

## **SDT-SDTAL BUDGET PRINCIPLES 2018**

### **Introduction**

1. The LSB required the SDT-SDTAL to develop 6-8 budget principles to support and explain the Budget Application 2018. Draft Principles were provided to the LSB in a meeting and by email on 15 June 2017. There has been no substantive response to or comment on the same since that date. The SDT-SDTAL has therefore prepared its Budget Application 2018 in line with the draft Principles.

2. The SDT-SDTAL has prepared the Budget Application without the benefit of new case forecasts and time estimates from the SRA.

### 3. **Key Business Planning Assumptions**

3.1 Any reduction in demand by the SRA for straightforward first instance disciplinary tribunals will be balanced by increased SRA demand for longer, more complex and serious first instance hearings and increase in number of appeals from internal SRA decisions.

3.2 The level of funding must support the SDT Mission, Core Values, and Vision **“to be the leader amongst professional and regulatory tribunals in the United Kingdom, particularly in the development and effective implementation of strategies which demonstrate consistent best practice and value for money for the benefit of the SDT’s stakeholders, and in particular the public and the solicitors’ profession.”**

3.3 The level of funding must also support and facilitate each element of the SDT’s “Strategy Overview” as set out in its Business Plan and below:

The SDT will achieve its objectives by developing and implementing strategies aimed at:

- Ensuring that the SDT remains fit for purpose in all respects;

- Developing and implementing research into service-user satisfaction;
- Developing and maintaining the UGC;
- Developing the use of technology for case management within a carefully controlled budget;
- Achievement and retention of accreditation such as Investors in People and BSI Accreditation on Information Security and the treatment of vulnerable service-users;
- SDT Member and staff development (including mandatory 360° appraisals for Members, a staff appraisal system being already in place), recruitment and training and improved Human Resources management;
- Developing education and information about the SDT's activities using the website and other communication tools, and publishing such information where appropriate e.g. sanctions and ongoing case data spreadsheets;
- Responding, where so advised, to consultations and public debate without compromising the SDT's core values;
- Balancing approachability and user-friendliness with the SDT's duty to be independent, impartial and transparent;
- Enhancing in-house financial management capability;
- Obtaining best value for money from all external contractors and suppliers;
- Observing, developing and implementing best practice from other tribunals and bodies;
- Reducing costs insofar as consistent with all of the above.

- 3.4 The SDT must remain appropriately resourced at the correct level to enable it to develop to reflect best practice, particularly in the areas of technology and human resource management.
- 3.5 Staff training and Member appraisal will continue to be a key area of investment, including the Investors in People programme. Investors in People re-accreditation was awarded to the SDT in July 2017.
- 3.6 KPIs approved by the LSB Board in October 2016 remain in place throughout 2018.
- 3.7 The SRA is required by the LSB to be open and transparent about cases to be sent to the SDT by reporting at least monthly on: (1) the number of cases forecast to be delivered in each month of 2018; (2) the number of sitting days at substantive hearing estimated by the SRA for each case; (3) the number of those cases that may result in Agreed Outcome applications.
- 3.8 Zero-based budgeting is applied; each year every expense must be justified.

#### 4. **SDT-SDTAL Budget Principles**

- 4.1 It is assumed that the SDT will sit in court on all hearings (substantive, case management, applications) for no more than 300 days in 2018.
- 4.2 Sittings required over and above 300 days will be delayed to the next funding round in 2019.
- 4.3 The number of new applications from all sources will not exceed 160 in 2018.
- 4.4 Remuneration and benefit packages for permanent staff will not increase by more than 2% (excluding National Insurance contributions fixed by HM Government).
- 4.5 Remuneration for Solicitor and Lay Members will be fixed at 2017 levels for 2018.

- 4.6 All inflation increases are fixed at HM Government's inflation target of 2% (June 2017).
- 4.7 Funding for business rates assumes that HM Government removes transitional relief from small businesses in 2018-2019.
- 4.8 The Budget Application 2018 shows the estimated increased rent, service charge, and vat elements (range from best to worst case scenario) following the Gate House rent review due on 07.12.17 for the 5 years to 07.12.22 as separate lines outside the Budget Application calculated on the SDTAL's agents' advice as at 01.08.17 on the understanding that funding for these elements will be released by The Law Society as soon as final figures are agreed by the landlord.

Susan Humble

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9 September 2017