



Meeting: Legal Services Board, 26 November 2019

Item: Paper (19) 56 - CEO Progress Report - November 2019

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Status: Official

Introduction

This paper updates Board Members on key developments across the organisation since the 22 October 2019 Board meeting.

Recommendation

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

Annexes

Annex A: LSB Chair letter to OLC Chair re September 2019 voluntary assurance letter

Annex B: OLC Voluntary Assurance letter October 2019

Annex C: Horizon scanning report

Annex D: Commission on Justice in Wales’ – LSB summary

Annex E: LSB CEO letter to SRA CEO re SQE

Risks and mitigations	
Financial:	N/A
Legal:	N/A
Reputational:	N/A
Resource:	N/A

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
None		

CEO Progress Report - November 2019

Ministry of Justice (MoJ) matters

Appointment matters

LSB Board members

1. Recruitment for one lay and two non-lay members of the Legal Services Board launched on 4 November 2019. The closing date for applications is 13 December 2019, with interviews expected to be held in early March 2020 for a 1 April 2020 start date.

LSCP members

2. Applications for one new Panel member closed on 23 October 2019. Interviews will take place on 6 December 2019 for a 1 April 2020 start date.

OLC Board members

3. Recruitment for a new Chair of the OLC went live on 30 October 2019, with interviews to take place on 10 February 2020 for a 1 April 2020 start date.

Colleague and organisation matters

Colleague update

4. We have promoted internally to fill the role of interim Corporate Services Manager from 1 January 2020 to 31 March 2021, to cover for the current post-holder, who will go on maternity leave in March 2020.
5. We have recruited a recent graduate to cover the role of interim Corporate Affairs Assistant from 18 November 2019 to 31 March 2020. The role will cover elements of the Corporate Affairs Associate's role, while the Communications re-structure is finalised.

Governance

Office move

6. We successfully relocated to our new offices on 11 November. Colleagues have responded positively to the office space and the new building generally. Only a few minor snags remain, all of which are in hand. We are looking into permanent printer options in light of the reduced space we have, and in the meantime, we have a small desktop printer which is providing adequate cover.
7. Some further organisation of the office space is underway (for example, naming the meeting rooms).
8. Regarding the disposal of the old office furniture, we have found a more competitive deal than that suggested by previous landlords without compromising on environmental concerns.
9. The office move project has now moved into its closing phase and a lessons learnt and project close-down will be completed early in the New Year.

IT transformation

10. On 4 November, we completed our migration to the cloud, including to Office 365, SharePoint and Teams. Our IT support is resolving remaining snagging issues.
11. All colleagues received training in the new applications. Any requirement for additional training will be monitored to ensure colleagues can take full advantage of the new systems.
12. On 8 November, our telephony provider was due to port our phone numbers to our new telephony system for use in the new office. Our telephony provider was unable to do this in time to be operational for the move. Currently, all LSB phone numbers are being forwarded to new phone numbers as a temporary solution to ensure business continuity. We continue to work with various third parties to port our phone numbers.
13. We are also continuing to work with third parties to ensure our old IT equipment is securely disposed.

Office for Legal Complaints

14. As requested by the Board, the Chair wrote to the OLC with reflections on the September voluntary assurance letter, see **Annex A**. October's letter is at **Annex B**.
15. The latest version of the roadmap is part of the budget principles paper elsewhere on the agenda.

Regulatory developments

Horizon scanning

16. The latest report is attached at **Annex C**.
17. The Commission on Justice in Wales has published its final report. A 'rapid review' of the legal services market in Wales commissioned by the Welsh Government has also been published. A summary of both documents plus analysis of our legal needs survey for Wales respondents is attached at **Annex D**.

Legal Choices

18. We expect this issue to form part of the agenda for the forthcoming Board-to-Board meeting with the BSB on 28 November 2019, taking place at the LSB's offices.

EU Exit

19. The deadline for EU exit has been extended to 31 January 2020. All frontline regulators that need to make changes to their regulatory arrangements in preparation for EU exit and that wish to make use of the LSB's Exemption Direction (ED) have notified us. We have scrutinised these notifications and are satisfied that the proposed changes can be made under the ED. We continue to consider that the LSB

and the frontline regulators are prepared to the extent reasonably possible for EU exit, whether with or without a deal.

Research

20. The individual legal needs research with the Law Society has been completed but we have rescheduled publication and promotion because of the purdah requirements of the general election. It will now be published in early January to maximise the policy and communications impact of the work.
21. A supplier has been chosen to run a new wave of the prices research, which we are co-funding with the CMA and Ministry of Justice. The fieldwork is due for completion in March 2020.

PLE Update

22. The initial round of stakeholder meetings has continued and will be followed up by a letter from the LSB to the frontline regulators asking them to formally document their work on PLE. The PLE team will analyse these responses to understand where there are gaps in the regulators' work and how the LSB's regulatory levers might best be used to increase the regulators' action in this area. This will form a key component of the team's recommendation to the Board on the next steps in the LSB's PLE work.

Technology Project Update

23. On 22 October the team published its latest paper and podcast which looked at the issues regulators will need to consider to develop their approaches to blockchain's use in legal services.
24. Further papers on (1) ethics and technology and (2) what regulators can do to ensure that legal education prepares lawyers to use technology effectively and ethically are scheduled for publication in January due to the need to comply with purdah and achieve maximum publicity for them. The team is still seeking an author for a final paper on artificial intelligence.
25. Work has begun on the 'Perspectives papers' (due to be published in February) and an accompanying event (due to take place in March). We have invited a range of interested parties including technology developers, law firms, regulatory bodies, consumer bodies and others to write a series of short papers giving their response to the question '*How can legal services regulation support responsible technological innovation that improves access to justice?*'. The issues raised in these papers will be debated at the event in March.
26. Finally, in April, the team will publish an analysis of the evidence obtained during the project in order to assist the regulatory bodies in developing their own approaches to technology regulation.
27. The Board will receive a 'next steps' paper for the technology policy objective in January.

Statutory decisions

28. Since my last report, the LSB has not approved any full rule change applications. However, the LSB has also issued two exemption directions in respect of applications from:

- BSB to correct errors in its recently approved Enforcement Decisions Regulations
- BSB to correct an error in its recently approved Bar Qualification Rules

29. In addition, an application made by the CLC to amend its Appointment Regulations under the Administration of Justice Act 1985 was approved.

30. The LSB has also approved the PCF application from CLSB to increase its PCF by 10%. In doing so, we required the CLSB to rethink its future approach to resource planning and not to rule out future fee increases in order to secure the resources necessary to carry out its important function.

31. At the time of writing, the LSB is considering a significant rule change application from CILEx Regulation in relation to its education standards. Due to the significance of the application it is expected the initial decision period will be extended to 90 days.

32. At the time of writing, there was one live PCF application being considered:

- an application from ICAEW for a 1% increase in its Probate Fee.

33. At the time of writing, there was also an exemption direction application under consideration from the SRA to account for further errors it had identified in its soon to be implemented Standards and Regulations.

SQE

34. Following the Board's discussion in October, the CEO has now written to the CEO of the SRA to set out the non-exhaustive list of issues that the Board believes need to be addressed in the SRA's next application. This letter is attached at **Annex E**. We will proceed to arrange the agreed meeting between the LSB, SRA, Law Society, Junior Lawyers Division (JLD) and representatives from the Justice Select Committee after purdah (in practice this is likely to be early in the New Year).

35. The Chair has also received correspondence from the Chair of the JLD, which enclosed a letter that the JLD had sent to the Justice Select Committee outlining its remaining concerns about the SRA's proposals and inviting the Committee to investigate further. The Chair and I are meeting the incoming Chair of the JLD on 20 December.

Regulatory Performance

36. This is covered in the separate Board paper on the agenda.

Legal issues

ICO complaint

37. The LSB has joined to the proceedings as the second respondent. The Case Management Directions from the First Tier Tribunal require LSB submissions by 6 December 2019. The parties have provided their consent for the matter to deal with on the papers without a hearing.

Communications and engagement

Media coverage

38. Following the Board's discussion of the Solicitors Qualifying Exam (SQE) at its last meeting, the Law Gazette, Legal Futures and Legal Cheek published articles noting that the Board agreed to send a non-exhaustive list of key issues to the SRA which must be fully addressed in the next application.

39. The Chair's blog, which was published soon after the Board meeting, was also referenced in the news stories.

40. Our response to the Bar Standards Board's (BSB) decision to stop funding the Legal Choices website has generated further media coverage. Following the publication of the letter I sent to the BSB, two stories appeared on the Legal Futures website. The Chair's blog about the Board meeting was also referenced.

41. Legal Futures ran a story covering the Board's recent roundtable event at Northumbria University on ongoing competence. The publication also covered the Board's recent consideration of measures to improve its transparency, including meeting in public.

Stakeholder survey

42. We are progressing with plans for a stakeholder survey following the Board's input at its last meeting. An invitation to tender has been prepared and issued and we expect to be able to identify a partner early in the New Year.

Media training

43. The Chair and I, along with other colleagues, attended a media training session which provided an opportunity to practice the presentation tools we can use when engaging with a range of stakeholders, including journalists and when speaking at conferences. The session was also useful for helping us consider how we explain our work to achieve maximum impact.

APPG event on public legal education

44. Tom May (Research Manager) and I spoke at the All Party Parliamentary Group (APPG) on Pro Bono and Public Legal Education. We presented the initial high-level findings from the Legal Needs Survey, and then sat on a panel alongside Sarah Chambers, Chair Legal Services Consumer Panel, and Jane Malcolm, Executive Director - External and Corporate Affairs, the Solicitors Regulation Authority, who also both gave presentations.

45. The event was chaired by Alex Chalk MP, who is also Chair of the APPG. Attendees included many of the LSB's key stakeholders including MPs and civil servants.

46. The event and the initial findings of the Legal Needs Survey were covered by Legal Futures.

Technology Project podcasts

47. We have launched the fourth episode in our Talking Tech podcast series, which accompanied a paper by Anna Donovan, the inaugural Vice Dean (Innovation) at the Faculty of Laws, University College London and a member of the UCL Centre for Blockchain Technologies. The paper charts the evolution of blockchain and other distributed ledger technologies as tools for radically simplifying common legal tasks such as identity verification and contract fulfilment.

48. Our podcasts have now been listened to over 360 times. The latest podcast was covered by Law Gazette, Legal Futures and Today's Conveyancer.

Stakeholder meetings

Date	LSB	With
23/10	CEO	CLSB Board
24/10	CEO	OLC Board
28/10	CEO	Stephen Mayson
28/10	CEO	Bar Council Policy Team
30/10	CEO	LSCP meeting
30/10	CEO	CLC Council
31/10	CEO	Black Lawyers/Activists and British Civil Rights seminar
4/11	CEO	Full day introduction to the SRA
5/11	CEO	Sponsorship meeting with MoJ
5/11	CEO	George Bull, RSM
5/11	CEO	CEO, Legal Aid Agency
7/11	CEO, Chair	Chair & CEO, OLC
13/11	CEO	SLC Conference
13/11	CEO	Crispin Passmore
14/11	CEO, AL	ICAEW
18/11	Chair	Sam Younger, CILEx
18/11	Chair	Chair, SRA
19/11	CEO	MoJ Executive Committee
20/11	CEO	Robert Bourns & Paul Tennant, TLS
21/11	CEO	CEO, SLCC

21/11	CEO	DG, IFPW
21/11	CEO	Law for Life