

Meeting: Legal Services Board

Date: 21 July 2026¹

Item: Paper (26) 09

Title: CEO's Progress Report

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Status: Official

Introduction: Purpose of the paper

1. This paper updates Board Members on key developments across the organisation since the Board's last meeting on 9 June 2026.

Recommendation

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

Appointment matters

LSB Board

3. Ministry of Justice (MoJ) is in the final clearance stage and are seeking Ministerial approval to launch the campaign to recruit new LSB Board members. The campaign will now be led by Lord Eyre. MoJ are aiming to launch the campaign in late July, with interviews to occur in early autumn.

Office for Legal Complaints (OLC) and Legal Services Consumer Panel (LSCP)

4. We have tendered GatenbySanderson as recruitment consultants to help us with the OLC Board Member non-lay recruitment campaign that we will be launching by the end of July. This campaign will be led by Christine Nwaokolo, LSB Board member.

Colleague and organisational matters

Public Bodies Review

Content correct as of 14 July 2026, date of circulation to the Board.

5. The PBR report was published by the MoJ on 13 July,² alongside a Written Ministerial Statement laid in Parliament³ and a letter sent to the Justice Select Committee. We have published a statement from the Chair welcoming the PBR report with a commitment to publish our full response in the Autumn.⁴ This is the subject of a separate item on the agenda.
6. We launched the recruitment for the Director of Regulatory Oversight earlier this month, following approval from MoJ to proceed. The postholder will play a key role in ensuring sharpened regulatory focus on the effective oversight of frontline regulators. We are also recruiting for a Head, Performance & Oversight and Head, Policy Development & Delivery.
7. The People Plan, launched in April 2026, continues to build a strong, inclusive and high-performing organisation by focusing on four priorities: Leadership, Inclusion and Connection, Learning and Development and Ways of Working. Key achievements include forming a new Executive Leadership Team and Senior Leadership Group, establishing the Regulatory Oversight Directorate, and realigning work with organisational objectives through a RACI approach to clarify roles and responsibilities. Moving forward, team workshops will be introduced across the organisation, beginning with Regulatory Oversight, to review current practices, identify improvements, enhance collaboration and communication.

LSB's Annual Report and Accounts 2025/26

8. Our Annual Report and Accounts for 2025-26 were laid before Parliament on 26 June and subsequently published on our website with an accompanying news story.

Governance

Office for Legal Complaints (OLC)

9. OLC / LeO is currently consulting on changes to its scheme rules, case fees and the publication of ombudsman decisions. It is also taking forward work its transformation plans, formulating a three-year plan and preparing its budget and business plan for 2027/28. Board members will see materials and providing advice / making decisions in relation to all of these issues between November and March. We have received the OLC's Voluntary Assurance letter from its June Board meeting which is attached.

Legal

Post Office

10. Since the last Board meeting, we have had two meetings with the BSB on 24 June and 7 July. Our next meeting with the SRA will be later in the summer. The SRA have now [referred two cases to the Solicitors Disciplinary Tribunal](#). The

² <https://www.gov.uk/government/publications/the-legal-services-board-independent-public-bodies-review>

³ <https://questions-statements.parliament.uk/written-statements/detail/2026-07-13/hcws213>

⁴ <https://legalservicesboard.org.uk/news/independent-review-of-the-legal-services-board>

cases refer to conduct that took place in the period after the events of the Post Office Horizon scandal.

Regulatory developments

Research

11. We have started analysis and reporting for the Small Business Legal Needs Survey which is due to be published in the Autumn. We will share some headline figures for the North East at the engagement event in Newcastle in July.
12. The deadline for proposals to run the next wave of the Use of Technology and Innovation Survey is 17 July.

Review of Oversight

13. Regulatory bodies received a briefing on our new approach to oversight at the CEO Forum on 25 June. We are moving forward with implementation of this new approach, with colleagues being deployed to the regulatory oversight directorate.

Regulatory Performance Update

14. The third meeting to monitor the BSB's performance against the Voluntary Undertakings took place on 8 June, and an oral report was provided at the Board meeting on 9 June. A twelve-month review of the BSB's progress against the Voluntary Undertakings has been provided to Board as a separate agenda item.
15. A tracker indicating the BSB's progress against the Voluntary Undertakings is appended to the CEO Progress Report at Annex B.

Statutory Decisions

16. Since the last update, we have approved an application from the Faculty Office related to its Notaries Accounts Rules, merging three existing rules into a single set of rules and updating language and definitions issued three exemption directions.
17. We have also issued three exemption directions. Two exemptions for the BSB with the first in relation to publications for its determination by consent procedure. The second exemption direction to the BSB was in relation to the arrangements underpinning the role of the Commissioner for Conduct to enable barristers to refer allegations of misconduct related to bullying, harassment or sexual harassment to the Commissioner for Conduct. A third exemption from CLC related to an update of its Glossary of Legal Terms to put the term assessment activities which forms part of CLC's ongoing competence regime into regulatory arrangements.
18. We are currently considering an application from the SRA in relation to its Consumer Protection rules. The proposals form part of the SRA's response to the section 32 Directions, and would require all non-exempt firms holding client money to submit annual accountants' reports and declarations, with fixed

penalties for non-compliance. The SRA also plans to restrict key decision-makers professionals from holding COLP/COFA roles in higher-risk firms, subject to limited exemptions.

Mazur judgment

19. On 24 June, we shared the draft report from the conduct of litigation review with all the regulators for fact-checking. We expect to publish the report by the end of July. The report sets out actions for the regulators, as well as the actions that we will take, to improve the clarity and consistency of guidance following the Court of Appeal judgment in Mazur.

Consumer Protection

20. We published our two AI related research reports in June. One on consumers' expectations of AI-powered lawtech. The second is a rapid landscape review and classification of the existing voluntary standards that are relevant to AI-powered lawtech. A related, SRA commissioned research report on how consumers use AI platforms now, is expected to be published soon. We are considering our next steps, including engaging with the SRA to ensure a joined-up approach.
21. The Financial Conduct Authority published the scope of its market study into Claims Management Companies (CMCs). We provided informal feedback, noting that some consumers may use CMCs as an avenue to access justice. We highlighted the current regulatory gaps which may pose risks to consumers, the importance of considering housing issues where more vulnerable consumers are targeted, examining CMC funding structures and considering the use of AI in business models. The SRA has [published a consultation](#) on new proposals to strengthen requirements for solicitors using or arranging third-party litigation funding in consumer claims.

Technology, Growth & AI

22. On 8 June, the Government announced the AI Growth Labs – the first of which will focus on legal services and LawTech solutions. The Lab will be a cross-economy sandbox, which is a regulatory environment that allows multiple regulators to collaborate and oversee the testing of ground-breaking AI software in a secure environment, enabling quicker market rollout. Alongside the LSB, the SRA, CLC and the Information Commissioner's Office will be part of the initiative. Applications for the legal services Lab will open later this Summer, with project being expanded to other sectors later this year.

Economic Crime/AML Supervision

23. The LSB met with the FCA on their transition plans to the new AML supervisory system. The FCA is in the process of working through some of the more challenging policy questions surrounding the transition, including enforcement powers and processes, implementing effective supervisory systems, and intelligence sharing with relevant public body supervisors. They are keen to work in close collaboration with the LSB, relevant frontline regulators and the legal

sector more broadly in the lead up to the new supervisory system, which they expect will come into effect at the end of 2028, at the earliest. The LSB will continue to engage with the FCA to ensure an effective anti-money laundering regime is maintained within the legal sector.

Three-Year Strategy

24. The Chair's Blog following the June Board meeting announced our move from Reshaping Legal Services to a new, three-year strategy for 2027-30. We have begun engaging with stakeholders and will consult on this new strategy alongside our 2027/28 Business Plan later this year.

Professional Ethics and Rule of Law

25. We planned and successfully held the "Ethics in Action: From Knowledge to Culture" event on 1 July. The event was hosted by City St George's University and featured two panel discussions hosted by LSB colleagues. Panellists included leading academics, legal professionals and ethics experts. The panel discussions were focused on education and training and workplace cultures, reflecting outcomes 1 and 3 of the statement of policy.
26. Over 50 attendees came to the event, which included regulators, legal professionals, academics, training providers and learning and development professionals. We will now consider ways in which regulators and other stakeholders can take forward this work.

Communications and Engagement

Chair's engagement

27. A full list of the Chair's engagement is available on our website.

England and Wales stakeholder events

28. We are holding a Small Business Legal Needs event in Newcastle on 16 July 2026. There will be a closed roundtable event followed by an open plenary event.
29. The event is kindly hosted by St James's Place Newcastle. We have collaborated with the North East Chamber of Commerce to produce the event.

Professional Ethics Network

30. We held a successful "Ethics in Action" event at The City Law School on 1 July. Two panels discussed ethics covering education and training and workplace cultures. We are considering how these conversations might be continued within an existing third party forum, such as the Institute for Business Ethics.

Meeting Schedule

The following senior-level meetings took place between 29 May and 3 July 2026.

Date	Meeting	LSB
4 June	LSB/Welsh Government meeting	CEO
4 June	Legal News Wales Event	CEO
10 June	LSB/Law Society of Scotland intro meeting	CEO
11 June	Chair intro: Access to Justice Foundation	Chair
11 June	Chair intro: CRL	Chair
11 June	Chair/Chair: BSB meeting	Chair
15 June	Chair/Lisa Mayhew	Chair
16 June	2026 Fair Civil Justice Annual Conference	CEO
16 June	Chair/Lord Thomas of Cwmgiedd	Chair
18 June	Chair intro: CILEx	Chair
18 June	Intro: MoJ COO	Chair & CEO
18 June	CEO/CEO BSB	CEO
18 June	CEO/CEO TLS	CEO
22 June	Chair intro: Consumer Legal Association	Chair
22 June	Chair intro: BTAS & COIC	Chair
22 June	Chair intro: Bar Council	Chair
22 June	Chair intro: OLC	Chair
22 June	Chair intro: BSB	Chair
22 June	Chair intro: CLSB	Chair
23 June	CityUK, Legal Services Group	CEO
23 June	CEO/CEO CITMA	CEO
25 June	Legal Services regulator CEO Forum	CEO
29 June	Interview with Financial Times	Chair
1 July	Professional Ethics Network	CEO
1 July	CEO/CEO Bar Council	CEO

Annex A: OLC Voluntary Assurance Letter

Annex B: BSB Voluntary Undertakings - progress tracker (June 2026)

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