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| To: | Legal Services Board | | |
| Date of Meeting: | 25 April 2019 | Item: | Paper (19) 19 |

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| Title: | Chief Executive's progress report – April 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 26 March 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 appointments;
- Latest developments in relation to the office move;
- An update in relation to the SDT's decision to seek our approval to switch to the civil standard of proof;
- An update on the CLSB complaint; and
- The latest developments in relation to EU exit.

Annexes:

Annex A: OLC voluntary assurance letter March 2019
Annex B: Horizon scanning report

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 |
| Names in Para 4 and 5 | Section 40: personal information | |
| Para 7, first sentence Para's 8 and 9 | Section 43(2): information likely to prejudice the commercial interests of any person | |
| Para 14, second sentence only | S36(2)(b)(i): information likely to inhibit the free and frank provision of advice | |
| Para 16 Para 20, names of people commissioned | Section 22: information intended for future publication | |
| Para 25-27 Para 28 | S36(2)(b)(i): information likely to inhibit the free and frank provision of advice Section 42: information subject to legal professional privilege | |

CHIEF EXECUTIVE'S PROGRESS REPORT – APRIL 2019

Ministry of Justice (MoJ) matters

Appointment matters

LSB Board members

1. The MoJ announced Board member appointments and a number of re-appointments on 15 April.
2. Work will commence with MoJ in the summer on the plans for replacing one lay member (Marina Gibbs) and one non-lay member (David Eveleigh) whose second terms of office end in March 2020.

LSCP members

3. Three members of the LSCP took up post on 1 April 2019 – David Abbott, Owen Derbyshire and Liz Owen. Paul Crook will take up post on 1 October 2019.

Other sponsorship matters

Colleague and organisation matters

4. As previously reported, [REDACTED] Regulatory Policy Manager and [REDACTED], Research Manager, will be leaving the LSB this month. I would like to thank them both for their outstanding contribution to the organisation, and to wish them the best for the future.
5. Following an external recruitment campaign, [REDACTED] currently Regulatory Policy Associate, has been appointed as Regulatory Policy Manager. The interviews for the new Research Manager took place on 15 April.
6. In relation to the CEO recruitment, the work remains on track – the shortlisting meeting is scheduled for 26 April, stakeholder panels will be held on 10 May, and the final panel interviews will be conducted on 13 May.

Governance

Office move

7. [REDACTED]
[REDACTED]. A meeting will be held after the Board meeting to discuss the preferred location. Once the Heads of Terms are agreed we will need to seek approval from the National Property Team of the Cabinet Office.

8. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

9. [REDACTED]
[REDACTED]
[REDACTED]

Office for Legal Complaints

10. The OLC's voluntary assurance letter following its March meeting, which has previously been circulated to the Board, is attached at **Annex A**.
11. The Chair held her annual appraisal meeting with the OLC Chair on 8 April. On the same day a 'six-way' meeting took place on 8 April attended by Helen Phillips, David Eveleigh, Marina Gibbs, Neil Buckley, Wanda Goldwag and Rebecca Marsh. The meeting included an update on performance as well as outlining the OLC's initial thinking in relation to potential alternative models that will be discussed in more detail at the board to board.

Solicitors Disciplinary Tribunal

12. The SDT has decided to seek our approval to switch to the civil standard of proof. The proposed rules would allow the President to appoint a lay chair, but the SDT has decided against tribunals being constituted with a lay majority. It has decided not to create a specific fitness to practise procedure, but encouraged the SRA to use powers already available to it to introduce such a procedure for its own processes.
13. A draft rule change application has been received. Should we approve the rule change application, a statutory instrument will need to be made to bring the rules into effect. The SDT's goal is that the rules should commence on 25 November 2019 to coincide with the date on which the SRA's new regulations will come into force.

14. We have started the process for reviewing our three-way memorandum of understanding with the SDT and the Law Society. [REDACTED]

[REDACTED]
[REDACTED] The MOU is due for renewal later this year.

Regulatory developments

Horizon scanning

15. The horizon scanning report can be found at **Annex B**.

16. [REDACTED]
[REDACTED]
[REDACTED]

EU Exit

17. The LSB issued a blanket exemption direction on 20 February, which allows approved regulators to make changes to their regulatory arrangements related to a no deal EU Exit, without the need make a rule change or exemption direction application. At the time of writing, there is no clarity as to when (if) the UK will leave the EU and on what terms.

18. We have been notified of two sets of changes, from the SRA and BSB. We reviewed and concluded that both fell within the scope of the blanket exemption. The SRA and BSB will of course only make the changes in the event of a no-deal exit.

Research

19. The fieldwork for the individual legal needs survey has been completed. This delivered the target sample of 25,000. YouGov has begun analysis of the data.

20. Five papers have been commissioned for the technology project

- International perspectives [REDACTED]
- Domestic comparisons [REDACTED]
[REDACTED]
- Blockchain [REDACTED]
- Legal education [REDACTED]

- Implications for the LSA regulatory framework [REDACTED]

21. Unfortunately the contractor for the paper on lessons from the history of regulating technology withdrew. We are considering options for the next phase of papers.

22. We will be recording podcasts with the authors to accompany publication of the papers. We expect to publish the first two papers in late May/early June.

Statutory decisions

23. Since the last CEO report, the LSB has approved an application from ICAEW to approve its amendments to ICAEW's Disciplinary Bye-laws and the Investigation Committee, Disciplinary Committee and Appeal Committee Regulation.

24. At the time of writing, there were six live statutory decision applications being considered:

- (a) 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 (the initial deadline has been extended);
- (b) a rule change application from SRA to amend the obligation to report serious breaches of regulatory arrangements (the initial deadline has been extended);
- (c) a rule change application from SRA to align the SRA Compensation Fund Rules and SRA Indemnity Insurance Rules with the recent Looking to the future reforms (the initial deadline has been extended);
- (d) a rule change application from MoF for the approval of amendments to regulatory arrangements in respect of notaries post-admission training and supervision;
- (e) a rule change application from the BSB for approval amendments to the BSB's regulatory arrangements in respect of new transparency rules (the initial deadline has been extended); and
- (f) an application for an exemption direction from CILEx Regulation to allow alterations to its exemption policy to include applicants who have successfully completed a Chartered Legal Executive Apprenticeship.

Legal issues

[REDACTED]

25. [REDACTED]
[REDACTED]

26. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

27. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

28. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Communications and external engagement

29. LSB communications activity since the last board meeting has continued at a steady pace. Between March and April, I spoke at the following events:

- NatWest Symphony Legal Spring Conference “Powering through uncertainty” on 18 March.
- Devon and Somerset Law Society Regulation and Compliance Conference on 20 March
- A meeting of the Cardiff and District Law Society on 1 April.

30. An article has been drafted for Modern Law Magazine on the topic of Diversity with the intention of publishing in MLM’s May issue.

31. The website design working group – a sub-group of the IT transformation – have been in ongoing discussions with our designers regarding a refresh of the corporate website.

32. A paper on plans for the 10th Anniversary will be presented to the 4 June Board meeting for comment and approval.

33. A list of mine and the Chair's meetings with stakeholders since the last Board meeting and those scheduled before the next is below:

| LSB Senior-Level Engagement | | |
|------------------------------------|---------------------------|-----------------------------------|
| Date | LSB | With |
| 1 April | CEO | RSM |
| 2 April | CEO | Bar Council |
| 8 April | Chair, CEO, David, Marina | OLC |
| 10 April | Chair | Society of Licensed Conveyancers |
| 10 April | Chair | CAFCASS |
| 23 April | CEO | Regulator CEOs Meeting |
| 7 May | CEO | CILEx |
| 14 May | Chair & CEO | SRA |
| 14 May | Chair & CEO | CIPA |
| 14 May | Chair | Mark Sweeney, MoJ |
| 17 May | Chair & CEO | BSB |
| 17 May | Chair & CEO | CILEx Regulation |
| 17 May | Chair | Law Commission |
| 20 May | CEO | OLC |
| 21 May | CEO | CLC |
| 10 June | Chair & CEO | TLS |
| 10 June | Chair & CE) | OLC |
| 14 June | CEO | BSB |
| 18 June | Chair, | Judicial Appointments Commission` |
| 18 June | Chair & CEO | SRA |