Meeting: Legal Services Board

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Item: Paper (23) 44

Title: Regulatory Information Service

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Status: Official

Introduction: Purpose of the paper/ Issue

1. This paper provides an update to Board on the LSB's work to identify the options for a service or tool that collates regulatory information into a single place. This will ensure that the public benefits from easier access to regulatory information that can help increase engagement and understanding of the legal services market This work aligns with the recommendations from the Competition and Market Authority (CMA), which we have accepted.

Recommendation(s)

2. The Board is asked to:

    a) **Note and discuss** the options assessment report, compiled by PA Consulting (Annex A).
    b) **Approve** the proposal for the Chair to write to regulatory bodies to gain agreement on how this work progresses (paragraph 11).

Background

3. There is a long-standing issue in legal services that too many consumers do not engage effectively with the market, which can limit their ability to resolve the legal issues they face. We know, for example, from our Individual Legal Needs Survey that people who receive professional help are more likely to feel that they had a fair outcome compared to those who did not receive professional help.

4. The Competition and Market Authority (CMA) 2020 Report[1] noted that there is no single source of information on regulated entities and professionals in the legal sector, unlike in other regulated sectors. The CMA recommended the development of a 'single digital register' led by the LSB, which we have been

[1] https://assets.publishing.service.gov.uk/media/5fd9e53cd3bf7f40ccb335e1/Legal_Services_Review_-_Final_report.pdf

progressing under the banner of a ‘regulatory information service’. Our policy statement on empowering consumers also sets out expectations of regulators to help ensure that consumers are better able to understand and engage with the legal services market, including an expectation that regulators ensure information about regulated providers is available in at least one single, online location.

5. We consider that establishing a service or tool that brings together regulatory information in an accessible way and for a range of public-facing purposes would promote the regulatory objectives, including to improve access to justice.

6. Since the CMA’s 2020 Report, we have worked with legal services regulators and the Legal Services Consumer Panel (LSCP) to identify the options for a service or a tool that would bring together regulatory information in an accessible way. In the first instance we have focused our efforts on regulatory information that is already in the public domain e.g. regulatory status, disciplinary records, which would help people to ‘check’ the regulatory status of regulated professionals and entities. However, any service or tool should be capable of being iterated upon so that in the future it could also provide other useful information e.g. quality indicators, such that it would help people to ‘choose’ a regulated professional or entity.

7. A key component of this work was commissioning a study to identify the options for any tool or service and design principles that should underpin the future development. We commissioned PA Consulting to carry out a market analysis of other regulated sectors to help identify the options for a service or tool that could be adopted in the legal services sector. As part of their work, they facilitated an online workshop with regulators and the LSCP.[2] Some of the key findings in the final report (Annex A) include:

   - Other regulated sectors, including financial services and healthcare, have faced similar challenges in bringing together disparate sources of information and data, which the legal sector can learn from.

   - Broadly speaking, there are three options for how regulatory information could be made more readily accessible – a directory/decentralised register, digital portal and/or a centralised register. There are already examples of these options in use in the legal sector, such as the ‘Can you trust your legal adviser’ tool on the Legal Choices platform, which is an example of a digital portal, but which is currently limited in the regulatory information it covers and does not include all legal services regulators.

   - As the legal sector encompasses a wide range of legal professionals, and multiple regulators, any service or tool needs to ensure that information is provided with appropriate context, which means it will be important that information is suitably contextualised and standardised.

[2] Regulators and the LSCP who were unable to attend the workshop were engaged with separately.

This aligns with advice that the LSCP has previously provided to the LSB on the contextualisation of information for consumers.[3]

- Any service or tool that seeks to make regulatory information more readily accessible needs to be designed to meet the needs of those who would use it, including consumers, legal professionals and others. This will help to ensure that any solution is demand-led. Regulators at the workshop were very clear that this was a key aspect of the next phase of this work.

Proposed Next Steps

8. The report from PA Consulting sets out proposed next steps to progress this work, including:

   - User testing: Carry out user testing to identify the needs of those who would use the service or tool, including consumers and industry professionals. This would include reviewing any existing research that is already available, such as the LSB's Quality Indicator research with the LSB Public Panel, and other research that regulators have undertaken, e.g., in developing their own registers. This will help to ensure that any further research is not duplicative of what we already know, and that user testing is focused on ensuring that the service, or tool, is designed to meet user needs.

   - Data and technology deep dive: Carry out a 'deep dive' into the technology and underpinning data architecture of existing regulatory body registers. This would help identify where there are immediate opportunities to make standardised information available, and challenges, which may mean regulators need to take steps to improve how they make regulatory information available. This will also help to capture technical requirements for any future solutions, and ensure data can be shared with those looking to provide services to consumers in the market, e.g. developers.

   - Determine viability: Depending on the preferred technical solution, the viability and legal requirements will need to be worked through, including GDPR requirements, the appropriate governance model, and the cost-model. This would ensure any governance arrangements are adequate and that all regulators collaborate to deliver the service or tool.

9. We consider that PA's recommendation sets out a clear and achievable way forward. As the report notes, there is a ready example of a digital portal in the legal sector in the form of the 'Can you trust your legal adviser' tool, which collates regulatory or disciplinary decisions from all but one of the legal regulators and the Legal Ombudsman. It may be the case that enhancing this tool to include more forms of regulatory information aligns with the objective of

[3] https://www.legalservicesconsumerpanel.org.uk/wp-content/uploads/2022/11/22.11.24-LSCP-Contextualisation-Advice.pdf

ensuring consumers can easily access regulatory information, which would be welcomed. However, the detail of these planned enhancements is not, as of yet, clear and is not due to be agreed by the Legal Choices Governance Board until November 2023.

10. As we have accepted the CMA's recommendation to lead work in this area, it is important that we are actively involved in the development of any tool or service that seeks to make regulatory information more readily accessible. While development of the existing 'Can you trust your legal adviser tool' may be the best way forward, we know not all regulators are equally participating in the provision of funding and data to-date; the Board is aware that the BSB withdrew funding for the Legal Choices platform in 2020. ICAEW has also raised concerns about providing data for the 'Can you trust your legal adviser tool', which we have responded to given the relevance to this work. Legal regulators also have varied formats in how they make their regulatory information available, with some regulators offering an easy-to-use web search function on their registers, and other regulators offering information via a PDF or a list.

11. With this in mind, we propose that the LSB Chair write to all regulatory bodies noting that the work by PA consulting makes clear that a service or tool that enables consumers to easily access regulatory information is achievable. We propose to set out our view on the next steps for this work, as laid out in the report, and noting that while there may be alternative views to how to progress this work, if legal services regulators and the LSB are to implement the CMA's recommendations, there needs to be collective agreement on a way forward. This includes considering how work to progress a 'regulatory information service' is funded, and the appropriate governance model for any service or tool. In the meantime, we will continue to engage with legal regulators on these matters so that a way forward can be agreed.

Risks and mitigations	
Financial:	There will likely be a cost associated with the next phase of work. We will continue to explore collaborative funding for this work, as well as exploring other funding options, including discussing this work with MoJ. We will also consider funding for this work as part of our business planning 2024-25.
Legal:	As this work progresses, we will engage support from the legal team to address issues as appropriate.
Communications and engagement:	We continue to engage with regulators on this work, including on the next steps for it. Subject to Board agreement, we will write to all regulatory bodies seeking agreement on the next steps.
Equality and diversity:	N/A
Resource:	Resource is allocated to this work through our technology and innovation project. Resource for this work will be included in our business planning for 2024/25.
Environmental:	N/A

Annexes

Annex A – Digital Register Options Assessment PA Report

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