



An tÚdarás Rialála  
Seirbhísi Dlí  
Legal Services  
Regulatory Authority

## MINUTES FINAL

### 34<sup>th</sup> Meeting of Legal Services Regulatory Authority – Minutes (FINAL)

**Date:** 1 December 2022

**Time:** 16:30 to 18:30

#### Attendees:

Authority Members	Executive & Secretariat	Others
Angela Black	Brian Doherty (CEO)	
Eileen Barrington	Ultan Ryan (Secretary)	
Geraldine Clarke		
Joan Crawford		
Shane Galligan		
Dermott Jewell		
Deirdre Malone		
Sara Moorhead		
Simon Murphy		
Don Thornhill (Chairperson)		

Apologies: Síona Ryan

## Section 1 – Administration

### 1.0 General

1.1 Agenda adopted.

1.2 Declaration of Interests on agenda items. None raised.  
Authority Members to forward signed Annual Declarations to the Secretary.

1.3 Minutes of Authority meeting of 8 September 2022 approved.  
Matters arising in Minutes dealt with in CEO Report.

## Section 2 – Governance

### 2.0 CEO Report

2.0.1 CEO provided updates on matters arising from September Minutes, highlighted activity and Risk Register dashboard since the last Authority meeting:

#### 2.0.2 Recruitment and Staffing:

CEO updated Authority on key current staffing position. Grant Thornton Workforce Review report and submission completed and reflects the LSRA's current and future workforce needs and has been submitted to DPER for recruitment sanction. DAC Beachcroft recommendations on the audit of the Complaints Process were included in the review work. Recruitment for sanctioned vacancies under current Workforce Plan will be undertaken in January 2023.

#### 2.0.3 Legislative Amendments to the 2015 Act:

##### Legal Partnerships

The LSRA has been engaging with the Department of Justice in respect of the amendments to allow the introduction of Legal Partnerships and the amendments to the existing Levy Model to allow a budgeted model.

##### Levy Amendments

Amendments to the current Levy model are critical to the LSRA's long-term funding position and this is reflected in Risk 1 of the LSRA Risk Register. In relation to the Levy Model amendments (Part 7), Department of Justice indicated that the majority of those amendments are expected to be introduced at Committee Stage. The LSRA is awaiting an update on the status of the amendments. The timing of the amendments will have an impact on the LSRA's levy process in 2023 (in terms of a retrospective model or a budgeted model).

#### 2.0.4 Limited Liability Partnerships (LLP):

The Authority noted that there were 417 LLP's on the LSRA register as of 9 November 2022.

#### 2.0.5 Section 32 Advances 2016-2018:

In respect of advances received by the Authority pursuant to section 32 of the 2015 Act in the period 2016-2018 inclusive, the LSRA has received confirmation from DPER through Department of Justice that these advances are treated as establishment costs and recoupment will not be sought. LSRA Financial position in 2022 being monitored in respect of the amount of

recoupment feasible before end year. The LSRA Executive will be meeting the Department to discuss this on 6 December. The Authority noted that 87.37% of Levy has been received in 2022 in respect of 2021 expenditure. The majority of the balance relates to the Levy owed by the Bar of Ireland which is subject to engagement between the LSRA and the Bar at present.

**2.0.6 Risk Management:**

Risk Management update provided in report. It is intended to recommend to the Finance, Audit & Risk (FAR) Committee to remove the Covid risk at its next meeting.

Staffing resources to be considered as a risk by the FAR Committee at its next meeting as a possible risk for reintroduction.

**2.0.7 Patents of Precedence 2023 process:**

The Patents of Precedence process for 2023 will commence shortly. The Authority discussed the administrative supports provided by the LSRA to the process.

2.0.8 Other matters dealt with under separate agenda items.

**3.0 Duly Authorised Register.**

Duly Authorised Register as at 1 December 2022 approved.

## Section 3 – Finance

**4.0 Financial Reports**

The CEO informed the Authority that in respect of Levy income, the LSRA is in discussions with the Bar of Ireland to seek agreement on the final Levy amount to be paid to the LSRA in 2022 in respect of 2021 expenditure with a view to receiving payment before end 2022. Payment of the Levy in respect of the Law Society (for all Solicitors) was received on 15 June. A section 32 advance of €1m was received from the Minister for Justice in January 2022 and the LSRA has flagged risk on feasibility of recouping the full €1.2m (€1m section 32 plus €200k in respect of previous years) in 2022 having regard to the LSRA's expenditure needs. The Authority also noted the ongoing challenge posed by the current Levy model and the critical need for this to be resolved in order to address the LSRA's (and LPDT's) cash flow and growth challenges. The Authority noted that the LSRA Executive will be meeting the Department to discuss the financial position on 6 December.

**4.1 Management Accounts for period ending 30 September 2022**

Authority noted and reviewed the September management Accounts. Certain areas of spend were discussed:

- Legal Spend: increase arises from caseloads coming to end of process and associated activity around enforcements.
- Consultancy spend: much of the additional spend relates to statutory reporting, particularly in the areas of Barriers to entry to the Professions and Conveyancing.

## Section 4 – LSRA Policy and Implementation

### **5.0 Update on the Performance of the Complaints and Resolutions Department**

#### **5.0.1 Complaints Reporting and Statistics:**

The Authority Members were provided with a statistical report for the year to 4 November 2022, which outlined the processing of cases through the different stages of the Complaints process. The publication of the second biannual Section 73 statistical report was also noted by the Authority. The Authority discussed the statistical reports provided. This included discussion on:

- Determinations are now progressing well;
- Activity of Complaints Committee being scaled up;
- Also on Complaints Committee:
  - Development of a Procedures Manual;
  - Training for Committee Members;
  - Enhanced Secretarial Supports.
- Complaints & Resolutions Department to look at reporting a time distribution to the Authority for an average complaint (end-to-end).

#### **5.0.2 Staffing:**

Recruitment ongoing to fill existing vacancies. Following the DAC Beachcroft review further staff have been allocated to provide support for the Review and Complaints Committees Secretariat. Two Mediators have been engaged on short term contract to focus on informal resolution activities (LSRA accounts to note the contract staff separately to full-time staff). The Workforce Review (report and submission to DPER) undertaken by Grant Thornton is now complete and includes analysis of the needs of the Complaints and Resolutions Department. The Report and Submission will form the basis of the LSRA's engagement with DPER in 2023.

### **6.0 Update on Section 34(c) Report on Profession of Conveyancer**

6.0.1 The Authority noted the progress update on the Report.

6.0.2 A further progress update will be provided to the Authority at the next meeting.

## **7.0 Section 34 “Barriers” Report**

7.0.1 The LSRA Executive has been liaising with the Department of Justice on both the “Barriers” report and the “Setting the Standards” report. Both reports are interlinked on theme and actions with the establishment of the Legal Practitioners Education and Training (LPET) Committee being a key requirement.

7.0.2 LSRA executive to re-engage with the Department of Justice on the recommendations from the “Setting the Standards” report, specifically the LPET Committee. This to be undertaken early in 2023.

## **8.0 Solicitors Accounts Regulations 2022**

8.0.1 The Authority noted that an expert analysis of the Regulations has been commissioned on its behalf. The Authority recognised that rigorous work will have been undertaken at the Law Society to ensure the Regulations are in order.

8.0.2 The Authority approved that the CEO is mandated on its behalf to provide the concurrence of the Authority to the Regulations, subject to the completion of the expert report and the flagging of any issues of significance in relation to consumer protection raised in that report with the Authority members. The Authority will subsequently approve the necessary Resolution.

## **9.0 Update on establishment of Legal Practitioners Disciplinary Tribunal (LPDT)**

9.0.1 The Authority was provided with an information note and update on the progress of establishment of the LPDT. The LPDT regulations were published in August. The LPDT is currently preparing for the commencement of Inquiries and both the Law Society and LSRA are preparing and submitting applications in that regard.

9.0.2 The LSRA has received consent from the Ministers for Public Expenditure and Reform and Justice to enter into a lease for the Bow Street premises currently used by the Solicitors Disciplinary Tribunal. It is expected that the CEO will sign the lease before end December 2022.

## **10.0 End of Year Review and Challenges for 2023**

The CEO presented an end of year review to the Authority, highlighting the following:

- The critical need for Levy amendments to allow the LSRA to operate, to grow and fulfil its statutory mandate;

- 2023 will see the introduction of a new business model in the form of Legal Partnerships;
- The need to monitor potential judicial reviews as the caseloads at the LSRA come to the end of the process;
- Maintenance of business-as-usual functions;
- The completion of the Conveyancing Report which will be the last specified statutory report in the 2015 Act.
- 2023 Business Plan to be in place in January to include KPIs.

**11.0 Closed Session**

The Secretary left the meeting for the closed session of the Authority.

**11.0 AOB**

No matters arising.

<b>Action Points – Meeting of 1 December 2022</b>	
<b>Agenda Item</b>	<b>Action</b>
1.2	<p><u>Declarations of Interests:</u></p> <p>Annual; Declarations of Interests forms to be signed, dated and returned to the Secretary by Authority Members.</p>
1.3	<p><u>Minutes:</u></p> <ul style="list-style-type: none"> <li>• Minutes of 8 September 2022 approved.</li> <li>• Secretary to arrange upload to website.</li> </ul>
2.0.	<p><u>CEO Report:</u></p> <ul style="list-style-type: none"> <li>• Update on staffing to be provided at next meeting, including proposed engagement with DPER on Workforce Plan and recruitment;</li> <li>• Update on engagement with Department of Justice on finance, including: <ul style="list-style-type: none"> <li>○ Levy Amendments</li> <li>○ Section 32 advances and recoupment position</li> </ul> </li> </ul>
3.0	<p><u>Duly Authorised Register:</u></p> <ul style="list-style-type: none"> <li>• Updated Duly Authorised Register will be circulated prior to next Authority Meeting to reflect staff changes.</li> </ul>
4.0	<p><u>Financial Reports:</u></p> <ul style="list-style-type: none"> <li>• Update on status of 2022 advances and recoupment to be provided at January Meeting.</li> </ul>
5.0	<p><u>Update on performance of Complaints and Resolutions Department:</u></p> <ul style="list-style-type: none"> <li>• Update Authority on Complaints statistics and processing;</li> <li>• Complaints Department to profile a timeline and distribution for a normal complaint through the process end to end;</li> <li>• Update Authority on any further Recommendations and actions arising from DAC Beachcroft Report and Workforce Review.</li> </ul>

6.0	<p><u>Section 34(c) Report on Profession of Conveyancer:</u></p> <ul style="list-style-type: none"> <li>Update on progress to be provided at next Authority Meeting.</li> </ul>
7.0	<p><u>Section 34 'Barriers' Report:</u></p> <ul style="list-style-type: none"> <li>LSRA Executive to re-engage with Department of Justice on the LPET Committee and the dependencies between the "Setting the Standards" report and the "Barriers" Report.</li> </ul>
8.0	<p><u>Solicitors Accounts Regulations 2022:</u></p> <ul style="list-style-type: none"> <li>The CEO is mandated on behalf of the Authority to provide the concurrence of the Authority to the Regulations, subject to the completion of the expert report and the flagging of any issues of significance in relation to consumer protection raised in that report with the Authority members.</li> <li>The Authority will subsequently approve the necessary Resolution.</li> </ul>
9.0	<p><u>Legal Practitioners Disciplinary Tribunal:</u></p> <ul style="list-style-type: none"> <li>Update on establishment and operation of LPDT to be provided at next Authority meeting.</li> </ul>
10.0	<p><u>End of Year Review and Challenges for 2023:</u></p> <ul style="list-style-type: none"> <li>Update on 2023 Business Plan to be provided at next meeting.</li> </ul>

**FINAL Minutes Signed**



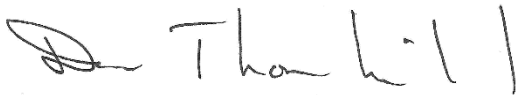
**9 February 2023**

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Ultan Ryan, Secretary

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Date



9 February 2023

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Don Thornhill, Chairperson

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Date