

News release

Discussion paper on post six-year options

03 August 2022

As part of our ongoing work to consider next steps on the Solicitors Indemnity Fund (SIF) and consumer protection for negligence claims brought more than six years after a firm has closed, we have published a discussion paper [<https://www.sra.org.uk/sra/consultations/discussion-papers/solicitors-indemnity-fund-sif-consumer-protection-negligence-claims/>] on the options.

The new paper explains how further research and engagement has borne out concerns - raised during previous consultation - that while the number of consumers potentially impacted by historic negligence cases is small, the impact upon them can be significant. It also outlines options being explored for potentially providing future consumer protection in a way that is more cost-effective and proportionate than the SIF in its current form.

Finally the paper invites feedback on some specific issues in relation to any potential future arrangements. These include the approach to claimant costs and claims from large, corporate entities.

We are inviting feedback on the issues discussed in the paper by 31 August. We will also be discussing the issues raised directly with key stakeholders, including consumer and legal profession representative groups. All feedback received will help to inform our Board's further considerations of what next steps to take at its September meeting.

We will then hold a consultation as necessary on any next steps.

Anna Bradley, Chair of the SRA Board, said: 'Our work over the last few months has helped us to better understand what consumer protection for negligence claims brought more than six years after a firm has closed can offer some users of legal services. We have also been looking at how best to maintain that protection in a cost-effective and proportionate way, if we decide that's the right thing to do.

'Our discussion paper sets out our latest thinking. It's an important next step as we continue to explore any potential options ahead of further discussion in autumn, so I urge all those with an interest to respond to the paper and let us know what you think.'

Our previous consultation ran from November 2021 to February 2022 and received more than 300 responses. A summary of findings and next steps from this was published in April 2022. At this point we also announced that we were seeking a further 12-month extension to the existing SIF

arrangements - to September 2023 - to enable detailed consideration of future options.