

Business Plan 2020/21: responses and feedback to our consultation

September 2020

Background

1. On 8 June 2020 we published our draft Business Plan for 2020 to 2021, as part of a consultation process that ran until 26 August 2020. This was the first time we have consulted on our forward business plan.
2. Our consultation sought views about the activities we will deliver during the first year of our [Corporate Strategy 2020-23](#). We consulted separately on a draft version of our Strategy for 2020-23 before publishing our final version on 20 March 2020, which sets the following three strategic priorities:
 - Objective one – We will set and maintain high professional standards for solicitors and law firms as the public would expect and ensure we provide an equally high level of operational service.
 - Objective two – We will actively support the adoption of legal technology and other innovation that helps to meet the needs of the public, business community, regulated entities and the economy.
 - Objective three – We will continually build our understanding of emerging opportunities and challenges for the legal sector and our role in effectively regulating it.
3. The Business Plan consultation also summarised our proposed approach towards the allocation of our budget across the different areas, and invited feedback about the principles we propose to use for setting our Compensation Fund contribution levels.
4. Finally, our consultation requested views from stakeholders about their preferences for future consultations on our work plans and budget, and the ways in which we present and deliver those consultations.
5. The Plan sets out how we will address our strategic priorities and promote access to justice across all of them, while also confirming how we aim to progress our response to the economic, political, technological social and environmental considerations that we looked at as we developed our strategy.
6. It also acknowledges the challenges for the legal sector brought by the Covid-19 pandemic, and the need for our work plans to be capable of flexing and adapting as required to meet the longer-term implications as they are properly understood.

Who did we hear from?

7. During the consultation period we promoted the consultation to our stakeholders in many different ways, including through our social media channels, our newsletters, and our consultation alerts.
8. We received eight written responses from a range of stakeholders, including the Law Society, Junior Lawyers Division (JLD), Legal Ombudsman, Legal Services Consumer Panel (LSCP), and the Association of Consumer Support Organisations (ACSO).
9. We held consultation engagement events and roundtable meetings with a range of organisations, including:
 - Groups that represent members of the public and communities with particular challenges and protected characteristics.
 - Stakeholders from diversity interests and minority communities across the legal sector.
 - People and organisations from the legal-tech sector.
10. We also made good use of our social media channels during the consultation process. On 11 August 2020 we delivered a webinar session on our YouTube channel that summarised our consultation and our Business Plan proposals, and we carried out polls and promotional activities on Twitter, LinkedIn and Facebook to get snapshot views from solicitors and members of the public.
11. We are grateful to everyone who responded to our consultation, completed our polls, or took part in our roundtable meetings and other engagement activities. We have reviewed all the feedback we received and given it careful consideration ahead of finalising and publishing our Business Plan for 2020-21.
12. You can find a full list of respondents who agreed we could publish their details at annex one of this report. At annex two you can find details of our consultation roundtable meetings and our webinar, and at annex three we summarise our other social media activities.

Our comments and next steps

13. Feedback on our Business Plan for 2020-21 from many of the organisations and individuals we heard from was positive. This included a strong overall endorsement for the proposed projects and areas of focus under each of our three strategic priorities.

14. The ideas and suggestions provided by stakeholders during our consultation process are also integral to help us provide further definition to some of the projects and workstreams featured in our Plan. Partnership working and collaboration sits at the heart of our Corporate Strategy and rightly informs many elements of our work planning processes, so we were pleased that many of the stakeholders we engaged with during our consultation process offered to continue their conversations with us, and to play an ongoing role in helping to shape our direction of travel for the lifespan of the Business Plan.
15. We have carefully considered all the feedback we received and we have listened to, and given equal weight to, cautionary notes we received alongside constructive suggestions and recommendations. Accordingly, and following our review of the consultation feedback, we are proposing to make some small amendments to the detail of our Business Plan and budget for 2020-21, which are:
- Placing a strong focus on the impacts of the pandemic across our full suite of activities, and particularly our research and analysis processes, so as to more explicitly acknowledge the emergence of new challenges and risks to vulnerable consumers and to the legal profession.
 - Building our scoping work across 2020-21 to explore the opportunities to address inequalities or variations experienced by members of the public in benefitting from technology and innovation in the legal sector.
 - Keeping our budget under close and regular review in light of emerging longer-term impacts of the pandemic.
 - Reviewing the immediacy of our plans to build our physical presence in Wales in light of current challenges introduced by Covid-19.
16. In the remainder of this report we will summarise some of the feedback we received for each of our consultation questions, and set out our response to some of the individual points made.

Comments and feedback for question one

17. Our first question was:

“Do you agree with the priorities for our work in 2020/21 towards meeting objective one of our Corporate Strategy 2020-23?”

18. Our draft Business Plan for 2020-21 described a number of core regulatory projects and work areas that will form our activities under our first strategic objective. Our ambitions here are broad and challenging, and include our plans to

continue progressing anti-money laundering initiatives, to evaluate our Standards and Regulations and Transparency Rules, and to deliver the Solicitors Qualifying Examination (SQE).

19. We also highlighted a number of specific initiatives that we are aiming to progress during 2020-21. These include a continued focus on equality and diversity, including potential research into key areas, our intention to build-up our partnerships and our profile in Wales, and a review of our regulatory fees.
20. We were pleased that the projects and work packages we highlighted under this objective received a range of opinions and suggestions. The feedback is invaluable in supporting us to fine-tune our approaches, but also to understand more about the ways that we can continue to involve our stakeholders in the formation and delivery of our projects in the longer term. We will describe some of the feedback we received about individual projects in turn.
21. Comments on the **SQE** included a general consensus that this work should remain a high priority for us, and central to our work under this strategic objective. Respondents from the legal sector recommended we continue to focus on supporting firms to understand the SQE and how they can work alongside us to develop the next generation of lawyers. Our LinkedIn surveys also revealed strong levels of support for our continued focus on the SQE.
22. Our intended focus on the SQE also received strong endorsement from the Law Society, and we were grateful to hear suggestions for specific elements of this, including fully addressing Equality, Diversity and Inclusion (EDI) recommendations and social mobility considerations, career retention and progression, and more generally to make sure that our ongoing delivery of the SQE is transparent and inclusive of stakeholder views. We agree, and we also welcomed the Law Society's offer to continue working with us to help prepare the legal profession for the SQE's implementation in 2021.
23. The JLD called for stronger engagement with the SRA as we continue to progress our work on the delivery of the SQE, alongside confirmation from the SRA about testing protocols for the SQE ahead of its launch in 2021, and more information about the evaluation process. The JLD also referenced their concerns about the EDI impacts of the SQE and our intended approach to monitoring. We will review and take account of these comments, and all others about the SQE, as we continue our work in this area, and we will continue to engage with the JLD, and others as we progress.
24. Feedback on **Anti-Money Laundering (AML)** included recommendations that we build a stronger and more explicit focus on Covid-19 and the ways in which the sudden transfer to remote working in many areas of the legal sector might have impacted AML requirements. The Law Society expressed support for our proposal to undertake a thematic review of tax advice, while ACSO suggested we

set our sights clearly on achieving an environment where solicitors and their firms take responsibility for reporting suspicious financial activities.

25. Views about our **regulatory evaluation process** were largely supportive of our intentions here, with one law firm recommending that we might usefully focus on the ways in which continuing competence requirements have been impacted by the pandemic and changes to the ways that firms access training resources and support. Other stakeholders from the legal sector agreed, and we heard calls to engage with legal professionals about our review of the SRA's Enforcement Strategy.
26. The JLD recommended we make sure to focus on the experiences of solicitors as part of any evaluation of the Police Station Representatives Accreditation Scheme. We will be sure to engage with the JLD and other stakeholders on this review, and indeed all other reviews we may take forward during 2020-21.
27. Our proposed approach towards the continuation of our **information transparency work** was broadly supported by stakeholders, including the LSCP and the Legal Ombudsman who welcomed the opportunity to continue discussions with us about complaints data and how it might be used in new ways as a quality indicator for consumers. ACSO also endorsed this work but urged us to make good use of consumer research as the basis for any next steps here. We appreciated this feedback, and information for the public, and in particular indicators of quality will continue to be a key focus for us during 2020-21. Consumer research will also be a determining factor that helps us to understand how best to progress our work in this area.
28. Our proposals towards **EDI** were widely lauded. One law firm confirmed that our intended focus here was immensely worthwhile, and the Law Society commented that our status as a separate entity meant that... *"The SRA should consider its unique role and powers as a regulator and how it can embed EDI into its regulatory and compliance activities."*
29. The Law Society also expressed an interest in our commitment to commission research into the over-representation of people from BAME communities in some areas of our disciplinary processes, and they confirmed they would welcome opportunities to find out more. The JLD added their concerns about disciplinary actions towards junior lawyers, and welcomed our commitment to continue engaging with stakeholders more broadly on our EDI activities, including their comments that *"The JLD considers the SRA should be more involved with this and should consider other ways in which the SRA can encourage EDI."*
30. Our proposals to **develop our work in Wales** similarly attracted a range of views, and we heard feedback regarding the methodology we might use towards this, including suggestions that we ought to focus efforts firstly on establishing a stronger virtual presence in Wales given the challenges of the pandemic in

relation to creating a physical presence. The Law Society meanwhile welcomed our plans and the opportunity for us to work closely with their team in Wales.

31. Our ongoing focus on **Brexit** also attracted comments, with the Law Society in particular underlining the importance of partnership working with the SRA to more fully understand and respond to the regulatory consequences of the UK's exit from the EU. The JLD welcomed this area of focus.
32. This part of our consultation attracted a range of views and perspectives. This is understandable given the breadth and scope of our ambitions and our intended approach towards this objective, and we welcomed all the feedback we received. We have listened, and as we confirmed earlier some of the feedback we received has helped us to further scope and define some of the priorities and project areas that will be included in our final Business Plan for 2020-21.
33. We will also respond to individual stakeholders regarding specific points of interest and suggestions made to us. We believe that this approach to partnership working and collaboration will be central to the successful delivery of our aims and ambitions under our Plan, and we look forward to continue building our relationships with our stakeholders through into 2021.

Comments and feedback for question two

34. Our second question was:

“Do you agree with the priorities for our work in 2020/21 towards meeting objective two of our Corporate Strategy 2020-23?”

35. Our draft Business Plan 2020-21 highlighted some of our work to date in relation to technology and innovation in the legal services market, and confirmed our ambitions to continue to progress that work through targeted initiatives that are underpinned by strong partnership working approaches. Our work on this area in 2020-21 will take place against the backdrop of the impacts of Covid-19, and of the finalisation of the UK's exit from the European Union, and we set out our aims to consider the ways in which technology and innovation within the legal sector might be impacted and influenced by both.
36. We were pleased to receive good levels of support for this area of focus, particularly from stakeholders participating in our consultation roundtable event focused on technology and innovation. Legal technology as an area of focus for us was generally well-supported by participants taking our Twitter and LinkedIn polls, and likewise by our formal respondents. For example, ACSO welcomed our intention to build our understanding of the use of technology in the legal sector, while the Legal Ombudsman confirmed that our focus under this objective was

helpful in supporting stakeholders to understand more about the ways in which technology impacts the legal sector.

37. We heard a range of perspectives from members of the legal profession. One solicitor felt cautious about our proposed work in this area, and felt that we ought to be neutral about technology. A law firm meanwhile broadly welcomed our proposed approach under this objective, but recommended we give greater consideration to the disparities that might also be associated with technology developments, where some firms may lack financial resources to fully embrace certain technologies and that this in turn might mean their clients not being able to benefit from it.
38. We had helpful feedback from organisations that represent members of the public about our intended approach under this objective. ACSO suggested that we ought to have the impacts of technology for vulnerable communities more clearly represented in our approach, rather than assume technology represents a panacea for all consumers and argued that research with consumers should underpin this, while the LSCP endorsed our proposal to increase support materials for the public in this area.
39. These views were shared by contributors from a range of consumer-facing organisations in our virtual round table, who also discussed the use and limitations of mobile first technology. We agree that this is a complex area, and our research and activities taken forward under this objective will be designed to improve our understanding of digital poverty and the realities of technological advancements as levers that can help to improve access to justice for different groups and vulnerable people.
40. The Law Society asked for further detail to be provided around some elements of our intended approach, including towards the production of new guidance resources on lawtech, and around the forthcoming review of our Innovation Space. The Society felt that this further detail and more exploration of work being carried out by other organisations might help to reduce our proposed spend in this area during 2020-21. We welcomed these ideas and suggestions, and we will talk to colleagues at the Law Society about our intended approach under this area of work in due course.
41. The JLD meanwhile called for greater detail around our plans in this area, questioning whether we should be an active promoter of legal technology.
42. We are grateful to our stakeholders for their views on our work plans under this objective. Our past experiences and learning points from our Innovation Space, and delivering the Legal Access Challenge, position us well to move ahead during 2020-21, and particularly to make greater use of the strong working relationships we have forged already with organisations in the legal-tech sector, and new relationships we might build as we move forwards.

43. We acknowledge the feedback from some respondents from the legal services sector regarding this area of focus for us, and we will take account of this feedback in terms of further developing the channels we use to talk to solicitors and law firms about technology and the opportunities that it can bring into their businesses, as well as the benefits for their clients.

Comments and feedback for question three

44. Our third question was:

“Do you agree with the priorities for our work in 2020/21 towards meeting objective three of our Corporate Strategy 2020-23?”

45. Under this objective we set out our plans and ideas for engagement, research and partnership working, as well as our intended approach towards situations where we might speak up and commentate on important issues. While we summarised our intentions towards work in areas such as public legal education, we also reiterated the importance of factoring the emerging realities of the Covid-19 pandemic into our workplans and our intended approach towards objective three.
46. In fact the impacts of the pandemic was a strong and consistent theme across much of the feedback we received during the consultation process. Our Twitter poll, which asked people to rank some of our priority areas, provided a strong steer, with more than half of the 5,000+ participants choosing Covid-19 impacts as the most important issue requiring our attention.
47. During our roundtable meeting with organisations that represent and advise consumers and the public, we also heard calls to focus on the experiences and needs of vulnerable consumers amid concerns that the Covid-19 pandemic is impacting them disproportionately. Many of those stakeholders felt that negative impacts on the legal profession and the consumers that rely on their services could increase further still over the coming year, and that certain areas of law such as housing advice might well become stretched and harder to access. They asked that our Business Plan reflects this, and we agree. Access to justice sits at the heart of our Business Plan, and accordingly we are amending the final version of our Plan, as confirmed earlier in this report.
48. Some of our stakeholders were supportive of our ambitions under strategic objective three and the intended approach we set out in our consultation paper. One example was the Law Society’s expression of support to update our data and use research to better articulate and understand issues that impact the legal profession. The LSCP meanwhile agreed with our intended focus on immigration

and asylum services, particularly in light of the UK's departure from the EU and impacts this might have for immigration service users.

49. The JLD felt that a further layer of information and detail about the specific issues we are proposing to consider under this objective might be helpful and welcomed our acknowledgement of the impacts of the pandemic as one of the key determinants here.
50. Other stakeholders made suggestions for other areas of focus. ACSO highlighted the importance of strong and collaborative engagement and partnerships to really deliver our work under this objective, and also called for information about our horizon scanning to be made available to stakeholders in different ways.
51. A solicitor urged us to avoid focusing too heavily on debate and discussion, given the existence of well-established concerns about the cost of legal services in some areas of law and other issues such as access to legal aid, and instead give more thought to regulatory improvements or the removal of unnecessary red tape.
52. We welcome all of these comments and ideas, and they will help to inform the approach we take under this objective. As the largest legal regulator in England and Wales we think it is important that we have this area of focus in our sights, and that we are live to the issues that most impact consumers, as well as the opportunities we have to influence debates and discussion about potential solutions towards those issues.

Comments and feedback for question four

53. Our fourth question was:

“Do you agree with our anticipated budget for 2020/2021 and the proportion we allocate to our work under each of the three objectives?”

54. Our draft Business Plan set out information about our proposed budget for 2020-21, including our income and expenditure and how this compared to 2019-20. We also confirmed some of the core events driving the anticipated budget, including enhancements to our regulatory systems, and the conclusion of the transfer process of staff members from the Shared Services function to the SRA.
55. This was the first time we had consulted on our anticipated budget in this way, and we were pleased to receive feedback from our stakeholders about this. One law firm expressed support for the anticipated budget projections and the

breakdown we had provided, but also urged us to ensure the budget was capable of flexing in response to change during the course of the financial year.

56. The Law Society supported our budget allocation across the three areas, although also expressed disappointment that our budget proposal did not result in a reduction in Practising Certificate fees. We acknowledge the feedback here, and through our review of our regulatory fees we will engage with colleagues at the Law Society and other stakeholders as we consider next steps.
57. The JLD wondered whether the allocated budget for technology and innovation initiatives might be decreased in favour of work under our third objective, particularly given the emerging impacts of Covid-19 in the legal market.
58. We were pleased to receive overall support for our anticipated budget. We also agree with the conclusions of some of our stakeholders regarding the importance of being agile to adjust our expenditure as required during the year and as new priorities emerge, with particular reference to the impacts of the Covid-19 pandemic.

Comments and feedback for question five

59. Our fifth question was:

“Do you agree with the proposed principles for setting the levels of contributions to the Compensation Fund?”

60. In our draft Business Plan 2020-21 we explained our overriding ambition to make sure that our Compensation Fund remains well-balanced between stability and capability of meeting future demands on it and not imposing unnecessary financial burdens on the legal professionals who fund it or in-turn the consumers who access the services of those professionals. We proposed four principles to underpin our approach to managing and delivering the compensation fund functions during 2020-21 which are that:

- The overriding principle will be to maintain the viability of the fund.
- We will ensure that the professional contributions to the fund are as manageable as possible for those we regulate.
- We will collect the contributions to the fund in a way that is manageable for those we regulate
- We will be transparent about the fund monies and their management.

61. We received overall support for the proposed principles from legal professionals, including from the JLD, and support more generally for the focus on achieving the balances we had described. One solicitor meanwhile felt the Compensation Fund should be instead become a voluntary scheme, and another suggested that our approach towards setting the annual contribution requirement might instead be based on risk information about different areas of the legal sector, with calculations then being based on individual areas of legal practice.
62. The Law Society expressed hope that our ongoing analysis and focus on the compensation fund might lead to a future reduction in the size of contributions required from solicitors.
63. The Compensation Fund is a critical feature of our regulatory framework and the wider protection package for consumers, so we were pleased to hear general support for the design of our principles, and for our overarching commitment to focus on keeping the fund viable while avoiding the creation of unnecessary financial burdens for law firms and solicitors.
64. We welcomed views about the practical workings of the Fund, and as part of our ongoing programme of work to review its stability and future demands we will consider all the feedback we received during the consultation process.

Comments and feedback for question six

65. Our sixth and final question was:

“What information about our forward work and budget do you think we should provide in future consultations and how should we present it?”

66. The consultation on our draft Business Plan for 2020-21 was the first time that we had sought views on our forward business planning initiatives, and also the first time we had consulted on the allocation of our funding across our different work areas. For those reasons we felt it was important to ask our stakeholders to tell us their preferences for our future consultations in this area.
67. We received some helpful suggestions from members of the legal profession, including one solicitor who felt we might provide more detail about anticipated project expenditure and information about our approach towards tendering, evaluating quotes, and awarding contracts. A law firm recommended we consider including more information about the intended implementation dates for our projects, alongside flags for key issues within those projects that might potentially impact solicitors and their businesses.
68. Other stakeholders including the JLD and ACSO also called for a further level of detail in the Plan about our projects and work areas.

69. The Law Society broadly welcomed our approach and the greater clarity it provides to solicitors regarding the differentiation of the regulatory and representative functions. ACSO also welcomed the transparency of our approach but felt that in future consultations we might use more targeted questions that are supported by more detailed information.
70. All the suggestions made will help to inform the format and content of our future consultations on business planning and discussions regarding our budget, and will also help to shape the practical ways in which we look to engage with our stakeholders on those issues.

Annex one: consultation respondents

Publish the response with my/our name	Respondent type
Association of Consumer Support Organisations	Representative consumer group
Junior Lawyers Division	Representative professional group
Legal Ombudsman	Other
Legal Services Consumer Panel	Representative consumer group
The Law Society of England and Wales	The Law Society
Publish the response anonymously	
Anonymous	Law firm or other legal services provider
Anonymous	Individual
Anonymous	Individual

Annex two: our consultation events and webinar

Date	Description
11 August 2020	YouTube webinar – “What should be our priorities for the year ahead?”
25 August 2020	Virtual roundtable meeting with consumer representative groups
1 September 2020	Virtual roundtable meeting with stakeholders from the technology sector
8 September 2020	Discussion meeting with disabled people and representative organisations
14 September 2020	Roundtable meeting with EDI stakeholders

Annex three: our social media activities

Activity on LinkedIn

LinkedIn poll 1

“Given the ever-changing nature of the legal sector and the current situation, what issue should we be focusing our work on most?”

Total votes: 248

Results:

Covid-19 impact - 40%

UK-EU relationship - 29%

Adopting legal technology - 31%

LinkedIn poll 2

“Take our business plan poll and tell us what you think we should be focusing on”.

Total votes: 467

Results:

SQE introduction - 41%

Increasing AML monitoring - 8%

Adoption of legal tech - 24%

Impact of Covid-19 - 26%

LinkedIn consultation posts

Total posts: 14

Total impressions: 29,221

Activity on Twitter

Twitter poll 1

“Given the ever-changing nature of the legal sector and the current situation, what issue should we be focusing our work on most?”

Total votes: 5,230

Results:

Covid-19 impact - 53.4%

UK-EU relationship - 38%

Adopting legal technology - 8.6%

Twitter poll 2

“Do you think the SRA supporting fair, accessible and inclusive legal technology could increase access to justice?”

Total votes: 4,436

Yes - 28.7%

Possibly - 35.7%

No -35.6%

Consultation tweets

Total tweets: 22

Total impressions: 69,291

Activity on Facebook

Consultation posts

Total posts: 4

Total impressions: 2,952