

SRA response

Response to the Legal Ombudsman's 'Consultation on our business plan and budget 2018-2019'

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Introduction and overview

- 1.

The Solicitors Regulation Authority (SRA) is the regulator of solicitors and law firms in England and Wales, protecting consumers and supporting the rule of law and the administration of justice. We do this by overseeing all education and training requirements necessary to practise as a solicitor, licensing individuals and firms to practise, setting the standards of the profession and regulating and enforcing compliance against these standards. Further information is available at www.sra.org.uk

- 2.

We are pleased to be given the opportunity to respond to the Legal Ombudsman's consultation on your Business Plan for 2018-2019. Overall the content of the plan seems sensible and proportionate. While we do not have any specific comments to make on the individual consultation questions, we would like to pick up a couple of points relating to the section of the consultation that addresses the strategic issues that will affect LeO over the next five years.

- 3.

We would also like to take the opportunity to summarise the very positive joint work that our organisations have collaborated on over the past year, and to set out our ongoing commitment to continue with this joint working and to build on the strong foundations that we have developed to date.

Joint working on enforcement and consumer protections, and a new SRA Handbook

- 4.

One of the strategic issues raised in the consultation relates to the introduction of our new Handbook, and the implications and impacts that these changes may have on the way that LeO undertakes its



work. We acknowledge this, and note our earlier agreement in 2017 that our organisations would work closely together, and provide mutual support, in areas where we have a shared, or substantially shared, interest. We previously identified two areas for immediate priority:

- Enforcement/complaints investigations.
 - Consumer information and signposting.
- 5.

We have found the joint discussions held so far to be extremely useful in informing our approach. We are keen to continue these discussions (and further discussions on our phase two proposals) as we move towards implementation of our proposals. This will include the development of guidance and toolkits.

- 6.

We are also happy to discuss the ongoing development of our approach to enforcement. We are in the process of developing a comprehensive Enforcement Strategy toolkit. In brief, the suite of enforcement documents comprises:

- Character and Suitability
 - SRA Principles
 - SRA Codes of Conduct
 - Enforcement Strategy
 - Sanctions and Controls
 - Regulatory and Disciplinary Procedure Rules
 - Topic Guides
 - Online guidance
 - Decision making guidance

Operational cooperation and collaboration

- 7.

Over the past year, our organisations have made good progress in a range of operational areas of joint working, and we are now content that we are working well together in order to share knowledge and expertise. In particular, we would like to highlight the following areas:

- Monthly operational liaison regarding firms of interest and sharing of information
 - Identifying data sharing requirements to meet our objective of presenting clearer information to consumers on choice of solicitor and service standards



- Holding joint meetings with other regulators and partners on specific themes, such as immigration advice
- Joint working on developing LeO data recording to share with regulators

- 8.

Alongside this work, we have also recently discussed the potential for us to deliver joint training for LeO staff. This might include for instance, when and where cases should be referred to the SRA, and how this should be done. We look forward to taking this forward with you shortly.

- 9.

Separately, we would also be happy to discuss whether there are any other operational areas or functions that LeO colleagues would like to understand in more detail – or vice versa – for us to understand more about how you work, and how the way you work is changing. This will be important as we move closer towards implementation of our new regulatory arrangements.

Other joint working - research and Legal Choices

- 10.

Our ongoing collaboration on joint research is another highlight. The research we jointly published in December 2017 has fed into, and supported, the work we are doing to explore how best to publish firms' complaints data. We look forward to continuing to work closely and collaboratively with you in commissioning independent research in areas of shared interest, including:

- Exploring information transparency in the legal services market
- Identifying what information consumers need about complaints, regulatory status and protections, and
- How this information should be presented.

- 11.

Your business plan also highlights your growing role in Legal Choices. We welcome your increasing involvement in this area of work. The remit of the Legal Choices Steering Group to deliver the three-year programme to redevelop and relaunch the site is important. Likewise, the work of the Legal Choices Advisory Panel, in advising the Steering Group about content, and ensuring the site is accessible to vulnerable and disadvantaged communities. We look forward to working closely with you, and other key regulators and stakeholders, in taking this forward and developing a robust and valuable resource.

Next steps

- 12.

We look forward to continuing our proactive and collaborative work with you over the coming months as we develop our post consultation position on phase two of our regulatory reform programme, and begin the practical steps towards implementing our new arrangements.

16 January 2018