**FINAL**
**Minutes of the Legal Services Board (LSB) meeting held on 26 October 2021**

| | | |
|---|---|---|
| **Date:** | 26 October 2021 | |
| **Time:** | 10:30 – 11:00 (Board private session)<br>11:00 – 13:30 (Board meeting) | |
| **Venue:** | Microsoft Teams | |
| **Present: (Members)** | Helen Phillips, Chairing the meeting<br>Catherine Brown<br>Jemima Coleman<br>Ian Hamer<br>Gary Kildare<br>Flora Page<br>Catharine Seddon<br>Michael Smyth CBE QC (Hon)<br>Matthew Hill, Chief Executive | |
| **In attendance:** | Steve Brooker | Head, Policy Development and Research |
| | Ethan Fleming | Corporate Governance Manager |
| | Stuart Hamill | Head, Finance and IT |
| | Angela Latta | Head, Performance and Oversight |
| | Holly Perry | Director, Enabling Services |
| | Jenny Prior | Corporate Governance Manager (minutes) |
| | Danielle Viall | General Counsel |
| **Attending for items:** | Vibeke Bjornfors | Regulatory Policy Manager (Item 4) |
| | Aisling O'Connell | Regulatory Policy Manager (Item 5) |
| | Gabrielle Stewart | Stakeholder Engagement Manager (Item 6) |
| **Observing:** | Rachael Goldwater | Corporate Affairs Associate |
| **Apologies:** | Stephen Gowland | Board member |
| | Paul Nezandonyi | Head, Communications and Engagement |
| | Chris Nichols | Director, Policy and Regulation |

## Board meeting

### Item 1 – Welcome and apologies

1.1 The Chair welcomed all those present to the meeting.

1.2 Apologies for the meeting had been received from Stephen Gowland whose written comments had been submitted before the meeting.

### Item 2 – Declarations of interests relevant to the business of the Board

2.1 No new declarations of interest were made.

### Item 3 – Paper (21) 48 - Chief Executive's Progress Report

3.1 The Chief Executive presented the progress report.

3.2 Board members reviewed the Chief Executive's report, and the following points were raised in discussion:

- The reduction in the size of the SRA Board was consistent with the Internal Governance Rules.
- Regarding the Government announcement on the review of EU law, the most significant area affecting the legal services market was the recognition of professional qualifications and freedom of movement. There has been a lot of work in this space led by BEIS which made provisions for regulators, including of legal services, to make arrangements to admit EU qualified professionals where there was a case of need. MoJ's position was that they would find it hard to envisage a case where these provisions would be required in the legal sector.
- The LSB's diversity and inclusion programme included work on bullying and harassment and it would further consider how would be best to lend its support to initiatives against bullying and harassment in the professions.
- The executive confirmed that the letter to regulators discussing professional ethics had been drafted. A forthcoming Board speaker session would usefully inform considerations of scope to be taken into account in the final draft.
- Issues regarding litigating funders were under active consideration by the executive in the context of the work on the business plan for 2022/23. It had been raised in the consultation response to BEIS and was one of a range of potential projects next year.

3.3 Board members **noted** the CEO Report.

### Item 4 – Paper (21) 49 – Solicitors Disciplinary Tribunal Budget 2022/23

4.1 The Regulatory Policy Manager introduced the paper which provided information for the Board to support the decision on approving the SDT's proposed annual budget for the 2022 calendar year.

4.2 The Board considered the paper and the following comments were raised in discussion:

- In previous years, the SDT had typically overestimated the number of hearing days required. Predicting the number required was always a difficult process and

involved coordination with the SRA. It was agreed that attention would need to continue to be focused on this.
- The expected trajectory of cost per court was analysed and the increase in administrative expenses was challenged. It was further noted that the benefits of moving towards remote hearings as a default had not been considered nor had reducing capacity to one court room.
- The SDT had discretionary spending it could reduce and reserves to draw on if inflation was higher than the expected 2%.
- In terms of diversity and inclusion, the SDT had taken steps forward and had demonstrated a commitment in this area that the board expected it to build on.
- It was noted that a LSB end-to-end review of disciplinary processes was being considered for the 2022/23 business plan, the findings of which would influence future budget approval processes.
- In conclusion, the Board agreed that despite the points raised, which would be relayed to the SDT, the submission represented a year-on-year improvement on approach and resourcing and should be approved.
- For future years, the Board expected to see continued improvements and learning from any end-to-end review incorporated.

4.3 The Chair thanked the Board members on the challenge panel for their work in advance of the meeting.

4.4 The Board **approved** the Solicitors Disciplinary Tribunal Budget for 2022/23 subject to the points raised in discussion which would be set out in the LSB's approval letter to the SDT.

**Item 5 – Paper (21) 50 – "Single Digital Register"**

5.1 The Regulatory Policy Manager introduced the paper, which provided an update on the work to develop proposals for a "single digital register" of authorised persons, and the next steps for this work. It was noted that the project would move away from the term "single digital register" as this was only one of several possible implementations that might be supported by bringing regulatory data together into one source. With that in mind, it was suggested that "central regulatory database" might be a better description of the main product.

5.2 The Board discussed the paper and the following comments were raised in discussion:
- This paper represented significant progress and it was agreed that the work would create an important platform for others to build on.
- The costs of the project and the importance of cost/benefit analysis were discussed.
- Concerns were raised over whether the executive had the resources necessary to deliver the project.

5.3 The Board **noted** the progress made on the "single digital register" and agreed the next steps of the project.

**Item 6 – Paper (21) 51 – Annual Conference**

6.1 The Stakeholder Engagement Manager introduced the paper which set out the proposal for a conference and summit to be held in September 2022, which provided an update from the paper presented to the Board at its September meeting.

6.2 The following points were raised in discussion:

- Invitations to the conference would be extended to international contacts.
- The timing of the event required careful thought. The end of September was a busy period – and clashed with party conference season, which, while the LSB had no engagement with party conferences or any intention of engaging, might impact the availability of third parties – and thought needed to be given as to whether the conference should be held after the opening of the legal year or as part of the opening events.
- The conference was a highly ambitious project and risk to delivery would need to be actively managed.
- The differences between the summit and conference and the criteria for attending each would be made clearer.
- It was suggested that a theme, running through the ten-year strategy (and accompanying conferences), be introduced.

6.3 The Board **noted** the proposal for a conference in the next business plan year, with exact timing to be confirmed.

**Item 7 – ARAC Report of 28 September**

7.1 The Chair of the Audit and Risk Assurance Committee provided a report to the Board on its meeting, including its session sitting as the Finance Committee.

7.2 The Board **noted** the ARAC report.

**Item 8 – Paper (21) 46 - Finance Report to 30 September 2021**

8.1 The Board **noted** the finance report.

**Item 9 – Minutes of the Previous Meeting – 21 September 2021**

9.1 The Board **approved** the minutes as drafted.

**Item 10 – Board Action Tracker**

10.1 The Board **noted** the action tracker.

**Item 11 – Papers Circulated out of Committee**

11.1 The Board **noted** the papers circulated out of committee.

**Item 12 – Forward Look**

12.1 The Board **noted** the agenda for the next meeting.

**Item 13 – AOB**

13.1 It was noted that the next Board would ideally be held in person at the LSB offices. This would depend, however, on whether all final social distancing restrictions at the office had been lifted. If the restrictions remained in place, the Board meeting would be held at an external venue. *Post meeting note: Following a review in early November, it was agreed that the timing was not right to lift restrictions completely, and therefore the November Board meeting would be held off-site.*

JP, 29 October 2021