

Meeting: Legal Services Board

Date: 26 November 2024

Item: Paper (24) 51

Title: CEO's Progress Report

Author: Craig Westwood – CEO

Status: Official

Introduction: Purpose of the paper

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

Recommendation

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

Appointment matters

Office for Legal Complaints (OLC)

3. Elaine Banton was appointed as a non-lay member of the Office for Legal Complaints at the start of October for a four-year term to 30 September 2028.

Legal Services Consumer Panel (LSCP)

4. Interviews were held on 11 November for a new LSCP member to take up post on 1 April 2025. The panel report and recommendation will come to Board by correspondence shortly. The recruiting panel was chaired by Lizzie Peers, and other members included Kate Briscoe, Tom Hayhoe and Cindy Butts (who served as the independent member).

Colleague and organisational matters

5. Our new Corporate Governance Manager started on 13 November 2024.
6. Our Diversity survey closed on 6 November, and we are currently analysing the data and preparing the draft report. SLT is scheduled to consider the results and report on 20 November with the aim of sharing the results with colleagues towards the end of November. We will be conducting an inclusion survey with colleagues in January 2025. Focus groups to discuss the results of the Diversity Survey and the Inclusion Survey will follow in February 2025.

Governance

Office for Legal Complaints

7. The OLC / LeO Draft Budget and Business Plan for 2025/26 is included as an agenda item for the Board meeting.
8. On Thursday 31 October the Chief Executive visited LeO's offices in Birmingham to meet the team and learn more about LeO's day-to-day work.
9. The OLC has provided the Voluntary Assurance letter (attached at Annex A) arising from their October Board meeting and the new strategic scorecard for Q2. We are continuing to discuss amendments to the data set underpinning the strategic scorecard with OLC/LeO colleagues to ensure that it provides sufficient information to allow the LSB to fulfil its oversight responsibilities and expect to have an agreed data set which meets this aim, being reported by Q3.

Regulatory Developments

News Round Up

10. The news round-up is attached at Annex B.

Research

11. We have nearly completed the Prices of Legal Services survey fieldwork, which we have extended to reach the sampling quotas. As of 5 November, we had 1,347 survey completions out of a total target of 1,500. The quotas for the conveyancing and wills/trusts and probate questions blocks are almost fully met at over 90%. Completions for the divorce question block is slightly lower at 78%.
12. Work on the Individual legal needs survey topic reports continues, including agreeing the priority order for future reports.
13. We are preparing to re-tender for a provider to run the Public Panel. This will include additional profiling to make sampling of Public Panel participants easier for specific research projects. We will complete this before year end and in time to support regulatory policy work on consumer protection.

Statutory Decisions

14. Since my last update, we have approved one application for alterations to regulatory arrangements. This application is for contributions to the CLC's compensation Fund. The CLC proposed that contribution rates for 2024/25 remain at the same level as the rates approved for the 2022/23 and 2023/24 Compensation Fund contributions.
15. We have also approved three practising fee applications. The first is from ICAEW for a 3% fee increase for larger firms. The second is from CLC for a 9% increase for firms and an adjustment of the OLC component of the levy to increase the proportion of the levy paid by firms that generate the most complaints. The third is from IPReg for a 3% increase to individual and firms' fees.

16. We are currently considering one application from the SRA for approval of alterations to its Regulatory Decisions Publication policy. We are also considering a practising fee application from CILEX and CRL for a 3% increase to practising fees for CILEX Fellows and Associate Prosecutors.

Access to justice

17. Work continues to develop a list of policy options and evaluation criteria to present to Board in the new year. The project is considering initiatives that might be delivered by LSB policy levers as well as those best led by other parts of the sector and where the LSB can provide policy or regulatory expertise. In addition, the project is applying an ATJ lens to existing and emerging LSB projects, where scope could be altered or added to so that they consider solutions to help address ATJ more widely e.g. technology and innovation.

Litigation funding

18. The Civil Justice Council (CJC) has recently published an interim report and consultation following its review of litigation funding and an LSB response is being drafted. The consultation seeks views on whether and how – and if required, by whom – third party funding should be regulated and the relationship between third party funding and litigation costs among other things. The consultation will inform the CJC's advice to the Lord Chancellor in due course.

Professional Ethics and Rule of Law

19. We are preparing a consultation paper setting out our proposals for regulatory intervention, informed by the evidence and research gathered over the last two years and extensive feedback from stakeholders over the last year. We will present our proposals to Board in early 2025 before a public consultation.

Economic Crime

20. The consultation on the economic crime guidance was published on 15 November. The consultation is open for 12 weeks.

Regulatory Performance

Regulatory Performance Update

21. We have issued information requests for our annual regulatory performance assessment to all regulators. These cover all three of our framework's standards, overarching issues identified in our last assessment report, and specific questions for each regulator. Responses are due by 15 November.
22. We are currently assessing the responses from regulators about how they are meeting the expectations in our Empowering Consumers policy statement.
23. The BSB's progress with its Reform Programme was discussed at a regular CEO-level meeting on 7 November. A separate working-level meeting is being arranged to discuss the finer detail of the Programme. We will receive the next written update from the BSB following its Board meeting at the end of November.

24. The review team has agreed the scope of the forthcoming review of the Council for Licensed Conveyancers' (CLC) disciplinary and enforcement framework with CLC. The next stage will be to issue a request for information. The review is expected to conclude in March 2025.

Technology

25. Planning is underway for the first meeting of the LSB technology and innovation forum for regulators which will take place on 2 December.
26. We have attended a number of meetings and events on the use and regulation of Artificial Intelligence (AI) in the sector, including: the ICO's Regulators and AI working group, and DSIT's Regulation Innovation Network, where we received an update on the government's new Regulation Innovation Office.
27. We continue to collaborate with stakeholders on a variety of issues relating to technology and innovation, including responding to several regulatory pathfinding requests submitted via the RRU in October.

Equality, Diversity and Inclusion

28. The LSB joined the Autumn Judicial Diversity Forum (JDF) Officials meeting in October to continue discussions with partners on barriers to legal professional groups joining the judiciary, models of seniority in the wider profession, and set out intentions to review [JDF's collective action plan activities in 2024](#), as well as to look forward to partners' scheduled activities for 2025. This meeting also served as a preparatory session for partners ahead of the main JDF meeting in November.
29. The LSB held a special session for members of the Legal Regulators EDI Forum in October to explore the LSB's recently published research on the diversity of the judicial talent pipeline and mapping the systemic barriers to EDI and wellbeing in the profession. The LSB also launched a shared tool for Forum members to enhance collaboration, to encourage sharing examples of effective practice, and to facilitate learnings between EDI leads across legal services regulators.

Curating the Strategy

30. We continue to receive contributions to the microsite and will be commissioning further content in the coming months, including from internal and external stakeholders.
31. We are planning for a State of Legal Services 2025 report next year. The first such report was published in 2020, marking ten years of legal services regulation under the Act. This would be an interim update five years into the 10-year strategy, using evidence to reflect on progress and identify challenges and opportunities that lie ahead towards 2030.
32. The draft business plan 2025/26 is being presented to Board this month, ahead of public consultation for eight weeks, subject to the Board's approval.

Regulatory reviews

33. Since the Board met in October, the report of the SRA/Axiom review prepared by Carson McDowell LLP was published on 29 October. Work on the SRA/SSB review is now resuming after it was paused pending the completion of the SRA/Axiom review.

Communications and Engagement

2025 Annual Conference

34. The event is taking place on 6 March 2025 at the King's Fund in central London. If you haven't confirmed your attendance, please do so as soon as possible.
35. We expect to open for registrations this month. A draft programme has been developed covering public trust and confidence; access to justice; and equality, diversity and inclusion. We have begun inviting exhibitors to attend the conference, with nine already signed up.

Engagement in Norwich

36. On 23 October 2024, the Chair, Director, Regulation and Policy, and I travelled to Norwich to meet stakeholders from across the sector. Between us, we met with Norfolk Community Law Centre, the University of East Anglia, and a group of local lawyers. Later that afternoon, we held a plenary event with local stakeholders to discuss the opportunities and challenges facing the legal services profession.

Engagement in Wales

37. We held a meeting of the Legal Services Regulators in Wales Forum on 6 November 2024. This was chaired by the LSB CEO and attended by the Director, Regulation and Policy.

Government and Parliamentary Engagement

38. The Chair wrote to the newly appointed Counsel General in Wales, Julie James MS.
39. We also received a letter from the Minister for Courts and Legal Services, Heidi Alexander MP. The Chair is meeting the Minister in November.

External events

40. The Chair and CEO attended the International Conference of Legal Regulators in Melbourne, Australia, on 16-18 October. The Chair spoke in a session on 'understanding consumers', focussed on our research into individual legal needs. He also participated in a panel discussion about AI regulation.
41. Colleagues attended and exhibited at the Solicitors Regulation Authority's Compliance Conference in Birmingham on 5 November.

42. The CEO attended one of the Hamlyn Lectures in London on 13 November 2024. It was delivered by Professor Richard Moorhead and focussed on professional legal ethics.

43. The Director, Regulation & Policy, attended the Claims Futures conference in Manchester on 12 November, which focused on volume consumer claims practices, regulatory issues in this area and the funding of such claims.

Meeting Schedule

44. The following senior-level meetings took place between 23 October 2024 and 15 November 2024.

Date	Meeting	Attendees
28-Oct	Paul Brooks, ICAEW	Chair, CEO
29-Oct	Iain Miller	CEO
30-Oct	Jennifer Swallow	CEO
31 Oct	Visit to Office for Legal Complaints / Legal Ombudsman offices, Birmingham	CEO
4-Nov	Judicial Diversity Forum meeting	Chair, CEO
5-Nov	Malcolm Cree, Bar Council	CEO
6-Nov	Welsh Regulator's Forum	CEO
7-Nov	Virginia Cannon	CEO
7-Nov	Mark Neale, Bar Standards Board	CEO
12-Nov	Professor Stephen Mayson	CEO

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

Annexes

Annex A – OLC Voluntary Assurance Letter

Annex B – News Round Up

Annex C – Additional News Round Up

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