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| <b>Meeting:</b>                                                                                                  | Legal Services Board, 26 March 2020              |
| <b>Item:</b>                                                                                                     | Paper (20) 11 - CEO Progress Report – March 2020 |
| <b>Introduced by:</b>                                                                                            | Matthew Hill, Chief Executive                    |
| <b>Status:</b>                                                                                                   | Official                                         |
| <b>Introduction</b>                                                                                              |                                                  |
| This paper updates Board Members on key developments across the organisation since the 22 January Board meeting. |                                                  |
| <b>Recommendation</b>                                                                                            |                                                  |
| The Board is invited to <b>note</b> this report.                                                                 |                                                  |
| <b>Annexes</b>                                                                                                   |                                                  |
| <b>Annex A:</b> OLC Voluntary Assurance letter January 2020                                                      |                                                  |
| <b>Annex B:</b> Horizon scanning report                                                                          |                                                  |
| <b>Annex C:</b> SRA letter to LSB regarding Legal Choices                                                        |                                                  |

|                              |     |
|------------------------------|-----|
| <b>Risks and mitigations</b> |     |
| <b>Financial:</b>            | N/A |
| <b>Legal:</b>                | N/A |
| <b>Reputational:</b>         | N/A |
| <b>Resource:</b>             | N/A |

|                                              |                                  |                |
|----------------------------------------------|----------------------------------|----------------|
| <b>Freedom of Information Act 2000 (Fol)</b> |                                  |                |
| <b>Para ref</b>                              | <b>Fol exemption and summary</b> | <b>Expires</b> |
| N/A                                          |                                  |                |

## CEO Progress Report – March 2020

### **Ministry of Justice (MoJ) matters**

#### Appointment matters

##### *LSB Board members*

1. Interviews were held on 2, 3 and 13 March to appoint two non-lay and one lay member to the Board. There was no outcome at the time of drafting, and the Chair may be able to provide an oral update on the latest position at the meeting.

##### *LSCP members*

2. Following a successful round of recruitment at the end of 2019, Lisa Davis will commence her first term of appointment on 1 April 2020.
3. We issued a press release to announce Lisa's appointment and it also outlined our plans to work even more closely with the Panel as well as our plans to establish a standing panel of members of the public that can be listened to and drawn on for feedback and insights as it develops ideas for reshaping legal services to meet the needs of everyone in society.

##### *OLC Board members*

4. The recommended candidate for appointment appeared in front of the Justice Select Committee for a pre-appointment scrutiny hearing on 17 March 2020. The process is on track for a 1 April 2020 start date.

### **Colleague and organisation matters**

#### Coronavirus

5. The Chair wrote to Board Members on 16 March to advise the Board what is planned in terms of the LSB's business over the coming weeks/months in light of the current Coronavirus pandemic and to seek views on those plans where they impacted on how the Board operates.

### *Day-to-day operations of the executive*

6. The Chief Executive, in consultation with the team and with Chair, required all staff to work from home from 17 March unless there were exceptional reasons for them to come into the office, to minimise the risk to staff and to reduce the demand (albeit small) that we place on public services.
7. The aim is for there to be no overall reduction in levels of service, and SLT will be implementing management and communication cascades to ensure as far as possible this remains the case. Colleagues are being encouraged to make use of technology to ensure they can continue to engage with stakeholders.
8. Given the organisation's improved IT capability, the LSB's assessment is that - with appropriate leadership from SLT - working from home in itself should not be an impediment to meeting expectations, although it should be noted that there might be impacts arising from, for example, actual illness either of colleagues or their dependents, or, more broadly, from deterioration in public services e.g. school closure (for which there are up to date business continuity plans in place).
9. The position will be kept under close review.

### *Board activity*

10. In relation to Board business, the intention is to no longer travel into London for meetings and to do as much as possible by phone. We will hold Board meetings by telephone conference call for the time being, subject to close review. The team continues to develop the programme for Liverpool in June, however these plans are must be considered to be at risk.

## **Governance**

### Office for Legal Complaints

11. January's assurance letter is attached at Annex A. Board will note that performance has slipped further and the OLC has expressed concern that this is more than a 'blip'.

12. Our primary focus in recent weeks has been on the budget, see item 5 on the agenda.

#### Solicitors Disciplinary Tribunal

13. The SDT has provided its annual report to the LSB on its performance statistics for 2019 and an analysis will be provided at the April meeting of the Board.

### **Regulatory developments**

#### Horizon scanning

14. The latest report is attached at Annex B. The Board will wish to note that turnover in the sector continues to grow strongly.

#### Legal Choices

15. The SRA has written to ask the LSB to consider taking ownership of the Legal Choices website, at Annex C. This follows an extended period of stalled progress on developing the website due to problems with the collective ownership governance model and failed negotiations on future financing. In respect to the latter, the regulatory bodies have been unable to agree how to make up the financial shortfall following the BSB's withdrawal for the remainder of the current three-year programme that ends in October 2020, or a future settlement to continue to develop and operate the website post-October 2020.
16. The Board is already scheduled to discuss public legal education at its April meeting and we propose to discuss the future of Legal Choices as part of this item.

#### Research

17. As planned, the individual legal needs research was published on 27 January along with interactive online dashboards allowing users to interrogate the data by demographic characteristics and areas of law. The survey was covered by the trade press and it also garnered good social media engagement. A further dashboard with regional data has been built.
18. At the time of writing the fieldwork for the prices research is nearly complete and we are confident that the sample will be achieved.

19. We are in the process of procurement for the new “public panel” (working title), which we are carrying out jointly with the LSCP. We hope to appoint a contractor shortly.

#### Public Legal Education update

20. We held an event on Public Legal Education (PLE) on 24 February 2020, at the start of Justice Week, to bring together people with an interest in PLE. We presented new insights from the PLE element of the Individual Legal Needs Survey we published in January. The audience of around 50 guests heard from speakers who have different perspectives on PLE and who offered their reflections on our research. The event enabled us to engage with new audiences, the majority of whom we had not been in touch with before now.
21. Journalists also attended the event and people were also able to follow the discussion on Twitter using #LSBPLevent. The event was covered by Legal Futures and Law Gazette.
22. Follow up meetings are being arranged with stakeholders who attended to discuss areas of mutual interest.
23. A paper on the regulatory levers we might use to advance this work will come to the Board's April meeting.

#### Technology update

24. We will shortly publish a collection of short ‘perspectives’ articles from a number of authors who each addressed the following question: “How can legal services regulation support responsible technological innovation that improves access to justice?”
25. The idea behind this collection is to bring together some of the key leaders and influencers in the legal services sector to offer their different perspectives on lawtech. We hope the papers will instigate informed debate as we continue to support and challenge the regulatory bodies to respond effectively to technological developments.
26. The final two substantive papers in the first phase of the project – on ethical dimensions of lawtech, and education and training – are nearing completion. Their published will be accompanied by podcasts.

27. As the Board is aware we have postponed the stakeholder event that was due to take place later on 26 March. We will reschedule the event later in the year.

#### PCF review updated

28. We completed the first round of bilateral meetings to discuss our initial working proposals with all Approved Regulators (ARs) and Regulatory Bodies (RBs) at the end of February. Overall, stakeholders were supportive but raised some issues for us to consider and possibly further refine our proposals. We will be holding a workshop to discuss some of the matters which have arisen with all ARs and RBs at the end of March.

#### Statutory decisions

29. Since my last report the LSB has approved one rule change application submitted by IPReg to introduce a requirement for run-off cover.

30. The LSB also approved a retrospective PCF application from ACCA. ACCA has already taken action to collect the PCF despite not having received our approval. ACCA took steps to remedy the oversight and applied to us for approval of a static PCF.

31. In addition, we have received and are considering a rule change application from the CLSB to make amendments to its Disciplinary Rules and Procedures. This includes the introduction of Interim Suspension Orders which are required by the LSB regulatory outcome E2.

32. We have also received and are considering an exemption request from the SDT following feedback it has received from both MoJ and the JCSI on the drafting of the disciplinary proceedings rules implemented last November.

#### SQE

33. I will be meeting the Independent Reviewer (Geoff Coombe) appointed by the SRA on 31 March to hear about his involvement in the SRA's work developing the SQE. Colleagues will also be meeting with Kaplan in April to hear about their work in developing the SQE. In particular:

- how the SQE assessment will work and be quality assured
- what arrangements will be put in place to deal with reasonable adjustments
- processes for candidate complaints and appeals.

## **Communications and engagement**

### Stakeholder perceptions research survey

34. The stakeholder perceptions interviews are progressing well. Thirty stakeholders have been identified to give us honest feedback on what we do well as an organisation and what they think we could improve. The interviews are due to be completed by the end of March. We then plan to conduct a survey of stakeholders more widely. We will share the findings and recommendations with the Board later in the year.

### Other media

35. The Chair gave an interview to the Times newspaper which appeared online and in print and explored some areas of our work and the Chair's ambition for the legal services sector. [perhaps insert link?]

### Stakeholder meetings

36. We are continuing to meet a range of stakeholders from across and beyond the legal sector as part of our plan to develop a strategy for the legal services sector. Thematic evidence sessions are also planned through which we will bring together stakeholders to discuss specific topics. We are continuing to identify stakeholders to meet and invite anyone who wishes to engage with us to get in touch.
37. Since the last meeting, the Chair and I have met with the following stakeholders:

| <b>Date</b> | <b>LSB</b>    | <b>With</b>                                     |
|-------------|---------------|-------------------------------------------------|
| 23.01.20    | CEO           | Legl, Crowd justice                             |
| 23.01.20    | CEO           | Judicial Diversity Forum                        |
| 24.01.20    | CEO           | The College of Legal Practice                   |
| 27.01.20    | Chair         | Regulator Chair's meeting                       |
| 27.01.20    | CEO           | OISC                                            |
| 27.01.20    | CEO           | OLC Business Assurance meeting                  |
| 29.01.20    | CEO           | EY                                              |
| 30.01.20    | CEO           | Stephen Mayson                                  |
| 31.01.20    | CEO and Chair | Junior Lawyers Division                         |
| 31.01.20    | CEO           | MoJ, Deputy Director, Legal Services Policy     |
| 03.02.20    | CEO           | Aria Grace Law                                  |
| 03.02.20    | CEO           | OLC Board Member                                |
| 03.02.20    | CEO           | MoJ, Deputy Director [monthly]                  |
|             |               |                                                 |
| 05.02.20    | CEO           | Crispin Passmore                                |
| 06.02.20    | CEO           | BSB/Bar Council, IGR discussion                 |
| 06.02.20    | CEO           | Slater & Gordon                                 |
| 08.02.20    | Chair         | Cilex Regulation Entity Event                   |
| 10.02.20    | CEO           | Elevate Services                                |
|             |               |                                                 |
| 12.02.20    | CEO           | BSB                                             |
| 12.02.20    | CEO           | SRA: Quality Assurance                          |
| 13.02.20    | CEO           | Ace event: Social License to Operate            |
| 13.02.20    | CEO           | Lawyers on Demand                               |
| 18.02.20    | CEO and Chair | LSCP                                            |
| 24.02.20    | CEO           | LSB PLE event                                   |
| 25.02.20    | CEO           | Westminster Legal Policy Forum Event (speaking) |
| 26.02.20    | CEO           | Kingsley Napley                                 |
| 26.02.20    | CEO           | MoJ, Deputy Director, Legal Services Policy     |
|             |               |                                                 |
| 02.03.20    | CEO           | OLC ARAC                                        |
| 03.03.20    | CEO           | LSB ARAC                                        |
| 04.03.20    | CEO           | OLC Board                                       |
| 05.03.20    | CEO           | Law Society                                     |

|           |                      |                                                       |
|-----------|----------------------|-------------------------------------------------------|
| 06.03.20  | CEO                  | PSA event: Regulation in the future – will it matter? |
| 09.03.20  | CEO                  | CMA                                                   |
| 09.03.20  | CEO                  | Cilex Reg CEO intro                                   |
| 10.03.20  | CEO                  | Intro, MoJ, Deputy Director UK Legal Services         |
| 10.03.20  | Chair and CEO        | Arden Partners                                        |
| 10.03.20  | Chair                | The Times                                             |
| 10.03.20  | CEO and Chair        | SRA                                                   |
| 10.03.20  | CEO and Chair        | Lord Reed                                             |
| 12.03.20  | Chair                | Judicial Appointments Commission                      |
| 16.03.20  | CEO                  | OLC                                                   |
| 17.03.20  | CEO                  | MoJ, Deputy Director [monthly]                        |
| 24.03.20* | <i>CEO and Chair</i> | <i>Cilex Reg Board to Board</i>                       |
| 24.03.20* | <i>Chair</i>         | <i>Artificial Lawyer</i>                              |
| 25.03.20* | <i>CEO</i>           | <i>Judicial Appointments Commission</i>               |
| 25.03.20* | <i>CEO</i>           | <i>KPMG</i>                                           |
| 25.03.20* | <i>CEO</i>           | <i>Council of the Inns of Court</i>                   |

*\*Meeting scheduled at the time of writing, but not yet held*