

Client money consumer protection arrangements

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In 2023 the Solicitors Regulation Authority (SRA) carried out twice as many interventions (closing down a firm to protect clients' interests) as in 2022, including high profile closures. There are signals that the nature of risk in the sector is changing, and so the SRA is considering its response to risk.

The SRA is undertaking a review of client money consumer protections focusing on those that protect consumers from losing money. Over the long term, the review aims to make sure that:

- Consumers are appropriately protected from losing money when using a regulated law firm;
- Confidence and trust in legal services is maintained;
- There is a competitive, dynamic legal market that supports access to justice through enabling consumer choice while keeping the costs of legal services down.

To support this review, the SRA was seeking to understand what consumers value in terms of protections against losing their money (client money), and the possible trade-offs they believe are acceptable in the provision of these. This research focused on client accounts and the Compensation Fund. This will ensure any changes considered to these protection arrangements during the SRA's review take into account consumers' preferences

Alongside this consumer focussed work, the SRA engaged with other stakeholders, including within the profession.

[Read the full report \(PDF 45 pages, 871KB\)](https://news.sra.org.uk/globalassets/documents/sra/research/thinks---consumer-deliberative-research.pdf)

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