robust arrangements for management, oversight and performance management over this period. For example, we have introduced regular management checks in key areas of our enforcement work to provide additional levels of assurance, including arms-length checks of our initial triage and assessment processes by lawyers in our Ethics and General Counsel teams.

We use feedback from both internal and external sources to improve our processes. This includes feedback from other internal functions, such as our Corporate Complaints team, and external sources, such as the our [Independent Complaints Reviewer](#) and the Solicitors Disciplinary Tribunal User Group. This feedback is reviewed regularly and taken forward with additional training or additional guidance where necessary.

Diversity in the profession

We made a commitment to engage with the Law Society, other representative bodies, firms and solicitors to identify ways to improve the co-ordination of efforts to improve diversity within law firms and to identify more effective approaches for the future.

This has been a significant focus of our work over the past five years and we have made significant progress in raising awareness of diversity in the profession and working in partnership with others to achieve change.

Firm diversity data

We have embedded the [collection and reporting of diversity data for law firms](#), improving the data so that we now have a comprehensive [firm diversity data tool](#) (first introduced in 2015). It provides information that law firms can use to benchmark themselves and gives a breakdown of diversity by firm size, location and work type.

Understanding the barriers in the profession for certain groups

We commissioned and in 2017 published independent [research](#) into the barriers to progression for women and for black and Asian solicitors in the profession. This was alongside a thematic review on the barriers to and on unlocking the [benefits of diversity](#), and a 2018 report on the [business benefits of diversity](#). We also carried out our own review, published earlier this year, into [disability inclusion](#) and, in September, started work to understand the barriers to progression caused by [pregnancy and maternity](#).

Resources and mentoring scheme

We are continuing to publish a range of [resources for law firms](#) to help them promote diversity and inclusion, most recently highlighting [case studies and good practice from law firms tackling the lack of ethnic diversity](#) at the top of the largest law firms.

We piloted a firm-to-firm [LGBTQ+ mentoring scheme](#) in partnership with the Law Society and Stonewall, and have now rolled that out for broader [EDI mentoring](#), including on race and ethnicity.

We support and sponsor a wide range of groups to promote diversity in the profession, encouraging and rewarding best practice and work closely with the Law Society and others to increase the impact and reach of our work.

Diversity in the SRA

We made a commitment to continue to take action to improve the diversity profile of our staff and to develop effective training and professional development, so that our staff have the confidence and skills to make fair and transparent decisions.

We also made a commitment to recruit people with expertise to join the Board-level EDI Committee we had at the time, which we did in 2015. And, having benefitted greatly from their input, after two years we were able to mainstream EDI into our governance arrangements by bringing responsibility into the main SRA Board. We now include the EDI implications on the front of every Board paper and report regularly on our diversity work to Board, which commissioned the five-year review published in March 2020.

Mandatory EDI training

We have introduced mandatory EDI training for all staff and developed a range of diversity modules. We keep these under review to make sure they are up to date and relevant. They are, for example, on issues such as providing reasonable adjustments, trans awareness and unconscious bias.

Annual workforce progress report

We publish an annual report about the diversity of our staff. The most recent [report for 2019](#) showed that women are in the majority across all grades, with 62% of women overall, 55% at senior management and leadership grades, and 61% at specialist and management roles. We report our gender pay gap data (for the Law Society Group), which compares positively with the national picture, with a mean gap of 10.6% and median gap of 8.3%.

In terms of ethnicity, we have seen increased diversity over recent years, with 42% of new starters from a BAME background. White groups make up 65% of staff across all grades, Asian groups 20%, black groups 4% and other BAME groups 2%. We have more work to do to improve representation at senior grades, with BAME groups making up 2% at senior management and leadership grades, and 24% at specialist and management roles (compared with 26% overall).

We support the [Disability Confident](#) scheme and 7% of our staff have declared a disability. We made it to the [Stonewall Top 100](#) in 2019 and 2% of our staff identify as gay, lesbian or bisexual, with decreasing numbers who prefer not to say.

The report also sets out the work we do to foster an inclusive culture at the SRA, including our faith events and a growing range of staff-led networks providing a wide range of activities to facilitate discussions about EDI.

Monitoring individuals in our enforcement processes by protected characteristics

We made a commitment to use the data from the ICCR and our diversity monitoring data to analyse and understand the causes for the overrepresentation better, so that we can address the issues. We also committed to review the content of our 2014 diversity monitoring report, start publishing it twice a year and to undertake more engagement with stakeholders about what it is indicating, with a view to identifying priority areas for action.

From 2011 onwards, we have focused on the increasing role of law firms in maintaining high professional standards. This meant we were recording a growing proportion of our enforcement work against firms, rather than individuals. We reviewed our approach to diversity monitoring in 2015, and it was clear that the systems and IT developed to focus on the firm-based approach were no longer effectively capturing individuals' details. This, and the falling number of newly enrolled solicitors providing their diversity data to us through our

online portal (following our move to an online admissions process), meant that monitoring the diversity of individuals in our enforcement work was not robust and could be misleading. We determined that we needed to develop better IT and business systems to effectively capture the individuals involved in our enforcement processes and we set out our plans under corporate objective three of our [Business Plan 2015/16](#).

As a result of the actions listed below, we are now able to report the diversity breakdown of the individuals in our enforcement work, covered in our Upholding Professional Standards report 2018/19. We will resume our annual reporting of diversity monitoring data going forward and will implement the actions we have identified from the findings in 2018/19.

Improving our IT and business systems

We started a major programme of work to modernise our IT in 2016, alongside our wider regulatory reform programme and, after significant work, we can now resume our diversity monitoring. In addition, we have improved the IT and business systems used to track our investigation and disciplinary work, which will be implemented before the end of the year.

Since the beginning of the year, we started comprehensively recording data about the individuals named on reports received. We have carried out a manual-intensive review of the reports received in 2018/19, so that we had an accurate record of the individuals involved.

We have updated the diversity questions available to solicitors on their personal accounts with us and will be working with the Law Society to encourage increased disclosure.

Tackling discrimination in the profession

We made a commitment to publish an annual report on discrimination issues raised with us by law firms' employees and consumers.

The numbers of complaints made to us alleging discrimination are too small to allow analysis or reporting. We have, therefore, focused on providing guidance and resources for the profession to make our expectations clear. We have also clarified the reporting obligations for solicitors, which includes support and protection against adverse treatment of those who have spoken up.

In addition to this, we have continued to track and report any complaints of discrimination raised against us with our external [Independent Complaints Reviewer](#), which reports annually to the Board and publicly.

New guidance to clarify our expectations

We made our expectations on EDI clear through our new Codes for firms and individuals and published [guidance to support the principle which requires regulated firms and individuals to 'encourage EDI'](#), including case studies and further resources. We also published [guidance on reporting concerns](#), making it clear what solicitors' and firms' responsibilities are.

Responding to complaints of sexual harassment in the profession

We responded quickly and decisively to the increase in complaints of sexual harassment, making it clear that our expectations around diversity were not limited to actions in the office

and providing additional protections for those reporting to us – principles which apply to all forms of discrimination.

Learning from the sexual harassment complaints, we are looking again at the discrimination complaints raised with us and considering how we can raise awareness of and the confidence to encourage appropriate reporting of discrimination in the profession.

Next steps

We have made significant progress over the last few years as we worked to take forward commitments made in our response to the ICCR report, as this report sets out.

Importantly, we can now resume regular publication of the profile of solicitors in our processes. But, tackling the reasons for the overrepresentation that we and so many others see, and changing it for the future, is much more difficult.

To help to do that:

- We will commission independent research into the factors that drive the reporting of concerns about BAME solicitors to us, to identify what we can do about this and where we can work with others to make a difference.
- Alongside our ongoing work to establish an in-house 'arms-length' quality assurance team, we will undertake a forward review of decision making in our assessment and early resolution process, where the decision to refer a matter for investigation is made.
- We will work to increase the number of individuals who disclose information concerning their diversity characteristics to us.
- We will report annually on the profile of people in our enforcement processes and include intersectional analysis where we can.
- We will evaluate the changes we have made through our regulatory reform programme, with understanding the impacts on EDI forming a key part of that work.
- We will continue to build on our wider work to promote and support diversity in the profession and our ongoing work to support small firm compliance.