

Meeting: Legal Services Board

Date: 22 October 2026

Item: Paper (26) 22

Title: CEO's Progress Report

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Status: Official

Introduction: Purpose of the paper/ Issue

1. This paper updates Board members on key developments across the organisation since the Board's last meeting on 22 September.

Recommendation

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

Public Bodies Review

3. We are in the final stages of preparing our response to the Review. This will be discussed as a separate agenda item at this meeting.

Appointment matters

LSB Board

4. The recruitment campaign generated significant interest. Twelve candidates for the three lay positions and four for the non-lay position have been shortlisted and invited to interview in early November. Based on current timelines, and subject to clearances, it may be possible for some new Board members to start in January.

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

5. The Board has approved the appointment of a new lay board member for the OLC. The interview panel was led by Christine Nwakolo (LSB Board member), Richard Blakeway (OLC Chair) and Dame Glenys Stacey (Independent Panel Member). We are now in the process of seeking the agreement of the Lord Chancellor for this appointment.

Colleague and organisational matters

6. Our new Director of Regulatory Oversight and new Head, Performance and Oversight will join us in January 2027. The new Head, Policy, Development and

Delivery starts on 14 December 2026. We will publicly announce more details about these appointments shortly.

Governance

Office for Legal Complaints (OLC)

7. We are in ongoing discussions with OLC / LeO as they progress proposals for their budget, scheme rules changes and scheme transformation review (STR). The Board will consider these items at the November Board meeting. Criteria for assessment of the scheme rules changes have been shared with the Board and criteria for assessment of the STR has been shared with a Scheme Transformation Challenge Panel made up of a subset of Board Members.
8. The voluntary assurance letter arising from the OLC's September board meeting was received on 5 October and is attached at Annex A.

Solicitors Disciplinary Tribunal

9. A paper setting out the SDT 2027 budget application for approval is the subject of a separate item at this meeting.

Legal

Post Office

10. We met with the BSB on 12 October to discuss the status and progress of their investigations and our next meeting with the SRA will take place on 23 October. Two live cases are before the Solicitors Disciplinary Tribunal – including <https://www.lawgazette.co.uk/news/former-post-office-gc-allowed-to-face-tribunal-remotely/5128119.article> one involving a former Post Office solicitor.
11. After the last Board meeting, our exchange of letters with the Horizon Compensation Advisory Board (HCAB) highlighting the lack of equivalence to the SRA of the BSB's information gathering powers [has been published by the HCAB](#). As stated previously, we intend to examine the adequacy of regulators' powers to regulate effectively in the public interest as part of our three-year strategy.

Regulatory Developments

Research

12. Fieldwork with legal services providers is underway for our Use of Technology and Innovation Survey which will conclude by this December. We anticipate publishing the results of the survey in Spring 2027.
13. We are finalising the Small Business Legal Needs Survey report and expect to publish it shortly. We have been engaging with the Small Business Commissioner, the British Chambers of Commerce and the Federation of Small Businesses to discuss the findings.

Regulatory Oversight Update

Regulatory Performance Update

14. Following receipt of Annual Regulatory Returns from regulators in mid-October, we are carrying out risk assessments under our new risk-based approach to determine next steps. These will inform a recommendation to Board in November on performance assessment and review activity.
15. The fourth meeting to monitor the BSB's performance against the Voluntary Undertakings took place on 12 October 2026. The BSB's updated tracker is attached at Annex B.
16. The BSB is considering bringing a proposal to vary the undertakings. Specifically, it is proposing a segmented approach to measuring the timeliness of its investigations function, including new targets for different types of cases. This would require Board approval before it could have effect. The other substantive item discussed at the meeting was the BSB's work with BTAS on agreeing an end-to-end target for the duration of cases which progress through the Disciplinary Tribunal. We will keep this under review as part of our monitoring of the Voluntary Undertakings.
17. Our regulatory action in respect of the SRA is the subject of a separate agenda item at this meeting.

Technology

18. The applications portal for the AI Growth Lab closed on 27 September, and submissions are now being reviewed to decide which suppliers will proceed to the growth lab to test their products. Decisions will be made during November, and the lab will launch in December.
19. The LSB's Innovation and Technology Forum on 24 September, included presentations on a range of topics: the CLC's Regulators Pioneer Fund project - delivering the first framework for digitising property data; the Ministry of Justice's internal use of AI; and, the Consultative Committee of Accountancy Bodies (CCAB) Ethics Group's development of an AI Hub.
20. The LSB attended an AI Regulatory Roundtable for Professional Business Services (PBS) at Accenture on 15 October. Hosted by Lord Willetts and Shaheen Sayed, discussion focused on how the UK PBS sector can maximise AI's potential and how Government, regulators and industry can work together to build trust and enable responsible AI adoption.
21. The LSB will be presenting alongside the SRA and BSB at the Westminster Legal Policy Forum on the next steps for legal technology and innovation in legal services on 20 October.

Strategy, Business Plan & Budget

22. We have continued to develop the 2027-2030 three-year strategy and 2027/28 Business Plan following the September Board strategy session. ARAC considered draft budget options for 2027/28 at its meeting on 6 October which are being refined for further consideration at ARAC's November meeting. The draft three-year strategy and 2027/28 Business Plan for consultation, will be considered at the November Board meeting.

Statutory Decisions

23. Since the last update, we have approved the application from the SRA in relation to contributions to its compensation fund increasing as well as changing the apportionment of contributions between individuals and solicitors.
24. We have approved three practising fee applications. The first from ICAEW for a 1% increase to practising fees. The second from the Master of the Faculties proposing no change to fees relative to 2025/26. The third from the CLSB for an increase of 4%.
25. We have issued an exemption direction to ICAEW relating to its new organisational structure.
26. We are currently considering two applications. The first is an application from the CLC for contributions to its compensation fund proposing to increase contributions by 6%. The second is an application from the ICAEW in relation Continuing Professional Development. We are also considering a practising fee application from CLC for a 4% increase to practise fees and an increase to admin charges and an exemption direction from the SRA relating to fining powers for economic crime.
27. Regulators have been submitting their action plans describing their approach to implementing Outcomes 1-3 of the Statement of Policy on Professional Ethics and Rule of Law and these are being reviewed.

Review of guidance to the profession on the reserved legal activities

28. In the [Conduct of Litigation guidance review report](#), we undertook to carry out a review of the approved regulators and regulatory bodies' guidance on the other reserved legal activities. This is to help identify, and if necessary resolve, any issues regarding the consistency of guidance by regulators in relation to specific reserved legal activities. We have drafted the scope of the review and conducted initial desk research to identify relevant guidance material. We intend to write to regulators with the final scope and publish it shortly thereafter.

Consumer Protection

29. Following the publication of the consumers and AI research earlier in the year, we have been exploring how to raise awareness of the findings through engaging with consumer-focused organisations. We are seeking views from the LSCP in this regard.

30. We are also taking steps towards; undertaking further research into consumer harms arising from AI use; monitoring emerging risks more effectively, and, considering how to develop the evidence base (including by convening stakeholders) to inform our work exploring regulatory levers to better safeguard consumers.
31. I met the SME & Boutique Law Firm Alliance earlier this month to hear their perspective on the SRA's decision to pause the implementation of rule changes in relation to the separation of compliance officer roles. The SRA has committed to actively consulting with stakeholders on potential options with a view to making necessary changes to its approach and achieving the objective of strengthening consumer protection in a proportionate way. We are engaging with the SRA closely on next steps. In addition, we continue to engage with the SRA as it reviews responses to its consultation on third party litigation funding.
32. In relation to legal professional privilege, the High Court has granted the SRA permission to appeal the Carter-Ruck ruling and issued a leapfrog certificate to take it to the Supreme Court. As the Board is aware, the High Court ruled last month that the SRA cannot require the production of privileged documents from law firms without a waiver from the client. We are in close dialogue with the SRA on this matter, and have also undertaken an assessment of the extent to which other regulators may be impacted.

Collaboration and Engagement

International Conference of Legal Regulators 2026

33. The Chair spoke at the International Conference of Legal Regulators, delivering the [opening address](#) on 28 September 2026 and [closing address](#) on 30 September 2026. This year the conference took place in London. I chaired a panel discussion exploring the scope of regulation and the Director, Strategy, Policy and Engagement took part in a [panel discussion on the unregulated market, access to justice and AI](#).
34. Participation enabled us to share our research on unmet legal need and consumers' expectations of AI and compare approaches with regulators facing similar challenges. The discussions highlighted the importance of understanding risks from the consumer's perspective, including where legal help falls outside traditional regulatory boundaries, and using existing powers effectively while longer-term reforms are considered. Both are directly relevant to our PBR response and emerging three-year strategy. The conference also provided opportunities to exchange evidence and establish contacts for further discussion of approaches used elsewhere. We will draw on this learning as we develop our priorities for consumer protection, proportionate oversight and innovation in the public interest.

Annual Conference 2027

35. We have moved our annual conference to 19 May 2027. It will provide an opportunity to launch our new three-year strategy and bring regulators, consumer representatives and others together to discuss shared challenges and

risks, and where joint action can make a difference. We plan to develop the event with the Legal Services Consumer Panel and frontline regulators, with a programme focused on practical ways to strengthen consumer protection and serve the public interest. Work on the programme is underway, and we will share further details in the New Year.

Institute of regulation Podcast

36. The Chair recently joined Marcial Boo, Chair of the Institute of Regulation, and Alan Clamp, Chief Executive of the Professional Standards Authority, for the [Institute's podcast on oversight regulation](#). They discussed how we assess frontline regulators' performance, support improvement and decide when stronger action is needed to protect consumers and the public. Comparing our approaches brought out the importance of understanding risks, acting early and combining constructive relationships with independent scrutiny. These are central to the changes we are making at the LSB.

Meeting Schedule

The following senior-level meetings took place between 5 September and 9 October 2026

Date	Meeting	LSB
8 Sept	LSB/Bar Council CEO meeting	CEO
9 Sept	LSCP away day	Chair
10 Sept	LSB/CILEx CEO meeting	CEO
10 Sept	MoJ quarterly catch up	Chair
10 Sept	LSB/FRC Chair/Chair intro	Chair
10 Sept	LSB/Citizen's Advice Chair/Chair intro	Chair
14 Sept	LSB/CRL CEO meeting	CEO
15 Sept	CLLS Conference	CEO
16 Sept	LSB/BSB CEO meeting	CEO
17 Sept	Legal Services Regulators CEO Forum	CEO
17 Sept	LSB/LSCP Chair/Chair mtg	Chair
18 Sept	LSB/MoJ quarterly catch up	CEO
21 Sept	LSB/SRA catch up	CEO
22 Sept	LSB/Bar Council Commissioner for Conduct	CEO
24 Sept	LSB/MoJ oversight meeting	CEO
28-30 Sept	ICLR conference	Chair & CEO
1 Oct	Opening of the Legal Year	Chair & CEO
6 Oct	LSB/SRA meeting	CEO
6 Oct	SDT Challenge Panel	CEO
6 Oct	Board application sifting meeting	Chair
7 Oct	LSB/SRA	CEO
7 Oct	LSB/IPReg CEO meeting	CEO
7 Oct	LSB/ASA (AI Horizon scanning capability)	CEO

8 Oct	SME&B Law Firm Alliance, Law Society & LSB discussion re COLP/COFA	CEO
8 Oct	LSB/ICAEW CEO meeting	CEO

Annexes

Annex A: OLC voluntary assurance letter

Annex B: BSB VU tracker

Annex C: Dashboard on regulatory oversight

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