

Meeting: Legal Services Board, 7 June 2022

Item: Paper (22) 28 - CEO Progress Report – June 2022

Introduced by: Matthew Hill, Chief Executive

Status: Official

Introduction

This paper updates Board Members on key developments across the organisation since the 26 April 2022 Board meeting.

Recommendation

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

Annexes

Annex A – OLC Voluntary Assurance Letter

Annex B – News round up

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 – June 2022

Ministry of Justice (MoJ) matters

Appointment matters

LSB Board members

1. The campaign for the LSB Chair closed on 23 May. The next stage of the process is a submission to Ministers for clearance to proceed to sift.
2. The LSB has provided input to the role profiles for lay and non-lay LSB member recruitment scheduled to commence before the summer recess.
3. The MoJ confirmed the re-appointment of LSB members Catherine Brown and Ian Hamer on 12 May.
4. OLC and LSCP: there are a number of re-appointment cases either with Ministers or shortly to be submitted to Ministers for approval.

Colleague and organisation matters

Staffing

5. We welcomed the Regulatory Policy Manager with expertise on diversity and inclusion to the team on 17 May, filling an existing vacancy.
6. We held interviews on 23 and 24 May for the role of interim Stakeholder and Engagement Manager, to cover for maternity leave. Interviews were also scheduled to take place on 27 May for the role of Regulatory Policy Manager, following the previous postholder's appointment to Head, Strategy and Policy.

Governance

Office for Legal Complaints

7. The OLC Chair's latest voluntary assurance letter dated 11 May 2022 is attached at Annex A. The June voluntary assurance letter will be circulated out of committee.
8. The OLC's consultation on proposed changes to its Scheme Rules closed in April. The Board's consent to any changes to the Scheme Rules is required and we currently expect proposals to be considered at the July 2022 meeting. Initially the intention was for this application to come to the June meeting, but the OLC wanted to take more time to consider feedback from stakeholders.

9. Discussions have been ongoing to identify next steps in relation to outsourcing and delegation and the OLC will continue to seek opportunities to progress this matter.

Solicitors Disciplinary Tribunal (SDT)

10. The SDT has provided a preliminary estimate for its 2023 budget to the Law Society. This is the first step in annual budget application process and no action by us is required at this stage.

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 B.

Research

13. The Small Business Legal Needs research was launched Monday 23 May. We have already had media coverage and engaged with BEIS and MoJ on the report and call for a small business legal support strategy.
14. Research on the social acceptability of technology will be published on the day of the Board meeting. Research mapping the unregulated market for legal services is covered elsewhere on the Board agenda and the report is intended to be published soon after the Board's discussion at the meeting.
15. Procurement is underway for provision of the Public Panel research tool (with the existing contract coming to an end) as well as for the technology and innovation survey.

Statutory decisions

16. The LSB has also issued two Exemption Directions. One was a request from the Solicitors Regulation Authority for amendments to the SRA SQE Assessment Regulations. The other was a request from the Law Society to make alterations to the Assurance Protocol between the Law Society and the Solicitors Regulation Authority to remove references to the SRA's charitable status.

17. Since my last update the LSB has approved an application by CILEx Regulation for new routes to practice rights. The LSB also approved CILEx Regulation's PCF application in relation to ACCA firms and individuals regulated by CILEx Regulation to carry out probate activities.
18. We are currently reviewing two applications: one from ACCA to effect its withdrawal from legal services regulation and another from CLC to alter its PII arrangements.

Empowering consumers

19. A meeting of the Market Transparency Co-ordination and Oversight Group (MTCOG) was held on 12 May. We have asked regulators to conduct analysis and identify what actions they need to take to meet the expectations in the newly published statement of policy on empowering consumers. Regulators are due to provide us with their gap analysis in July ahead of the next MTCOG meeting that month.

Regulatory Performance

Regulatory performance review

20. The consultation closes on 1 July. A consultation event, which will provide stakeholders with an opportunity to hear more about our proposals and ask questions they may have about them, has been scheduled for 9 June.

Regulatory performance updates

21. Reviews of follow-up action responses for CLC, BSB, ICAEW and Faculty Office are ongoing.

Technology

22. We have begun to scope the 'proof of concept' study to support consistent and accessible regulatory information for consumers, in line with the CMA's recommendations on a "single digital register".

Diversity and inclusion

23. We are finalising the publication material for the joint statement of principles on *Tackling counter-inclusive misconduct through disciplinary processes* with regulatory bodies and tribunals. Publication is imminent.

24. We had a very positive discussion at the first meeting of a new working group of the Judicial Diversity Forum, tasked with better defining what the collective measures of success of the JDF should be and to determine how we ensure success, building on the evaluation of the current activities of the members which have greatest impact. The LSB has volunteered to chair the group, with the consensus of JDF members.

Curating the Strategy

25. The microsite design is complete and content such as blogs, research and data dashboards linked to the nine challenges of the strategy have been added; the site should be launched before the end of May. In the meantime, ideas for senior-level stakeholder engagement are being developed to sustain long-term momentum against the strategy, as well as a content plan for the rest of the year to keep the microsite refreshed and up to date.

SRA internal fining powers

26. The Deputy Prime Minister has written to us seeking our views on the SRA's proposal to increase its internal fining powers from £2,000 to £25,000). Our response stressed the importance of regulators having access to meaningful fining powers that can deter non-compliance, alongside the importance of high quality, transparent and accountable enforcement. In this respect it supported the SRA's proposals as a minimum.

Criminal Legal Aid Independent Review

27. We are preparing a response to the Government's consultation on policy proposals in response to the Independent Review into Criminal Legal Aid. This will be shared with Board members shortly.

Communications and engagement

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

28. We are hosting our first in person Board engagement event since November 2019 in Leeds. This event is an opportunity to learn from the legal tech and innovation hub in Leeds and to share the findings of our research on social acceptability of technology use in legal services. We have worked with the Leeds Law Society and Legal Tech in Leeds Initiative group to organise the event and promote to local law firms, academics and consumer groups.

External events

29. Regulatory Performance Framework Review stakeholder consultation event –this takes place on 9 June 2022 (see Regulatory Performance Updates above).

30. We are planning an in-person event to support our launch the findings of the consumer vulnerability research on the afternoon of 21 June. The event invites a panel of Professor Stephen Mayson, the Consumer Panel and The Law Society to speak to the findings and how they can be used to design services to better serve consumers. The event is aimed at regulators, representative bodies and consumer representative groups.

Meeting schedule (13 April – 6 June)

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

20 April	CITMA	Chief Executive
21 April	Ministry of Justice	Chief Executive
25 April	LSB Board engagement event	Chair and Chief Executive
25 April	Bar Standards Board	Chief Executive
27 April	Solicitors Regulation Authority	Chief Executive
27 April	Legal Services Consumer Panel	Chief Executive
28 April	Legal Ombudsman	Chief Executive
05 May	CILEX and CILEx Regulation	Chief Executive
05 May	CILEX	Chief Executive
05 May	Legal Services Consumer Panel	Chief Executive
09 May	Office of Legal Complaints	Chief Executive
10 May	Solicitors Regulation Authority	Chair and Chief Executive
10 May	CIPA	Chief Executive
10 May	Financial Reporting Council	Chief Executive
12 May	Market Transparency Co-ordination and Oversight Group	Chief Executive
17 May	Faculty Office	Chief Executive
25 May	Lawyers with Disabilities Division	Chief Executive
26 May	Council of Licensed Conveyancers	Chair and Chief Executive
01 June	Bar Council	Chair
01 June	IPREG	Chair and Chief Executive