

**SRA BOARD**

6 June 2023

CLASSIFICATION – PUBLIC

*This paper will be published***SRA Second Quarter Performance Report**

<b>Reason for papers</b>	These papers (items 7 and 8) provide the Board with an overview of the performance report for the first half of 2022/23 to 30 April 2023 and a progress report covering the management of the SRA key risks set out in the Strategic Risk Register (SRR).
<b>Decisions(s)</b>	The Board is asked to: <ul style="list-style-type: none"> <li>a) note the content of the quarterly performance reports and the overall assessment of performance</li> <li>b) note the changes to the performance pack.</li> </ul>
<b>Previous Board and committee consideration</b>	The Board receives performance reports and Strategic Risk updates on a quarterly basis.
<b>Next steps</b>	The third quarter performance pack, including the Strategic Risk Register, will come to the Board at its meeting in September 2023.

If you have any questions about this paper, please contact Liz Rosser, Executive Director Resources, [liz.rosser@sra.org.uk](mailto:liz.rosser@sra.org.uk)

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**SRA Second Quarter Performance Report****Purpose**

- 1 This paper provides the Board with an overview of the performance report for the second quarter of 2022/23.

**Introduction**

- 2 The Board is asked to consider four separate documents which, together with this summary, provide the Board with an update on performance at the end of April 2023. These are:

- Annex 1: Financial Performance Update
- Annex 2: Business Plan Update
- Annex 3: Balanced Scorecard with supporting commentary
- Agenda item 8: Strategic Risk Register.

**Quarter One 2022/23 performance update**

- Second quarter reporting against 2022/23 Business Plan.
- 76 activities to report against in our business plan.
- 67 on track, two not yet due to have started and a further two have been deferred until the next business plan year.
- Five activities are 'amber'.

**Key achievements**

<ul style="list-style-type: none"> <li>• Keeping of the roll exercise started 3 April 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• This exercise will ensure we hold current information on all solicitors on the roll and will be repeated annually to maintain this data, improving our compliance with relevant legislation.</li> </ul>
<ul style="list-style-type: none"> <li>• Publication of the first annual report on the Solicitors Qualifying Examination (SQE)</li> </ul>	<ul style="list-style-type: none"> <li>• SQE report provided a well-received overview of the first year of SQE implementation.</li> </ul>
<ul style="list-style-type: none"> <li>• Publication of the report on our in house thematic review, and holding our first in house conference</li> </ul>	<ul style="list-style-type: none"> <li>• Raising awareness of issues relating to in house practice and engaging directly with the in house community.</li> </ul>

**Exceptions**

- Following the quarter one performance report, members of SMT have further challenged each other on the assessments of progress to ensure that our assessments reflect the realistic likelihood of achieving our ambition for the year.

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This has resulted in an increase in ‘amber’ activities. These activities all have clear plans for bringing them back on track.

**Financial performance**

- Under budget for the year to date and forecast to be on track for the full year  
Underspend has allowed investment in operational areas throughout the remainder of the year and headcount increased in advance of planned changes in the 2023/24 financial year.

**Areas for discussion**

Review of the performance pack	<p>We reviewed the contents of this quarterly performance report with input from the Board as part of the review of quarter one performance.</p> <p>Changes have been made and are discussed below.</p> <p>The Board is asked to provide its views on these changes and any others it may consider appropriate which we can take forward in future performance reports.</p>
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**Changes to the scorecard**

- 3 Following Board discussion on the quarter one performance report some amendments have been made for quarter two. These include additional measures within the delivery sector on the performance of the Assessment and Early Resolution Team and Investigations closed within 10 months to demonstrate the benefits of our continuous improvement programme. The Board also asked that we consider whether it would be useful to include three-year trends in some instances. We looked at this for the existing measures but concluded that it did not provide any additional insight and may detract from the more meaningful recent performance data. This information could be shared with the Board separately if required.
- 4 Consideration was given, at the suggestion of the Board, to the addition of further reporting on Environmental, Social and Governance (ESG) measures. However, although we monitor certain environmental statistics as part of our accreditation to the ISO:14001 Environmental Management System certification, these measures do not necessarily lend themselves to quarterly reporting in the dashboard and we will continue to consider the most appropriate forum for publication. The Board is also aware that we have also given regular consideration to our social and governance responsibilities and have kept the Board updated on our activities in these areas. Similar to our environmental commitments, many of these activities, such as the Board’s decision that our investments should be held in a sustainable portfolio, do not lend themselves to reporting on a quarterly basis in the scorecard. We will give consideration to how we can do more to publicise this activity in the future, such as within our annual reporting.
- 5 The Director of Client Protection will be presenting a ‘deep dive’ into Client Protection at an upcoming meeting. Following this we will make further additions to the scorecard to incorporate elements of Client Protection’s work.

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### Strategic Risk Register

- Discussed in greater detail under agenda item 8.
- Number of risks on the register remains unchanged at six.

### Summary

- Majority of objectives are on track (or not yet due to start) at the end of April, where there are exceptions plans are in place to bring them back on track.
- Majority of our key performance measures on target.
- No risk to the full budget with the current forecast indicating no surplus or deficit.

**Recommendation: the Board is asked to note the content of the quarterly performance reports.**

### Next steps

- 6 We will continue to report to the Board in full on our performance every quarter, the next update will be against quarter three of the 2022/23 business plan.

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**Date** 20 May 2023

### Annexes

**Annex 1: Financial performance update**

**Annex 2: Business Plan update**

**Annex 3: Balanced Scorecard**

*NB: Annex 1 of this paper will not be published because it contains information which is commercially sensitive*