

Meeting: Legal Services Board, 26 April 2022

Item: Paper (22) 19 - CEO Progress Report – March 2022

Introduced by: Matthew Hill, Chief Executive

Status: Official

Introduction

This paper updates Board Members on key developments across the organisation since the 22 March 2022 Board meeting.

Recommendation

The Board is invited to **note** this report.

Annexes

Annex A – News round up

Annex B – OLC Voluntary Assurance Letter

Risks and mitigations	
Financial:	N/A
Legal:	N/A
Comms and engagement:	N/A
Resource:	N/A
Equality and diversity:	N/A

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
N/A	N/A	N/A

CEO Progress Report – April 2022

Ministry of Justice (MoJ) matters

Appointment matters

LSB Board members

1. MoJ have confirmed the appointment of the new non-lay member of the LSB Board. Habib Motani joined the Board on 18 April 2022, and a press notice was scheduled to be issued on 13 April announcing the appointment.
2. Ministers have confirmed the reappointment of two lay members of the Board from April 2023 and September 2023 respectively. MoJ will be issuing a press notice confirming the reappointments shortly.
3. MoJ plans to launch the campaign for the recruitment of a new LSB Chair on 19 April 2022. The LSB's Senior Independent Director, Catharine Seddon, will be a member of the recruiting panel, which will be chaired by an MoJ official. Other members of the panel are the representative of the Lord Chief Justice, and an independent member.
4. Planning is underway with MoJ officials regarding the appointment of one non-lay member (from April 2023) and one non-lay member (September 2023).

Colleague and organisation matters

Staffing

5. Following a competitive process, which generated some strong external candidates, we have now appointed an internal candidate to the role of Head, Policy and Strategy. They will take up post in early May. Recruitment to backfill their Regulatory Policy Manager role will begin shortly.
6. We have a new member of the team joining on 17 May to take up the post of Regulatory Policy Manager, Equality, Diversity and Inclusion. We look forward to welcoming them.
7. We held a successful SLT development session on 8 April, and the next all-colleague off-site collaboration day is being held on 11 May where the focus will be on giving and receiving feedback, ahead of performance appraisals taking place in May and June.

Governance

Office for Legal Complaints

8. The voluntary assurance letter is attached at annex B.
9. At its 31 March meeting, the OLC formally adopted the budget approved by the LSB Board at its meeting on 22 March.

Solicitors Disciplinary Tribunal (SDT)

10. I met with Geraldine Newbold on 3 April 2022. The main issues for discussion were improved joining up with the SRA to get better EDI data and forecasting and costs per court. I have discussed the former with the SRA and expect to take part in trilateral discussions.

Legal

11. There have been no developments in the outstanding matter of the award of the LSB's costs in the matter of the unsuccessful judicial review claim against us.

Regulatory developments

News round-up

12. The news round-up is attached at Annex A.

Research

13. All the externally commissioned research reports were completed on schedule before the end of the financial year:
 - People in vulnerable circumstances (qualitative research, due to be published in early May)
 - Social acceptability of technology (qualitative and qualitative research with the Public Panel and a sample of solicitors, conducted in partnership with the SRA, due for publication in late April)
 - Professional indemnity insurance (qualitative and quantitative research with the Public Panel, to be published soon after the April Board meeting)
 - Analysis of complaints to the Financial Ombudsman about legal expenses insurance (due for publication later this month).
14. The Small Business Legal Needs Survey is due for publication this month. Alongside the research report and interactive dashboard, we will publish a 'key asks' document setting out the case for a legal support strategy for small businesses and the main issues this should address. The team has briefed

officials from BEIS and Ministry of Justice on the need for a strategy and a letter may be required to Ministers.

15. The research phase of the project to map the unregulated market has been completed and a paper will come to the June Board ahead of publication.
16. Procurement for a partner to deliver the next phase of the Public Panel is live and we expect to make an appointment in May.

Statutory decisions

17. Since my last update the LSB has issued two Exemption Directions. One was an application from the Council for Licensed Conveyancers for amendments to the number of members it can appoint to its Adjudication Panel. This was the first request for exemption made under the new alterations to regulatory arrangements rules.
18. The other is a General Exemption Direction issued directly by the LSB. This enables approved regulators to notify the LSB of minor alterations to regulatory arrangements without having to make a bespoke request for exemption. The General Exemption sets out that the LSB may determine that a proposed alteration does not fall within this direction.
19. We are currently reviewing an application by CILEx Regulation for new routes to practice rights. We are also reviewing CILEx Regulation's PCF application in relation to ACCA firms and individuals regulated by CILEx Regulation to carry out probate activities.

Empowering consumers

20. The finalised statutory statement of policy on empowering consumer was published on 11 April. The next meeting of Market Transparency Co-ordination and Oversight Group (MTCOG) is on 12 May.

Ongoing competence

21. We are continuing to review the 40 submissions received on the draft statement of policy and will return to the Board in the summer. We are also continuing our engagement with interested stakeholders.

Regulatory Performance

Regulatory performance review

22. The Board reviewed and approved the revised framework documents for consultation at its meeting on 22 March. The consultation document and annexes were published on 7 April. The consultation will run for 12 weeks closing on 1 July.

Regulatory performance updates

23. The review of IPReg's follow-up actions arising from the 2021 annual performance report has been completed and has been published. Reviews of CLC's follow-up action responses received in February and March are ongoing. Updates from BSB and ICAEW were received in March and are currently being reviewed. Updates from the Faculty Office are due in April.

Technology

24. A joint statement on Digital ID tools, which we supported as part of our role on the Regulatory Response Unit, was published by LawtechUK on 22 March.
25. We are continuing to work with regulators as part of the Task and Finish Group to support consistent and accessible regulatory information for consumers, in line with the CMA's recommendations on a "single digital register". We have begun to scope the 'proof of concept' study as part of this work, and we will report to MTCOG on our progress at its May meeting.

Diversity and inclusion

26. We facilitated a very well attended training session (over 30 attendees) on the *Theory of change* evaluation methodology, principally for Judicial Diversity Forum (JDF) member organisations but widened to include regulatory bodies and LSB team members. This was delivered by NVCO and was well received. The purpose of the training is to inform the design of an evaluation framework for interventions that will improve judicial diversity. At the JDF Officials group meeting on 31 March, the LSB agreed to co-ordinate a group to devise the evaluation framework based on the theory of change methodology. The framework will set out an agreed articulation of *what good looks like* and it will also reframe the JDF action plan along thematic lines to enable better alignment and measurement of interventions by the JDF partners.
27. We have agreed the joint statement of principles on *Tackling counter-inclusive misconduct through disciplinary processes* with regulatory bodies and tribunals and we are now finalising plans for its publication and promotion.
28. A working-level paper on tackling counter-inclusive practices in the legal services sector has been circulated to the Regulators EDI Forum to begin discussions on

ways to identify and then address such practices. The aim is to bring together regulators in collaboration to catalogue the issues and identify ways, including through regulation, to mitigate and eliminate the practices.

Curating the Strategy

29. The design phase for the *Reshaping Legal Services* microsite is now complete and we are now working with stakeholders to develop content. We are also developing content which illustrates the LSB's own work against the strategy. The microsite will track and document the sector's progress against the challenges set out in the strategy as they happen, through stakeholder events, research and data, a podcast series and periodic blogs from people across the sector. It will go live in Q1.

Sanctions

30. There is a paper elsewhere on the agenda.

Communications and engagement

Board engagement: Wales online discussion event – 25 April 2022

31. The first 'out of London' Board engagement event of the year has been arranged for Monday 25 April 2022 (3.30pm-5.00pm). It will take place virtually, with a focus on Wales. The topic is '*Reshaping legal services - one year on*'. This is an opportunity to discuss the progress being made against the challenges set out in the strategy for the sector, focusing on citizens and people who need legal services in Wales.

32. The event is open to anyone interested in legal services in Wales. Anyone wishing to attend should email press@legalservicesboard.org.uk.

33. Those so far who have confirmed they will be attending include representatives from various organisations in Wales including law centres, law firms, academic institutions, the judiciary, Welsh Government, Public Services Ombudsman, The Bar Council, The Equality & Human Rights Commission and the Commission on Justice in Wales.

Board engagement: Yorkshire and the Humber discussion event – 7 June 2022

34. Our first face-to-face 'out of London' Board engagement event of the year will take place on 7 June 2022 in Leeds. It is likely to take the form of a breakfast meeting, before the Board meeting. We are currently finalising the venue, but we plan for it to be in central Leeds.

35. The event is open to anyone interested in legal services in Yorkshire and the Humber, including lawyers, legal services professionals, members of the judiciary, third sector organisations, academics and students.

36. We are currently developing the agenda and invitation list. In the meantime, anyone wishing to attend should email press@legalservicesboard.org.uk.

External events

37. On 25 March 2022, Chris Nichols, Director, Policy and Regulation, spoke at The Law Society's Risk and Compliance Annual Conference 2022. He discussed the importance of cultivating professionalism in the legal sector as a means of securing public outcomes. He also looked at what lies ahead in regulatory terms and talked about embracing change – and looking for opportunities to do things differently and to do things better.

38. On 30 March 2022, Chris gave a keynote seminar at Westminster Legal Policy Forum's event on Consumer-friendly legal services and LegalTech. He discussed the role that technology could play in helping more people and small businesses access legal services.

Meeting schedule (23 March – 12 April)

39. Since the last Board meeting there have been the following external senior meetings:

23-Mar	Ministry of Justice	Chief Executive
24-Mar	ICAEW	Chief Executive
29-Mar	NHS Resolution	Director, Policy and Regulation
30-Mar	JAC	Chief Executive
31-Mar	Judicial Diversity Forum (JDF)	Chief Executive
1-Apr	LSB regulators round-table meeting to discuss sanctions	Chief Executive
4-Apr	Solicitors Disciplinary Tribunal	Chief Executive
5-Apr	The Law Society	Chair and Chief Executive
5-Apr	The Bar Council	Chair and Chief Executive
6-Apr	Stephen Mayson (UCL)	Chief Executive
6-Apr	CILEx Regulation	Chair and Chief Executive
7-Apr	Office for Legal Complaints	Chief Executive

7-Apr	Council for Licensed Conveyancers	Chief Executive
11-Apr	Solicitors Regulation Authority	Chair and Chief Executive
12-Apr	Office for Legal Complaints	Chair and Chief Executive
12-Apr	The City of London Law Society	Chair and Chief Executive