

News release

SRA confirms updated approach to fines and publishing decisions

15 February 2023

Following public consultation, we have confirmed the detail of changes for how we levy financial penalties [<https://www.sra.org.uk/sra/consultations/consultation-listing/financial-penalties-new-approach/?s=c>] to law firms and solicitors.

The reforms, which will come into effect later in the year, will see:

- the introduction of a fixed-penalty regime for lower-level misconduct
- future fines for both firms and individuals linked directly to bandings based on percentages of income/turnover
- a pilot on the use of personal impact statements for cases involving sexual misconduct, discrimination or any form of harassment

The principles behind these changes were confirmed last year [<https://www.sra.org.uk/sra/news/press/2022-press-releases/financial-penalties-consultation-feedback/>], following consultation. The changes should help cases to be resolved more quickly, saving time, costs and stress for all involved. The new fining bands will enable different levels of fine to be issued to a low-earning junior solicitor compared to a senior equity partner for similar offences.

As well as reforming how we issue penalties, following consultation last year we have published our approach to publishing information on disciplinary decisions [<https://www.sra.org.uk/sra/consultations/consultation-listing/publication-regulatory-decisions/?s=c>] to make sure this is transparent and accessible. To do this, we plan to:

- publish more information, written in plainer English, for all individual decisions
- introduce set periods - based on decision type - for which individual decisions will remain on the public record. These will range from three years for warnings or fines to strike-off decisions remaining public permanently

Paul Philip, SRA Chief Executive, said: 'The overwhelming majority of solicitors do a good job and maintain high professional standards. Unfortunately, however, this is not always the case. When we need to step in and take action it is important that we have a transparent and effective disciplinary approach in place.'

'We have engaged extensively on our approach to sanctions and their publication. The feedback from both the public and profession has been invaluable in making sure we arrive at an approach that is effective, efficient and fair to all those involved.'

Feedback from these consultation exercises was broadly supportive although concerns were expressed about some specific elements of the proposals. This led to changes to the original proposals on issues such as the composition of adjudication panels and referring any cases involving third-party witnesses to the Solicitors Disciplinary Tribunal (SDT).

Ahead of them coming into effect we have published detail on the principles and rules which will underpin the new approaches. We have also committed to publishing further support materials and guidance.

In July 2022, the Ministry of Justice brought legislation into effect which saw an increase in the level of fine we could directly issue to 'traditional' law firms and those that work within them. The limit was raised from £2,000 to £25,000.

Earlier this year we and the SDT issued a joint statement

[<https://www.sra.org.uk/sra/news/sdt-joint-statement-announcement/>] outlining the types of case that would be referred to the SDT, and the type we would deal with.