



Consultation by the Legal Services Board

Draft 2023/2024 Business Plan

Response from the Council for Licensed Conveyancers:

February 2023

Introduction

The Council for Licensed Conveyancers (CLC) welcomes this consultation from the Legal Services Board (LSB) on its Business Plan for 2023-24¹.

Overall the draft Plan sets out a broad and ambitious agenda and we would welcome some further indication of prioritisation and timelines for action and delivery.

The most pertinent example for the CLC relates to the Consumer Empowerment agenda. There has been a strong focus conveyancing and probate services. This was a very sensible place to start because of the volume of both those services and their highly commoditised nature which perhaps lends itself more easily to a data-driven approach to aiding consumer choice of provider. The sector has learned a great deal from that work so far and the Quality Indicators Pilot Report will soon add to the very useful and important insight that we always have.

Having made very significant progress in these two areas, there are now lessons that can be applied to other legal services where the need for better consumer information may now be more pressing even if more difficult to achieve because of the nature and delivery model of those services. Indeed, it may be those very features that mean that the need for better consumer information more urgent.

Now, the conveyancing sector is reaching a point where it has a shared vision of a transformed conveyancing process. Delivering that faster, more secure process that gives everyone involved greater confidence and certainty will require a great deal of effort across the sector.

For this reason, we would welcome an indication of how the LSB views the prioritisation of work on further consumer information developments. Transformation of the conveyancing process in the coming years is likely to be more beneficial to the consumer than incremental gains in consumer information.

We would also suggest that there are agents outside of the regulatory sector who may be best placed to make some of the significant improvements to certain legal services and rather than duplication of effort it may be that there are areas where LSB may wish to keep itself informed rather than lead given the range of issues covered.

¹ [LSB Draft Business Plan 2023-2024 Consultation Document \(legalservicesboard.org.uk\)](https://legalservicesboard.org.uk)

Response to Questions

Q1 – Do you agree with our proposed work streams for the 2023/24 business plan?

The CLC would welcome indications of relative prioritisation, timelines for action and details of how the front line regulators will be engaged in each item. We see significant benefits in the LSB exploiting its convening role to develop consensus approaches wherever possible. Parliament has put in place the current regulatory architecture and the diversity of specialisation and experience that can bring is valuable to the legal services sector.

We also believe that LSB should be complementary to other work in various legal services sectors and the LSB should concentrate on those areas where there is a need for LSB convening power to push the agenda in areas that perhaps are not already being led elsewhere. Running a RACI analysis across the various workstreams could assist here.

The standard-setting by the LSB in areas where that is needed should leave the front-line regulators their autonomy in setting the regulatory arrangements for the sector that the cover.

Main Workstreams

The CLC would particularly note the importance of the following points for the CLC, and the most relevant workstreams they map onto:

- The technology and innovation workstream
 - Partly due to its diversity and potential to further the delivery of most of the other work streams. We believe this should be a core area of collaboration, and for some years have backed the sharing / use of data to help develop and deliver better legal services for firms and consumers.
 - A major area for focus for the CLC for many years has been to support the digital transformation of conveyancing on a cross-sector basis while keeping a balanced view between the risks and rewards of technology change (see above). Technology projects in this field are continuing to pick up pace and will be a significant CLC priority over the next few years as set out in our introduction, (e.g. our work with others in the sector on home buying and selling).
 - The LSB's new workstream should ideally be designed to stimulate further links / discussions, to support a stronger and shared understanding of how regulators can learn, respond to and apply rapidly evolving new technologies.
- The consumer vulnerability workstream
 - We agree this is a key work stream. As part of overall delivery we hope the LSB will be able to review examples from other organisations and help disseminate its views and advice on this issue. Especially on how the various contributory factors may alter, due to the cost of living crisis the LSB is also looking at (see below).
 - As just one of many approaches to note, the FCA has a dedicated page on consumers and vulnerability, collating all the projects and research it is involved in. This includes examples of its rolling 'Financial Lives' survey, e.g. covering consumers with health issues: [Treating vulnerable consumers fairly | FCA](#)

Other Workstreams

Oversight of the Office for Legal Complaints

The CLC is very concerned that there is no clear plan to reduce the cost of complaints handling following the eradication of the backlog at the Legal Ombudsman. OLC seems to be hoping that natural wastage will realise all the potential savings once the current intense recovery period is over. The LSB has an important role to play with MoJ to ensure the efficiency of the LeO operation which is ultimately a burden on the consumers of legal services.

We would also highlight the wide-ranging market surveillance and horizon scanning workstream as also being of high importance. Within that we would flag three areas of focus that we would consider to be especially useful.

- Unregulated Practices / Scope of Regulation – we note the LSBs research into the unregulated sector and a further report in April 2023 (re: a first-principles analysis of the current reserved legal activities). We would ask for a particular focus on the following areas:
 - Consumer harm – and a clear and early approach to ensure this work is linked to any potential actions that may emerge on consumer vulnerability. As well as being clear where any issue relates specifically to unregulated/firms or individuals. Or unregulated activity in itself causing potential issues – regardless of how well a firm operates.
 - Wider lessons – The report would also benefit from a further review / lessons-learnt exercise of redress regimes in sectors (in the UK and abroad) in unregulated sectors. And particularly what this means for consumers.
- Climate change is another area where we would suggest the convening role of the LSB could be used. Due to the complexity and impact of the issue we would strongly request a (high-level) plan to:
 - articulate the LSB’s aims – especially around considerations of the role / responsibility of regulation in this area;
 - outline past and current projects;
 - set out initial thoughts of what longer-term plans these are contributing towards;
 - deliver an inclusive, cross-sector approach to developing responses.

Q2 – Are there any areas missing from our proposed business plan 2023/24 that you consider should be included?

While there is a welcome and positive recognition of the role of technology, there appears to be limited consideration of the flip side of rapid changes across the digital/cyber landscapes.

To take two examples, that are both likely to only become more prominent:

- Criminal activity - there is no specific mention of the growing and serious challenges faced by all parts the legal sector (firms, consumers, NGOs etc) due to both targeted

and opportunistic cyber-crime. It presents financial, operational and reputational risks to the sector.

- General harm - New technologies contain some level of potential harm that needs to be understood and balanced against improvements the technology would bring to the status quo and. There is of course the possibility that new technologies could disproportionately impact already disadvantaged groups.

The LSB could once again has a role here, utilizing its powers as a convener – on this, as in many other areas - to help focus information and dialogue, develop a consensus, and map out a path for benchmarks.

Along with this approach, it could further act as a catalyst to foster and test policy options across the legal sector. This last recommendation could adapt the model deployed for the successful LSB project on counter-inclusive behaviour, delivered via early engagement, clear articulation and close partnership with regulators and representative bodies.

Q3 – Do you have any comments on our proposed research programme?

We think there could be scope for a more collaborative, cross-sector approach to scoping research work to ensure that we all get the maximum value out of each exercise. This could of course be managed through the Research Forum.

- Process & Resources – We would encourage the LSB to ensure a busy programme set out in the Business Plan does not slow or pause early conversations with those it regulates around the specification, evaluation and key lessons of any planned research.

Q4 – Is there anything missing from our proposed research programme that you think we should focus on?

See above: on the wider aspects of technology; and the impact of criminality on the legal sector and its consumers.

Q5 – Do you agree with our proposed budget for 2023/24?

We note the real terms reduction in costs.

Q6 – Are there any other factors regarding the proposed budget for 2023/24 that you believe we should consider?

No.

Q7 – Do you have any comments regarding equality issues which, in your view, may arise from our proposed business plan for 2023/24?

We do not foresee any EDI challenges arising from the items as they are described here. As ever, consideration will need to be given to that as work progresses into more detail.

Q8 – Are there any wider equality issues and interventions that you wish to make us aware of?

None, at this time.