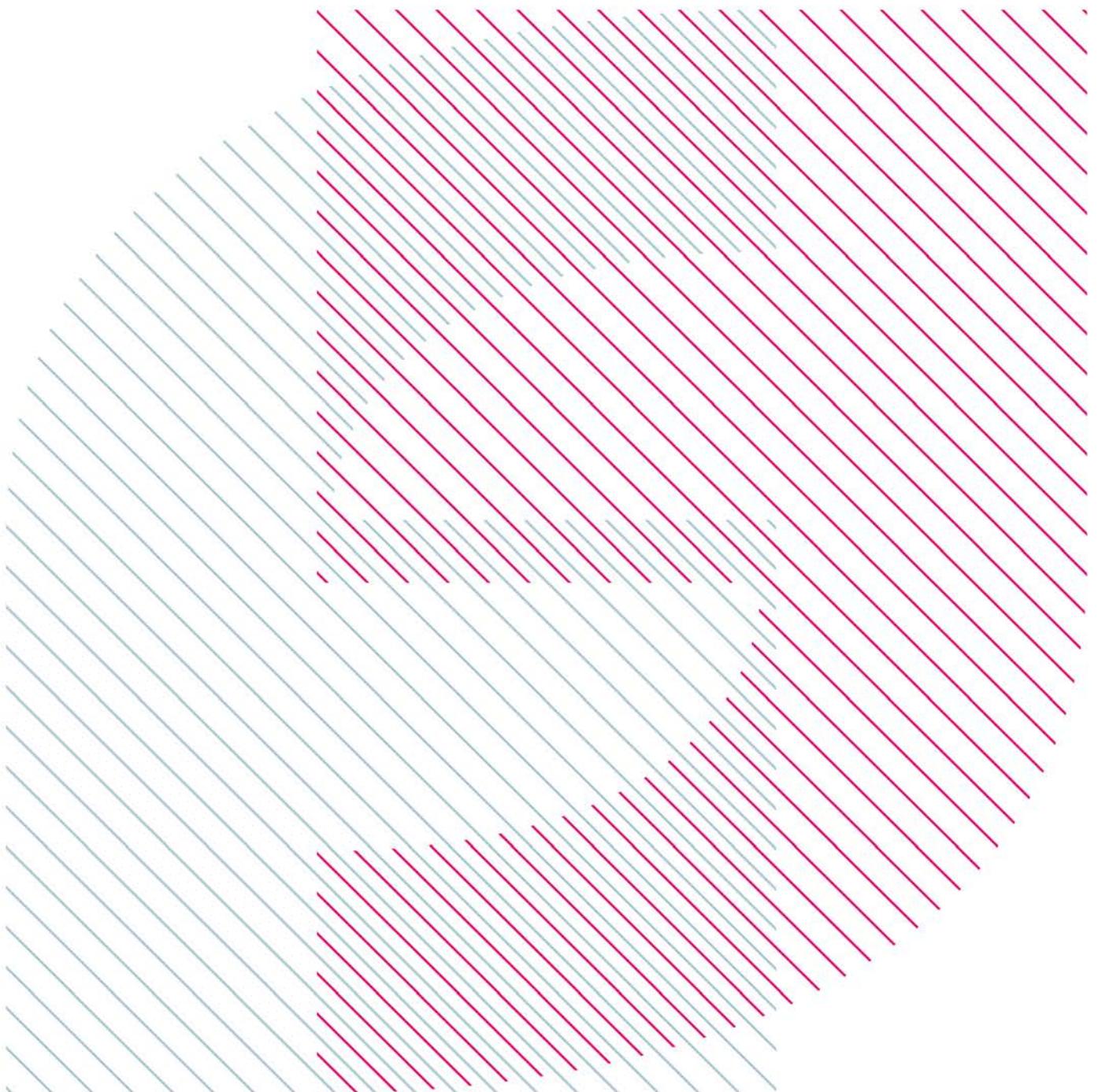


LEGAL
OMBUDSMAN

**Legal Services Board:
Draft Business Plan
2019/20**



Introduction

1. The Legal Ombudsman (LeO) was established by the Legal Services Act (2007). Our role is two-fold: to provide consumer redress when things go wrong in transactions within the legal services market, and also to feed the lessons we learn from complaints back to the profession, regulators and policy makers to allow the sector to develop and improve.
2. We welcome the opportunity to respond to the Legal Services Board's (LSB) consultation on its draft business plan for 2019/20. Our interest in this consultation is based on:
 - a) the impact of the LSB's work on our own operations and business focus; and
 - b) our desire to see regulation which protects the rights of consumers while still allowing legal professionals to operate effectively, offering a high quality service to the public and upholding the rule of law.
3. This business plan is sensible and appears to fit in with the LSB's long-term aims. We are pleased to see the development of clear policies to drive high standards in the legal services market, and an alertness to the fast pace of change in the world today.

LSB Draft Business Plan 2019/20

Q1. Have we identified the most relevant developments in our external operating environment?

4. Yes, the developments noted here cover a broad range of issues that are emerging in the legal services sector and beyond. We support the wide view taken by the LSB in considering trends, as this inclusive horizon scanning is an important safeguard for identifying future changes that could affect our work.
5. One additional development that could be useful to note is the increased appetite within the accountancy field to provide legal services.
6. The past year has seen the last of the 'Big Four' apply for ABS status, as well as the formal approval of the Association for Chartered Certified Accountants (ACCA) to license probate activities, and the judicial review appeal by the Institute of Chartered Accountants in England and Wales (ICAEW) to be able to license the five remaining reserved legal activities. These actions indicate an emerging trend which may have implications for the work of both of our organisations in the future.

Q2. What are your views on our proposed five-year policy objectives?

7. These three objectives each address matters of central importance to the legal services market today and in the future. At LeO, our recent focus has been on building trust and confidence not only in our own processes, but in the wider provision of legal services. These objectives are very much aligned with this thinking, and we are eager to see these objectives develop into actions for the years ahead.
8. One area of interest for us is in the LSB's further research into the use of new technologies (including artificial intelligence) in the legal sector. This is a matter we intend to watch closely, so that we can be ready for any challenges this may present in ensuring we provide effective redress for people using those services.
9. As part of our commitment to 'transparency and clarity about current and projected future performance' in our own business plan, we will be seeking to develop our understanding of opportunities to use Artificial Intelligence/machine learning. We are grateful to the LSB for their parallel work in this area, and look forward to more in-depth conversations about how to take the findings of the LSB's research forward in the interests of both providers and consumers.
10. We will also be attentive to the outcomes of the LSB's work on public legal education. We recognise the importance of empowering the public with a good understanding of their legal rights. Our role is to provide insight from our work to assist consumers when they use a legal service. It will therefore be helpful to have a baseline of public knowledge of the legal system to see how we can best support this work.
11. However, it would be helpful to clarify the timescales for these policy objectives. Their alignment to the strategic objectives appears sensible if they are to be treated as markers of success, but it is not clear why they are intended to continue past the life of the current strategy. It would be useful to understand the LSB's thinking on this.

Q3. Do you have any comments on our proposed business plan and work for 2019/20? Are there any workstreams that you disagree with? Is there any work that you think we should pursue that is not currently included?

12. We consider that the workstreams will all contribute towards the overarching strategic objectives. We are interested to see the outcome of voluntary approaches to consumer transparency rules, and would be happy to work with the LSB on ensuring that consumer experience is consistent across the various legal professions.
13. As Strategic Objective 2 specifically mentions consumer access to redress, we would be keen to see more overt reference to this in the LSB's plans for public legal education. Our 2018 Better Information research (jointly produced with the SRA) highlighted that consumers' understanding of regulatory protections is mixed, and so we believe it is important to build in access to redress as part of any work on improving public

understanding of their legal rights. In particular it might be useful for our organisations to work together on better communicating the role of the Legal Ombudsman.

Q4. Please identify any elements of our business plan that you think present an opportunity for more detailed dialogue and/or joint working between your organisation and the LSB.

14. Our response has already highlighted a number of the LSB's planned research/reviews which will be of interest to us. On these matters we would be keen to engage in further dialogue to assess any implications for the Legal Ombudsman and the wider market.
15. We would also like to explore whether LeO could contribute to the LSB's work on raising standards in the legal sector. The focus in this business plan is on technical competence, but we believe that service delivery is also an important part of a provider's offering to the public. Further discussions on how this could be woven into the LSB's ongoing work would be welcomed.

Q5. Please provide comments regarding equality issues which, in your view/experience, may arise from our proposed business plan for 2019/20.

16. When encouraging the growth of technological innovation in the market, we must all be mindful of the impact this could have on consumers at risk of digital exclusion. Some of the most vulnerable consumers (including the elderly, prisoners, and those with disabilities) are those who are unable to take advantage of new technology, and as such it is important that alternative avenues are always maintained for the benefit of these groups. In our own proposed work on digital service development, we will be assessing the equality impact of digital services.
17. As this area of work develops it is important to understand the potential for technological innovation alongside the differing appetite of legal service users. For some customers and service providers, these innovations will be welcome and exciting, but for those who are unable to access digital services (or for whom using new technology is a challenge), we must ensure that traditional routes are still offered so that legal services are accessible for all. We believe this approach should also apply to new transparency measures.
18. In pursuing a wider public legal education agenda, it is important to keep in mind inequalities that may act as a barrier to accessing legal services. Access to justice is vital for all in society and therefore it will be helpful for the LSB to have a clear understanding of who is working in public legal education and where the gaps in knowledge are. As with the point above, in our view it is also important to differentiate between different (potential) users of legal services and ensure that appropriate mechanisms are in place from the most vulnerable through to those more accustomed to identifying their problems and purchasing a legal service.

Conclusion

19. Thank you for the opportunity to comment on the Legal Services Board's draft business plan for 2019/20. We look forward to working with the LSB on shared priorities during the coming year and beyond.

For any questions about our response please contact our Parliamentary and Policy Officer at sarah.ritzenhaler@legalombudsman.org.uk.
