Justice Committee

Sarah Rapson
Chief Executive
Solicitors Regulation Authority

[By email only]

Thursday, 17 September 2026

Dear Sarah,

Handling of PM Law Group by the Solicitors Regulation Authority

Thank you for your letter of 3 September 2026 regarding the Solicitors Regulation Authority's intervention into PM Law Group and the publication of the independent review undertaken by Jenner & Block LLP. We are grateful for the update on support provided to affected clients and on the SRA's continuing investigation.

The Committee recognises the scale and complexity of the intervention. However, having considered your letter, the evidence provided by the SRA to our inquiry into access to justice, and the findings of the independent review, we remain concerned that the collapse of PM Law demonstrates continuing weaknesses in the SRA's ability to identify, assess and respond to emerging risks, particularly where firms hold significant amounts of client money.

The independent review's conclusions are troubling. It found that the SRA held substantial information about the PM Law Group before the intervention, including forensic investigations, thematic reviews, reports concerning multiple entities within the group, and assessments identifying PM Law as a high-risk firm. Yet that information was never brought together into a coherent picture of risk. The review concluded that concerns were frequently treated as discrete compliance issues rather than as part of a wider pattern and that opportunities to intervene earlier were missed. Most significantly, it identified a "failure to aggregate information" as the central finding of the review.

The review found that key decisions were taken on the basis of partial information and that the SRA's systems, processes and escalation arrangements did not ensure that decision-makers had visibility of the full risk profile presented by the PM Law Group. These findings reinforce concerns previously raised by the Committee regarding the SRA's approach to risk management. During our oral evidence session, Anna Bradley accepted shortcomings in the SRA's ability to "join up the dots" across different workstreams and acknowledged the need for a more proactive approach to identifying and preventing consumer harm.

The Committee also notes the parallels between the findings of the PM Law review and concerns that emerged following the collapses of Axiom Ince and SSB Law. The review

Justice Committee
House of Commons
London
SW1A 0AA

justicecom@parliament.uk

highlights that a number of reforms intended to address previously identified weaknesses were incomplete or not yet operational when PM Law collapsed. We are concerned that lessons already identified were not implemented with sufficient urgency to prevent a similar failure occurring again. In particular, we were struck by the review's findings regarding: the November 2024 decision not to commission an urgent forensic investigation despite serious concerns having been escalated internally; the shortcomings of the 2025 forensic investigation, which concluded with a "no concerns" finding despite the presence of significant red flags; delays in progressing the investigation into concerns relating to 3M Law Limited; and the finding that no one at Executive, Board or Deputy Executive Director level was aware of, or informed about, the risks posed by the group before February 2026.

While we note that the SRA has begun implementing reforms, we are concerned by the review's observation that several key changes will not be fully operational until 2027. Given the consumer harm arising from multiple firm failures, and the consequential impact on solicitors through contributions to the Compensation Fund, we question whether this timetable adequately reflects the urgency of the risks identified. The Committee would therefore welcome further information on:

1. What changes have been made to the governance of decisions concerning urgent forensic investigations and the prioritisation of high-risk matters?
2. How many firms are currently subject to enhanced supervision owing to rapid growth, accumulator-firm characteristics, significant client-money holdings or similar risk indicators?
3. What milestones will the SRA use to measure whether the reforms referenced in your letter are improving risk identification and intervention, and when does it expect those improvements to be evidenced?

Our Committee remains concerned that successive firm failures have exposed recurring weaknesses in risk assessment, intelligence-sharing and proactive supervision. The collapse of PM Law raises serious questions about whether the SRA is providing the level of regulatory oversight that consumers and the profession are entitled to expect.

We would be grateful for a response by 8 October.

Yours sincerely,

Catherine Atkinson MP

Chair, Justice Committee

Justice Committee
House of Commons
London
SW1A 0AA

justicecom@parliament.uk