

News from the Board

Reflections on our May 2020 Board - Anna Bradley

13 May 2020

Yesterday our Board met virtually again. It is strange how quickly you adapt to the new normal. We are now meeting more often, for shorter periods, so there were just two big issues to discuss.

Firstly, in our workshop session, we considered some of the practicalities around us becoming a distinct legal entity within the Law Society Group.

The Law Society and the SRA jointly announced

[<https://www.sra.org.uk/sra/news/joint-statement/>] this move in April and I am pleased to say we are making good progress and are on track to implement the new arrangements in the next few months. This change will mean each organisation can focus on its discrete role while working together on areas of mutual interest where we can achieve more that way. We took a first step in this respect later in the day when we had a joint Board-to-Board meeting focussing on the impact of Covid-19 on the sector.

In relation to our work on Covid-19, we have published a range of materials to help and support the public and profession. This includes answers to common queries; from training requirements to client confidentiality, and witnessing wills to insurance issues. We have committed to taking a pragmatic approach, being flexible where we can, while making sure the public continues to be protected.

I was very pleased to hear that our dedicated coronavirus pages have been visited by nearly 100,000 people. We are regularly updating our resources, with for example new information on issues such as extending time to secure professional indemnity insurance cover and on furloughing trainees. Please let us know if you have queries that you want us to cover.

The change in our legal status also provides an opportunity for us to enhance our own transparency and accountability. To this end we are planning to consult this year on a full business plan in the context of our new strategy. We will be consulting on both the work we propose to do and the way we will allocate our resources to deliver this, as a backdrop to the proposed fees for the next period. We hope this new approach will help to build trust and confidence among stakeholders and the profession.

In the formal Board meeting, we discussed one particular aspect of the impact of the coronavirus pandemic on the legal sector: whether changes in the professional indemnity insurance (PII) market were cause to review the planned closure of the Solicitors Indemnity Fund (SIF). The SIF was set up

by the Law Society in 1987 but was placed into run-off in 2000 when the rules changed to require firms to hold PII with an insurer in the open market. SIF is due to close to new claims in September this year.

Board discussed the future of the SIF in 2016 and then again in January and March this year [<https://www.sra.org.uk/sra/how-we-work/our-board/public-meetings/archive/>], but we have been asked by The Law Society to look again at whether it should be extended further to provide post six-year run-off cover beyond this autumn because of the effects of Covid-19.

After detailed discussion, we agreed that the SIF Board should commission some actuarial work on the affordability of extending the present scheme, and asked that further work be done to better understand both how Covid-19 is impacting on the PII market as it relates to our present obligations on firms generally, and also in relation to the specific obligation for solicitors closing businesses to source six years' worth of run-off cover. This will provide better information for the Board to review the situation at a future meeting.

We are already looking ahead to our summer meetings and a key theme for us will be making key decisions on the way we assess skills through the Solicitors Qualifying Examination (SQE), prior to the next stage submission to the Legal Services Board. We want your input to creating a world-class assessment and the team are out there speaking to hundreds of stakeholders - from academics to law firms to students - on next steps. I would recommend signing up to our dedicated monthly bulletin, SQE Update [<https://www.sra.org.uk/sra/news/sqe-update/>] so you know what's happening and can have your say in a way that suits you. Please do get involved in this and our wider work.