

## SRA (Cost of Investigations) Regulations 2009

Increase in charges for cost of investigations

Consultation questionnaire form

This form is designed to be completed electronically—in MS Word. Please save it locally before and after completing it.

### Question 1

Are the proposed changes clear and transparent?

Yes

No

### Comments

The schedule of charges is clear.

However, it is not clear how the SRA will justify the length of time taken for an investigation. The SRA should only charge for work, which is necessary to prove or disprove the points to be investigated. There is a risk that the firm or individual will be responsible for paying for time which was not necessary to prove the allegations in order for the SRA to achieve cost recovery targets. The risk of this is high considering there is no right of appeal against the recovery cost amount (if a substantive appeal is not pursued).

The SRA should include their plans for regulation of this regime, which should include an assessment of a sample of completed investigations by an external body (e.g. the SRA's auditors) to ratify the charges as reasonable. With any over charges being repaid.

## Question 2

Do you believe that the proposed changes for 2010 will have a disproportionate impact on any group or category of person?

Yes

No

### Comments

Standard charges will have the greatest impact on smaller firms and sole practitioners. As the cost of investigations are likely to be a higher proportion of their turnover compared to a large firm. Black and Minority Ethnic (BME) firms are potentially smaller and therefore may experience a disproportionate effect from the recoupment of costs in this way.

If the SRA has decided not to incorporate investigation costs in the annual subscription fees in order to reduce the costs to the wider profession, they may have to consider case by case the firm or individual's ability to pay particularly considering there is no appeal procedure for the recovery of costs amount if the firm decides they do not want to appeal the substantive response.

## Question 3

Do you agree that the SRA should develop further proposals with a view to recovering full costs from 2011?

Yes

No

### Comments

The SRA are right to establish a method for taking into account the seriousness of a finding when deciding on the recovery cost to ensure the recovery is justified and proportionate.

## Question 4

Do you have any other comments?

Without a separate appeal route for the recovery cost amount, the SRA may receive more substantive appeals against the sanctions, when the firm or individual wishes only to appeal the recovery cost and not the actual findings of the investigation.

Thank you for completing the **Consultation questionnaire form**.

Please save a copy of the completed form.

Please return it, along with your completed **About you form**, as an email attachment to [consultation@sra.org.uk](mailto:consultation@sra.org.uk), by **30 September 2009**.

Alternatively, print the completed form and submit it by post, along with a printed copy of your **About you form**, to

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