

News from the Board

Reflections on our March Board meeting

16 March 2023

This month's Board was a quarterly monitoring meeting where we explore operational and financial performance, delivery against our business plan and look at the strategic risk register.

This type of stuff doesn't often grab the headlines in the way new policy does. It is, however, vital that our Board can be assured we are running a tight ship and doing what we said we would. The public and profession need to be similarly assured, while also being confident in our governance and the decisions we make.

This was one of my priorities when I became Chair, and I think we have made progress on making sure we are more open and accountable.

Our first annual accounts

Much of this reporting has now been in place for several years, but this meeting did see a first for the Board. Following our switch last summer to become a limited company, separate from the Law Society, this meeting saw our Board review and approve our first full year accounts.

We will be publishing our financial statements soon, but the headline is things are in good order. As I highlighted in last month's blog, the issues are much more about the future; about whether we can continue to go on doing more for less or the same in the future. And while we have added to our reserves, we are still £1m under the required range set by our Board. We will need to address this over the next few years too.

We also approved the annual Compensation Fund financial statements. The Fund provides a vital safety net for consumers. It is a key part of the package of public protections that is important in maintaining trust in the profession. We need to get the balance right here, so that the fund can continue to protect the public while remaining affordable for the profession and their clients. Again we will publish the statements in due course, but fewer interventions into law firms in recent years means this year we have a surplus. We will take that into account when in the summer we set contributions for next year.

Monitoring performance

In terms of performance reporting, generally things are on track or heading in the right direction. Regular readers will know as a Board we are focused on making sure we are dealing with cases as efficiently and effectively as possible. We are making progress, including on reducing the number of long-term cases, but this programme of work will take at least another year to conclude.

We discussed whether we could further improve what we report on our balanced scorecard. We want to make sure it provides the most useful information to help us as a Board and at the same time inform external stakeholders.

Finally, we had a good discussion about the importance of delivering on promised outputs, but also how we need to do further thinking on how we measure outcomes and long term success. That is something we are thinking about as part of our broader strategy work, as we move towards consulting on our new strategy – and accompanying business plan – in May.