

SRA BOARD
27 June 2023

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Summary of feedback from consultation responses and engagement programme

- 1 Our consultation on our draft Business Plan and Budget 2023-24 ran between 10 May and 21 June 2023. We sought views on:
 - our work proposals and areas of focus
 - our proposed budget, practising fee and Compensation Fund contribution, including an equality impact assessment.
- 2 The consultation took place alongside a separate consultation on our proposed Corporate Strategy for 2023-26, which remains open until 2 August 2023. Our stakeholder engagement activities (described in the covering Board paper) sought feedback on both consultations.
- 3 This is an initial indication of responses and feedback received for the consultation. As confirmed in the Board paper, we will publish a more detailed analysis of responses alongside the final version of our Business Plan and Budget 2023-24.

Consultation respondents and stakeholders

- 4 We received 5 written responses to our consultation, from
 - The Law Society (TLS).
 - The Legal Services Consumer Panel (LSCP).
 - Two members of the public.
 - Liverpool Law Society.
- 5 We also engaged directly and received feedback from stakeholders through our engagement programme. This is described in the main paper, and stakeholder communities included:
 - Solicitors, law firms and bodies representing their interests.
 - Consumers and groups representing them.
 - MPs and peers.
 - Lawtech providers and innovators.
 - SRA employees.

Feedback on proposed workstreams under strategic priority one

- 6 We set out work proposals for delivering the first year of activity under our first proposed new strategic priority for 2023-26 – “*We will deliver high professional standards*”.
- 7 Our proposals included commitments relating to the Solicitors Qualifying Examination (SQE), and they were well received. TLS confirmed it welcomed our continued prioritisation of the SQE within our work plans for 2023/24, and in

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particular the emergence of an independent evaluation study, and our commitments to publish new datasets on the SQE. The LSCP was also supportive, stating *“Monitoring the impact of this seismic shift in education and training will continue to be important for some years to come”*. This area of our work was also broadly supported by members of the public taking part in our focus group, many of whom ranked solicitor education and training requirements highly in a list of possible SRA priorities.

- 8 Our consultation included work proposals under strategic priority one around continuing competence, and they were generally welcomed by respondents. TLS acknowledged our *“...proportional approach to engaging with this work and looking at ways it can maintain high standards and better support the profession, without adding unnecessary additional burdens on it.”* It also made suggestions for collaborative work with us, and specific areas of knowledge and training we might explore together.
- 9 In other areas we heard calls for action, including from the LSCP during its feedback on our proposals to consult on changes to our transparency requirements. It expressed some concern about the pace of progress, and urged that *“...transparency measures should now be extended to other pressing and important areas of law, areas of law where we know consumers are struggling.”* TLS confirmed it awaited our consultation with interest, particularly any proposals to extend practice areas that fall within the scope of transparency requirements.
- 10 TLS commented on our proposed workplans for our anti-money laundering (AML) response, calling for opportunities to collaborate with us on new AML guidance prior to it being issued. Members of the public in our focus group were interested in this area too, and keen to hear and understand more about the risks of economic crime during their interactions with solicitors.
- 11 We also described work proposals focused on equality, diversity and inclusion (EDI). Some feedback was positive, including from TLS which welcomed our commitments to improve diversity data collection, and expressed interest in knowing more about our proposals around retention and career progression for people from particular communities. The LSCP meanwhile questioned our progress and overall strategy towards EDI, calling for us to focus on *“concrete commitments and targets to deliver tangible improvements to diversity and inclusion.”*

Feedback on proposed workstreams under strategic priority two

- 12 We consulted on work proposals for a first year of activity under our second proposed new strategic priority for 2023-26 – *“We will strengthen our risk based and proactive regulation”*.
- 13 Feedback on our work plans was broadly supportive. The LSCP in particular felt that it could strengthen our role, with learnings that could *“...loop back into*

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the policy cycle and lead to better regulation.” It also welcomed our proposals to expand our programme of thematic work.

- 14 We consulted on proposals to introduce a new data strategy, and TLS expressed support. In particular it felt there could be value in improved quality of data on solicitors, and it confirmed it would welcome close engagement between respective teams at TLS and SRA on data analysis initiatives.

Feedback on proposed workstreams under strategic priority three

- 15 We received feedback on our plans for our first year of work under our third proposed new strategic priority for 2023-26 – “*We will support innovation and technology*”.
- 16 We met stakeholders at the Legal Geek conference who talked to us with enthusiasm about opportunities for ongoing collaboration between lawtech providers and legal service regulators – including some of the proposed areas of focus we highlighted in our consultation. This included proposals to build our sandbox capacity, and the LSCP was similarly supportive, recommending that we also consider opportunities to pool resources with other regulators in doing so. TLS echoed this support, and called for clear communication of learnings and outcomes from future sandboxes.
- 17 Other areas of our technology and innovation proposals also received good levels of support from stakeholders. Both the LSCP and TLS supported our commitments to promote technology with small law firms, and TLS urged us to ensure risks around the use of artificial intelligence (AI) are factored in to our work. Members of the public in our focus group also felt the rise of AI was an important consideration for our work.

Feedback on proposed workstreams under strategic priority four

- 18 We asked for feedback on proposals for our first year of work under our fourth proposed new strategic priority for 2023-26 – “*We will be an authoritative and inclusive organisation, meeting the needs of the public, consumers, those we regulate and our staff*”.
- 19 TLS was positive about our proposals to launch a stakeholder perception survey, and it made suggestions about possible areas of focus for this.
- 20 We heard good levels of support too for our proposed delivery of regulatory position statements on environmental, social and governance (ESG) considerations. TLS confirmed it fully endorsed this commitment, highlighting engagement it was already having with the SRA alongside suggestions for continued collaboration.

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Feedback on our budget and fee proposals

- 21 We asked our stakeholders about our budget proposals for 2023-24, including the SRA's proposed proportion of the practising certificate fee and proposed Compensation Fund contribution.
- 22 Members of the public attending our focus group agreed overwhelmingly that it was important for the SRA to use its budget responsibly; TLS noted that the proposed increase in practising fee requirement (12%) was 'significantly greater' than their increase (7%). We note their comments whilst recognising that over the last two years we have increased our requirement by 19%, whereas TLS has increased its requirement by 23% over the same period.
- 23 Our proposal to reduce the Compensation Fund contribution for 2023-24 was supported by TLS. The LSCP however called for greater transparency about the rationale for reductions in the contribution.
- 24 Finally, we sought views on EDI impacts from our proposals for the practising fee and Compensation Fund contribution. TLS welcomed our equality impact assessment, but recommended further assessment of impacts for disabled solicitors, and exploration of impacts for people on long-term sick leave, statutory parental or adoption leave.