

To:	Legal Services Board		
Date of Meeting:	28 February 2019	Item:	Paper (19) 08

Title:	Chief Executive's progress report – February 2019		
Workstream(s):	All		
Author:	Neil Buckley, Chief Executive		
Introduced by:			
Status:	Official		

Summary:

This paper updates Board Members on key developments across the organisation since the 23 January 2019 meeting. The Board's attention is drawn, in particular, to the following matters on which updates are provided:

- Latest developments in relation to Board Member, OLC Board Member and Legal Services Consumer Panel Member appointments;
- Latest developments in relation to the office move;
- [REDACTED];
- An update on the LASPO Part 1 Post-Implementation Review;
- The latest developments in relation to EU exit.

Annexes:

Annex A: OLC voluntary assurance letter
 Annex B: [REDACTED]
 Annex C: Horizon-scanning report
 Annex D: Summary of the LASPO Part 1 Post-Implementation Review

Recommendation:

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

Risks and mitigations

Financial: N/A

Legal: N/A

Reputational: N/A

Resource: N/A

Consultation	Yes	No	Who / why?
Board Members:		✓	Routine report
Consumer Panel:		✓	Routine report
Others:	N/A		

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
Summary box: third bullet point; Para 11, second and third sentences; Para 13; Para's 20-23 Annex B	Section 36(2)(b)(c): Information likely to inhibit the free and frank provision of advice and exchange of views for the purposes of deliberation and likely to prejudice the effective conduct of public affairs	
Para 5, first and second sentences	Section 40: personal information	
Para 7-10; Para 31	Section 42: information subject to legal professional privilege	

CHIEF EXECUTIVE'S PROGRESS REPORT – FEBRUARY 2019

Ministry of Justice (MoJ) matters

Appointment matters

LSB Board members

1. Interview took place at the LSB's offices on 21 and 22 January 2019 and a submission was subsequently put to the Lord Chancellor concerning the recommended candidates for appointment. At the time of writing, the Ministry of Justice was awaiting the Lord Chief Justice's approval prior to confirming the appointments.

OLC Board members

2. A press release announcing the appointment of Rod Bulmer and Shrinivas Honap as lay members of the OLC Board was published on 21 January – Rod and Shrinivas will take up post on 1 April 2019.

LSCP members

3. Final panel interviews took place on 10 and 11 January 2019 and at its meeting on 23 January, the Board agreed the recruiting panel's recommendations as to the candidates for appointment. The Board Chair wrote to the Lord Chancellor requesting approval on 25 January and a response was received on 20 February. Offer letters will be sent to the successful candidates during w/c 25 February.

Other sponsorship matters

4. The Chair wrote to the Permanent Secretary on 12 February regarding arrangements for my succession, and it is hoped that the search will be launched in w/c 25 February. There will be MoJ representation on the recruiting panel, and there will also be an independent member (Lambert Allman, who assisted with the recent OLC appointments).

Colleague and organisation matters

5. [REDACTED] Research Manager, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]. Recruitment has begun to find his successor.

6. Paul Nezandonyi joined us as part-time interim communications adviser on 4 February. Melanie Stewart joins us on 11 March as Head of Finance.

Governance

Office move

7. Commercial search - [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]. Once we have completed the shortlisting process we will invite Board members who are interested to join for viewings and provide more details on the options.

8. Government property search [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].

9. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

10. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Office for Legal Complaints

11. Marina and I attended part of the OLC's January board meeting to observe its discussion of performance matters, in line with our voluntary assurance agreement. [REDACTED]
[REDACTED]
[REDACTED]. [REDACTED]
[REDACTED]
12. The latest Voluntary Assurance letter was received at the end of January and is attached at **Annex A**.
13. [REDACTED]
[REDACTED].
14. The Permanent Secretary has provided his consent to a merger of the Chief Executive and Chief Legal Ombudsman roles. A new Director of Corporate Services role will be created to support the new combined CLO/CEO.
15. The Legal Services Consumer Panel has agreed to produce a short paper setting out initial thoughts about potential alternative approaches to delivery of legal complaints handling by the Legal Ombudsman. This paper would then form the basis of a stakeholder workshop including the Legal Ombudsman which the LSB would facilitate. We have asked for the paper by the end of March and this will sit alongside the planned briefing paper on the wider ADR landscape which the Board is due to consider at its April meeting. This topic will also be the principal focus of the Board-to-Board meeting with the OLC on 18 June 2019.

Regulatory developments

Horizon scanning

16. The horizon scanning report can be found at **Annex C**.

LASPO Post-Implementation Review

17. A summary of the LASPO Part 1 Post-Implementation Review and the associated legal support vision document has been provided at **Annex D**. A review of Part 2 of LASPO, which implemented reforms to civil litigation funding following the Jackson Review, was published at the same time. However, aside from the ban on referral fees in personal injury cases, this has few regulatory implications.

18. Stakeholder reaction to the review has been somewhat mixed. The Law Society was pleased that the MoJ's proposals reflected many of its recommendations, although it called for urgent attention to amending the means test thresholds and called for a review of solicitors' remuneration rates for civil and criminal work. Bob Neill, chair of the Justice Select Committee, said that the review contains positive proposals but considered that in several key areas the proposals for further reviews and pilots risk being seen as "kicking the can down the road". Richard Burgon, Shadow Justice Secretary, labelled the review as a "missed opportunity". Similarly, the Bar Council called it a "wasted opportunity" that offered "little of substance". CILEx said the review was a "placeholder" ahead of the Treasury's spending review and criticised the "vague promises of reviews" and "meagre sums" to improve signposting.

SRA Leigh Day litigation

19. As discussed at the January Board, a meeting took place with the SRA to discuss lessons learnt from the Leigh Day litigation and appeal. An oral update will be provided on the outcome of this meeting.

[Redacted]

20. [Redacted]
[Redacted]
[Redacted]

21. [Redacted]
[Redacted]
[Redacted]
[Redacted]

22. [Redacted]
[Redacted]
[Redacted]

23. [Redacted]
[Redacted]
[Redacted]

EU Exit

24. At the time of writing we were due to issue a blanket Exemption Direction in respect of regulatory changes that approved regulators may need to make in

the event of a no deal EU exit scenario. A further update will be provided at the Board meeting. The exemption will mean that any changes required as a consequence of a no deal exit can be exempted from the LSB's rule change process (we have issued such exemptions before, for example, in respect of changes related to internal governance). The LSB will check beforehand whether any proposed no deal changes fall within the exemption. A draft copy of the exemption has already been circulated to approved regulators, so they will be as prepared as they can. It is mainly the SRA and BSB that are affected.

25. The LSB wrote to MoJ on 22 January 2019 (at the MoJ's request) outlining what we have done to date regarding preparedness for EU Exit and also summarising responses from regulatory bodies on their own preparations. At the time of writing, the MoJ have not replied to our letter.

26. MoJ pressed the SRA hard at a roundtable meeting (22 January) on what more regulators could do to prepare and communicate with their professions. As an extra mitigation and in response to the MoJ's concerns, an LSB/SRA/BSB CEO level meeting has been arranged for early March to further discuss preparations for a no deal scenario.

Public Legal Education

27. Following a vision statement on Public Legal Education (PLE) made by the Solicitor General on 31 October 2018, the Chair and I met with the Solicitor General on 5 February 2019. At this very positive meeting, the LSB was invited to participate in the next session of APPG on Public Legal Education and Pro Bono in conjunction with the APPG on the Rule of Law's meeting to present our research to date [date tbc]. The LSB will join other PLE representatives including those from: Citizenship Foundation, The Law Society, Bar Council, CILEX, Magistrates' Association, Ministry of Justice, Judicial Office, Solicitors Regulation Authority, Citizens Advice, Law for Life, Bingham Centre for the Rule of Law, Youth Access and Law Centres Federation.

Research

28. The main developments since the last Board meeting are as follows:

- Fieldwork for the individual legal needs survey has begun

- We have provided EHRC with analysis of the previous individual legal needs survey for its statutory inquiry on legal aid for victims of discrimination

Statutory decisions

29. Since the last CEO report, the LSB has approved the practising certificate fee application by the Bar Council. The PCF has increased in large part due to the costs of securing a new office lease in 2019. Within this overall increase, there has been a reduction in the PCF for those earning below £30k, with the PCF remaining stable for those earning above £30k and the creation of two new higher income bands, with an increase in fees for the minority of practitioners in those bands, to take account of the increasing pay gap in earnings at the bar.

30. At the time of writing there were two live statutory decision applications being considered: (a) a rule change application from the BSB for changes to its Qualifications rules related to its Future Bar Training proposals, which we expect to make a decision on by 27 February and (b) a rule change application from CLSB for the approval of new regulatory arrangements in respect of the proposed introduction of a Costs Lawyers Competency Assessment.

Legal issues

31. [REDACTED]

Judicial Review – ICAEW v Lord Chancellor

32. We are still awaiting judgment.

Communications and external engagement

33. Further to the Board's consideration the LSB's Communications strategy at its January meeting, this has now been finalised and circulated to colleagues. The LSB's interim communications advisor, Paul Nezandonyi will be working to implement the new strategy.

34. The LSB has contributed an article to the next issue of Modern Law Magazine, focusing on the LSB's statutory decision-making role. The article, written by the LSB's regulatory policy manager Paul Greening, will appear in the March issue of the magazine.

35. The following is a list of mine and the Chair's meetings with stakeholders since the Board meeting at the end of January, as well as those currently scheduled until the next meeting in March 2019:

Stakeholder Engagement: 23 January- 26 March 2019		
Date	LSB	With
29-Jan	Chief Executive	CEO, OLC
31-Jan	Chief Executive	CEO, SRA
31-Jan	Chief Executive	CEO, OLC
01-Feb	Chief Executive	CEO, CLC
05-Feb	Chair, Chief Executive	Solicitor General (PLE)
11-Feb	Chair	Legal Tech 3-way, TLS, SRA
20-Feb	Chair, Chief Executive	CEO, Chair - CLSB
22-Feb	Chief Executive, Head of Policy Development and Research	Commission on Justice in Wales
01-Mar	Chair	CEO, Magistrates Association
04-Mar	Chief Executive	CEO, TLS
11-Mar	Chief Executive	Small Business Commissioner
12-Mar	Chair	Chair, LSCP
25-Mar	Chair	Director of Public Prosecutions
13-Mar	Chief Executive	CEO, CLC
13-Mar	Chief Executive	CEO, SRA
14-Mar	Chief Executive	Yorkshire Union of Law Societies
15-Mar	Chief Executive	CEO, BSB
18-Mar	Chief Executive	CEO, ICAEW
19-Mar	Chair, Chief Executive	Chair & CEO, CILEx
25-Mar	Chief Executive	CEO, OLC