

<b>To:</b>	Legal Services Board	<b>Agenda item:</b>	15
<b>Date of Meeting:</b>	28 April 2017	<b>Item:</b>	Paper (17) 30

<b>Title:</b>	Chief Executive's update – April 2017
<b>Strategic theme</b>	All
<b>Author / Introduced by:</b>	Neil Buckley, Chief Executive neil.buckley@legalservicesboard.org.uk / 020 7271 0057
<b>Status:</b>	Official

<b>Summary:</b>
<p>This paper updates Board Members on key developments across the organisation since the 23 March 2017 meeting. The Board's attention is drawn, in particular, to the following matters:</p> <ol style="list-style-type: none"> <li>a. The purdah period for the General Election is likely to impact upon the process for the recruitment of the LSB Chair.</li> <li>b. It was expected that the announcement of the appointment of an interim Chair would take place in the week of 24 April.</li> <li>c. Arrangements for our relationship with MoJ have changed, with our day to day 'assurance partnership' managed through the Arms Length Body governance team.</li> </ol>

<b>Recommendation(s):</b>
The Board is invited <u>to note</u> this report.

<b>Risks and mitigations</b>
<b>Financial:</b> N/A.
<b>Legal:</b> N/A.
<b>Reputational:</b> N/A.

Consultation	Yes	No	Who / why?
<b>Board Members:</b>		✓	Routine report
<b>Consumer Panel:</b>		✓	Routine report

<b>Freedom of Information Act 2000 (Fol)</b>		
Para ref	Fol exemption and summary	Expires
Para 3,	Section 36(2)(b)(i): information likely to inhibit the free and frank provision of advice	

Para 5 – second sentence		
Para 8	Section 36(2)(c): information likely to prejudice the effective conduct of public affairs	After purdah

## LEGAL SERVICES BOARD

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### CHIEF EXECUTIVE'S UPDATE

1. The key development since the last Board meeting has been the decision to hold a General Election on 8 June. This will have implications for a number of our planned activities as we will need to apply the purdah requirements.

#### **Ministry of Justice (MoJ) matters**

##### Appointments matters

2. The MoJ offered the interim Chair post to Dr Helen Phillips, who has accepted and is due to take up the interim role from 1 May 2017. As at the time of drafting, we are expecting the Ministry to announce this appointment in week beginning 24 April 2017. The Ministry confirmed that this does not represent a second term of office for Helen. The appointment will run until a permanent Chair is appointed. A paper seeking Board agreement to a proposal for the composition of Remuneration and Nomination Committee (RNC) for the interim period, in light of Helen's appointment as interim Chair, will be circulated out of Board.

3. [REDACTED]

4. The Board will be aware that Wanda Goldwag was confirmed as OLC Chair following her appearance at the Justice Select Committee on 22 March. She took up post on 1 April 2017.

##### Other sponsorship matters

5. The outcome of the Tailored Review will be discussed elsewhere on this agenda with Alison Wedge from the MoJ coming to talk to the Board. [REDACTED]

6. Since the last meeting, arrangements for our relationship with the MoJ have changed. Our day to day assurance partnership (note new terminology) will now be managed through the Arms Length Body governance team within MoJ, which is led by Alison Wedge, although our pre-existing policy contacts will remain close to us for strategic policy partnership matters. I will be meeting Alison and her team in early May to discuss what these new arrangements will mean in

detail.

7. Last month I reported that we had met MoJ to undertake the annual impact and support analysis exercise. Whilst MoJ has not yet confirmed the outcome formally, we have been advised informally that the LSB will continue to be considered a level one low risk body to MoJ.

8. [REDACTED]

## **Governance**

### Office for Legal Complaints (OLC)

9. I discussed the Board's position as regards future OLC performance assurance reporting with Nick Hawkins, LeO CEO, on 4 April. The suggested approach was well-received and I requested a proposal that would address the following aspects of performance reporting by the end of this month, in order to avoid the Board needing to consider further Section 120 reporting requirements:

- information about the Legal Ombudsman's performance being rapidly put into the public domain on a regular basis;
- the OLC to continue to provide comprehensive information on scheme performance to the LSB through OLC Board papers and minutes;
- the OLC to consider what additional reporting it could provide to the LSB to enable the Board to be assured of the OLC's performance in administering the LeO scheme.

10. The Chairman met Wanda Goldwag, OLC Chair, on 11 April where initial indications were that she was also content with the revised approach to performance assurance reporting.

11. A further discussion took place between respective executive teams to allow LeO to explain their plans for revised performance reporting, including the development of a revised balanced scorecard more closely aligned to their new strategy (the latter due for publication on 20 April). As their work progresses we will ensure that there is direct engagement with Board members as appropriate.

12. I will be meeting the Nick Hawkins, LeO CEO and Alison Wedge of MoJ for what we expect to be one final meeting on the tripartite operating protocol so that it can be concluded. I expect that this will also include discussion on how best to co-ordinate respective assurance requirements.

### **Staffing and organisation matters**

13. Thank you to Marina Gibbs for attending the April Colleague Forum and providing feedback from the Board meeting. This will be a useful way of colleagues seeing more of Board members and we will think a little more about how to make these sessions more interactive.

14. Thank you also to everyone who completed the LSB's equality and diversity survey. At the time of drafting the survey was just about to close and I will provide an update on the response rate in the meeting.

15. Work is well underway as regards our end of year external audit.

16. We have welcomed one new colleague since the last Board meeting, Lau Ciocan has joined the Consumer Panel team as Consumer Panel Associate. We have also had one resignation and will say goodbye to Antonet Abbink, Corporate Affairs Associate, at the end of April. Recruitment continues for an Apprentice Administrator and Regulatory Associate.

### **Regulatory developments**

#### Research

17. The main developments since the last meeting are:

- Finalised research reports and animations for the vulnerable consumers research have been received in anticipation of a planned launch to coincide with Mental Health Week over 8-14 May. The Board is discussing the reports and our associated communications activities elsewhere on the agenda
- The fieldwork for the small business and prices research projects are both at advanced stages and should be completed shortly
- The investment research has completed, and we had planned to publish in mid-May. The Board is discussing this elsewhere on the agenda.

18. Publication decisions will be made once we have considered purdah guidance.

#### Statutory decisions

19. Since my last report, we have issued three exemption directions:

- The Bar Standards Board Handbook, Part 2, Section C, rC21 - accepting instructions

- BSB’s regulatory arrangements, Handbook removal of references to “Qualifications Committee” and the “Pupillage Funding Committee”; and updated reference to European Communities (Recognition of Professional Qualifications) Regulations
- BSB’s regulatory arrangements, which clarify the drafting in respect of a BSB regulated individual acting in judicial or quasi-judicial capacity.

20. The BSB submitted a new application to alter its Disciplinary Tribunal regulations on 11 April and we have until 8 May to make a decision or extend the decision period.

21. We have completed the assessment of the ICAEW designation application to become an approved regulator and licensing authority for additional reserved legal activities. This will be discussed by the Board in today’s meeting.

*UK Regulators Network – annual conference*

22. UKRN is holding its annual conference on 19 June in London. It is a full day event and is open to everyone at the UKRN member regulators. It is an opportunity to share the latest thinking on regulatory and wider developments, as well as networking with colleagues at other regulators and increasing awareness of UKRN’s activities. Please let me know as soon as possible if you would be interested in attending, as space is limited.

**Communications and external engagement**

23. On 29 March, the Lords Select Committee on the Constitution held its annual evidence session with the President and Deputy President of the Supreme Court. During the hearing, Baroness Hale remarked on the LSB’s views as set out in our ‘Vision for Legislative Reform’, in the context of a question to her about the rule of law. The Chairman wrote to Baroness Hale (with a copy to the Chairman of the Select Committee) to reassure her that the LSB believes the rule of law is of vital importance, and that it does not believe that the independence of the legal profession conflicts with consumer interests.

24. Our programme of stakeholder outreach continues and we have been particularly pleased with the positive response we have had from a number of peers. The table below shows external meetings since the last Board meeting and those scheduled to end of the month:

Regular meeting with SRA CEO	NB	24 March 2017
Introductory meeting with Devon and Somerset Law Society and local law society members (in Exeter)	NB	27 March 2017
Meeting with City of London Law Society	NB	28 March 2017
Regular meeting with CILEx Reg CEO	NB	29 March 2017
Introductory meeting with LawNet	NB	29 March 2017
Regular meeting with OLC CEO	NB	04 April 2017
Introductory meeting Lord Mackay of Clashfern	NB	05 April 2017

Meeting with Arden Partners	NB	10 April 2017
Regular meeting with BSB CEO	NB	10 April 2017
Meeting with Professor Hodges, University of Oxford	NB	10 April 2017
4-way meeting with the Association of Cost Lawyers	NB, MP	11 April 2017
4-way CMA meeting	NB, MP	11 April 2017
Regular meeting with CIPA CEO	NB	11 April 2017
Regular meeting with CILEx CEO	NB	18 April 2020
Meeting with Lord Faulks	NB	19 April 2017
Intro meeting with Julie Bishop, Law Centres Network	NB	24 April 2017
Meeting with Lord McNally	NB	24 April 2017
4-way BSB meeting	NB, MP	25 April 2017
Meeting with Baroness Hayter	NB	26 April 2017
Meeting with Cate Dealehr of Australian Legal Costing Group	NB	26 April 2017

**END**