

**SRA BOARD****CLASSIFICATION – PUBLIC****SOLICITORS REGULATION AUTHORITY  
Minutes of the SRA Board meeting  
held on 26 January 2021 at 12.45 by Microsoft Teams**

*Subject to final approval by the SRA Board at its meeting on 9 March 2021*

Present: Anna Bradley (Chair)  
Ann Harrison  
Peter Higson  
Paul Loft  
Barry Matthews (for items 5 to 7)  
Dermot Nolan  
Geoff Nicholas  
Vikas Shah  
Liz Smart  
Selina Ullah  
Tony Williams

In attendance: Paul Philip, Robert Loughlin, Jane Malcolm, Juliet Oliver, Liz Rosser, Tracy Vegro, Julie Brannan, Chris Handford, Simon Wall (for item 6), Dominic Tambling

**1 WELCOME AND APOLOGIES**

1.1 The Chair welcomed Board members to the meeting and particularly the four new members: Ann Harrison, Dermot Nolan, Vikas Shah and Liz Smart. There were no apologies.

**2 MINUTES OF PREVIOUS MEETING ON 8 DECEMBER 2020**

2.1 The minutes of the meeting held on 8 December 2020 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 or were in hand.

3.2 Interests were as previously declared and available to view on the SRA website, including those for the new Board members. Members would declare any additional particular interest in an individual item if necessary.

**4 CHAIR'S UPDATE**

4.1 The Chair thanked Board members for their contributions to the earlier workshop discussions. She was grateful to Helen Phillips (Chair) and Matthew Hill (CEO) of the Legal Services Board (LSB) for attending the workshop to discuss its future plans. The LSB is currently consulting on these through a draft business plan for 2021-22 and a draft strategy paper '*Reshaping legal services*', which set a vision

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for the legal services market in the next decade, accompanied by specific strategic objectives that focus on the period 2021-24.

- 4.2 The discussion had been productive and had demonstrated how much of the work in our Corporate Strategy and Business Plan aligns with the LSB's draft strategy and plan. We would be formally responding to the consultations and would continue to engage with the LSB to maximise the opportunities for working together and to ensure that our work is complementary, to properly identify and analyse problems, and to identify suitable solutions.
- 4.3 The Board also undertook a deep dive on external communications including how we function, the challenges and opportunities, and the principles underpinning our approach. It had agreed to hold a further discussion later in the year on our strategic communication objectives.
- 4.4 The Chair reported that she and the CEO had had a number of helpful discussions with the new Board members about their roles and their induction into the organisation. This had included discussion of strengthening our committees by increasing the membership. It had been agreed that Liz Smart would join the Remuneration Committee, along with Peter Higson, and discussions were in hand on future membership of the Audit and Risk Committee.

## 5 CEO REPORT

- 5.1 The Chief Executive presented his report. The Board noted an update on working arrangements under the Covid-19 pandemic and in particular the latest lockdown. The Board also noted the support put in place for staff and for individuals with any particular requirements. There was a discussion on mental health support and the valuable contribution made by our mental health first aiders. Awareness raising had included events and resources during relevant national campaigns. A confidential external helpline was also available to all staff at any time. The HR team had done a great deal to support managers on addressing mental health issues as well as working with the staff networks, including that for working parents and carers. We would continue to consider what more might be done in this area in recognition of the impact on staff of continuing Covid-19 restrictions.
- 5.2 The Board was asked to consider two new fees required to support the process changes to the route for qualification as a result of the new Solicitors Qualifying Examination (SQE) regulations.
- 5.3 The first of these related to applicants who have qualified as lawyers in other jurisdictions and as a result of which may be able to claim an exemption from part of the SQE. It was proposed that this would be set at £265. The second fee would apply to applicants who have work experience or qualifications equivalent to a degree and require us to confirm that this is an acceptable alternative to our requirement for a degree. It was proposed that this would be set at £160.
- 5.4 The Board agreed the two new fees required to support the process changes to the route for qualification resulting from the introduction of the Solicitors Qualifying

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Examination regulations, and noted the fixed fee of £21 for an external agency to validate an individual's degree or qualification.

- 5.5 The Board also noted that we continued to work closely with the Department for Business, Energy and Industrial Strategy (BEIS) and Ministry of Justice (MoJ) as well as the Law Society's international team on mutual recognition arrangements following the free trade agreement between the UK and EU. Operational changes which had been put in place following the end of the transitional period on 31 December 2020 were working well.
- 5.6 The CEO updated the Board on the second supervisory visit from the Office for Professional Body anti-money laundering (AML) Supervision (OPBAS), our oversight regulator for AML. This had taken place in the week starting 11 January 2021 and followed its initial visit in June 2018. It was expected that we would receive a report from OPBAS in a few weeks' time setting out learning points.
- 5.7 The Board noted progress on exploring options for bringing the Solicitors Indemnity Fund to an end, after several extensions to allow the insurance market to consider whether and how to develop post six year run off cover for those who want it, whilst providing cover for any residual liabilities. Further updates would be provided in the spring and proposals for decision are expected by the summer.
- 5.8 The CEO highlighted the next steps in commissioning independent research into the underlying reasons for the attainment gap for some communities in professional assessments, and into the factors driving the overrepresentation of BAME solicitors in our enforcement work. In response to questions from Board members, he confirmed that we would be using reference groups to inform this work. The membership of these groups would be identified in due course.
- 5.9 The CEO reported that the Practising Certificate Renewal Exercise (PCRE) had, as he had previously reported, suffered from initial teething problems as we ran it on our new IT systems. We had extended the renewal window and supported firms directly, resulting in a successful exercise and fees collection. He was also pleased to report that having gone live with a new casework system in December, we would shortly be exiting from our datacentre commitments. This would mark the formal end of the Modernising IT Programme, and was welcomed by the Board.
- 5.10 Finally, the Board noted that in its Regulatory Performance Assessment 2020 report the LSB had said that it now considered us to have met all of its regulatory performance outcomes.

## 6 OUR FUTURE WORKSPACE

- 6.1 The Board was asked to consider a paper on defining the future workspace of the organisation and the size and design of floorspace the organisation required to enable an engaged, inclusive and diverse workforce, as well as options for the long-term strategy for our premises.

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- 6.2 The paper built on a workshop discussion in October 2020 and the points made by Board members at that time had been taken on board in working up these proposals. There had been further detailed engagement with staff and business units about their experiences, preferences and future needs and also, by way of comparison, with external organisations about their future plans for office and home working.
- 6.3 It was clear that there was a broad appetite for working in different ways, given the experience during the pandemic, in particular for increased home working in the longer term. Given the findings from these engagements, and the mid 2022 break clauses in our office leases and consequent potential cost savings, it was recommended that we move to a model where the majority of staff are in the office for a minimum of one and maximum of two days per week. The floorspace in The Cube would reduce from two and a half floors to one and a half floors and 3<sup>rd</sup> party related occupancy such as the Docucentre and excess storage requirements would move to an alternative leased provision.
- 6.4 It was noted that our presence in London was important and that our current office does not meet our requirements for a modern workspace. It was therefore proposed that we would exit the lease for our Martin Lane office in March 2022 and instead explore using flexible and up to date working premises in Central London.
- 6.5 The space retained in Birmingham and leased in London would be used primarily for collaborative working with time spent in the office focused on the benefits that face to face discussion can bring and that we know staff value. This would include planning meetings, training (including induction), one to one discussion, team meetings and informal chats.
- 6.6 Board members welcomed the work which had been done in preparing the proposals. In response to questions from Board members it was confirmed that the needs of different business units would vary, but that analysis showed that a maximum of two days in the office was sufficient for each.
- 6.7 It was also confirmed that proposals for time spent in the office would apply to the majority of staff but it was recognised that staff, and groups of staff, have different needs and that consideration would be given to all individuals who, because of their personal circumstances, wished to work in the office more than one or two days per week. New recruits to the organisation may also need more time in the office at first.
- 6.8 Board members underlined the need to ensure that a strong sense of culture, and of belonging to the organisation was maintained. It was confirmed that this was an important part of future plans, including through maintaining the staff forum and staff networks. We also continued to work through line management and directly with staff on these matters but it was recognised that face to face sessions were currently difficult and this would improve through these proposals.

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6.9 The Board agreed the proposals in paragraphs 32 to 34 of the paper. In summary these were that we would:

- remain in The Cube in Birmingham on a renegotiated lease with break clauses and reduce floor space from two and a half to one and a half floors
- maximise the use of the remaining floor space by moving 3<sup>rd</sup> party related occupancy such as the Docucentre and any excessive storage requirements to an alternative leased provision outside of Birmingham City centre
- notify later this year that we would exit the lease of our London office in Martin Lane in 2022 and instead make use of flexible working premises in Central London.

6.10 The Board also agreed with the proposal that we move to a way of working where the majority of staff would spend one or two days a week in the office.

6.11 In addition to the cancellation and renegotiation of leases, work would now begin on precise design of office space for collaborative working, developing a booking system and on continued engagement with staff. It was also agreed that in order to provide assurance to the Board there would be an opportunity for further discussion around the risks associated with the new ways of working and the steps being taken to mitigate them.

*NB: the annexes to this paper will not be published because they contain information which is commercially sensitive.*

## 7 REVIEW OF MEETING AND ANY OTHER BUSINESS

7.1 There was no other business. The next meeting would be held on 9 March 2021.