

**SRA BOARD**

**CLASSIFICATION – PUBLIC**



**SOLICITORS REGULATION AUTHORITY  
Minutes of the SRA Board meeting  
held on 24 October 2018 at 10.00  
at 24 Martin Lane, London EC4R 0DR**

*Subject to final approval by the SRA Board at its meeting on 5 December 2018*

Present: Enid Rowlands (Chair)  
Julia Black  
Sharon Darcy  
David Heath  
Paul Loft  
Barry Matthews  
Geoff Nicholas  
Dame Denise Platt  
Chris Randall  
Elaine Williams  
Tony Williams  
David Willis

In attendance: Paul Philip, Richard Collins, Robert Loughlin, Jane Malcolm, Juliet Oliver, Crispin Passmore, Julie Brannan (for item 10), Dominic Tambling

**1 APOLOGIES**

1.1 The Chair welcomed Board members to the meeting. Apologies had been received from David Middleton.

**2 MINUTES OF THE MEETING HELD ON 12 SEPTEMBER 2018**

2.1 The minutes of the meeting held on 12 September 2018 were approved as a true and accurate record.

**3 MATTERS ARISING AND DECLARATIONS OF INTEREST**

3.1 There were no matters arising that would not be covered elsewhere on the agenda.

3.2 Other interests were as previously declared and available to view on the SRA website. Members would declare any additional particular interest in an individual item if necessary.

**4 CHAIR'S UPDATE**

4.1 The Chair thanked Board members for attending events on our behalf, including some of the party conferences and a Black History Month Event in Leeds.

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- 4.2 The process of recruiting two new lay Board members to join the Board in January 2019 was progressing well. The window for applications had closed on 16 October 2018 and the long listing panel would meet on 30 October 2018.
- 4.3 The Business and Oversight Board had met on 20 September 2018 and the Chief Executive of the Legal Services Board (LSB) had been present for much of the meeting. An LSB consultation on its Internal Governance Rules was expected later this year. The Law Society (TLS) was due to report to the LSB shortly on the undertakings it had given following the LSB review of TLS oversight.

## 5 CHIEF EXECUTIVE'S REPORT

- 5.1 The Chief Executive Officer introduced his report and covered a number of issues for noting. These included: progress on the Practising Certificate Renewal Exercise; the successful bid to the Regulators' Pioneer Fund to develop a testbed to accelerate Artificial Intelligence and data driven solutions to address specific access to justice issues; and the statement and guidance we had published to explain how Brexit might affect those practising under the Registered European Lawyers (REL) scheme in the light of the Government's technical notice on a possible 'no deal' EU exit

## 6 SRA BUSINESS PLAN AND BUDGET 2018/19

- 6.1 The Board was asked to consider the Budget for 2018/19 and an initial draft Business Plan for the coming year. The Plan sat under the three year Corporate Strategy for 2017/2020 and highlighted some of the work we would be undertaking in the next 12 months to achieve our strategic objectives.
- 6.2 Board members commented on the draft Business Plan and our aspiration to produce a fully accessible and engaging document that reflected how we work and what we want to achieve. A further draft would be circulated and then put to the Board for approval. The Board also approved the budget for 2018/19.

## 7 COMMENCEMENT OF THE SRA TRANSPARENCY RULES

- 7.1 The Board was asked to consider commencement of the SRA Transparency Rules which had been agreed at its May meeting and subsequently approved by the Legal Services Board. One small technical clarification had been made to the Rules since May which related to a definition of assets.
- 7.2 The Board noted that Rule 4 would not be commenced until 2019 as it related to some of the proposed Looking to the Future regulatory changes which were currently with the Legal Services Board for approval.
- 7.3 The Board agreed that the Transparency Rules (1 to 3.1) should go live on 6 December 2018 and made the Commencement and Amendment (Transparency) Rules.

**SRA BOARD****CLASSIFICATION – PUBLIC****8 COMPENSATION FUND AND PROFESSIONAL INDEMNITY INSURANCE (PII): UPDATE**

- 8.1 The Board was asked to consider an update on activity following the consultation on proposals that would reform our financial protection arrangements relating to the Compensation Fund and PII.
- 8.2 The reforms being considered were important for the protection of consumers and also to the profession, not least because of the cost of insurance and the Compensation Fund levy. There had been a good response to the consultation, including on some of the complex technical aspects of the proposals. These responses were now being analysed and the resulting proposals for reform would come to the Board in three phases during the next year.
- 8.3 The Board noted the update and the way in which this work would now be progressed.

**9 PROTOCOL FOR DEALING WITH CONCERNS ABOUT THE CONDUCT OF MEMBERS OF THE SOLICITORS REGULATION AUTHORITY**

- 9.1 The Board was asked to consider and approve a protocol for dealing with concerns about Board members of the SRA. The Board noted that the protocol was the last which needed to be agreed following the changes to the General Regulations made in October 2017. The protocol had been considered in draft by the People Strategy Committee and then circulated to Board members for comment.
- 9.2 It was agreed that the protocol should be shared with the Legal Services Board once the Law Society had been consulted, as the General Regulations required.
- 9.3 The Board agreed the protocol, subject only to some minor drafting changes.

**10 SOLICITORS QUALIFYING EXAMINATION (SQE) UPDATE**

- 10.1 The Board was asked to consider an update on the development and delivery of the SQE including the date on which it should be introduced.
- 10.2 The Board noted that both the SRA and Kaplan were on track to introduce the SQE after late 2020. Close working with universities and others had given us a good understanding of the readiness of the market, which is a key consideration in confirming the date of introduction. Feedback indicated that some universities were introducing SQE-ready law degrees from September 2018 and September 2019. However, it was also clear from the feedback from a range of educators and law firms that there was real advantage to a 2021 start date so that those delivering training would have the time to transition to the new system and develop a range of training approaches and materials.
- 10.3 Board members also considered the provisional fee range for the SQE. It was noted that at this stage the fee range was indicative and that a range of issues

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could increase or lower the fees for SQE1 and SQE2 outside of the suggested parameters. The Board noted how the fee range compared with other professional examinations. It also noted that it could not reach a view on the total cost of qualification because the SRA does not control the education and training market. The Board took the view that it is likely that a range of routes to qualification with differing costs will be developed and while some may be cheaper than the current routes it is also possible that others may not be. The education market, with students and employers alongside educators and trainers, would drive the development of that market, whereas the SRA would be focused on setting a consistent standard of assessment regardless of the route or training taken.

- 10.4 The Board also noted the Executive's assessment that SQE would allow many more people to work while taking SQE than do so while taking the LPC. This would help ameliorate the current position where some people undertaking a Legal Practice Course pay fees without knowing if they will secure a training contract at the end of their course.
- 10.5 The Board agreed that the requirement for an SQE assessment should be introduced from September 2021 and that this should be announced in November along with the provisional fee range for the assessment.

**11 OFFICE FOR PROFESSIONAL BODY AML SUPERVISION (OPBAS) FINDINGS AND NEXT STEPS**

- 11.1 The Board noted the findings of the first regulatory visit by the new oversight supervisor, the Office of Professional Body AML Supervision (OPBAS) and agreed associated actions in our AML supervision programme.

**12 REVIEW OF MEETING AND ANY OTHER BUSINESS**

- 12.1 The Board received an update from committee chairs in relation to committee meetings that had taken place since the last Board meeting.
- 12.2 The Chair thanked Board members for their contributions. There was no other business. The next meeting of the Board would be on Wednesday 5 December at 24 Martin Lane, London EC4R 0DR.