



Bar Council response to the Legal Services Board's (LSB) consultation on its draft business plan for 2026-7

1. This is the response of the General Council of the Bar of England and Wales ("the Bar Council") to the LSB's consultation on its draft business plan for 2026-27.¹

2. The Bar Council is the voice of the barrister profession in England and Wales. Our nearly 18,000 members – self-employed and employed barristers – make up a united Bar that aims to be strong, inclusive, independent and influential. As well as championing the rule of law and access to justice, we lead, represent and support the Bar in the public interest through:

- Providing advice, guidance, services, training and events for our members to support career development and help maintain the highest standards of ethics and conduct
- Inspiring and supporting the next generation of barristers from all backgrounds
- Working to enhance diversity and inclusion at the Bar
- Encouraging a positive culture where wellbeing is prioritised and people can thrive in their careers
- Drawing on our members' expertise to influence policy and legislation that relates to the justice system and the rule of law
- Sharing barristers' vital contributions to society with the public, media and policymakers
- Developing career and business opportunities for barristers at home and abroad through promoting the Bar of England and Wales
- Engaging with national Bars and international Bar associations to facilitate the exchange of knowledge and the development of legal links and legal business overseas

To ensure joined-up support, we work within the wider ecosystem of the Bar alongside the Inns, circuits and specialist Bar associations, as well as with the Institute of Barristers' Clerks and the Legal Practice Management Association.

¹ <https://legalservicesboard.org.uk/wp-content/uploads/2025/12/LSB-business-plan-2026-27-consultation.pdf>

3. As the General Council of the Bar, we are the approved regulator for all practising barristers in England and Wales. We delegate our statutory regulatory functions to the operationally independent Bar Standards Board (BSB) as required by the Legal Services Act 2007.

Questions

Consultation question 1: Objective 1 sets out our plans to ensure an effective, proportionate and targeted oversight approach. Do you have any comments to make on these proposals?

4. We support the LSB's proposals to give a more targeted focus to their oversight activities. This would be in keeping with the better regulation principles of proportionate and risk-targeted regulation. That this approach is less resource intensive is another benefit: we are mindful of the importance of keeping the cost of regulation down. Regulatory costs are borne by practising legal professionals. Increased regulatory costs are generally passed onto clients, with a related impact on the affordability of legal services and access to justice.

5. We support the LSB's current increased scrutiny of the BSB. Last year we had concerns about achievement by the BSB of its Key Performance Indicators (KPIs) in relation to the timeliness of investigations and of processing authorisations-related applications.

6. We were pleased the BSB consulted on a range of changes to its enforcement processes last year, with a view to increasing efficiency and transparency. We hope that, once implemented, these changes will speed up their investigations. This will benefit barristers, complainants and witnesses.

7. But it is also vital that the BSB should continue to prioritise authorisations applications from barristers. Delays can affect barristers' ability to practise, or the way in which they wish to practise.

8. The increasing number of complaints received by the Legal Ombudsman (LeO) is concerning. We are supportive of the LSB working with LeO to consider how best to manage the increased demand for its services. The LSB will be aware that the BSB is planning to publish new rules on complaints-handling in the coming months, responding to the LSB's 2024 statement of policy² on first tier complaints. The BSB's new rules will require self-employed barristers, chambers and BSB entities to remind eligible clients of their right to complain and how to do so. This may, of

² <https://legalservicesboard.org.uk/wp-content/uploads/2024/05/s112-Requirements.pdf>

course, result in further increases in the numbers of complaints going to chambers and then LeO; or, conversely, it may lead to fewer complainants bypassing chambers and going straight to LeO (and then finding they are out of scope), which could reduce the number of complaints received by LeO. The impact of the new BSB rules will need to be monitored.

9. We would however ask that the LSB reject the large budget increase LeO is again seeking. LeO has sought and been awarded consecutive, significant, and consistently above-inflation budget increases in past years (13% for 2021- 22, 5.8% for 2022-23, 9.6% for 2023-24, 6.95% for 2024-25³ and 11.4% for 2025-26⁴). It is plainly unsustainable for its budget to keep going up at these high rates. As the LSB knows, the Ombudsman's budget is predominantly funded by regulated legal professionals, via their practising certificate fees. Therefore, any further proposed increase must be closely scrutinised. We are concerned that part of the proposed increase to LeO's budget derives from plans to deliver additional insight and learning. Considering the scale of the demand to investigate complaints it is currently facing, we do not consider any increase in this insight and learning workstream can be justified as a priority at this time.

10. The LSB's statutory decision making is clearly an essential component of its work and we support it.

Consultation question 2: Objective 2 sets out our proposed policy priorities for 2026/27. Do you have any comments to make on these?

11. We are pleased that the LSB acknowledges that to maintain a targeted focus to its activities, it will need to prioritise, and that it will need to leave some capacity to deal with unexpected developments. There have been previous years in which we considered that the LSB has been over-ambitious in its work programme, creating pressure not only for itself but also for the front-line regulators, the professional bodies, and regulated legal professionals.

Ethics

12. We have engaged with the LSB's project on professional ethics, and await the final statement of policy. The LSB's 2025 consultation on "Upholding Professional Ethical Duties" identified several types of poor ethical conduct, including strategic lawsuits against public participation (SLAPPs), the misuse of non-disclosure

³ <https://www.legalombudsman.org.uk/media/4eafw2ic/2024-25-olc-business-plan-and-budget-final-for-publication.pdf>

⁴ <https://www.legalombudsman.org.uk/media/wkppg0ry/olc-business-plan-and-budget-2025-26.pdf>

agreements (NDAs) and compromised independence. We have however disagreed that behaviour of these kinds are commonplace at the Bar, or require additional regulatory control. We made the point that the ethical issues faced by the different legal professions arise in strikingly different circumstances, and for this reason the Bar Council is opposed to an overly-prescriptive regulatory approach. We think a high-level principles-based approach is appropriate for the policy statement, with the caveat that the issuing of a statement of policy should not be taken as indicating a need for substantial change in regulation.

13. We continue our work to support barristers' awareness of their professional ethical obligations by delivering ethics webinars, maintaining a suite of ethics guidance documents, and by offering an ethical enquiries service to barristers. We have already signalled our willingness to be involved in the new Professional Ethics Network.

Equality and Diversity

14. We share the LSB's desire for a diverse profession in which there is equality of opportunity, both in terms of entry to and progression within the Bar. We remain concerned with retention of talent at the Bar. We deliver a wide range of initiatives in this area, such as training for individuals, helplines, bespoke training for chambers, and support networks (one example being the Equality and Diversity Officer Network). This activity is underpinned by extensive research which has highlighted trends and areas of challenge where we can focus our efforts. For example, we commissioned the independent review of bullying and harassment at the Bar⁵ led by Baroness Harman, and we are now engaged on implementing its recommendations. One recommendation made was the appointment of a new Commissioner for Conduct, recently accomplished.⁶

15. We think the LSB could exert its influence as the oversight regulator to encourage the BSB to give additional focus to its EDI rules (BSB Handbook rules CD8; rC12 and rC110-112).

16. As we have previously stated, we want our regulators to focus on enforcing minimum standards, rather than on promoting best practice. Otherwise, there is a risk of confusion over what is mandatory and what is advisory or optional. Promotion of better practice can also detract from enforcement of existing equality rules. We see our own role as promoting best practice in this area, and we consider

⁵ <https://www.barcouncil.org.uk/support-for-barristers/bullying-and-harassment/review.html>

⁶ <https://www.barcouncil.org.uk/resource/former-women-and-equalities-committee-chair-dame-maria-miller-dbe-named-first-bar-council-commissioner-for-conduct-press-release.html>

that, given our proximity to the profession, and our accrued expertise, we are best placed to do this.

17. We will respond to the LSB's currently live consultation on "Encouraging a Diverse Legal Profession" in detail separately.

Consumer protection and access to justice, tech and innovation

18. We have been acutely conscious of the fast-evolving impact of Artificial Intelligence (AI) on barristers' practices, and the risks that inappropriate use of AI can pose to barristers and their clients. To raise awareness of these risks we have published, and since reviewed and republished, guidance for the Bar on "Considerations when using ChatGPT and generative artificial intelligence software based on large language models".⁷ This guidance highlights the limitations and challenges of AI use and the importance of protecting client data, as well as the need to check and take responsibility for any work that has been assisted by the use of AI. We think there is an on-going need to keep assessing the risks posed by increased use of AI in the legal sector, to ensure there are appropriate legal and regulatory responses which will safeguard consumer protection. We think there is merit to the LSB conducting research in this area.

19. We are not persuaded that the LSB should be expending any resource on the unregulated sector, i.e. those providers of legal services who are not authorised or regulated by any of the regulators that the LSB has oversight of. Such work falls outside the remit of the LSB. Nor is it the most appropriate body to be undertaking such work. Other public bodies have responsibility in this area, and have been active in it. For example, the Competition and Markets Authority undertook in 2023 an investigation⁸ into potential consumer law breaches in will writing, online divorce provision, and pre-paid probate plans; culminating in guidance to unregulated providers of legal services which reminded them of their duties to comply with consumer legislation. That guidance was further updated on 30th January this year.⁹ For the LSB to expend effort on work in this area would be duplicative, and must impact the LSB's other work. It is also unfair and unjustifiable that resources provided by the regulated sector should fund work in relation to those who don't contribute to regulatory costs.

20. We agree with the government that litigation funding can provide an important way for some people to obtain access legal services. We acknowledge that

⁷ <https://www.barcouncilethics.co.uk/wp-content/uploads/2024/01/Considerations-when-using-ChatGPT-and-generative-artificial-intelligence-Nov-2025.pdf>

⁸ <https://www.gov.uk/cma-cases/will-writing-and-other-unregulated-legal-services>

⁹ <https://www.gov.uk/government/publications/unregulated-legal-services-consumer-protection-law-guidance>

there are risks for consumers in this area. It appears that the government is already active here, with recently announced plans to regulate Litigation Funding Agreements.¹⁰ In light of that government initiative, we do not think this is an area in which the LSB should be active, at least for the time being.

Consultation question 3a: Objective 3 sets out our plan to improve our capability to respond strategically to the needs of the sector, informed by horizon-scanning and research. Do you have any comment to make on our proposals?

21. We are broadly supportive of the proposed horizon-scanning work. This should make it easier to identify some issues early and to address them before they cause significant harm. We would welcome, in particular, certain reruns of previous pieces of research, since this should provide valuable longitudinal data. The planned revisiting of the Technology and Innovation survey seems particularly appropriate, given the pace at which technology is being developed and adopted both by the legal sector and by consumers of legal services.

22. We also encourage the LSB to make use of research undertaken by the Bar Council¹¹ and by other professional bodies and regulators. This will maximise learning from existing datasets, and avoid wasteful duplication. The LSB will be interested in our plans to publish research on barrister ethics and to conduct research into barristers' views on Access to Justice later this year.

23. We are supportive of the plan to develop a three-year strategy. The "State of Legal Services" report¹² shows how much has changed since the ten-year plan was developed, five years ago. A shorter strategic horizon is more realistic.

Consultation question 3b: Do you have any comments (based on the evidence) on the State of Legal Services report about the areas where the sector has made progress and the areas where further work is required?

24. The Bar Council is aware of the challenges raised by the use of AI technology in the legal sector, as outlined in the State of Legal Services report, and we believe that it is important for professional bodies and regulators to continue to monitor and provide guidance in this area. As mentioned above, we have published our own guidance to barristers on the use of AI. It is being kept under review by the Bar Council's IT Panel.

¹⁰ <https://questions-statements.parliament.uk/written-statements/detail/2025-12-17/hcws1192>

¹¹ <https://www.barcouncil.org.uk/policy-representation/policy-issues/research.html>

¹² <https://legalservicesboard.org.uk/wp-content/uploads/2025/12/State-of-Legal-Services-2025.pdf>

25. Whilst we believe that there is a need to assess the risks posed by AI, we note that the report also states that there is “more work to do to improve consumer trust in the use of AI tools” and that “unregulated online legal tools” are of concern. As mentioned previously, we do not support the LSB using its limited resources to address issues relating to the use of AI by consumers, or by the unregulated sector, where no regulated legal professionals are involved. That is beyond its regulatory function.

26. In the Bar Council’s response to the LSB’s consultation on its draft guidance on promoting technology and innovation to improve access to legal services, we emphasised that “while technology and innovation should help address unmet needs, regulators should address risks rather than being required to actively promote uptake”.¹³ In a competitive legal market-place which is rapidly adjusting to technological advances, the LSB cannot usefully address technological uptake. The need of legal businesses to compete will determine what technology is adopted by them.

27. The Bar Council is pleased to note that the State of Legal Services report indicates that consumer confidence in legal services remains high and that, between 2020 and 2024, the proportion of people who were satisfied or very satisfied rose from 84% to 87%. However, the report also identifies a significant increase in complaints to frontline regulators. The reasons for this deserve investigation. The Bar Council continues to support barristers to understand their obligations with regards to first tier complaints handling and it encourages best practice through the issuing of guidance, delivery of an annual complaints-handling seminar, and through the operation of the ethics and chambers management enquiries services. We believe that a proportionate approach should be taken to regulation in the area of complaints-handling, since the volume of complaints concerning different types of legal professional will vary. For instance, complaints about barristers escalated to LeO, i.e. second-tier complaints, typically constitute just 4% of the total number of complaints received by LeO.¹⁴

28. The LSB’s report also refers to an increase in the proportion of consumers shopping around for legal services: a positive development. The rules introduced by legal regulators to improve transparency are likely to have contributed to this increase. The BSB has previously suggested, in its 2022 Transparency Rules Evaluation report, that the implementation of the transparency rules had contributed

¹³ <https://www.barcouncil.org.uk/static/69f9d766-8a45-4821-bd22dc7d93bd063e/Bar-Council-response-to-LSB-consultation-on-promoting-technology-and-innovation.pdf>

¹⁴ Ibid.

to an increase in the proportion of clients who were obtaining price information about a number of different service providers when researching barristers' services.¹⁵

Consultation question 3c: Do you have any comments on priorities and challenges that the LSB should focus on in its three-year plan?

29. We think a three-year plan is more realistic than a ten-year plan. It is also more likely to retain relevance and usefulness.

30. We strongly support the LSB maintaining focus on its key oversight activities, rather than initiating significant new initiatives. The oversight work includes things such as regulatory performance assessment, Office for Legal Complaints (OLC) oversight and statutory decision making. That work is essential to ensuring that the Bar Standards Board and OLC are operating both effectively and efficiently.

31. The LSB must also limit its activities to those that properly fall within its remit, as set out in the Legal Services Act 2007. As already mentioned, we have concerns about it embarking on work related to the unregulated sector that doesn't involve regulated legal professionals. The LSB has already indicated that it intends to continue to focus on AI, ethics and the implications of *Mazur*. These areas are all important and we support their inclusion in a strategic plan.

32. It is also vital to build contingency capacity into the plan, to deal with unexpected developments that may arise.

Consultation question 4: Objective 4 sets out our plans to maintain and improve our organisational excellence and efficiency. Do you have any comments to make on our proposals?

33. We support the LSB's drive for efficiency. When considering its own use of AI, we urge the LSB to set up clear policies and to undertake extensive testing first. It should also ensure that it upholds confidentiality and data protection requirements.

Consultation question 5: Do you agree with our proposed budget for 2026/27?

34. It is pleasing to note that, for the first time in a number of years, the LSB is not proposing to increase its budget. In our response to last year's business plan

¹⁵ <https://www.barstandardsboard.org.uk/static/49d31ba9-a956-4694-9039e7388dc2e153/Transparency-Rules-Evaluation-Impact-on-Consumers.pdf>.

consultation exercise we stated our support for the LSB's plans to reduce its office costs. This has contributed to the "flat budget". We are also glad to see that staff headcount is planned to remain the same.

35. However, we question why there is such a significant cost for the annual conference, shown as £45k this year, compared to no cost last year. While there may be advantages to holding an "in person" conference, assuming that this is what is planned, those advantages should be balanced against the cost to legal professionals (very few of whom can actually attend an all day "in person" conference). Perhaps the LSB could consider holding the conference online next year, or another year, to make it more economical? Our experience in running events of this kind has shown that holding them online can result in a significantly larger number of people attending.

36. We also note that the research budget has sharply increased, from £134k last year to £180k this year. Why is this, and are there any savings that could be made here?

37. However, the largest cost in the proposed budget is staffing. As we observed in our response to last year's budget consultation, when three new members of staff were planned for the coming year, the risk is that once in post, their cost becomes an ongoing cost that is baked into future budgets. That is what has happened here. We would therefore ask the LSB continually to assess whether there are any staff-related efficiencies that could be made, as this is likely to have the largest positive impact on the budget. To maintain a lean organisation, sometimes a reduction in head-count is needed.

Consultation question 6: Do you have any comments regarding equality impacts which, in your view, may arise from our proposed business plan for 2026/27?

38. No

Bar Council
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For further information please contact:
Sarah Richardson, Head of Policy: Ethics, Regulation and Law Reform
The General Council of the Bar of England and Wales

289-293 High Holborn, London WC1V 7HZ

Email: SRichardson@barcouncil.org.uk