



SRA BOARD

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SOLICITORS REGULATION AUTHORITY
Minutes of the SRA Board meeting
held on 5 April 2022 at 11.40 at The Cube, 199 Wharfside Street, Birmingham B1
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Subject to final approval by the SRA Board at its meeting on 25 April 2022

Present: Anna Bradley (Chair)
Paul Loft
Dermot Nolan
Vikas Shah (via Teams)
Liz Smart
Tony Williams

In attendance: Nicola Williams (Board observer, via Teams), Paul Philip, Robert Loughlin, Benedict Fisher, Juliet Oliver, Liz Rosser, Tracy Vegro, Julie, Brannan, Chris Handford (via Teams), Dominic Tambling

1 WELCOME AND APOLOGIES

1.1 The Chair welcomed Board members to the meeting. Apologies had been received from Ann Harrison, Lisa Mayhew and Selina Ullah.

2 MINUTES OF THE PREVIOUS MEETING ON 22 MARCH 2022

2.1 The minutes of the meeting held on 22 March 2022 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. All actions due had been completed.

3.2 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 outlined the likely programme of work over the remainder of the year and said that we would set up one or two additional Board meetings in the Autumn to ensure that we had the capacity to deal with everything we needed to, though these would only be held if needed.

5 UPDATE ON EDUCATION AND TRAINING ACTIVITY

5.1 The Board was asked to consider an update on key developments relating to our education and training activity.

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- 5.2 The Board was asked to make some minor textual changes to the Solicitors Qualifying Examination (SQE) Assessment Regulations to remove any potential ambiguity in relation to the application of mitigating circumstances to SQE1 and to clarify the meaning of “assessment window”. The changes were not substantive and clarified the current operation of the regulations. The Board agreed to make the SRA SQE Assessment (Amendment) Regulations [2022].
- 5.3 The Board noted that bookings for forthcoming sittings of the SQE were going well, and that we would be looking at the geographical spread of demand to ensure that future capacity was so far as possible available in the right places.
- 5.4 The Board also noted that we had advised that candidates who sit SQE1 in July 2022 would not be able to move directly to SQE2 in October 2022 because of the time needed to analyse and verify the results from the July 2022 assessment. There was no set timetable through SQE and our view was that most candidates would be ill-advised to rush through immediately from one sitting to the next but some candidates had expressed disappointment that this would not be possible. We were therefore working with Kaplan, our SQE assessment provider, to look again at whether it was possible to adjust the results and booking timetable for these two sittings.
- 5.5 The Board was asked to agree to withdraw the emergency permission introduced during the pandemic to allow authorised training courses to use remote proctoring on an emergency basis and to instead replicate the permanent arrangements previously agreed for the Legal Practice Course (LPC). This would allow providers of the Professional Skills Course (PSC), Higher Rights of Audience (HRA) and the Police Station Representative Accreditation Scheme (PSRAS) assessments to apply to us to teach and assess these courses remotely on a permanent basis. Applications would be assessed against the same criteria previously agreed for the LPC set out in paragraph 17 of the paper.
- 5.6 The Board agreed to allow providers of the PSC, HRA assessment and the PSRAS to apply to us to teach and assess their courses remotely on a permanent basis on the same criteria as we require for LPC providers.
- 5.7 The Board further considered plans to tender for a provider for assessments for the Higher Rights of Audience assessments following an initial discussion at its meeting on 22 March 2022. The Board noted that we had committed in our Assuring Advocacy Standards consultation response (July 2020) to appoint a single assessment organisation to standardise the criminal and civil Higher Rights of Audience assessments. We had tendered in Spring 2021 to appoint an organisation to deliver the assessments on the basis that they would be prohibited from training candidates to avoid any conflict of interest but no bids had been received. Potential bidders had told us that the assessment of candidates alone, without the ability also to offer associated training, was not financially viable.
- 5.8 Since that time we had been exploring alternative options to standardise the assessments and would tender again this month, this time for a single provider to

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deliver the assessment, but on the basis that, whilst our preference remained to separate training and assessment, they could offer the associated training if they wished, on a non-exclusive basis. We would require arrangements to be put in place to minimise any risk of conflict of interest. The Board was content with this approach but underlined the desirability to separate assessment and training if at all possible in consideration of responses to the tender. The Board would be updated on the outcome of the procurement exercise in September 2022.

6 AMENDING THE ARTICLES OF SRA LIMITED

6.1 The Board was asked to consider changes required to the Articles of SRA Limited following the decision to withdraw the application for charitable registration made on 19 January 2022.

6.2 In addition to amending the Articles to non-charitable form, they had been further amended in order to ensure that they appropriately reflect our status as an eligible body for VAT purposes in relation to our education and training functions, and non trading status in relation to corporation tax.

6.3 The Board agreed to approve the amended Articles for SRA Ltd, and to delegate to the Chair the agreement of minor changes if proposed by the Law Society ahead of formal adoption. The Law Society (TLS), as sole member of SRA Limited, would now be asked to approve and adopt the updated Articles of Association and planned to consider this on 6 April 2022. We would then arrange for the requisite filing at Companies House to take place. There would also be consequent amendments to our Assurance Protocol with TLS which it would ask the Legal Services Board to approve.

6.4

7 POST SIX-YEAR COVER AND THE SOLICITORS INDEMNITY FUND: NEXT STEPS AFTER THE 2021/22 PUBLIC CONSULTATION

7.1 The Board was asked to consider a summary of issues following the recent consultation on the provision of post six-year run off cover (PSYROC) through the Solicitors Indemnity Fund (SIF). The Board had discussed themes emerging from the consultation on two previous occasions and this paper set out the decision now required on next steps.

7.2 The Board noted that we had received over 330 formal responses to the consultation, more than for any other recent consultation, and that a full analysis of these was at annex 1 of the paper.

7.3 The key themes arising from the consultation responses were set out in paragraph 12 of the paper. These included that PSYROC was an important consumer protection because of the nature of the claims and severity of detriment that affected individuals would suffer if cover was not in place. Also, that representative

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bodies and many individual solicitors had said that solicitors and firms would be willing to pay a moderate levy to cover the cost of ongoing PSYROC, and that this would not result in a material increase in costs to consumers, if any. Finally, respondents had also highlighted the potential for volatility in future PSYROC claims – for instance if the recent boom in conveyancing work or the failure of a large firm lead to a wave of negligence claims, or if claims generally increase as a result of the pandemic.

- 7.4 The paper proposed that further work be done on the issues and options raised by the consultation, including looking in more detail at the level of impact on individual consumers, the potential volatility of claims going forward, and how more cost effective and efficient consumer protection might be provided. The paper also highlighted the need for us to bear in mind the Legal Service Board's (LSB) plans to review financial protection arrangements across the legal services sector which may well lead to proposals for changes to the regulatory arrangements for consumer protection across the sector, including PII Minimum Terms and Conditions and Compensation Funds.
- 7.5 The paper proposed a further extension of 12 months to the PSYROC cover provided by the SIF to allow this work to take place. The Board noted that before making such a change and seeking approval from the LSB, we would need to obtain formal confirmation from SIFL that this was affordable.
- 7.6 The Board discussed whether a longer extension of perhaps 18 months should be requested, but agreed that it was important to move forward as quickly as was reasonably possible to making final decisions on these matters. The Board also underlined the need to continue to try and engage with the Law Society on alternative models for delivering consumer protection through the SIF or otherwise that were more cost effective than the current scheme.
- 7.7 The Board agreed that we should seek a 12 month extension to the September 2022 deadline for notifying PSYROC claims to the SIF, to allow for further consideration of the issues and options before deciding on the way forward. The Board would consider this further in July or September this year.
- 7.8 The announcement of this decision should include information about the further work we were now proposing to do and those stakeholders we were intending to engage with. It was also important give a clear picture about the full range of consumer protection available to users of legal services.

8 BOARD FORWARD PLANNER

- 8.1 The Board was asked to consider and comment on the forward planner which summarised the items expected to come to the Board over the next six months. The Board noted that the master forward planner which looked beyond six months and gives more detail, would be made available to the Board on the app used to distribute papers.

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8.2 Board members suggested some refinements to the planner which would be presented at future quarterly reporting meetings.

NB: This paper will not be published because it relates to emerging strategy or policy.

9 REVIEW OF MEETING AND ANY OTHER BUSINESS

9.1 Board members said that they had enjoyed the opportunity to meet staff from across the organisation at a ‘marketplace’ session over lunch and that similar staff engagement sessions should be organised when possible. It was also suggested that the Board might hear from teams about their work, and particularly how it related to our values, at the start of board meetings when circumstances allowed. The next meeting would be held on 25 April 2022.