

# Delegation framework

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## *Introduction*

The SRA Board Delegation Framework sets out how the Board, Committees and Executive work together to discharge the SRA's functions.

The SRA is the regulator of solicitors and law firms in England and Wales, protecting consumers and supporting the rule of law and the administration of justice. We exercise the regulatory functions conferred on the Law Society of England and Wales (TLS) by statute relating to solicitors, registered European lawyers, registered foreign lawyers, law firms and individuals working and holding roles within those firms. The statutory powers are found within the Solicitors Act 1974, the Administration of Justice Act 1985, the Courts and Legal Services Act 1990, and the Legal Services Act 2007 (LSA 2007).

TLS has delegated its regulatory powers and functions to the SRA Board, an independent committee of its Council. The TLS General Regulations set out the SRA's terms of reference (regulation 31), as well as making arrangements for oversight of the SRA's regulatory role by the Council, Business and Oversight Board (BOB), Remuneration Committee (RemCo) and Group Audit Committee (GAC).

Under the General Regulations, the Board is entitled to carry out its delegated functions through sub-committees and individuals, including SRA staff (save for certain powers which are reserved to the Board) (regulation 16). Delegations are a key element in effective governance and management: Whilst the Board remains accountable for the functions conferred on it under the General Regulations, it is able to transfer responsibility for performing certain aspects of its role.

The Board has established four committees: Finance and Audit Committee (FAC), People Strategy Committee (PC), Policy Committee (PoC) and Equality, Diversity and Inclusion Committee (EDIC). These are comprised of Board members and, in the latter two cases, external advisory members. Their Terms of Reference can be found [\[here\]](#). Matters delegated to the Executive are carried out by individuals within the organisation in accordance with our published Schedule of Delegation.

## *Delegation principles*

Delegation should:

1. Be robust and transparent, with clear lines of accountability and effective oversight.
2. Be consistent and proportionate – with decisions being made at the most effective operational level and reflecting the strategic role of the Board.
3. Promote efficiency - avoiding duplication and overlap of roles, and ensuring realistic sequencing/timelines to enable work to progress in a timely manner.
4. Reflect only the following key activities:
  1. Prepare - To draft or design a document, procedure or proposal
  2. Approve - To consent or ratify – includes making final amendments/decision on a document, proposal or course of action

3. Review - To consider a draft document or proposal and input into its development
4. Monitor - To maintain oversight and control
5. Perform - To exercise a function or complete a task
6. Report - To present an account of progress or performance

### *Delegation framework*

<b>Category</b>	<b>Legislative references</b>	<b>Delegation</b>	<b>TLS Group governance</b>
Strategy and risk			
SRA Corporate Strategy	Reg 33(a) General Regulations (GRs); Part 3A of the Schedule to the Internal Governance Rules 2009 (IGRs)	Prepared by Executive Approved by Board Monitored and reviewed by Board	
Business plan	Reg 33(a) and 41(5)(a)	Prepared by Executive Reviewed by FAC Approved by Board Actions performed by Executive Performance against plan monitored and reviewed by Board	Plan, and performance against plan, reviewed by BOB
Strategic risk register	Reg 33(f) and 41(5)(b)	Prepared by Executive Reviewed by FAC Approved by Board Controls/actions performed by Executive Monitored by FAC and reported to Board	Reviewed by BOB
LSB Self assessment	Section 4 Legal Services Act 2007 and reg 33(i)	Prepared by Executive Approved by Board	
Internal audit plan	Reg 44(1)(d) and (e)	Prepared by Executive Reviewed and approved by FAC as it relates to the SRA for recommendation to GAC	Audit plan approved by GAC Reports reviewed by GAC

		<p>Internal audit reports are prepared by the internal auditor in accordance with the plan, discussed with Executive and reviewed by FAC</p> <p>Recommended actions performed by Executive and reviewed by FAC</p>	
External audit	Reg 44(1)	<p>Annual report and accounts prepared by TLS Group and audited by external auditor</p> <p>External auditor's management letter reviewed by FAC</p> <p>Actions arising from the management letter performed by Executive and monitored by FAC</p> <p>Narrative annual report relating to SRA/ SRA proportion of shared services approved by Chair of Board</p> <p>Accuracy of annual accounts relating to SRA/SRA proportion of shared services approved by Executive (CEO and Finance Director)</p>	<p>Appointment of auditors approved by TLS (Management Board), on advice of GAC</p> <p>Annual report and accounts reviewed by GAC</p>
EDI strategy	Reg 33(e)	<p>Prepared by Executive</p> <p>Reviewed by EDIC in relation to diversity in profession and our regulatory approach, and by PC in relation to SRA staff and HR issues</p> <p>Approved by Board</p> <p>Actions performed by Executive</p> <p>Monitored and reported to Board by EDIC and by PC respectively</p>	

Communication strategy	Reg 33(a)	Prepared by Executive Approved by Board Actions performed by Executive Monitored and reviewed by Board	
Financial			
Annual budget	Reg 33(a) and 41(2)	Prepared by Executive Draft reviewed by FAC Approved by Board for recommendation to Council Performance against budget, and development and progress of major capital programmes monitored, by FAC	Reviewed by BOB Approved by Council
Net funding requirement	Reg 33(a), and 21(4)/41(2)	Prepared by Executive Reviewed by FAC Approved by Board for recommendation to Council	Reviewed by BOB Approved by Council on recommendation of its Management Board
Setting regulatory fees	Reg 31(20) (reserved to Board under reg 16(2)), and 21(4)/36(1) (b)	Policy approach prepared by Executive and reviewed by PoC Fee levels and respective contributions prepared by Executive and approved by Board for recommendation to Council (through its Management Board)	Fee levels for regulatory, non regulatory and shared services functions approved by Council on recommendation of its Management Board Application to LSB approved by Council
Compensation fund contributions	Reg 21(4) and 37	Policy approach prepared by Executive and reviewed by FAC Level of respective contributions prepared by Executive, reviewed by FAC and approved by Board for recommendation to	Total amount to be raised by contributions approved by Council, on recommendation of Management Board

		Council (through its Management Board)	
Compensation Fund financial statements	Reg 31(16)	Prepared by Executive Reviewed by FAC Approved by Chair of Board and CEO	
Governance			
Determining the number of committees, their membership and terms of reference	Reg 16(2)(a)	Proposals prepared by Executive Reviewed by Committee Chairs Approved by Board	
Performance management, appointment, reappointment, terms and conditions of Board members	Reg 41(4)(e) and (f) and 52(6). Part 2 of the Schedule to the IGRs	Procedure prepared by Executive Reviewed by PC Approved by Chair	Appointments and removals approved by Council  Remuneration and terms and conditions reviewed by RemCo  Remuneration and terms and conditions approved by BOB on recommendation from RemCo
Performance management, appointment, reappointment, terms and conditions of external advisory members	Reg 16(2)(a)	Procedure prepared by Executive Reviewed by PC Approved by Board	
Performance framework and remuneration for CEO and SMT	31(21) (Reserved to Board – reg 16(2)), 52(2) - (5) and (7)	PC to review and advise Chair Chair to report to RemCo Approved by Board on recommendation of RemCo	RemCo to review and recommend to Board prior to approval
Delegating authority	Reg 16(2)	Schedule of delegation prepared by Executive and approved by Board  Ad hoc decisions to delegate matters to the Chair, Executive or	

		committees to be approved by the Board	
Regulatory Policy			
Regulatory reform programme	Reg 31(20)	Incorporated in business plan  Reviewed by PoC  Annual consultation plan prepared by Executive and approved by Board  Consultation documentation prepared by Executive and approved in accordance with plan	
Research programme	Reg 31(20)	Annual schedule prepared by Executive  Reviewed by PoC  Reported to Board  Performed by executive	
Risk Outlook	Reg 31(20)	Annual Risk Outlook and half yearly update prepared by Executive  Reviewed by PoC	
Making, amending and revoking rules, regulations and codes	Reg 31(18) and 32 (Reserved to Board - reg 16(2))	Draft rules/regulations/codes prepared by Executive  Reviewed by PoC  Approved by Board	Council consulted in advance of Board decision and notified of agreed text prior to any approvals being sought
Applications to LSB/FCA for approval of changes to regulatory arrangements	Reg 31(3)(b)	Prepared and performed by Executive	
Operational functions			
Exercising regulatory powers and operational performance	Reg 31(1) to (9), (10) to (17), (19), (20) and (27)	Statutory powers performed by Executive  Operations and administrative support functions performed by Executive (with	

		<p>responsibility for shared services relating to SRA)</p> <p>Quality assurance activities and handling of complaints about SRA performed by Executive</p> <p>Exercise of powers and operational performance monitored by Board</p>	
Key performance indicators	Reg Part 3A of the Schedule to the IGRs	<p>Prepared by Executive</p> <p>Monitored by Board</p>	
Guidance governing regulatory approach	Reg 31(10)	<p>Plan prepared by Executive and approved by Board</p> <p>Guidance prepared by Executive and approved in accordance with plan</p>	
Internal controls/operational and compliance policies	Part 3B of the Schedule to the IGRs	<p>Prepared by Executive</p> <p>Reviewed by FAC/HR policies reviewed by PC</p> <p>Performed by Executive</p>	
Procurement	Part 3A and 3B of the Schedule to the IGRs	<p>Performed by Executive</p> <p>Exceptional spend of £5million+ approved by FAC</p>	
Litigation	Reg 31(15) and (23)	Action to take or defend litigation approved and performed by Executive	