



Meeting: Legal Services Board, 19 January 2021
Item: Paper (21) 01 - CEO Progress Report – January 2021
Introduced by: Matthew Hill, Chief Executive
Status: Official

Introduction

This paper updates Board Members on key developments across the organisation since the 2 December 2020 Board meeting.

Recommendation

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

Annexes

- Annex A** – News round-up
- Annex B** – Letter from the Lord Chancellor regarding State of Legal Sector Report

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

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

CEO Progress Report – January 2021

Ministry of Justice (MoJ) matters

Appointment matters

LSB Board members

1. Interviews for one new lay member of the LSB Board to take up appointment on 1 April 2021 took place on 1 December 2020. The submission to the Lord Chancellor is being considered and we are hoping for an outcome soon.

Colleague and organisation matters

Staffing

2. In mid-March we will be welcoming a new Regulatory Associate in the statutory decisions team. Whilst this recruitment process was targeted at filling the role in the statutory decisions team, we attracted a very large and strong field of applicants and as a result, we were also able to fill a further vacancy that came about during the recruitment campaign. We therefore have a further Regulatory Policy Associate joining on 1 February. This individual is currently a Senior Complaints Officer at another regulator.
3. The news of a third England-wide lockdown in early January has meant that we have had to apply additional caution in relation to use of the office – the office remains open, but is only available for individuals if there are exceptional circumstances. We are working with parents who have been impacted by school closures, to ensure that they are fully supported during this exceptionally challenging period. We are monitoring the impacts on work plans in live-time, however some reductions in overall resourcing levels are inevitable.

Governance

Office for Legal Complaints

4. The new Chief Ombudsman and Chief Operating Officer both start this month.
5. Work to follow up points of clarification arising the OLC's in-year budget variation application has been completed and a note was circulated to Board on 21 December 2020.
6. The Head, Policy Development and Research attended two of the OLC's stakeholder events on its draft business plan and budget for 2021/22.

Regulatory developments

News round-up

7. The news round-up is included at **Annex A**.

Strategy and business plan

8. The consultation on the draft strategy and business plan was published on 9 December 2020 with a closing date of 5 February 2021. We are holding a webinar on 14 January 2021 to share the findings of our State of Legal Services 2020 report, and our the draft strategy for the sector. A further stakeholder event is scheduled for 27 January 2021 focused on our practical plans for 2021-22.
9. We were pleased to receive a letter from the Lord Chancellor congratulating us on the State of Legal Services 2020 report, see **Annex B**.

Research

10. Research with the LSB's Public Panel on quality indicators has been completed and is considered elsewhere on the agenda.
11. In line with our business plan commitment, following a successful procurement exercise Professor Pascoe Pleasence, supported by Catrina Denvir (Associate Professor at Monash University), has been appointed to review and update the small business legal needs survey.
12. Work has continued developing a consumer segmentation model using cluster analysis based on the individual legal needs survey. The team met with Board member Catherine Brown in January.
13. A citizen jury-style research approach using the LSB's Public Panel has been agreed to support our work on ongoing competence and the fieldwork will begin shortly.
14. A procurement exercise is ongoing for a literature review of legal services regulatory interventions that promote diversity and inclusion.
15. The team continues to support the joint project with Lawtech UK, which aims to understand the legal needs and experiences of small and medium sized enterprises. The fieldwork will complete in the coming weeks.
16. As set out in the draft business plan 2021/22, we have deferred planned research on the ethical implications of developments in technology since this would be better carried out in a face-to-face environment once Covid-19 restrictions have lifted. We plan to reallocate the budget to carry out research with LSB's Public Panel on legal expenses insurance. Further, we plan to profile the Public Panel members to support future research exercises with them.

Statutory decisions

17. Since my last report, the LSB has issued an exemption to CILEx Regulation in relation to its compensation arrangements. In addition, the LSB has approved PCF applications from CILEx Regulation and IPReg.
18. At the time of writing, the LSB is considering an application from the SRA in relation to Higher Rights of Advocacy and an application from ICAEW in relation to its Disciplinary Bye-Laws. The LSB is also considering a PCF application from the Bar Council / BSB.

Regulatory Performance

19. The annual performance assessment report for the regulatory bodies was published on 21 December 2020. This report includes assessments of the regulatory bodies' and approved regulators' progress on outcome Well-Led 7: Regulatory Independence delivered by the IGR.
20. The reviews of the BSB and Faculty Office under the "well-led" standard of the LSB's performance framework are continuing according to schedule, with interim reports due to be sent to the regulatory bodies later in January. Prior to this, three Board members will be forming a challenge panel to test the analysis and assumptions made by the Executive.

Ongoing competence update

21. We are finalising the summary of submissions and findings report from the call for evidence which will be published in January 2021. The Hook Tangaza review of ongoing competence approaches in other jurisdictions is progressing well and we expect to receive the draft report shortly and plan for publication in February. This is in addition to the work we are undertaking with the public panel, as noted in the research update. We will be providing members of the panel with information from the call for evidence and asking whether the current approach to ensuring ongoing competence in the legal services sector gives them confidence in the competence of legal professionals and if not, what should change.

Communications and stakeholder engagement

Stakeholder relationship management system

22. Following the publication of the State of Legal Services 2020 report in November 2020, the stakeholder management system was used to share our consultation on the draft strategy and business plan 2021-22 with over 1,000 stakeholders.
23. Contact Us has successfully finished its three-month trial using the stakeholder relationship management system and has moved to this permanently.
24. Our second re-launched newsletter was sent in December, to a growing list of opt-in subscribers. We continue to promote sign-ups on social media and through our interactions with stakeholders.

State of Legal Services webinar

25. On 14 January 2021, the LSB hosts a webinar for stakeholders on the State of Legal Services 2020 report, and the draft strategy currently out for consultation. People from across the legal spectrum have signed up, including ARs/RBs, legal tech organisations, academics, representative bodies and advice groups.

'Out of London' Board meetings

26. Building on the well-attended remote 'out of London' Board meeting held in October 2020 with representatives from the legal sector in Liverpool, the Board agreed to

arrange regular meetings on themed topics with a regional focus. Stakeholders with an interest in our work will be welcome to attend.

27. Topics will be aligned to the new strategy and new strands of work being developed. Where possible we will aim to time discussions to take place ahead of a Board meeting where specific policy matters are being considered, to give the Board additional insight into the factors that should be taken into account in decision-making.
28. We intend to continue holding these events remotely. A plan for rolling out these meetings is outlined below:

Date	Region	Potential topic
15 April 2021	Wales	Launch of the new strategy for the legal sector
8 June 2021	West Midlands	Technology
21 September 2021	East of England	TBC
30 November 2021	Yorkshire and the Humber	TBC

External events

29. On 10 December 2020 the Head, Performance and Oversight was a keynote speaker at a Westminster Legal Policy Forum (WLPF) event on diversity and inclusion in the legal profession. They also chaired a panel discussion at the event which focussed on regulation and approaches for recruitment.

Government Communication Service

30. Colleagues at the Ministry of Justice have shared proposals to reshape the Government Communication Service (GCS). A key aim is to bring communication professionals together under a 'single employer' so they are employed by a single organisation rather than, as now, their different departments and organisations. It also aims to develop more shared capabilities and more emphasis on learning and sharing best practice.
31. As part of this, the Cabinet Office is keen to understand the shape of communications teams and the range of activity across Whitehall and arms length bodies (ALBs). However, our understanding is that proposals will affect ALBs in different ways. Non civil servants will not be included in scope for the single employer element, but other parts of Reshaping GCS, such as strengthened training offers, introducing a 'licence to practise' and bringing together public service campaigns, may be on offer.
32. We intend to co-operate with the programme where appropriate, recognising the context of the LSB's independence.

Meeting schedule (2 December to 19 January)

33. Since the last Board meeting, there have been nine external meetings, including three with approved regulators/regulatory bodies, plus the State of Legal Services external webinar.

4-Dec	The Law Society	Chief Executive
9-Dec	Office for Professional Body Anti-Money Laundering	Chief Executive
10-Dec	Judicial Diversity Forum	Chair
15-Dec	Council for Licensed Conveyancers	Chair and Chief Executive
15-Dec	The Law Society	Chair and Chief Executive
5-Jan	Office for Legal Complaints	Chair
12-Jan	Association of Consumer Support Organisations	Chair
12-Jan	Lawyers in Local Government	Chair
12-Jan	Society of Legal Scholars	Chair
14-Jan	State of Legal Services 2020 webinar	Chair and Chief Executive