

The Legal Services Board

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**Statement of Censure in respect of the Solicitors Regulation Authority's discharge of regulatory functions delegated to it by the Law Society.**

**Under section 35 of the Legal Services Act 2007.**

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**Introduction**

1. On 16 October 2025, the Legal Services Board (“the LSB”) published the Independent Review (“the Review”) of the Solicitors Regulation Authority’s (“SRA”) regulation of SSB Group Limited (“SSB”), carried out by Carson McDowell LLP. The Review was commissioned under section 28 of the Legal Services Act 2007 (“the Act”) to assess the effectiveness with which the SRA discharged its regulatory functions in relation to SSB. Under the Act, the Law Society (“TLS”) is the approved regulator for solicitors. It has delegated its regulatory functions to SRA in accordance with internal governance rules made under section 30. In accordance with the enforcement provisions of Part 4 of the Act, regulatory action taken by the LSB is directed to the approved regulator, notwithstanding the delegation of regulatory functions to the SRA.
2. The Review provides a detailed and compelling account of how the SRA failed, over an extended period, to respond effectively to serious and escalating concerns about SSB’s conduct and business model. The LSB has concluded that these failures constitute significant acts and omissions by the SRA in the exercise of its delegated regulatory functions, and that those failures adversely impacted the regulatory objectives set out in section 1 of the Act.

**Summary of findings**

3. The Review found that the SRA’s handling of concerns relating to SSB demonstrated serious and systemic failures across multiple areas of its regulatory work, including:
  - a) Failure to act in a timely and effective manner, resulting in prolonged periods during which consumer harm escalated.
  - b) Failure to recognise and respond to emerging patterns of risk, due to siloed working and inadequate information-sharing across teams.

- c) Inconsistent and incorrect application of assessment and triage processes, leading to missed opportunities to identify significant regulatory concerns.
  - d) Inadequate scrutiny of financial risks, including over-reliance on the firm's assurances and insufficient verification of contradictory financial information.
  - e) Underuse of statutory investigatory powers, with undue reliance on voluntary information supplied by SSB and insufficient evidence-gathering from independent sources.
  - f) Failure to identify and respond appropriately to the needs of vulnerable consumers, despite clear indicators that many were at heightened risk.
  - g) Weaknesses in decision-making, governance and oversight, including poor documentation of reasons, inadequate escalation routes, and failures to act on staff concerns.
4. The LSB has concluded that these failures have had an adverse impact on the regulatory objectives set out in section 1 of the Act namely, those of protecting and promoting the public interest, protecting and promoting the interests of consumers, and promoting and maintaining adherence to professional principles.
5. The Review found that the SRA's failings undermined public confidence in the regulatory system and allowed consumer detriment to escalate on a substantial scale.

### **Acceptance of findings and future improvements**

6. The LSB acknowledges that the SRA has accepted the findings of the Review and is committed to implementing its recommendations in full.
7. The LSB also recognises the SRA's cooperation with the Review, its openness in facilitating access to relevant material, and its willingness to acknowledge its failings publicly.
8. However, the seriousness of the failings identified, and the profound detriment suffered by consumers make a formal public censure necessary and appropriate.
9. In parallel with this censure, and subject to statutory process, the LSB is taking enforcement action under section 31 of the Act to direct the SRA to set performance targets designed to address the systemic issues identified by the Review and to prevent recurrence.

## **Reasons for Censure**

10. In deciding to impose a censure under section 35 of the Act, the LSB has taken into account the seriousness and scale of the SRA's failings and the extent of the consumer harm that resulted, including harm experienced by vulnerable individuals.
11. The LSB also considered the prolonged delays in identifying and responding to clear warning signs, as well as the systemic nature of the operational, cultural and governance issues highlighted in the Review.
12. The LSB therefore considers a public censure both necessary and proportionate to ensure accountability, promote transparency and reinforce the importance of learning and improvement across the regulatory framework.

## **Formal Censure**

13. Accordingly, the LSB formally censures the SRA for its failures to discharge effectively the regulatory functions delegated to it by the Law Society.
14. This censure is issued under section 35 of the Act and reflects the LSB's view that the scale and seriousness of the failings, and their impact on consumers and the wider public interest, require a clear and public statement of regulatory concern.
15. The LSB expects the SRA to treat this censure as a significant regulatory intervention and to demonstrate, through their future actions, that the failings identified will be addressed promptly, comprehensively and in a way that restores confidence in their regulatory responsibilities.

## **Next steps**

16. The LSB will monitor the actions taken by the SRA to both implement the recommendations of the Review and to comply with any performance targets set under section 31 of the Act.
17. The LSB expects demonstrable, sustainable improvements in the SRA's regulatory capability, systems, processes, and culture, and will take further action if necessary to protect the public and uphold the regulatory objectives.

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5 March 2026