



LEGAL SERVICES
BOARD

Quarterly Performance Report

2025-26 Q2

July – September 2025

Direct regulatory oversight and surveillance (page 1 of 2)

Key points

Oversight and regulatory performance: We have continued with the review of our oversight function, which aims to ensure our oversight approach is effective, targeted at areas where we have least assurance and aligned with good regulation principles, in particular proportionality. We presented a scoping paper to Board at its meeting in July, and the team is now in the process of developing an options paper for the Board meeting in February.

During Q2, the SRA finalised its implementation plan in response to enforcement action in relation to Axiom, which has been published on the LSB website. Our first monitoring meeting took place in early September. We also published a set of voluntary undertakings giving by the Bar Standards Board (BSB) on 31 July. These are designed to address concerns identified in our most recent Regulatory Performance Assessment.

Statutory decisions: See page 8 for more information on statutory decisions.

Key

[illegible]

Programme summary

Direct regulatory oversight and surveillance (page 2 of 2)

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Regulatory reviews and investigations											
Publish report on first review Analysis and determining themes for future reviews	Commence review of LSB enforcement policy Initiate thematic review		Continue thematic review			Publish report on thematic review Planning next thematic review					
Continued drafting of report on first review	Finalise report on first review Analysis and determining themes for future reviews		Commence Conduct of Litigation review			Finalise Conduct of Litigation review					
Enhanced market surveillance and horizon scanning											
Draft approach to integrating horizon scanning into LSB risk management framework	Agreement of approach to integrating horizon scanning into LSB risk management framework		Market surveillance product shared with Board			Continuing to test and refine horizon scanning product					
Test and develop market surveillance prototype	Continued testing and refining of horizon scanning product		Deliver internal capacity building activities			Deliver internal capacity building activities					
Develop and deliver internal capacity building activities	Deliver internal capacity building activities		Scope, plan and deliver a 'futures' session								
Draft approach to integrating horizon scanning into LSB risk management framework	Agreement of approach to integrating horizon scanning into LSB risk management framework		Market surveillance product shared with Board			Continuing to test and refine horizon scanning product					
Test and develop market surveillance prototype	Continued testing and refining of horizon scanning product		Deliver internal capacity building activities			Deliver internal capacity building activities					
Develop and deliver internal capacity building activities	Deliver internal capacity building activities		Scope, plan and deliver a 'futures' session								

Key points

Regulatory reviews and investigations: The team has continued to work on the thematic review of Council of Licensed Conveyancers' disciplinary and enforcement processes. At the time of writing this report, and in view of the recent High Court decision in Mazur, the Regulatory Reviews team has been mobilised to conduct a review to consider the regulatory steps taken by approved regulators (where appropriate through their regulatory bodies) in providing guidance and ensuring compliance with the Act in respect of persons undertaking the conduct of litigation. As a result of the need to prioritise the conduct of litigation review, we have decided to pause the review of the LSB enforcement policy. Activities in relation to enforcement will be explored as part of other related policy work, and we will pick up any emerging substantive work as and when resource allows.

Enhanced market surveillance and horizon scanning: We presented a paper at our Board meeting in September which describes our emerging surveillance framework. The team has continued to develop the framework in line with Board feedback. We are also developing the agenda for a futures event focused on the implications of an ageing society for legal services and regulators.

Key

Programme/project	
	milestone from business plan activity schedule
	latest planned milestone
	Significant issues affecting the project, including if delivery is at risk
	Issues affecting the project but delivery not at risk
	Project is running according to plan

Priority policy projects (page 1 of 2)

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Professional ethics, rule of law and regulation (PERL)											
Consultation phase Engagement on proposals with a range of stakeholders Commence analysis of consultation responses	Analysis of consultation responses Drafting final policy in light of consultation responses		Present final policy statement to Board for approval Publish policy statement and consultation response Implementation engagement plan		Engagement activities to support regulators' implementation of policy and encourage ethics-based leadership and culture change						
Consultation phase Engagement on proposals with a range of stakeholders Commence analysis of consultation responses	Analysis of consultation responses Drafting final policy in light of consultation responses		Analysis of consultation responses Drafting final policy in light of consultation responses Implementation engagement plan		Present final policy statement to Board for approval Publish policy statement and consultation response Engagement activities to support regulators' implementation of policy and encourage ethics-based leadership and culture change						
Advancing equality, encouraging diversity and promoting a healthy and inclusive culture in the legal profession											
Continued policy development and drafting consultation materials Engagement on emerging proposals with key stakeholders Seek Board approval on new regulatory policy proposals ahead of consultation	Launch consultation on policy proposals Engagement on proposals with key stakeholders		Review consultation responses and update policy proposals Present final policy approach to Board for approval		Publish policy approach Engagement activities to support regulators' implementation of policy						
Continued policy development and drafting consultation materials Engagement on emerging proposals with key stakeholders Seek Board approval on new regulatory policy proposals ahead of consultation	Engagement on proposals with key stakeholders		Launch consultation on policy proposals Continued engagement with stakeholders		Review consultation responses and update policy proposals Present final policy approach to Board for approval ahead of formal launch of policy statement (expected early Q1 26/27)						

Key points

Professional Ethics and the Rule of Law (PERL): We published a blog on our [microsite](#) in September setting out the emerging key themes and our proposed next steps. The blog was widely shared via our LinkedIn networks, as well as with consultation respondents and the PERL reference group. The blog sets out our plans to establish an ongoing Professional Ethics Network as a catalyst for longer term change in workplace and leadership culture. We are drafting the terms of reference for the network and plan to convene a roundtable early next year to coincide with the publication of our final policy statement later in the financial year.

Equality, diversity and inclusion: In Q2 we presented our emerging policy proposals focused on advancing equality, encouraging diversity and promoting a healthy and inclusive culture in the legal profession to our Board at its July meeting. The proposals were received positively and we subsequently launched the public consultation in November. As part of our ongoing work in this area, we have also continued with our comprehensive approach to engagement, for example, we attended the Judicial Diversity Forum Officials meeting in September, and joined a panel on mental health and wellbeing in the legal profession alongside sector leaders at the MAD World summit in London. We have also launched the Legal Regulators EDI Forum's external speaker series, aimed at improving awareness of key issues and encouraging action amongst regulators.

Key

Programme/project	
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Programme summary

Priority policy projects (page 2 of 2)

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Access to Justice											
Refining the vision, objectives and scope			Present project scope, Theory of Change and delivery plan to Board			Policy development and analysis Engagement with stakeholders to shape proposals			Further phases to be determined in line with Board feedback		
Refining the vision, objectives and scope			Present project scope, Theory of Change and delivery plan to Board			To be merged with wider Consumer Protection programme			To be merged with wider Consumer Protection programme		
Disciplinary and enforcement processes											
Continued policy development and drafting consultation materials						Seek Board approval on new policy proposals ahead of consultation Consultation launch			Consultation phase Commence review of consultation responses		
Continued policy development and drafting consultation materials			Substantive project to stop; activities to be considered and embedded within other related and interdependent work			Substantive project to stop; activities to be considered and embedded within other related and interdependent work			Substantive project to stop; activities to be considered and embedded within other related and interdependent work		
Consumer protection											
Present scope of project to Board Identify gaps in existing data about risks in different areas of practice and to different types of users Commission research on identified risk data gaps and range of harm Engagement and collaboration to inform evidence review			Evidence review to inform initial policy considerations Continued engagement with stakeholders			Present evidence to Board and outline policy proposals Continued engagement with stakeholders			Further phases to be determined in line with policy proposals		
Identify gaps in existing data about risks in different areas of practice and to different types of users Engagement and collaboration to inform evidence review			Evidence review to inform initial policy considerations			Present scope of project to Board Commission research on identified risk data gaps and range of harm Evidence review and engagement			Present evidence to Board and outline policy proposals		

Key points

Access to Justice: The LSB submitted evidence to the Justice Select Committee's Inquiry on Access to Justice, in which we noted the growing prevalence of unmet legal need, the important role that regulated and unregulated legal advice providers play in ensuring just outcomes for clients and how technology may be leveraged to increase access to legal advice.

Consumer protection is a key policy priority for us in 2026/27, and is underpinned by our regulatory objectives to protect and promote the interests of consumers and improve access to justice. We want to ensure that, as the legal services market changes, consumers can make informed choices about the services they use, are aware of the risks and are protected if things go wrong. As such, we have refocused our work on Access to Justice, integrating it within the Consumer Protection programme and through collaboration with sector partners. This ensures that this work continues to be delivered in a joined-up and practical way, supported by a strong evidence base from our research programme.

Disciplinary and enforcement processes: Having carefully reviewed where we should focus our efforts in the coming year, we have made the decision to stop our work to develop principles to underpin regulators' disciplinary and enforcement processes. Instead, we are seeking to drive improvements in different ways, such as through some of our other priority areas in 2026/27. For example our enforcement action against the SRA and BSB, as well as following up on the outcomes of our review of the Council for Licensed Conveyancers (CLC)'s disciplinary and enforcement processes. Our work on professional ethics and on encouraging a diverse legal profession will also touch upon disciplinary issues.

Consumer protection: Our new Regulatory Policy Manager with a focus on consumer protection joined the team in July, as such the project has returned to green. Looking ahead to Q3, the team presented a paper to our Board in October which sets out the proposed scope and focus of the project (subsequently published on our [website](#)).

We are initiating a consumer research project to understand what opportunities and risks consumers believe they face when using AI and online legal tools, and what kinds of support, guidance of safeguards people think are already, or should be in place, if any. The project will utilise our Public Panel – we expect the outcomes from this research will be published in early 2026.

Other work 2025-26

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Evaluation of the operation and effectiveness of the IGR											
Complete analysis of findings from evidence request		Delivery timeline pending review and decision by Board in Q1		Delivery timeline pending review and decision by Board in Q1		Delivery timeline pending review and decision by Board in Q1		Delivery timeline pending review and decision by Board in Q1		Delivery timeline pending review and decision by Board in Q1	
Provide analysis to Board											
Complete analysis of findings from evidence request		Board decision to pause further activity pending potential proceedings in connection with delegation under the IGR and the Act		Board decision to pause further activity pending potential proceedings in connection with delegation under the IGR and the Act		Board decision to pause further activity pending potential proceedings in connection with delegation under the IGR and the Act		Board decision to pause further activity pending potential proceedings in connection with delegation under the IGR and the Act		Board decision to pause further activity pending potential proceedings in connection with delegation under the IGR and the Act	
Provide analysis to Board											
Economic crime											
Analysis of consultation responses		Publish guidance and consultation response		Implementation phase		Implementation phase		Implementation phase		Implementation phase	
Drafting final policy proposals in light of consultation responses		Engagement activities to support and monitor regulators' implementation of policy									
Present final policy guidance and consultation response to Board for approval											
Analysis of consultation responses		Publish guidance and consultation response		Implementation phase		Implementation phase		Implementation phase		Implementation phase	
Drafting final policy proposals in light of consultation responses		Engagement activities to support and monitor regulators' implementation of policy									
Present final policy guidance and consultation response to Board for approval											

Key points

- Evaluation of the operation and effectiveness of the IGR:** Substantive work on this project has been paused pending potential proceedings in connection with delegation under the IGR and the Act.
- Economic crime:** Our final policy statement was published on 22 July.

Key

Programme/project
milestone from business plan
activity schedule
latest planned milestone

	Significant issues affecting the project, including if delivery is at risk
	Issues affecting the project but delivery not at risk
	Project is running according to plan

LSB Strategy

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
'Reshaping legal services' strategy											
Maintain 'Reshaping Legal Services' microsite Develop and draft evidence paper on progress made against strategy and ongoing challenges/actions	Maintain microsite Publish evidence paper Develop strategic priorities for 2026-31 Business planning Substantive planning for 2026 Annual Conference commences					Maintain microsite Consult on strategic priorities for 2026-31 and draft business plan Planning and programme design for 2026 Annual Conference			Maintain microsite Publish strategic priorities for 2026-31 and business plan Planning and programme design for 2026 Annual Conference in April 2026		
	Continued development of evidence paper on progress made against strategy and ongoing challenges/actions Maintain microsite Develop strategic priorities for 2026-31 Business planning					Maintain microsite Consult on strategic priorities for 2026-31 and draft business plan Publish evidence paper			Maintain microsite Publish strategic priorities for 2026-31 and business plan Planning and programme design for 2026 Annual Conference in Autumn 2026		

Key points

- LSB Strategy:** Our 2026/27 Business Planning season has commenced. We held a Board strategy session in September, which enabled a discussion about priority areas for the next financial year. We will present our draft Business Plan and Budget at the Board meeting in November, ahead of the formal consultation period at the end of this calendar year.
- Annual Conference:** Due to emerging priorities we have decided to move our Annual Conference to Autumn 2026. Further updates will be provided in due course.

Key

Programme/project		
milestone from business plan		
activity schedule		
latest planned milestone		

	Significant issues affecting the project, including if delivery is at risk
	Issues affecting the project but delivery not at risk
	Project is running according to plan

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Datasets											
Continue to develop and iterate our interactive dashboards Explore existing datasets to generate insights			Continue to develop and iterate our interactive dashboards Explore existing datasets to generate insights			Continue to develop and iterate our interactive dashboards Explore existing datasets to generate insights			Continue to develop and iterate our interactive dashboards Explore existing datasets to generate insights		
Public panel											
Recomission provision of the Public Panel Plan activities for the panel			Delivery of Public Panel activities as determined			Delivery of Public Panel activities as determined			Delivery of Public Panel activities as determined		
Research											
Publish quarterly topic report Publish insights from our Prices Survey Scope and commission review to our approach to evaluation Commission research to inform our consumer protection work			Commission Small Business Legal Needs SBLN Research for 25-26 Continued work on series of topic reports			Fieldwork phase – SBLN Continued work on series of topic reports Publish research on consumer protection (date TBD)			Receive draft report from SBLN research Topic report drafting		

- **Datasets:** We have continued to review and refresh our dashboards.
- **Public Panel:** As mentioned previously under our consumer protection update, we are working with our Public Panel on a project to understand what opportunities and risks consumers believe they face when using AI and online legal tools, and what kinds of support, guidance of safeguards people think are already, or should be in place, if any.
- **Research:** We have commissioned YouGov to conduct our Small Business Legal Needs survey.

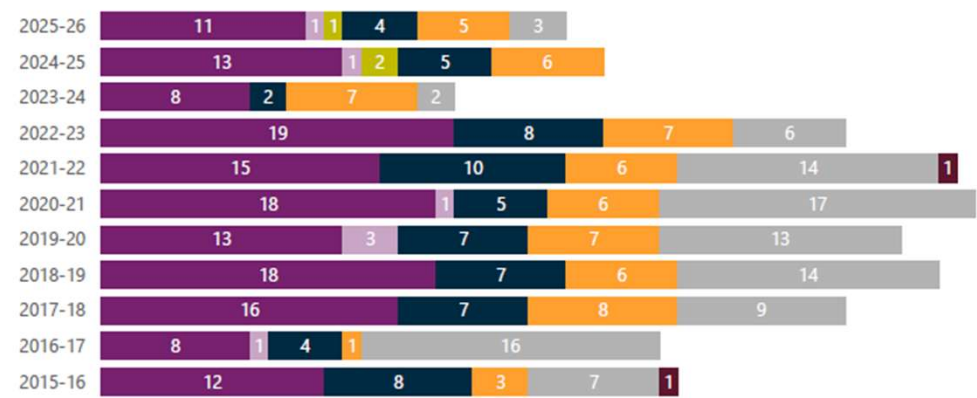
Programme/project	
milestone from business plan activity schedule	
latest planned milestone	

	Significant issues affecting the project, including if delivery is at risk
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Statutory Decisions

1. Alterations to regulatory arrangements (April - end September 2025)

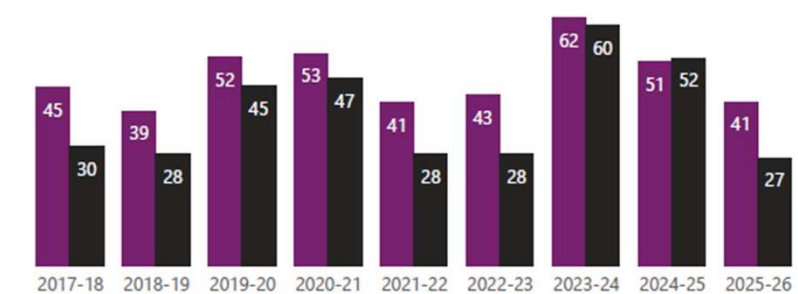
● Application ● Withdrawn ● Not accepted ● <28 Days ● Extension ● Exemption direction ● Warning



2. Number of days to issue decision

Alterations to regulatory arrangements (excluding decisions following a warning notice)

● Average days ● Median days



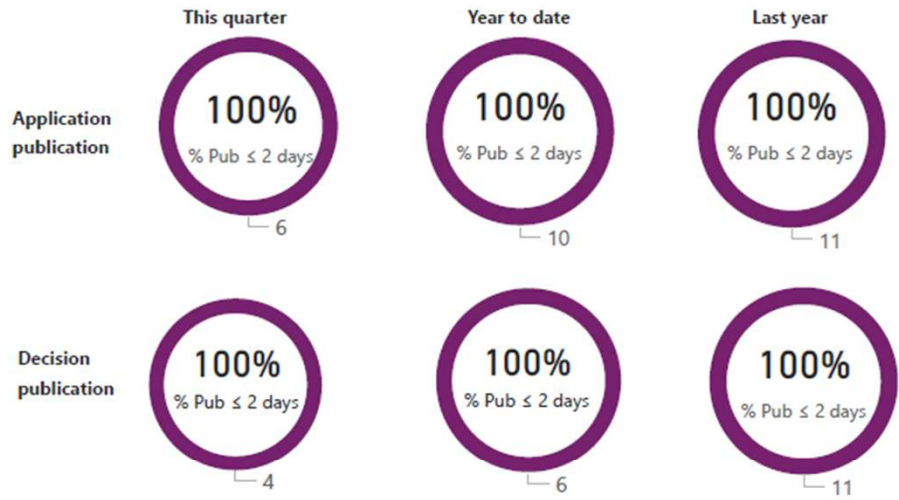
3. Practising fees

● Average days ● Median days

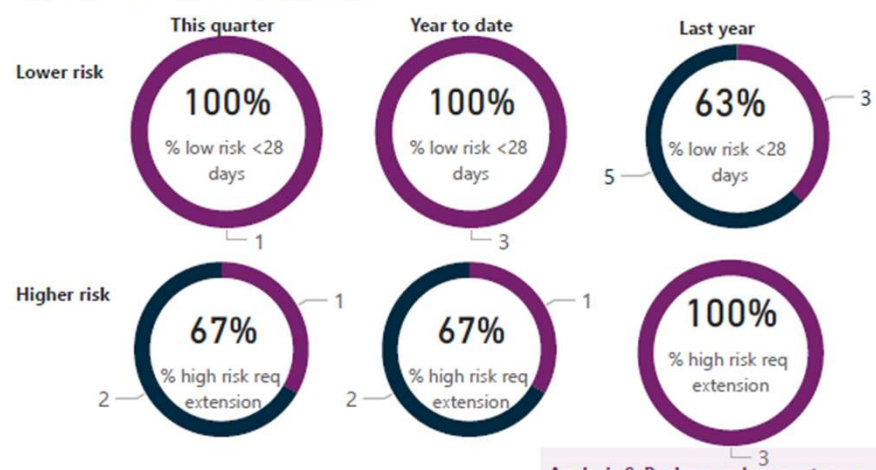


Notes:
1. The 'application' category in figure 1 includes 'not accepted' and 'withdrawn'.
2. The extension category in figure 1 does not include the application that was withdrawn.
3. The application publication figure for YTD in figure 4 does not include the application 'not accepted'.

4. Publication KPIs for alterations to regulatory arrangements



5. Decision time by risk designation



Analysis & Background on next page

Analysis

In Q2, we received seven new applications for alterations to regulatory arrangements. One of these applications was not accepted following initial review and was subsequently resubmitted for consideration. We made four decisions during the quarter.

The profile and complexity of decisions have shifted this quarter, with three of the four decisions classified as 'higher risk'. Two of these higher-risk cases required extensions, while one was completed within 28 days. Our lower-risk decision was processed within the target of 28 days or fewer, in line with expectations.

We also issued two exemption decisions during the quarter. The median decision time for all determinations was 27 days, and we successfully met all publication deadlines for both applications and decisions.

In parallel, we have now entered our annual Practising Fees season, with two decisions being made this quarter. Both were completed within the 35-day target.

Due to a period of sustained resource pressure attributed to the high volume of applications, this workstream is rated amber. Mitigations have stabilised the position; as such we anticipate a return to green during the latter part of the financial year.

Background

Alterations to regulatory arrangements

Under the Legal Services Act 2007 ('the Act'), alterations to approved regulators' regulatory arrangements ('rule changes') must be approved by the LSB before coming into effect. This is one of the LSB's most frequently exercised statutory functions.

The Act prescribes an initial 28 day period for making a decision that can be extended by the LSB by up to 90 days via an extension notice or by a further year if the LSB is considering refusing an application and issues a warning notice. The LSB can only refuse an application if one of the statutory refusal criteria is met.

Under the Act, the LSB also has the power to exempt certain general or specific changes from the approval process by issuing an exemption direction. The LSB aims to publish all applications and decisions within two working days. In our consideration process, we take a risk-based approach whereby applications are assessed as lower risk or higher risk. For lower risk applications, our target is a decision in 28 days or less.

Practising fees

Under the Act the LSB assesses and approves practising fees.

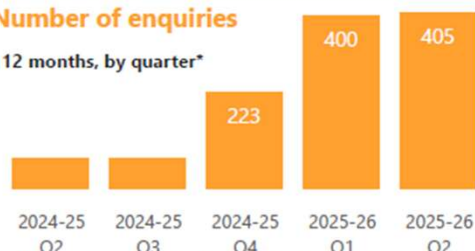
The LSB aims to make a decision on these practising fee applications within 35 calendar days.

Note: The figures in the bars in picture 1 do not refer to the same datasets. The purple bar is for applications received. The black, orange and magenta bars relate to what happens after the receipt of an application. Where an application is received in the previous business year or end of a quarter but assessment is concluded in the following business year or quarter the data sets will differ. The grey bar for exemption directions is a separate category which is not covered by the other four metrics.

General Enquiries

1. Number of enquiries

Last 12 months, by quarter*



*Note that we have updated and refreshed our data reporting and analysis methodology for our General Enquiries function to include repeat enquiries (n. 119), LSB copied in/no reply required (n.118) and 'mass emails not for LSB - no reply required' (n. 66). This type of correspondence, while it may not require a response, still requires review by the team in order to triage appropriately.

2. Response time

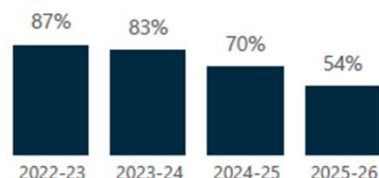
Median days to respond

Last 4 years, by year

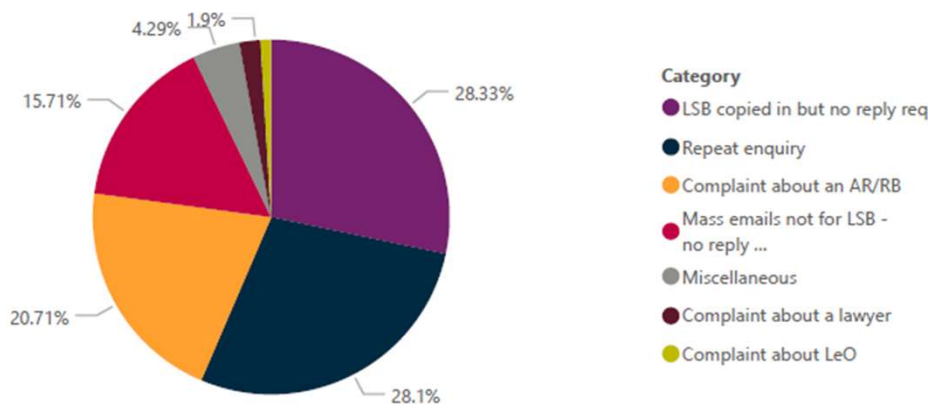


3. Response time KPI

Last 4 years



4. Analysis of correspondence category



Analysis

We received 405 general enquiries in Q2, continuing the upward trend seen in recent quarters. As reported previously, this growth aligns with changes to our data reporting and analysis methodology, which means some of the increase reflects improved data capture in addition to a genuine rise in queries. Other factors are also likely to be influencing this pattern, including the rising profile of the LSB and recent high-profile events such as the SSB enquiry report, the BSB voluntary undertakings and the ongoing repercussions of the High Court Mazur vs Charles Russell Speechlys judgment. We are also aware of emerging evidence from customer and user facing organisations suggesting that higher enquiry volumes may be linked to increased use of AI, which enables more people to access support.

While the overall process for handling General Enquiries remains unchanged, we have expanded our reporting to include the number of repeat enquiries and mass emails received by the LSB. This adjustment offers a more representative view of the volume of unsolicited correspondence and the resources required to process and respond where appropriate. We will continue to report on this data in future quarters to support more meaningful trend analysis in the next financial year.

Although the number of general enquiries remains high, in line with our statutory duties as an oversight regulator, there are specific circumstances under which we respond. In Q2, we responded to 71 enquiries. We have found that several correspondents continue to send follow-up correspondence even after receiving a clear response indicating that the LSB is unable to assist further. These are typically recorded as "LSB copied in but no reply required," and they account for a significant proportion of the enquiries reported in that correspondence category. Regardless of the categorisation, all correspondence is reviewed and triaged as appropriate.

The significant increase in unsolicited correspondence has placed additional pressure on the team's resources. As the team's capacity has remained unchanged, this has resulted in longer response times and potential delays in service delivery, particularly in meeting the target response deadline of 10 working days. In terms of the profile of correspondence received, 21% of enquiries in Q2 related to complaints about a regulatory body or approved regulator.

Background

General Enquiries is our inbox for receiving unsolicited correspondence from the public. It is monitored by our corporate support team.

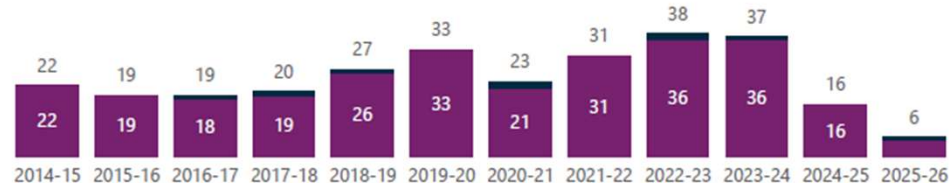
The public typically contacts us to raise issues about a regulator, lawyer, the Legal Ombudsman, or with general enquiries about legal services and legal aid.

Our target response time is 10 working days for an initial response. Some enquiries require a follow up response.

Freedom of Information

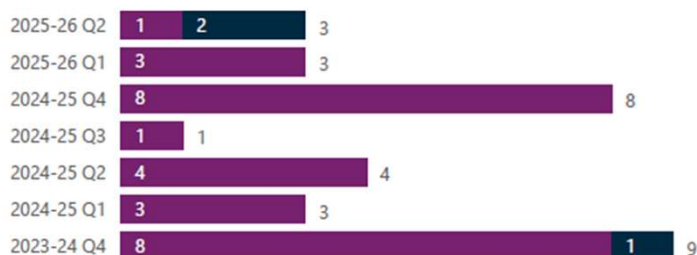
1. Responses to requests (historical)

● 20 days or fewer ● >20 days



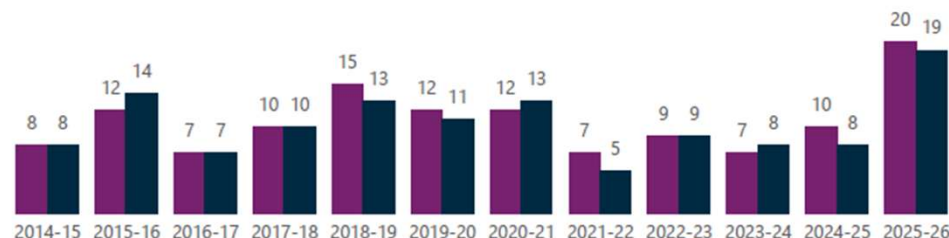
2. Responses to requests (last 15 months)

● ≤ 20 days ● > 20 days

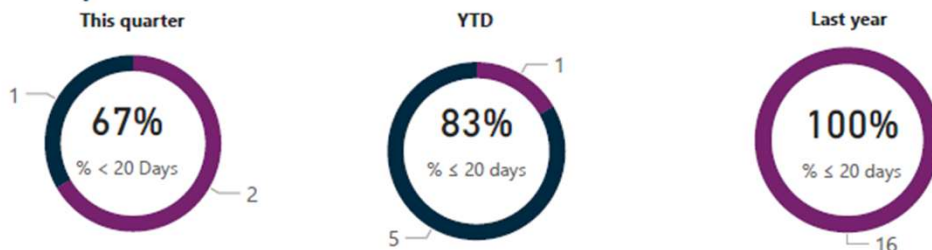


3. Response time

● Mean of days to respond ● Median of days to respond



4. Response time KPI



Analysis

We received 10 Freedom of Information requests this quarter and have, to date, responded to three. The majority of these requests were submitted towards the end of the reporting period and will therefore be included in the Q3 analysis.

We have observed a clear upward trend in the complexity and scope of FOI requests. Increasingly, requests involve significant volumes of information, cross-departmental coordination, and detailed consideration of exemptions under the Act. As a result, we anticipate that a growing proportion of future requests will require extensions beyond the standard 20 working day timeframe to ensure that responses are accurate, comprehensive, and compliant. For this quarter, two responses were completed within the 20 working day target, while one exceeded this limit due to its complexity.

Our mean and median response times for the quarter are 20 and 19 days, respectively.

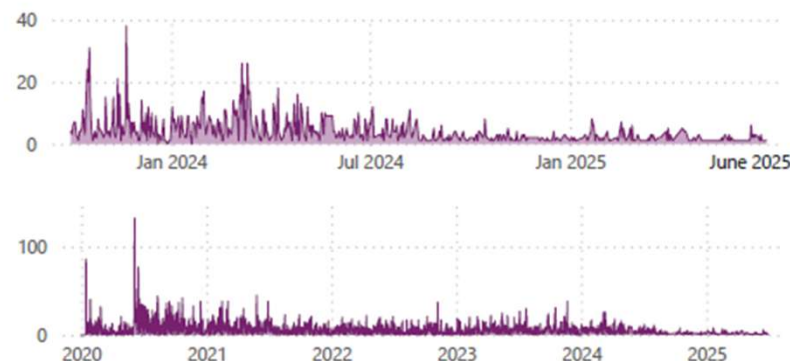
Background

The Freedom of Information Act 2000 ('the Act') gives people a right of access to the information held by, or on behalf of, public authorities ('authorities'). This applies regardless of the age, format, origin or classification of the information, and covers for example: reports, letters, emails, notebooks and photographs.

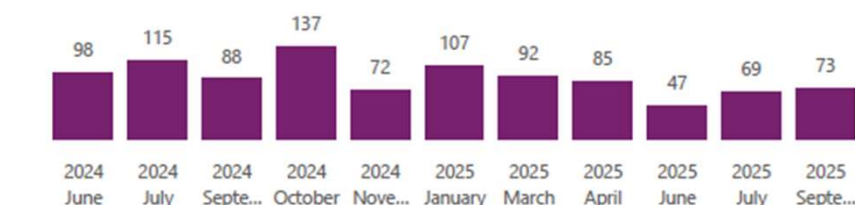
The Act requires authorities: (1) to publish information proactively in accordance with their publication schemes; and (2) to provide within not more than 20 working days other information requested by any person ('information requests').

Communications and Engagement

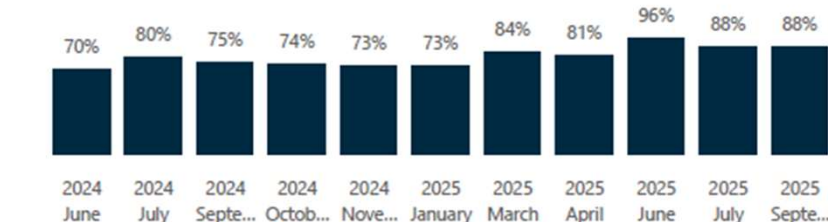
1. Market intelligence dashboards



2. Chair's Blog



Engagement rate

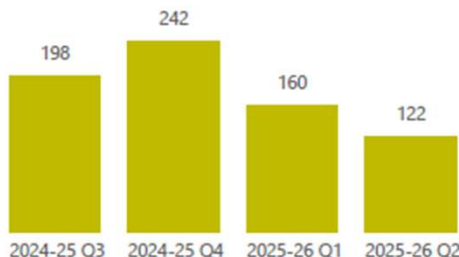


3. Social media

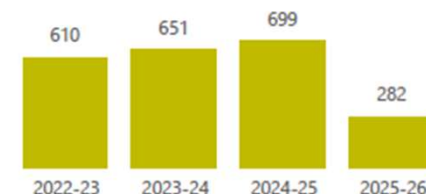
3350
LinkedIn followers

398
Bluesky Followers

LinkedIn follower growth, last 12 months, by quarter



LinkedIn follower growth, last 3 years, by year to date

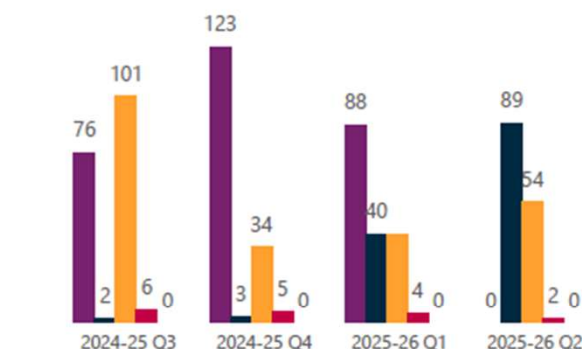


LinkedIn engagement rate, last 12 months



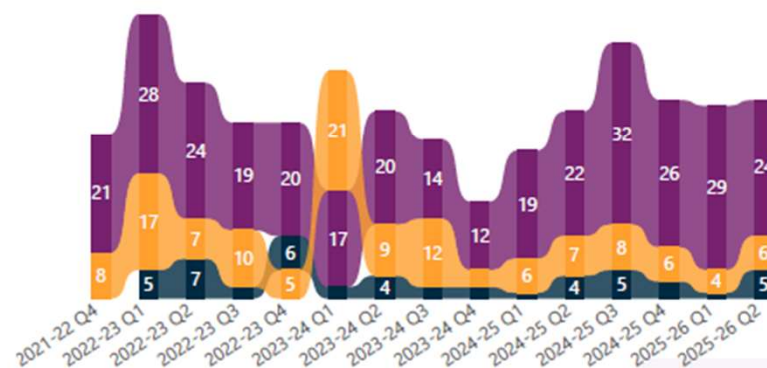
4. Media sentiment

Very Positive Positive Neutral Negative Very negative



5. Senior engagement meetings

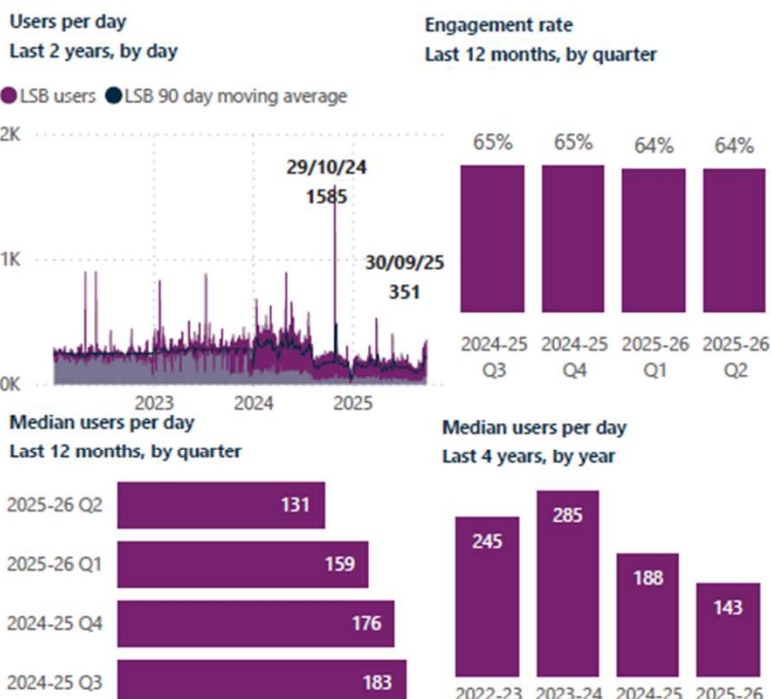
CEO Chair Chair and CEO



Analysis
on next page

Communications and Engagement

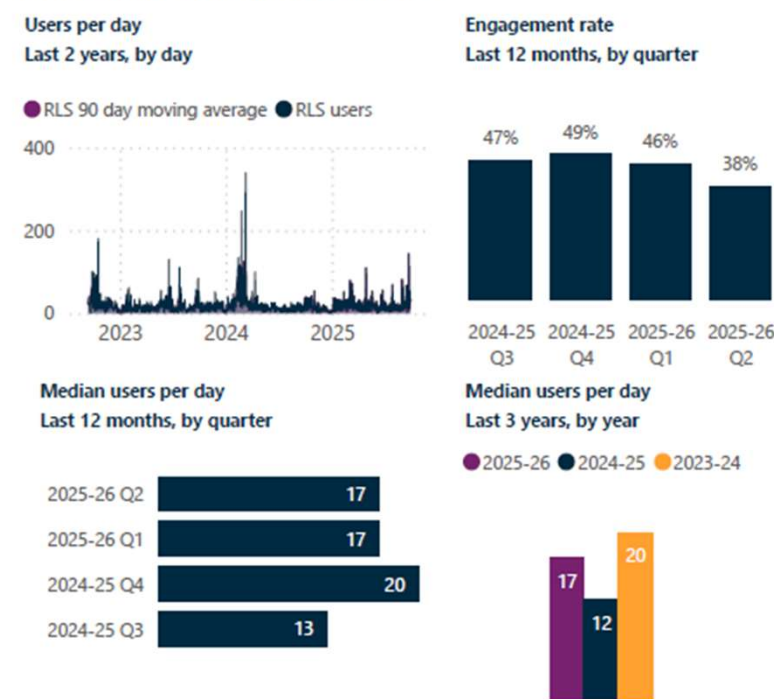
6. Legal Services Board website



Top 10 downloads since 1 January 2025

Rank	Title	Downloads
1	PERL-Consultation-Documents-February-2025.pdf	481
2	/LSB-regulatory-performance-assessment-2025.pdf	456
3	Final-Decision-Notice-and-Section-32-Directions.pdf	232
4	LSB-Business-Plan-2025-26.pdf	213
5	Section 32 Directions	120
6	Independent-Review-of-the-Regulatory-Events-Leading-up-to-the-SRAs-Intervention into Axiom Ince Ltd	118
7	Regulatory-Policy-Manager-job-description-April-2025.pdf	109
8	LSB regulators and oversight map infographic	104
9	Price of Legal Services report 2024	104
10	SRA Directions Implementation Plan Final July 2025	104

7. Reshaping Legal Services website



Top 10 blogs since 1 January 2025

Rank	Title	Views
1	LSB strategy final	48
2	LSB conference agenda	50
3	Key-Slides-Reshaping-Legal-Services-6th-March-25.pdf	18
4	Reshaping Legal Services event slides 16 September 2025	18
5	NLS Curran Access to Justice slides RLS conference	12
6	Jim-Baxters-presentation.pdf	12
7	Legal Needs 2023 summary report	10
8	Legal Needs technical report_final May 2022	7
9	Editorial guidelines for the Reshaping Legal Services microsite	5
10	RM slides	5

Analysis

Website activity for the quarter has declined slightly compared with the previous period. Median daily users to the LSB website decreased from 159 in Q1 to 131 in Q2, although engagement rates have remained steady at 64%. The microsite also saw a modest decline in engagement rates to 38% from 46% last quarter.

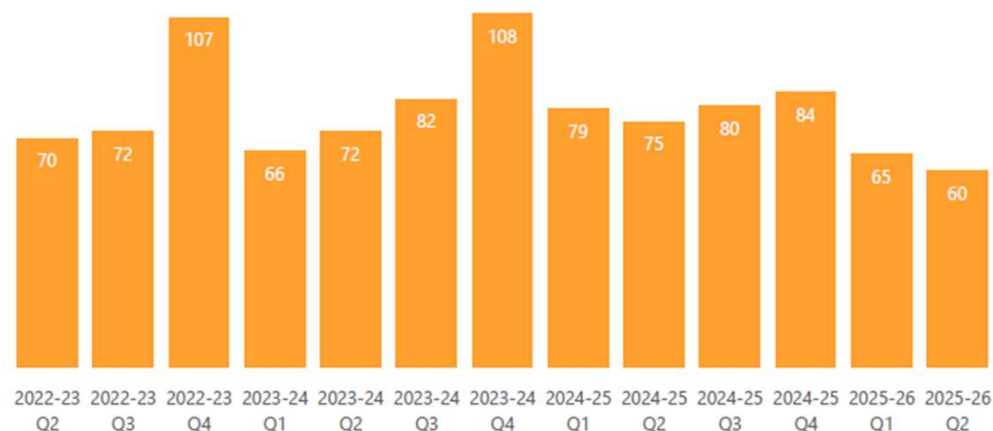
Social media engagement continues to demonstrate consistent growth overall. Our LinkedIn following increased by 122 this quarter, bringing the total to 3,350 followers. Although this represents a slower rate of growth compared with earlier quarters, our LinkedIn engagement rate of 6.7% remains stable following the previous quarter's decrease. Our new Bluesky account also continues to gain traction, now with 398 followers.

The Chair's blog continues to maintain stable readership and engagement. Monthly views for June and September were lower than the peaks seen earlier in the year, but engagement rates have remained consistently strong at 88%.

Senior engagement activity remains high, maintaining the steady pattern of engagement observed throughout the year.

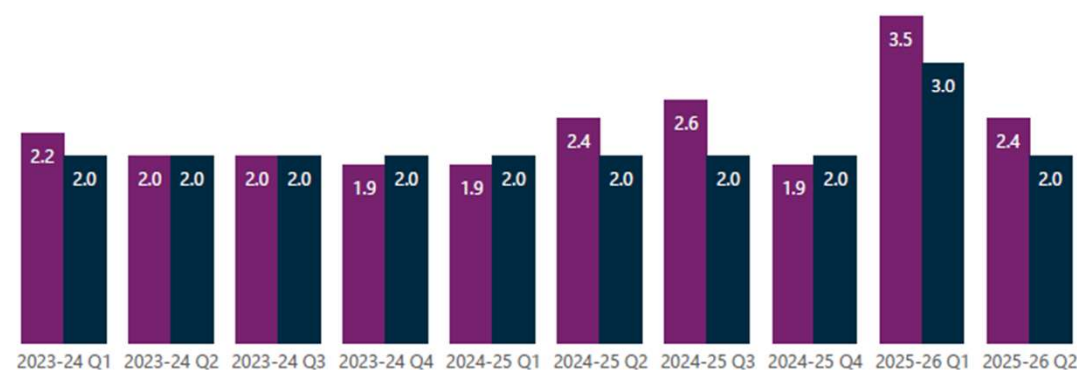
Our response to the Harman report on bullying at the Bar, the independent report into Axiom Ince, and the publication of our statutory guidance on the economic crime regulatory objective attracted media coverage this quarter. Our recent publications and communications activity have continued to attract attention. The most downloaded documents this year included the *PERL Consultation* and the *Regulatory Performance Assessment*, each receiving over 450 downloads.

1. Number of invoices processed per quarter



2. Working days to pay invoice

● Mean ● Median



3. Prompt payment data

FY QTR	Paid ≤ 5 working days	% Paid ≤ 5 working days	Paid ≤ 10 working days	% Paid ≤ 10 working days	Paid ≤ 30 calendar days	% Paid ≤ 30 calendar days	Paid ≤ 60 calendar days	% Paid ≤ 60 calendar days
2025-26 Q2	56	93%	60	100%	60	100%	60	100%
2025-26 Q1	49	75%	65	100%	65	100%	65	100%
2024-25 Q4	83	99%	84	100%	84	100%	84	100%
2024-25 Q3	74	93%	80	100%	80	100%	80	100%
2024-25 Q2	71	99%	75	100%	75	100%	75	100%
2024-25 Q1	77	97%	79	100%	79	100%	79	100%
2023-24 Q4	105	97%	108	100%	108	100%	108	100%
2023-24 Q3	82	100%	82	100%	82	100%	82	100%
2023-24 Q2	70	97%	72	100%	72	100%	72	100%

Analysis

We processed 60 invoices in Q2. This figure demonstrates a decrease in volume compared to the same quarter last year (75 in Q2 24/25) but remains steady when compared with Q1.

We paid 56 (93%) of these invoices within five working days. We paid 100% of invoices within 10 working days. Disputed invoices are excluded from this calculation.

On average we paid our invoices in 2.4 days in Q2, which is in line with the same quarter last year and remains within our target.

Background

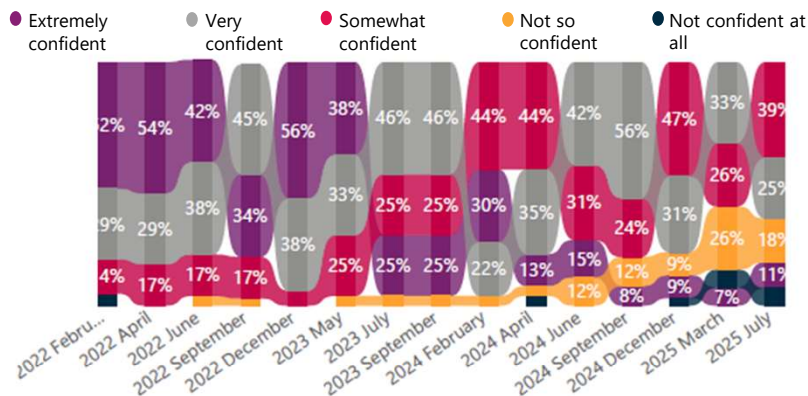
The LSB usually undertakes one payment run per week.

Prompt payment data is reported quarterly to the Ministry of Justice in line with Government guidance.

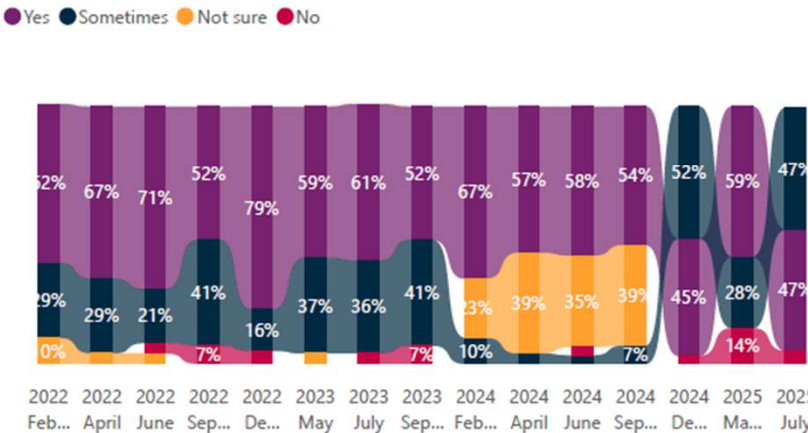
Human Resources

1. Colleague pulse survey

How confident are you in the SLT to make the right decisions generally and manage change and ways of working?



Do you feel connected to the rest of the LSB team?



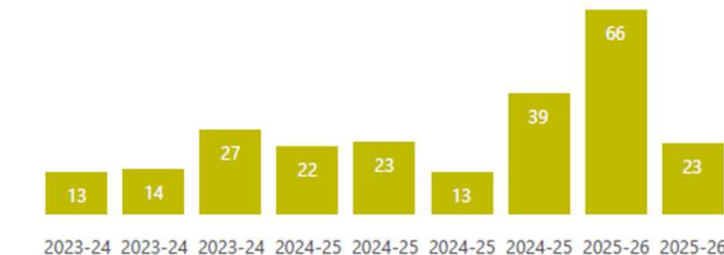
2. Training budget

Spent, Variance

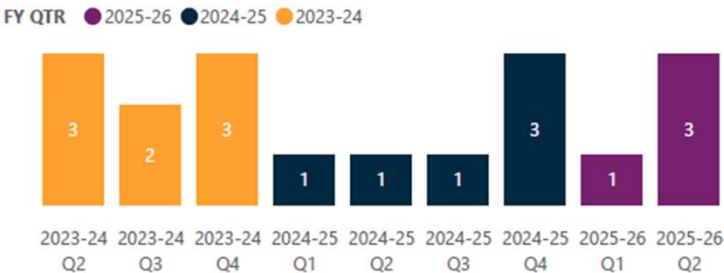


3. Sick days and turnover

Sick days



Resignations



Analysis

The number of colleagues who cite that they feel connected to the rest of the LSB remains high at 94%. Further, our latest pulse survey continues to demonstrate that the majority (64%) of colleagues feel confident about SLT's ability to make the right decisions, manage change and ways of working. This has declined over recent months; as such we are developing an action plan in response to this feedback to address and reverse this decline. In addition, SLT has approved a project to strengthen our approach to resource profiling, pipeline management and prioritisation. This decision reflects a growing need to modernise how we manage and plan capacity across the team, prioritise our activities, produce robust management information and respond to increasing complexity across our portfolio. This work also complements our internal Capacity and Workload task and finish group which has been gathering wider intelligence via focus groups to inform our understanding of capacity and workload pressures across the LSB as a whole.

We have spent approximately £10k on training and development so far, leaving our remaining spend at approximately £58k for the remainder of the financial year.

Sickness absence days decreased in Q2 to 22.5 days from 66 days reported in Q1. The sickness absence rate in Q2 was 0.5 days per colleague for this period, compared with 1.7 day per colleague in Q1.

Three colleagues resigned in Q2 - one replacement has subsequently joined the organisation (10 November) and another will join the LSB on 1 December. The recruitment campaign for a new LSB CEO is underway.

Corporate risks

Category	Risk title	I	L	Score
Governance; Relationships	Public confidence in legal services regulation is undermined because consumers continue to be underserved by the Legal Ombudsman	4	3	12
Delivery; Policy	Regulators lack the leadership, resources and capability to meet the regulatory objectives in the Legal Services Act 2007 and address risks to the public and consumer interests	4	4	16
Delivery; Policy	The LSB fails to galvanise and hold to account the regulators in their duty to advance equality of opportunity, increase diversity and foster inclusive cultures in the profession	4	3	12
Policy	Public trust and confidence in legal services is weakened due to continued breaches of professional ethical duties and poor ethical conduct	4	3	12
Governance	Executive turnover and expansion of the LSB has a destabilising effect	4	2	8
Governance	Instability of LSB operations and budget owing to uncertainty of office accommodation from September 2025	3	3	9
Policy	Changing central government strategy, priorities and requirements adversely impact LSB operations and budget	3	2	6

Key programme risks

Programme/Project	Risk title	I	L	Score
Regulatory performance	Regulatory bodies performance against standards does not improve	3	4	12
Strategy	Lack of engagement and collaboration from stakeholders	4	2	8
Professional ethics, rule of law and regulation	Regulators fail to go far enough to adapt the regulatory infrastructure	4	2	8

Operational risks

Function	Risk title	I	L	Score
Governance	The LSB does not carry out its operations with regard to its impact on sustainability or the environment	3	3	9
Governance	Poor data management	3	2	6
Communications	2025 Annual Conference fails to promote the reshaping legal services strategy.	3	2	6
IT	Cyber security risks to LSB	2	2	4
Governance	LSB is the victim of fraud	4	1	4
Corporate Services	LSB does not have a purchase order system and relies on the Contracts Register to act as a de facto Purchase Order Log in the absence of a system.	3	3	9

Background

Impact of risk

1	Minor	Barely any discernible effect on delivery of plan/services
2	Low	Small delay or non-critical changes to delivery of plan/services
3	Moderate	Some need to reassess/reschedule delivery of plan/services
4	Serious	Significant change necessary to the delivery of plan/services
5	Severe	Plan/service delivery failure

Likelihood of risk

1	Remote	The risk may occur in exceptional circumstances
2	Possible	The risk may (probability less than 50%) occur
3	Likely	The risk is likely (probability 50%-80%) to occur
4	Expected	There is an 80% or greater possibility that the risk will occur
5	Materialised	The risk has materialised and is now an issue

Score colour

The colour for corporate risks are based on the risk score relative to the risk appetite for each category. Red risks are out of appetite. Amber risks are at appetite. Green risks are within appetite. Programme and operational risks are not assigned a risk appetite so the colours are based on a standard RAG matrix.