



Minutes – Legal Services Consumer Panel meeting

Date: 30 June 2021

Time: 13:00 – 16:00

Venue: online due to Covid-19 pandemic

Present:

Sarah Chambers	Chair
David Abbott	Member
Paul Crook	Member
Liz Owen	Member
Mark McLaren	Member
Lola Bello	Consumer Panel Manager
Heidi Evelyn	Consumer Panel Associate
Martin Coppack	Fair by Design (Item 7)

Item 1 – Welcome and Apologies

1. The Chair opened the online meeting and welcomed those present.
2. Apologies received from Adam Cooper and Lisa Davis.

Item 2 – Declaration of Interests

3. None

Item 3 – Minutes of May 2021 meeting

4. The Chair presented the minutes from the 12 May 2021 meeting.

Item 4 - Matters arising

5. All matters arising were acknowledged.
6. It may be useful to have further clarification of the SRA's SIF figures provided to the Panel.

Item 5 – Chair's report and members' updates

7. The Panel discussed the Chair's report.
8. The Panel discussed the Chair's meeting with Liam Walsh, the new Head of Legal Services Policy at the Ministry of Justice. It was raised that he could be invited to a future Panel meeting. Liam was going to come back to the secretariat as to whether it might be

a good idea to meet with Lord Wolfson, Parliamentary Under Secretary of State in the Ministry of Justice, who is responsible for Legal Services Policy. If he does not report back, the secretariat will follow up with him.

Item 6 – Project updates and consultation responses

8. The Panel Manager outlined recent and upcoming projects and consultations. She confirmed that because the CLC Consultation only concerned the narrow issue of PII and cyber issues, the Panel did not respond because it did not have any expertise in that particular area.
7. The Tracker Survey will be published on 5 July 2021.
8. Because the three year YouGov contract is coming to an end, the LSCP will need to put out a tender to engage a new research company this fall. The Panel Manager suggested a meeting with LSB Finance to find out how the current procurement process works before putting out the tender in the fall.
9. The secretariat is trying to arrange a meeting with Angela Latta of the LSB to consider working with the LSB on regulatory performance.

Action: To have a meeting with LSB Finance regarding the upcoming procurement and to have an initial policy meeting with Angela Latta, LSB

Item 7 – Presentation by Martin Coppack, Director of Fair by Design

10. The Chair welcomed Martin Coppack, Director of Fair by Design, a charity that works with regulators in the energy, insurance and financial markets to ensure inclusive regulation that will not unfairly disadvantage vulnerable consumers. Martin discussed:
 - Competition in a free market does not always serve everyone's needs and particularly in the sectors he works with, he sees a disconnect between the regulators and people in poverty and vulnerable consumers.
 - One problem is the distinction between regulatory policy and social policy because regulators do not want to engage in what they see as social policy and there is often no one designated to address consumer issues.
 - If services can be designed from the very beginning with consumers and particular vulnerable consumers in mind, this is a much more effective way of ensuring that everyone is served than rather patchwork regulation that responds to problems that develop in the market.
 - In the sectors Fair by Design deals with, the poverty premium keeps people poor because it is more expensive for vulnerable consumers to access their everyday needs (ie. High-cost credit, pre-paid energy bills, high insurance costs because they live in higher crime areas).
 - Martin felt that the legal services market could benefit from more inclusive design but his organisation does not have the resources to go beyond the sectors they are already working in. He would, however, be happy to collaborate, share resources or appear at occasional meetings.
11. The Chair commented that with access to justice issues, the result is that some people are cut off entirely from justice. Legal services are an essential service but many people do not see it that way because they are only used very intermittently and for many people maybe only once or twice in their lives. Because legal services are only used very rarely, most people have no idea how to go about using them and often don't know they need a lawyer, let alone what kind. Martin agreed that the poverty premium is often a subset of an access issue.

12. In responding to the Panel's questions, Martin raised two ways of thinking about a sector's duty to be inclusive in its regulation. The first being that some sectors are formally declared an essential service because they have a statutory universal service obligation and the second being that there is a Public Sector Equality Duty which usually requires an Equality Impact Assessment. Fair by Design has published some research on how markets discriminate based on protected characteristics. The Panel noted that the Public Sector Equality Duty applies to all regulators because they perform a public function.
13. The Panel inquired as to whether Martin could point out some high performers in consumer focused and inclusive regulation that the Panel could look to for best practices. Martin had a resource Fair by Design produced for regulators that he could share with the Panel, but often the most innovation was coming from individual firms.
14. The Panel noted that inclusive design does take effort and resources and that the everyday experience of consumers is very important to put in front of regulators. Martin shared his experience with having regulators interact with vulnerable consumers and said it was very important because it showcases many issues that never make it into consumer reports.
15. The Panel also commented on how the most vulnerable people, such as those who are homeless, are often not represented in research focused on those using legal services. Panel members had experience with organisations partnering with charities that work with these types of clients in order to ensure that their opinions and needs are taken into account in any research projects.

The Panel thanked Martin for coming to speak with them.

Action: Secretariat to consider how to use these ideas to further the Panel's work

Item 8: LSCP 2021 Work Plan

16. The Panel Manager explained it would be helpful to confirm the working groups for the Panel's upcoming projects so the secretariat could start focusing on them. She noted that it would also be helpful to have some Panel members involved in the procurement process to provide comments on the documents.
17. The following Working Groups were determined for the Panel's projects:
 - Procurement: Sarah, Liz, Paul and the new Panel member
 - Paper on metrics for monitoring and evaluation of consumer focused regulation: Adam, Liz and David
 - Promoting consumer focused regulation: Liz, David, Lisa and Mark
 - Advice Deserts: David, Lisa, Sarah and the new Panel member
 - SRA SIF Reference Group: Adam, David
18. The Panel also noted that it might be useful to disseminate the segmentation information to regulators as it could be useful to them in their thinking about consumers and their regulation activities, such as performance regulation. The consumer market segments should be stable, but the Panel does not want to end up being constrained by them. The Chair noted that the segmentation information would be useful in developing the paper on metrics for monitoring and evaluation of consumer focused regulation.

19. The next step for developing the paper on metrics monitoring and evaluation of consumer focused regulation is to convene the Working Group and discuss what form the paper should take so that the secretariat can start research.
20. The Working Group on consumer focused regulation will have to steer what the paper looks like and what else this project entails such as further discussions with regulators on this topic. The standardisation paper sets out where and why standardisation is important for consumers. The Panel Manager will circulate the full draft paper.
21. The LSB does not have money to fund research on advice deserts now but the Panel may be able to make a case for this funding in September for the next financial year. The Panel Manager noted that in lieu of a funding solution, the Panel may want to consider what types of impacts are possible. The Working Group will consider these issues and whether this is a project that should be pursued now.
22. The Chair also raised the insurance issues that have been identified in a number of areas and how insurance premiums or coverage viability has affected PII, SIF and other compensation funds run by the regulators. The Panel noted how PII premiums have doubled recently and how this not only affects law firms, but also legal charities and at some point will affect advice deserts. The Chair will be meeting with the LSB to find out more about how two regulatory bodies are being left in the lurch because the insurance company backing their compensation funds are leaving the market, which poses a very urgent issue for consumers.

Action: Secretariat to convene the Working Groups on individual projects and arrange for the Chair to meet with the LSB on the insurance company exiting the market and its effect on compensation funds

Item 9 - Draft Agenda for 15 June 2021 meeting

23. The Chair would like to include more in-depth discussion on projects, such as what the consumer focused regulation project will entail beyond the paper.
24. The Panel confirmed they would like to have I. Stephanie Boyce, President of the Law Society, come back in September to understand what is being done on the SIF issue, PII issue and other updates.
25. The Panel would also like to have Paul Phillips, the CEO of the SRA, at the next Panel meeting.

Action: Invite I. Stephanie Boyce, the Law Society and Paul Phillips, SRA to the September Panel meeting

Item 10 – Any Other Business

26. None