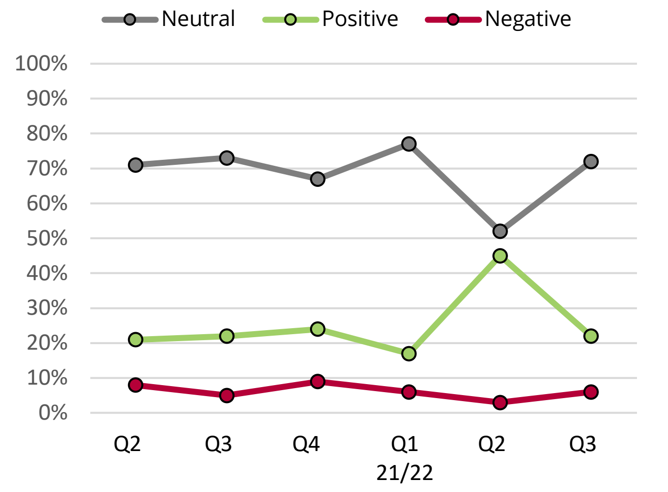
External

Core measures

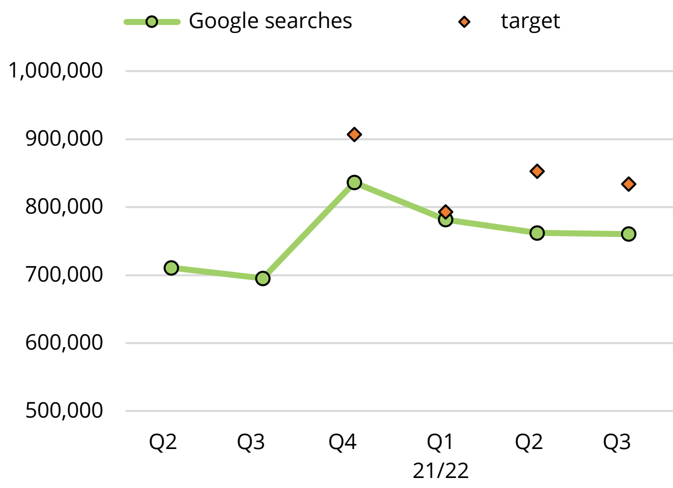
Sentiment of media coverage

Target: Positive should exceed negative



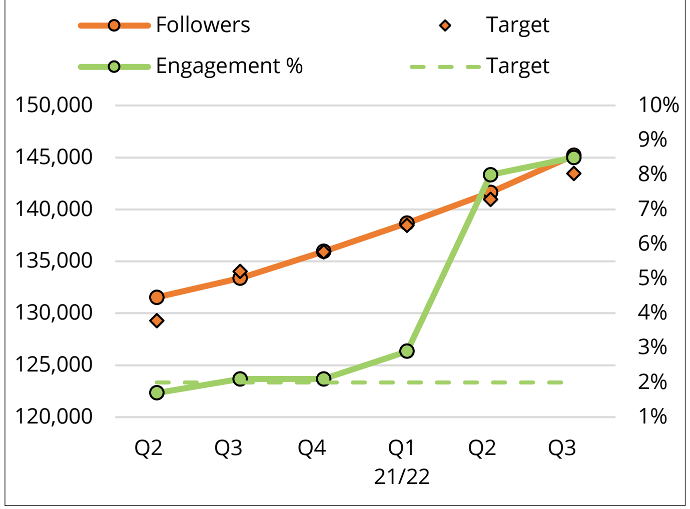
Click throughs to our website from Google searches

Target: 20% up from the same quarter a year earlier



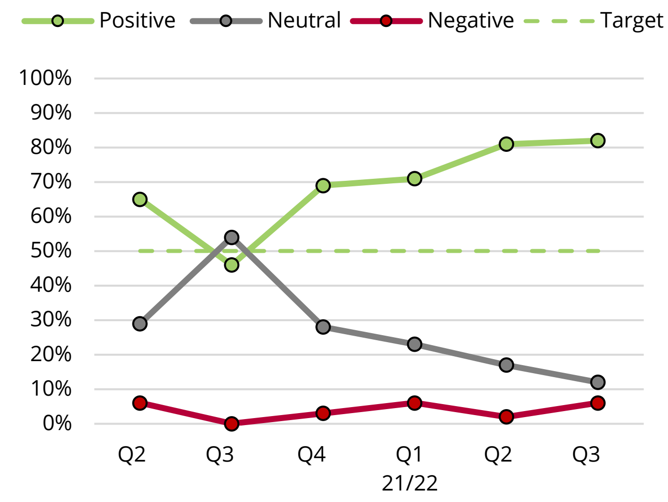
Social media engagements and followers

Target: Followers – 2,500 increase per Q, Engagement % – 2%



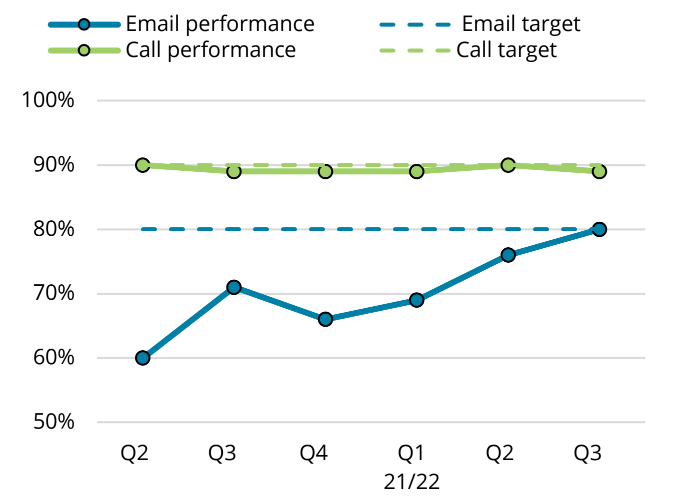
How stakeholders who attend our events view the SRA

Target: Positive feedback 50%



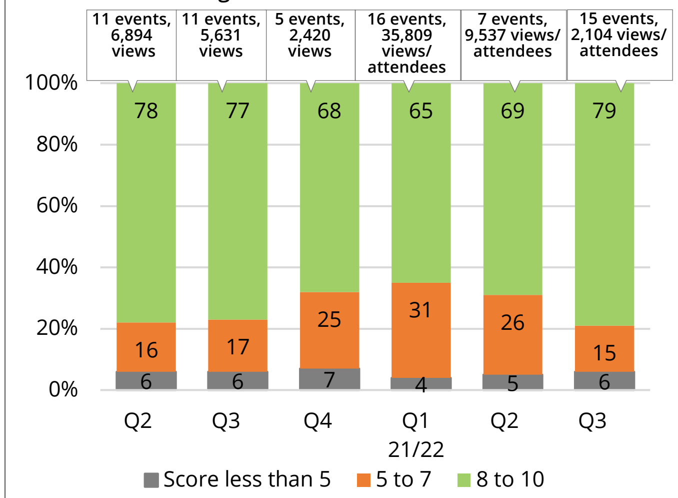
Customer feedback on our Contact Centre calls and emails

Target: % of satisfied responses – calls 90%, emails 80%



Events feedback – usefulness rating

Target: 60% score of 8 or above



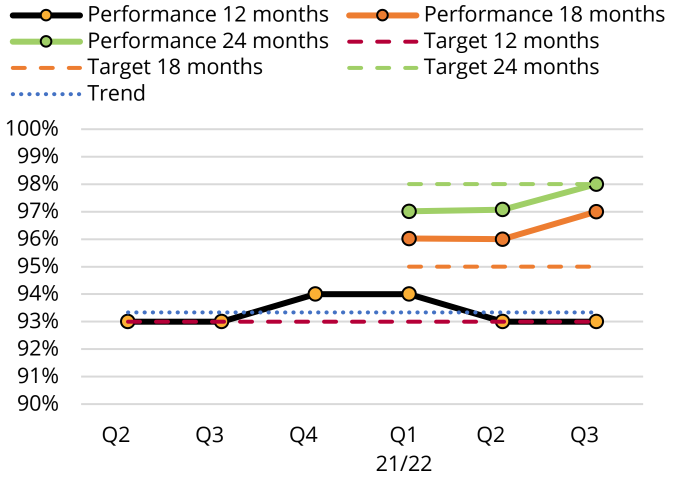
Scale: 1 = not useful at all, 10 = extremely useful

Delivery

Core measures

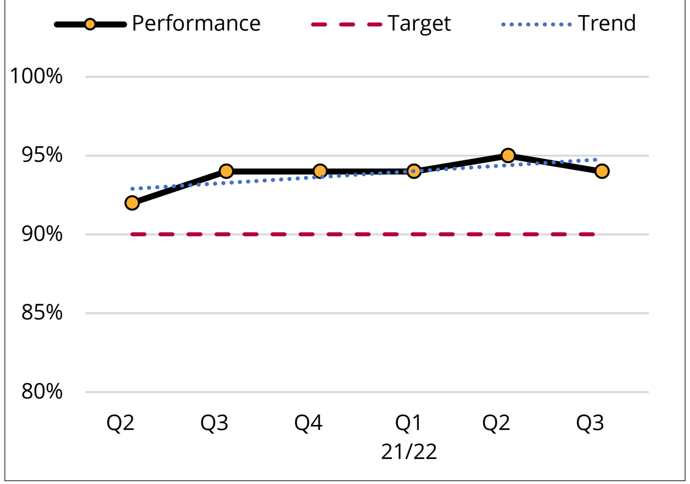
Investigation and Enforcement

Target: 93% of cases to be completed within 12 months; 95% within 18 months and 98% within 24 months



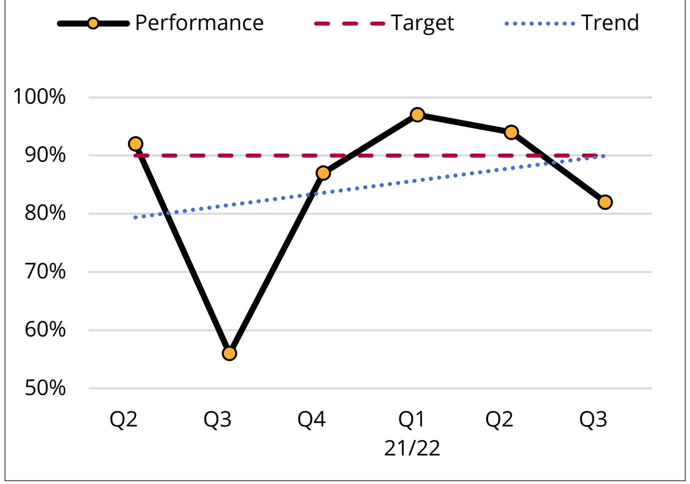
Firm based authorisation

Target: 90% of medium and high risk applications dealt with in 3/6 months



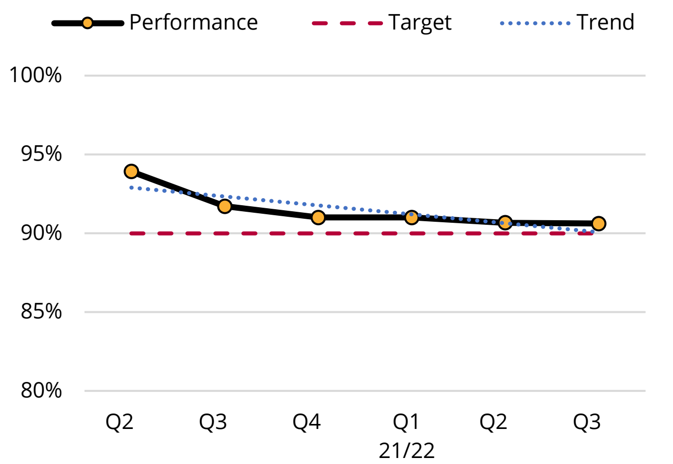
Individual based authorisation

Target: 90% of medium and high risk applications dealt with in 3/6 months



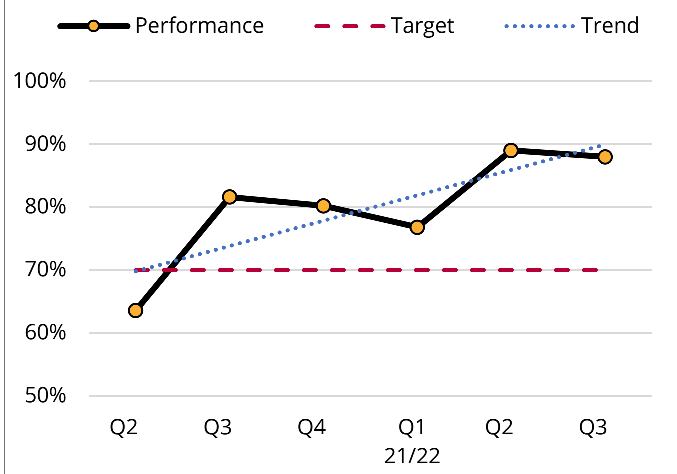
Compensation Fund

Target: 90% of compensation claims completed in 4/6/12 months

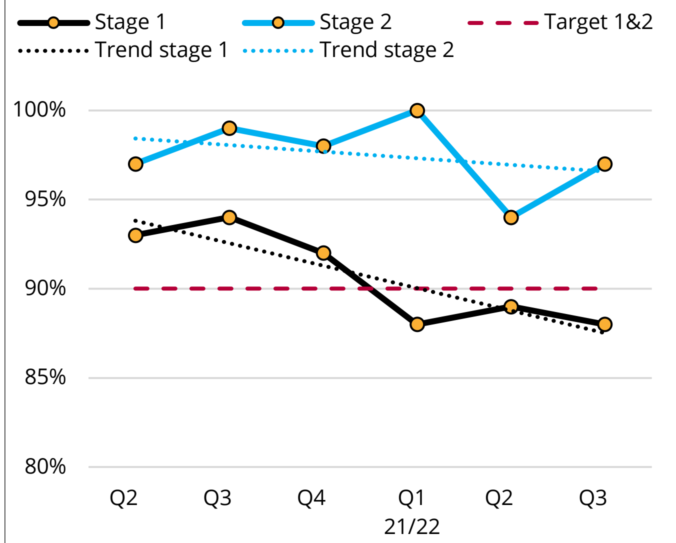


Contact Centre

Target: 70% of calls answered in 60 seconds



Stage 1 and 2 complaint handling



Notes:

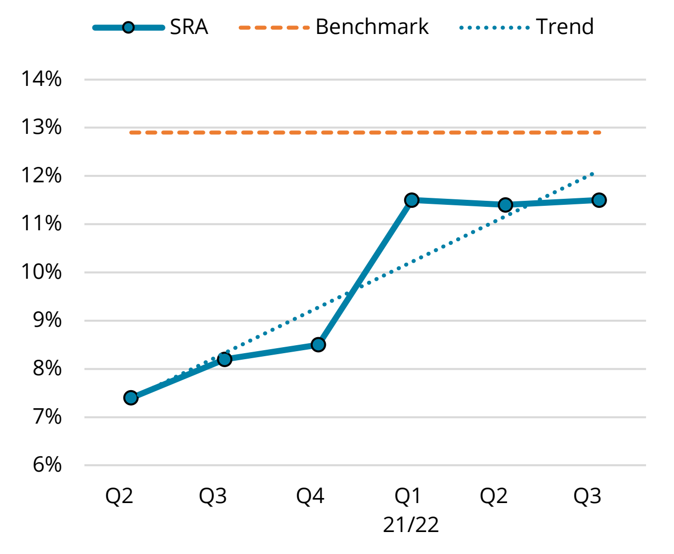
1. **Compensation Fund targets:** 90% of straightforward claims concluded in four months; 90% of moderate complexity claims concluded in six months; and 90% of complex claims concluded in 12 months.
2. **Stage 1 and 2 complaint handling targets:** To handle stage 1 complaints within 10 days and stage 2 complaints within 20 days. Stage 1 is the response from the team concerned and stage 2 is the response from our Corporate Complaints team, where the matter is not resolved at stage 1.

Internal

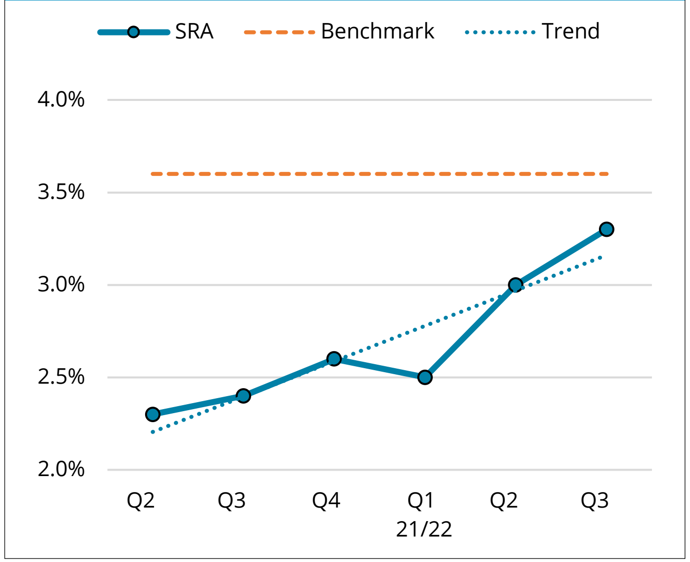
Core measures

Topical measures

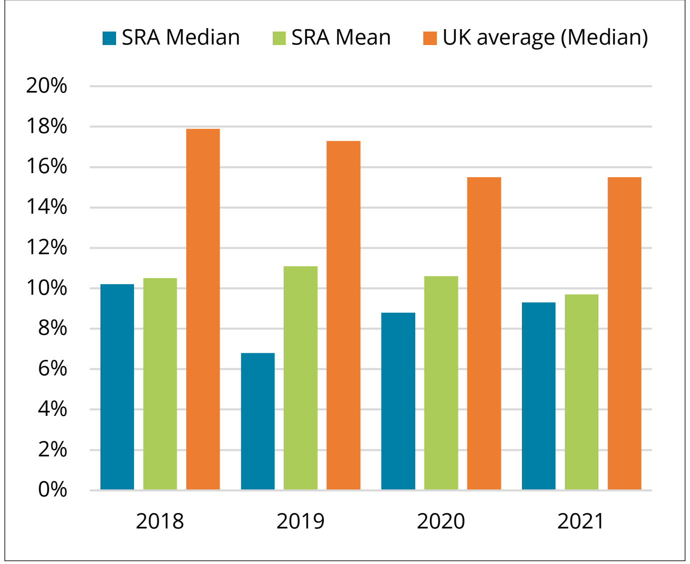
Voluntary staff turnover



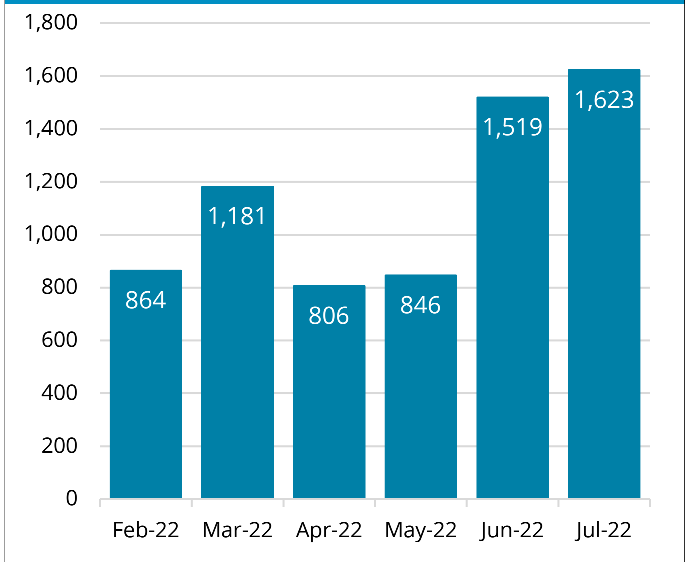
Time lost to sickness



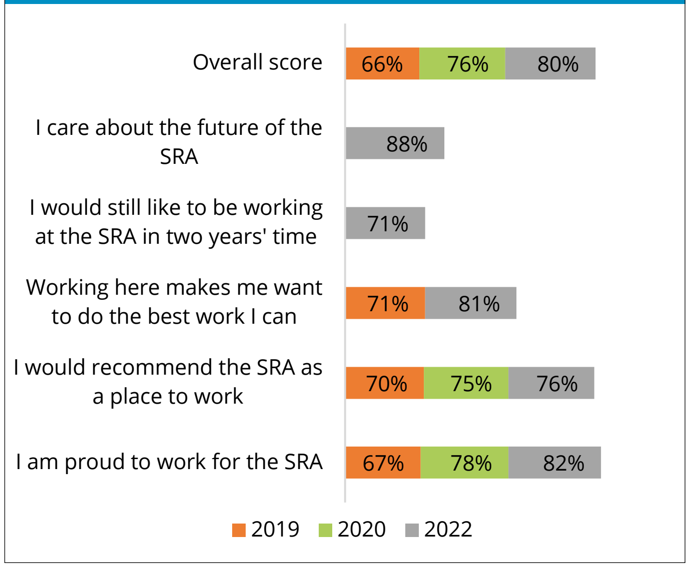
Gender pay gap



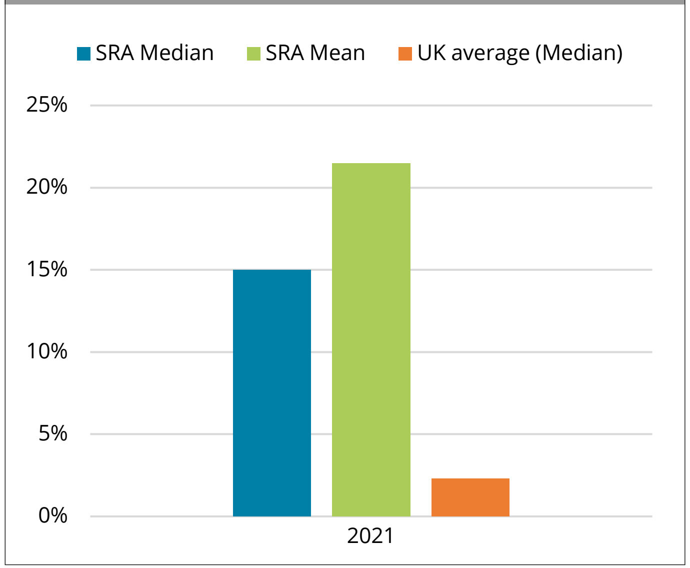
Number of training hours



Staff engagement



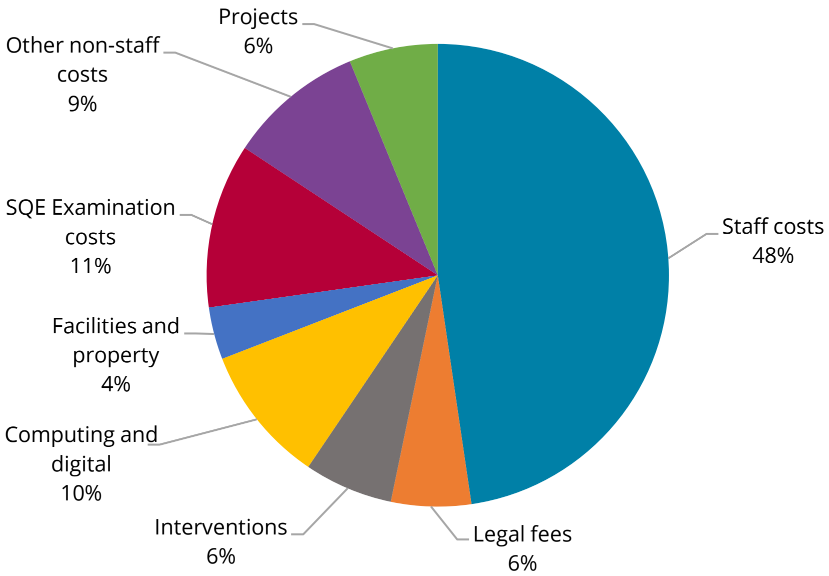
Ethnicity pay gap



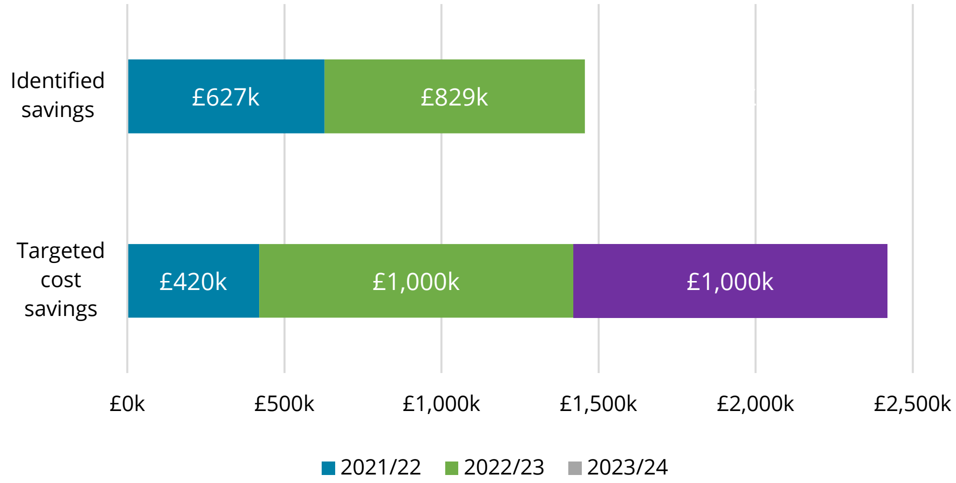
Financial

Core measures

Where our money is spent



Continuous Improvement Programme progress



Variance to budget 2021/22 Q3

£m	Actual	Budget	Variance	Variance %
Income	57.67	58.44	0.77	-1.3%
Staff costs	25.52	25.18	0.34	-1.4%
Other costs	29.82	31.57	1.75	5.5%

Variance to forecast 2021/22 Q3

£m	Actual	Forecast	Variance	Variance %
Income	57.67	57.57	0.10	0.2%
Staff costs	25.52	25.63	0.11	0.4%
Other costs	29.82	29.93	0.11	0.4%

External

Media sentiment

Positive coverage returned to normal levels as a proportion of all media coverage during Q3, after rising sharply in Q2 on the back of stories about our guidance for solicitors dealing with Russian clients.

For a sixth consecutive quarter, there was more positive media coverage than negative coverage. Areas of our work that received favourable coverage included an increase in our fining powers, a consultation on our business plan and a consultation on our approach to the publication of disciplinary and regulatory decisions. The Law Society's response to the increase in our fining powers and an IT incident at one SQE testing venue triggered negative media coverage during Q3.

Web traffic

Visits to our website by Google web search users in Q3 were up 9% from a year ago, a strong result, yet below our target of 20% year-on-year growth. Downwards adjustments in Google's Search Console data continue to impact the results we report here. We will review our annual growth target for 2022-23 in light of this.

Events

We held 15 events during Q3, many of which were small in scale by design and were not made available to view on demand. Event attendance for the quarter totalled 2,104 (in person, virtual streaming and virtual on-demand). More than three-quarters of attendees who scored the usefulness of our events rated it as 8 out of 10 or higher.

More than 4 out of 5 of all event attendees who responded to the question in Q3 said they had a positive perception of the SRA.

Social media

The number of SRA followers across all social media platforms exceeded 145,000 at the end of Q3, up 7% from a year earlier.

The overall rate of engagement with our social media content during Q3 remained higher than usual, at 8.5%, compared to 2.1% in the same quarter a year earlier. The sustained uplift in engagement in Q2-Q3 is a result of Facebook paid activity that promotes our content for legal services users about choosing a solicitor.

Customer feedback on Contact Centre calls/emails

We continued to receive positive feedback regarding our calls to the Contact Centre and achieved a 90% positive response rate in Q3 (against our target of 90%). We also saw a continued improvement in our email satisfaction levels, achieving 81% against our 80% target in Q3. As previously mentioned, we have now resolved the small number of system defects that were causing underperformance in this area.

Delivery

We have seen continued positive performance against the delivery measures in Q3 and anticipate this continuing as we move into Q4. We achieved all three of our high-level enforcement KPIs during the quarter (the last time this was achieved was prior to the Covid-19 Pandemic) and continue to see a reduction in cases that are over 24-months old – in line with the plan that we set out to the Board in November last year. Performance across Client Protection, Authorisation and the Contact Centre has also continued to be strong with all KPIs achieved by the end of the quarter.

Investigation and Enforcement

We met all three of our Investigation and Enforcement KPIs in Q3, achieving 93%, 97% and 98% respectively (against our targets of 93%, 95% and 98%). This is the result of our focused activity to reduce the time taken to resolve investigation and Enforcement cases and in particular those cases that take longer than 12 and 24 months to conclude. We have seen a continued reduction in the overall number of Investigation and Enforcement cases that are over 24-months old as we have targeted immediate actions to reduce cases in this cohort – down to 209 cases at the end of Q3, from 248 cases last quarter and our starting position of 286 cases at the end of Q4 last year.

We have also moved into the implementation phase of our Investigation and Enforcement Continuous Improvement project (which aims to find longer-term solutions to the rising length of our investigation and enforcement cases). This is following a formalised continuous improvement approach, using the Lean Six Sigma methodology. Improvements that we are targeting in the early stages of the project include an enhanced approach to handling health cases, the streamlining of our notice writing process at the end of the Investigation stage, and improved file management and disclosure arrangements to support efficient case management.

Authorisation

We met the Firm Based Authorisation target for Q3, achieving 94% against the 90% target. Despite achieving a year-to-date performance of 91% against the Individual Based Authorisation target, we did see a drop off in May and June due to low volumes of medium / complex applications that were available to close in the quarter. We recovered the position by the end of the quarter, achieving 91% in July, and expect this to continue as we move into our main admission peaks in Q4. The team are now gearing up for this year's Practising Certificate Renewal Exercise (PCRE) which takes place in Q4 and will involve the renewal of over 160,000 practising certificates and the collection of almost £115m of practising fees.

Client Protection

Client Protection maintained performance against its main KPI over the last quarter. The downward trend in performance over the last three quarters is due to a particularly high volume of claims that we processed last year due to the Kingly intervention (the higher volume of claims led to higher levels of performance during that period).

Contact Centre

We maintained our higher levels of performance within the Contact Centre during Q4, with an overall performance of 88% against our target of answering 70% of calls in 60 seconds. We also responded to 99% of emails received within five days, against our target of 95%.

Complaint Handling

Our stage two complaint performance has remained on track with 97% completed in 20 days this quarter. The stage one complaints KPI was missed because of a pilot that we are undertaking in this area – which has increased the timescale for responding to stage 2 complaints from 10 days to 15 days (although we are still reporting against the 10 days target). The pilot is exploring whether increased time to respond will result in less re-work and lower volumes of cases escalated to stage two. This was one of the recommendations of the Continuous Improvement project that we ran in Investigation and Supervision last year which looked at opportunities to improve our Triage and Assessment processes. The result will be a slightly lower performance for the next two quarters against the stage one target (which continues to be measured against the 10-day target), and if successful, we will recommend a permanent change to the KPI in December (when we are due to review the current reporting with the Board).

Internal

Staff turnover has slightly increased this quarter. We continue to observe the volatile recruitment market and it continues to indicate uncertainty. The percentage this particular quarter continues to demonstrate staff are starting to make a move post the uncertainty of the pandemic. There are indications that the reported 'great resignation' may settle down towards the end of this year.

Time lost to sickness has increased slightly due to an unusual but small amount of hospitalisation leading to longer term absence. We continue to promote well-being initiatives and other interventions such as our employee assistance and occupational health provisions. Both the turnover and sickness continue to be below the external benchmark. However, the benchmark for voluntary turnover is still based on 2019 data. The source of the benchmark is dated due to the sample size not being large enough to provide a more up to date benchmark.

The number of training hours is higher this quarter. A mandatory e-learning module on 'Providing exceptional customer experience' was launched. A new programme 'Legal Bites' has proved very popular and our annual 'learning at work' week was very well attended. We are due to report the next gender and ethnicity pay gaps for 2022 this autumn during Q4.

We are currently working with Board members to define an action plan to help address the ethnicity pay gap.

The next annual staff engagement survey is due to be run next February and the new data will be available for the 2022/23 Q2 scorecard. Prior to the annual survey, we will be running two 'pulse' surveys. The first will be to help inform on how staff are settling into the hybrid way of working and the second to help understand staff opinion on the current relationship between their performance and pay. The latter will help inform our future approach to rewarding staff.

Financial

Income for the year is broadly in line with forecast. Income for the year appears to be below budget despite additional income from practising fees. We continue to see increasing numbers of solicitors entering the profession (almost 157,000 practising solicitors at the end of July 2022, an increase of 2.4 % on the same point in 2021). Included within income is a recovery of costs from the Compensation Fund which is lower than expected due to lower levels of intervention activity. This is reflected in the lower level of costs within 'other costs'.

Expenditure is being managed within the overall budget for the year and where possible we are looking to bring forward activity to ensure we make the best use of the available resources. The additional practising fee income will also allow us to mitigate the impact of the high inflation that will inevitably translate into higher costs within the SRA. We have begun to see the impact of this in increased energy bills and expect to experience additional pressures in the latter part of the financial year and into the next year as contracts are renewed for key services. Around 50% of our expenditure continues to be on staff costs and we are beginning to see the impact of inflationary pressures on the employment market which we expect to impact into 2022/23.

The ongoing Continuous Improvement Programme is expected to identify £2.4m of cost savings by the end of the 2022/23 financial year, of which over £1.4m has been identified so far.

The programme remains on track to identify these savings in line with the targets although the impact of that saving may be offset to some degree by the inflationary pressures discussed above.