

SRA BOARD

29 April 2025

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This paper will be published

Chief Executive's Report

Purpose

- 1 This report provides an update to the Board on our priorities and any key developments that it needs to be aware of. It also provides information on important external developments and our engagement activity with key stakeholders.

Recommendations

- 2 The Board is asked to:
 - a) consider the Chief Executive's report.

If you have any questions about this paper please contact: Paul Philip, Chief Executive, paul.philip@sra.org.uk, 0121 329 6940.

Chief Executive's Report

Update against priorities / key developments

High profile cases

- 3 In February, we [published](#) a further update on our investigations on the SSB Group in relation to former clients unexpectedly being pursued to pay adverse legal costs in relation to discontinued cavity wall insulation litigation claims. We have now completed our SSB investigation, reviewing all the relevant evidence. We have issued disciplinary notices to a number of individuals, which they have the opportunity to respond to. While it is difficult to set out an exact timeline for this process, we are aiming to make decisions before the summer. We are also progressing our investigation into Pure Legal and the solicitors involved. We hope to have completed our investigation by summer 2025.
- 4 We have already taken action against four solicitors, who worked at SSB and were involved in this work, placing conditions on the way they work in order to protect the public. These conditions are on an interim basis, pending the final outcome of our investigation.
- 5 Our updated statement also covers our liaison work with insurers and engagement with other regulators to support former clients of SSB, as well as our wider work on high volume consumer claims. We are continuing with our proactive investigations into firms handling high volume consumer claims. Our consumer campaign advising the public on things they need to consider, and questions they need to ask providers, before signing up to no-win no-fee claims has continued, with our web resources now viewed more than 210,000 times since being launch in December. Activity has included developing how content is displayed based on user testing insights, trialling new video content and promoting the content via Google advertising.
- 6 We updated our statement on our investigation on the Post Office Horizon IT scandal in [February](#). We have more than 20 live investigations into solicitors and law firms who were working on behalf of the Post Office/Royal Mail Group. We are prioritising this work, and we will, of course, take action as soon as we can. While we cannot confirm the exact timeline, we are hopeful that we can conclude our investigation into some of these cases in the summer of this year.
- 7 At the end of January, we [published](#) a statement on our work to deal with outstanding issues related to work and clients of the former firm WW&J McClure and Jones Whyte. The work in progress and certain assets of McClure were transferred to Jones Whyte by the administrators in 2021 when McClure went into administration. We are concerned that it is taking too long to deal with all of the issues arising from McClure and that too many former clients are experiencing stress and frustration arising from delay and uncertainty.

SRA BOARD

29 April 2025

CLASSIFICATION – PUBLIC***Keeping of the roll***

- 8 The Keeping of the Roll application window successfully opened on 3 April 2025. This annual exercise, now in its third year since reintroduction in 2023, helps to ensure that the information that we hold about certain individuals is current as required by the General Data Protection Regulation (GDPR).
- 9 Solicitors are added to the roll upon admission. Those without a practising certificate may remain on the roll to maintain their status as a non-practising solicitor or to practice in government departments where they are exempt from holding a practising certificate under the Legal Services Act.
- 10 Solicitors wishing to remain on the roll must apply and pay a £20 fee between 3 April and 28 May 2025. Those who do not apply in the window are given notice and subsequently removed from the roll.
- 11 This year's project set up has been successful, with an effective communication campaign to 35,846 solicitors on the roll without a practising certificate. We will continue to request customer feedback as part of this process to understand the customer experience and to continually improve.

Garfield Law Ltd

- 12 In March, we authorised the first law firm providing legal services through artificial intelligence (AI). While many firms are already using AI to support and deliver a range of back-office and public-facing services, Garfield Law Ltd is the first purely AI-based firm to be authorised by the us to provide regulated legal services in England and Wales.
- 13 Before authorising Garfield Law, we engaged with the owners to consider the firm's processes and assure ourselves that our rules can be met by an AI service. We are supportive of the responsible use of AI by law firms as it could improve legal services, while making them easier to access and more affordable.

Solicitors Qualifying Examination (SQE)

- 14 The results for the January 2025 SQE were [published](#) on 1 April. A total of 6,782 candidates completed both parts of SQE1 (known as FLK1 and FLK2). Of these, 5,908 candidates sat SQE1 for the first time and achieved a pass rate of 60%. The overall pass rate, including those who were resitting, was 56%. The pass rate was in line with that for the January 2024 assessment.
- 15 In early March we [published](#) our latest suite of SQE annual reports. This included the report of the Independent Assessor, Kaplan's annual report and our own quality assurance report. We also briefed the media on the reports ahead of publication and saw coverage on the content of the reports across the legal media.

SRA BOARD

29 April 2025

CLASSIFICATION – PUBLIC

- 16 We held our virtual annual SQE conference on 2 April. The conference focused on the published suite of annual SQE reports, practical information for candidates and Qualifying Work Experience. The conference can be [viewed on-line](#).

SQE Access and Reinvestment Fund

- 17 As the Board is aware, we have invited organisations running schemes supporting aspiring solicitors to qualify to apply to us for funding to cover selected candidates' SQE fees. This will come from the SQE Access and Reinvestment Fund. The deadline for applications is 30 April 2025. Organisations will be selected in June 2025 by a Panel that will include a Board Member.

Higher Rights of Audience Qualification

- 18 We are currently [consulting](#) on a minor change to our Higher Rights of Audience rules to move from multiple to a sole assessment provider. Following a tender exercise, that provider will be the University of Law. In due course, and once we have considered responses to the consultation, the Board will be asked to make the new rules. The policy behind this change was the subject of a previous consultation.

Anti-Money Laundering (AML) update

- 19 We are planning another data-gathering exercise collecting information from the whole profession about AML, sanctions and Suspicious Activity Reports. The exercise will start at the end of June and run for six weeks. The information obtained will be used to improve our understanding of risk and how we allocate our resources effectively. We refreshed the AML proactive model using the new data collected as part of the AML Data Gathering 2024 project and up to date regulatory data. This has improved accuracy metrics for the model, with stronger performance in all of the key model metrics. The model is a machine learning model to help us to prioritise firms the frequency of proactive inspections and desk-based reviews.
- 20 We are gathering information for our 2025 thematic report into Source of Funds and Source of Wealth checks across our supervised population. The report will be published later this year.
- 21 The next full Office for Professional Body Anti-Money Laundering Supervision (OPBAS) inspection of the SRA will be from 30 April to 9 May 2025. OPBAS intends to review our compliance with all areas of its Sourcebook. The OPBAS Sourcebook covers key elements of the AML supervisory approach and explains the standards OPBAS uses to assess us against. OPBAS will be interviewing staff from our AML Directorate, Intelligence Unit, Research and Analysis team and the Money Laundering Reporting Officer.

SRA BOARD

29 April 2025

CLASSIFICATION – PUBLIC

- 22 One of OPBAS' objectives is to improve the quality of Suspicious Activity Reports (SARs). A SAR is a piece of information which alerts law enforcement of suspicious activity that might indicate money laundering or terrorist financing. OPBAS reviewed a sample of our SARs on 14 February 2025 but have not yet provided their opinions on the quality of the SARs.
- 23 We continue to await the outcomes of two HM Treasury consultations on the 'Future of AML Supervision' and 'Improving the Effectiveness of the Money Laundering Regulations'. We expect news on the 'Improving the Effectiveness of the Money Laundering Regulations' in April 2025. There is no anticipated date for the response on the Future of AML Supervision.

Legal services regulation and economic growth

- 24 Earlier this month, the Legal Services Board (LSB) wrote to us about the growth agenda. The letter is attached at annex 1. The LSB is collating views from regulators on three areas: collaborative initiatives being undertaken to facilitate growth, external barriers which are inhibiting growth potential and our views on any wider legislative or regulatory impediments to economic growth in the legal services sector. The LSB has asked for our response by 30 April 2025.

Consumer vulnerability

- 25 In February we [published](#) our feasibility study to assess consumer vulnerabilities in the legal market. We held a subsequent roundtable event which was well attended by a wide range of external stakeholders from the legal sector, consumer groups and other non-legal regulators. The event received very positive feedback from attendees. We are currently exploring our next steps for this work, which will be informed by the research and contributions at the event.

Legal Choices / Regulatory Information Service

- 26 The Legal Choices Governance Board (LCGB) has agreed to move into the 'build and test' phase of the development of the Regulatory Information Service (RIS) that all legal regulators and the Legal Ombudsman (LeO) are developing together. RIS will be a single portal for consumers to access information about legal service providers – linking to existing resources where necessary – so that people and small businesses can be better informed about services offered and quality before engaging a provider. A consumer-facing product is due to launch later in the year.

On-line dispute resolution project

- 27 We are nearing the end of our 18-month project exploring how online dispute resolution (ODR) tools could support people to access justice and resolve legal problems—particularly in areas of law where traditional routes to advice or redress may be harder to access. The project followed a successful bid to the

SRA BOARD

29 April 2025

CLASSIFICATION – PUBLIC

Department for Science, Innovation and Technology's (DSIT) Regulators' Pioneer Fund, which supports regulators to test and develop new approaches that support innovation and deliver better outcomes for the public.

- 28 An end-of-project report setting out the findings and recommendations will be published in the coming months. This includes frameworks on how to improve access to ODR, as well as a prototype Generative AI tool designed to help individuals identify and triage legal issues.

Stakeholder engagement

- 29 We staged our third annual conference for in-house solicitors in London on 11 March 2025. Covering topics such as the role of the employer in supporting in-house teams, supporting ethical decision making and the use of AI and technology in an in-house setting, the event proved a great success with over 200 delegates attending. Eight out of ten of those who completed post-event feedback saying they found it useful or very useful and 98% saying they would attend a similar event in the future. More than 300 people have also watched recordings of the event so far.
- 30 In January, the Chair and I met with the Julie James MS, Counsel General for Wales and Minister for Delivery. This was a constructive meeting with the new Counsel General and an opportunity for a wide-ranging discussion about our work. Specifically, we discussed Solicitor apprenticeships and the SQE.
- 31 Deputy Chief Executive and General Counsel Juliet Oliver met with Baroness Harriet Harman, providing information about our own experience for her independent review of bullying and harassment at the Bar (which she Chairs). She also spoke at Blume's event on mergers and acquisitions in the legal industry.
- 32 We also spoke at the Westminster Legal Policy Forum on the next steps for EDI in the legal profession and at the Legal Futures conference on housing disrepair. Our engagement with the Sole Practitioners Forum also continues – we have updated them on our work at one of our regular quarterly meetings, as well as at their 'top table' conference event.
- 33 We have been continuing to promote the importance of an inclusive workplace environment, with our Head of Regulatory Management speaking at the Women in Law conference to celebrate International Women's Day. We are developing further resources for law firms for release in the coming months.

Annexes

Annex 1 Letter from the LSB – Legal services regulation and economic growth