

News from the Board

Reflections on the January 2024 Board meeting - Anna Bradley

31 January 2024

The SRA's new strategy establishes a defining purpose for everything we do: driving confidence and trust in legal services. This month's Board discussions were focused on just this.

Post Office Horizon scandal

The scale and impact of this miscarriage of justice is harrowing. There are serious questions about whether some of the lawyers and the law firms involved [<https://www.sra.org.uk/sra/news/press/post-office-update-2024/>] acted ethically. It is our job to take action when solicitors fall short of the standards we expect, so that trust in the profession as a whole is not eroded.

With thousands of investigations every year, it is not the job of our Board to get involved in the details of individual investigations or be anywhere near operational decision-making. But in instances such as the Post Office Horizon scandal, it is vital that the Board understands our approach and is confident our work will address the issues.

The organisation is quite rightly committing significant and dedicated resource to the investigation, as the scale of the issues means both lots of material and a number of potential cases.

The Board asked whether we should or could be taking action more quickly and wanted to know what obstacles stood in our path. There is clearly a balance to be struck between moving swiftly to protect the public and ensuring our investigations are thorough, fair and not based on incomplete evidence.

We reflected on the complexities and scale of these cases, and the fact that we are still receiving new evidence through the public Inquiry. We won't hesitate if we need to act urgently to protect the public from an immediate risk from a solicitor, but overall the investigations team expects they will be in the best position to make decisions on action, only after all the evidence has been heard at the Inquiry. They will keep this position under constant review and are in contact with the Inquiry as it proceeds to a conclusion.

Consumer protection review

We recently said that we would be reviewing our approach to consumer protection, following a significant rise in the number of firms we have had to

close-down. The nature of the firms has also changed with failures of big firms alongside a larger number of small firms.

The review will look at what we need to change to get the right balance between preventing firms from failing and protecting consumers when they do.

Currently we have more questions than answers and we will be looking for help to find the best way forward. We will be launching the review next week and will then be reaching out to seek as broad a range of views as possible – from within the sector and beyond.

CILEX consultation

The Board also discussed responses to the consultation on our proposed approach to regulating CILEX professionals.

We have been open to this idea because we see potential consumer benefits. For instance, it could make the regulatory landscape easier to navigate and provide more consistent levels of protection and information for the public.

That view was supported by a survey we carried out with consumers, who clearly found the current regulatory situation bamboozling and thought any simplification made sense.

Other responses to our consultation were less supportive, with solicitors' representatives in particular, concerned this change risked diluting the solicitor brand. Some didn't agree that it would reduce consumer confusion.

CILEX's own consultation found its members were generally positive about change. They do, however, have further questions about our approach in a range of areas, including asking whether we could regulate paralegal and student members of their profession from the outset.

Our Board agreed that we remain interested in regulating CILEX members, but it is clear that further work needs to be done in some areas before final decisions can be taken. In particular, we now need to develop and consult on arrangements to regulate CILEX paralegals and students. This will also afford some time to consider how best to deliver the consumer benefits of regulatory simplification and avoid any potential consumer confusion.

Monitoring progress

Finally, we devoted plenty of time at the meeting to the Board's assurance role on issues such as our financial position, the compensation fund, and quarterly performance against KPIs. On the latter, we see progress being made and recognise the work that is behind this, but we are always also challenging the organisation to improve that little bit more.

Operational performance and good governance are the foundations for effective regulation and can help drive confidence and trust in the legal sector.