



MINUTES FINAL

41st Meeting of Legal Services Regulatory Authority – Minutes (FINAL)

Date: 21 March 2024
Time: 16:30 to 18:30
Location: Maldron Hotel Smithfield Market

Attendees:

Authority Members	Executive & Secretariat	Others
Angela Black	Brian Doherty (CEO)	
Geraldine Clarke	Ultan Ryan (Secretary)	
Shane Galligan	Alison McIntyre (Head of Legal Department)	
Dermott Jewell		
Simon Murphy		
Síona Ryan		
Don Thornhill (Chairperson)		

Apologies: Eileen Barrington, Joan Crawford, Sara Moorhead.
One vacancy for IHREC nominee remains unfilled.
Authority was determined quorate in compliance with 2015 Act.

Section 1 – Administration

1.0 General

- 1.1 Agenda adopted.
- 1.2 Declaration of Interests on agenda items. None raised.
- 1.3 Minutes of Authority meeting of 18 January 2024 approved.

Matters arising in Minutes dealt with in CEO Report.

Section 2 – Governance

2.0 CEO Report (including update on Risk Register)

2.0.1 CEO Report provided updates on matters arising from Minutes of 18 January 2024 and highlighted activity and Risk Register dashboard since the last Authority meeting. The following aspects of the report were discussed at the meeting:

2.0.2 Staffing and Recruitment:

The CEO provided an update on LSRA staffing and recruitment. The Authority noted that six Authority members would be finishing a full eight years at end September and would therefore end their tenure with the Authority. The Chairperson asked that the relevant members contact their nominating bodies to prepare the selection process for the new member nominations.

2.0.3 Notaries Public and Anti-Money Laundering (AML):

The LSRA has been engaging with both the Department of Justice and the Law Society in respect of the regulation of Notaries Public in the context of AML. The LSRA has informed the Department of Justice that it is not resourced to carry out this role and that further consideration is required as to the practical operational challenges involved. The LSRA has also obtained counsel's opinion on the matter.

2.0.4 Inspections Function (Part 3 of 2015 Act):

The LSRA has established a working group to develop a system and process in respect of the implementation of its Inspections function. It was noted that the inspection of solicitors' accounts has remained a statutory function of the Law Society and that the LSRA's Inspection function is a narrow one. A further update on progress will be provided at the next Authority meeting.

2.0.5 Section 16 Education & Training Committee:

The CEO informed the Authority that sanction is required from DPENDR prior to selection and appointment of members to the Committee. The Section 16 Committee will put the competency framework in place for the Legal Practitioners Education & Training (LPET) Committee which the Department of Justice will then establish under legislation. Membership of the LPET Committee will be a matter for the Department to determine. The Chairperson noted that the 'Section 34 'Barriers Report' will have to be laid before the Oireachtas prior to the Section 16 Committee progressing its work.

2.0.6 LSRA Communications Activity:

Authority members commended the Executive on the information videos recently launched by the LSRA on its website and YouTube channel.

2.0.7 Section 34 'Conveyancer' Report:

CEO informed the Authority that the report will be published shortly and that members will be updated prior to the publication of the report. As part of LSRA stakeholder engagement, the CEO informed the Authority that he will be meeting with the Housing For All group in the coming weeks and also engaging with key stakeholders prior to the release of the report.

2.0.8 Risk Management:

Risk Management update provided in CEO report and noted by the Authority. The following risk was discussed at the meeting:

Risk 5 – Legal Challenges: Resourcing for Legal Department at the LSRA is a priority. Contingency budget provision in place for Legal Challenges for 2024 Budget (€250k). The CEO provided an update on the legal challenges risk. The Authority queried whether the contingency would be sufficient to cover costs arising from legal challenges. The CEO stated that this is being monitored by the Executive.

2.0.9 Other matters dealt with under separate agenda items.

3.0 Duly Authorised Register.

Duly Authorised Register approved, reflecting staff changes since previous meeting.

4.0 FAR Committee Chairperson's Report.

The FAR Committee Chairperson's Report was noted by the Authority. The FARC had welcomed the establishment of a second backup site for the Department of Justice ICT Systems in the context of Risk 5 (Cyber-Security). The FARC Chairperson informed the Authority that a number of errors had been identified in the Draft 2023 LSRA Financial Statements and that these will be raised with the accountants at the FARC Meeting of 22 March with the FARC seeking explanations and assurances in respect of the concerns identified. The FARC will consider adding a new risk to the LSRA Risk Register if the concerns are not satisfactorily addressed.

Section 3 – Finance

5.0 Financial Reports:

5.1 Management Accounts for period ended 31 January 2024

The Authority noted the LSRA Management Accounts at end January 2024. The Chairperson of the FARC flagged a number of issues with the Management Accounts including the absence of budget profile across a number of budget lines and a negative spend which is not explained. Again, these will also be raised with the accountants at the FARC meeting on 22 March 2024.

5.2 Update on levy

The CEO informed the Authority that a Section 32 advance of €1m was requested and received from the Department of Justice in February 2024 (lodged 16 February 2024). The CEO explained that this leaves the total recoupment amount in respect of section 32 advances at €3.7m. The €1m advance received in 2024 will be recouped to the Justice Vote before end 2024. The CEO further explained that the Minister may set an additional recoupment amount for 2024 as part of the levy consent process in respect of the remaining €2.7m, such an amount to be added to the overall leviable amount for the year. The Authority noted that €3m of advances received between 2016 and 2018 inclusive have already been set aside by the Department of Justice as non-recoupable establishment costs.

The CEO clarified to the Authority that the increase in the total leviable amount in 2023 increased significantly from 2022 due to the implementation of the new Levy model introduced in the Courts & Civil Law (Miscellaneous Provisions) Act 2023. The new model, combined with the continued growth of the LSRA (and LPDT becoming fully operational) will see further increase in funding requirements in 2024.

The CEO informed that Authority that LSRA Executive has been engaging separately with the Bar of Ireland to reconcile and agree the levy total appropriate to that representative body. The Bar of Ireland made a 'bulk' payment of €557.5k on 2 February and a further payment of €33.8k on 4 March 2024. This engagement is ongoing.

5.3 Draft LSRA 2023 Financial Statements

The Authority was provided with a Draft set of Financial Statements for 2023 for approval. The Authority noted the Draft Financial Statements and noted that the FARC Committee will be discussing them at its meeting of 22 March 2024. The Authority approved the Financial Statements for submission to the

Department of Justice and the Office of the Comptroller & Auditor General (OCAG) subject to the review of the Financial Statements at the FARC on 22 March, including the engagement with the LSRA's accountants and any amendments and clarifications arising.

5.4 LSRA Draft Budget 2024

The CEO presented the Draft Budget 2024 to the Authority. The CEO explained that the Draft Budget was subject to further review by the LSRA's SMT and amendment by the Accountants to reflect adjustments including in respect of staffing (including impact of Building Momentum Pay Agreement), legal spend and other areas. The changes in budget profile for 2024 compared to actual outturn in 2023 will need to include explanations for such adjustments as part of the Levy consent process submissions to the Minister for Justice. The Authority noted expenditure profiles in respect of LSRA Legal Costs, Other Consultancy, Research, Public Relations and Awareness, and Training budgets. Queries were raised in respect of insurance costs and the CEO explained that the State Claims Agency (SCA) is providing cover to the LSRA and that the Executive is engaging with SCA on the extension of that coverage for the LPDT. Insurance for the LPDT has been secured on an interim basis. The Authority also queried what the 'Pensions Service cost' under the pensions section of the Financial Statements related to (Secretary to follow up with actuary).

Section 4 – LSRA Policy and Implementation

6.0 Updates on the Performance of the Complaints & Resolutions Department of the LSRA and on the Operation of the LPDT

The CEO presented update reports, including statistical reports to the Authority in respect of the Complaints & Resolutions Department of the LSRA and on the operation of the LPDT.

6.1 Update on the Performance of the Complaints & Resolutions Department

The Authority noted the summary report and statistics in relation to complaints. Improvements in statistics have been achieved through additional resourcing and focused activity within the Complaints & Resolutions Department.

The CEO updated the Authority on staffing for the Department with 11 Complaints Resolutions Officers and 2 CRO staff now assigned as case officers.

4 x Temporary EO posts will be filled internally in the coming weeks with 1 assigned to LPDT, 1 assigned to the Officer of the CEO and 2 assigned to the Complaints & Resolutions Department.

In relation to the development of a new Case Management System (CMS) for the Complaints & Resolutions Department, the CEO informed the Authority that the LSRA is continuing to work with the Department of Justice (IM&T Division) on the project plan and the LSRA expects a progress update from the Department in April.

6.2 Update on the Operation of the LPDT:

The Authority was updated by the CEO on the operation of the Legal Practitioners Disciplinary Tribunal (LPDT).

The CEO stated the first LPDT hearings in respect of LSRA applications to the Tribunal were held in 2024. LPDT inquiry hearing dates were held in January and February 2024 with a total of 10 inquiry hearing days. 14 cases were considered over these hearing dates. 2 determinations have been furnished to the LSRA in respect of inquiry hearings held in January 2024 and February 2024.

The CEO confirmed to the Authority that in respect of section 88 notices, the LSRA will be publishing determination details to Iris Oifigiúil, on the LSRA website and, in respect of solicitors, in the Law Society Gazette.

6.3 Internal Sanctions Protocol

The CEO updated the Authority in respect of an LSRA sanctions protocol. At their meeting on 18 January 2024, the Authority agreed to the creation of an internal sanctions protocol which task was delegated to the CEO. The Authority were presented with the protocol by the CEO who explained that the purpose of the protocol is to create a uniform internal system whereby recommendations on sanction are prepared in a standard format based on relevant materials for consideration by the CEO. The Authority noted the protocol.

6.4 Resolution of the Authority – reappointment of members to Review Committee

The Authority passed a resolution reappointing a number of members to the LSRA Review Committee whose first terms were coming to an end. See Appendix I to these minutes.

7.0 Annual Report on Admissions to the Legal Professions (Section 33)

The Authority noted and approved the Report. The Authority asked that the next report in 2025 consider the provision of online courses.

8.0 Legal Partnership Regulations

The Head of the LSRA Legal Department presented the following documents to the Authority:

- a) a revised set of Legal Partnership Regulations under section 116(1)(a) of the 2015 Act in relation to the operation and management of legal partnerships;
- b) a revised set of Limited Liability Partnership Regulations under section 130 of the 2015 Act in relation to the operation of LLPs which now include provisions relating to legal partnerships who apply for authorisation as an LLP;
- c) a revised set of Professional Indemnity Insurance Regulations under section 47 of the 2015 Act which now includes minimum standards of professional indemnity insurance for practising barristers and for practising barristers in legal partnerships and limited liability partnerships; and
- d) An updated Code of Practice for Practising Barristers under section 22 of the 2015 Act.

The Authority was updated on the stakeholder engagement, amendments to the Regulations and a review of fees since the draft presented to the Authority on January and the intention to recirculate the revised documents with stakeholders, including insurance providers, for any further submissions prior to presenting the final Code and Regulations for approval at the next Authority meeting. The Authority approved the regulations and Code for consultation subject to minor amendments.

9.0 Closed Session

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

10.0 AOB

No matters arising.

Action Points – Meeting of 21 March 2024	
Agenda Item	Action
1.3	<p><u>Minutes:</u></p> <ul style="list-style-type: none"> • Minutes of 18 January 2024. • Secretary to arrange upload to LSRA website.
2.0.	<p><u>CEO Report:</u></p> <p><u>Updates for next meeting on:</u></p> <ul style="list-style-type: none"> • 2.0.2 Recruitment and staffing, including engagement with Department of Justice and DPENDR on sanctions and new Authority members for 1 October 2024. • 2.0.3 CEO to update on progress relating to AML and the Faculty of Notaries Public. • 2.0.4 Update on development of Inspections function. • 2.0.9 Update on Risk Register • Updates in CEO report or as separate Agenda items: <ul style="list-style-type: none"> ▪ Legal Partnerships (Regulations, Consultations etc) ▪ Financial Position and Levy 2023/2024
3.0	<p><u>Duly Authorised Register:</u></p> <ul style="list-style-type: none"> • Updated Duly Authorised Register will be circulated prior to next Authority Meeting to reflect staff changes.
4.0	<p><u>FAR Committee Chairperson’s Report:</u></p> <ul style="list-style-type: none"> • Update to Authority following FAR Committee meeting of 22 March 2024 (and next meeting)
5.0	<p><u>Financial Reports:</u></p> <p>Up to date Financial Reports to be provided for next Authority meeting. This to include outcomes from engagement with LSRA Accountants in respect of issues with Management Accounts, Draft Financial Statements and Budget 2024.</p>
5.1	<p><u>Management Accounts:</u></p> <p>Up to date Management Accounts to be presented to the Authority at its next meeting.</p>
5.2	<p><u>Update on Levy Financial Position:</u></p> <p>For inclusion as separate item or in CEO Report</p> <ul style="list-style-type: none"> • Update on Levy process in 2024 • Update on Financial Position in 2024

6.0	<p><u>Update on the Performance of the Complaints and Resolutions Department and the LPDT</u> Standing Agenda Item</p>
6.1	<p><u>Update on performance of Complaints and Resolutions Department:</u></p> <ul style="list-style-type: none"> • Update Authority on Complaints statistics and processing; • Update on performance activities for Complaints Department; • Update Authority on Advertising Regulation activities;
6.2	<p><u>Update on the Performance of the LPDT</u></p> <ul style="list-style-type: none"> • Update on operation of the LPDT including Inquiries.
8.0	<p><u>Legal Partnership Regulations and Codes:</u></p> <ul style="list-style-type: none"> • For approval of the Authority at its next meeting: <ul style="list-style-type: none"> ○ General LP and LLP Regulations ○ Professional Codes ○ PII Regulations

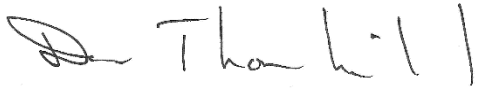
FINAL Minutes Signed



21 March 2024

Ultan Ryan, Secretary

Date



21 March 2024

Don Thornhill, Chairperson

Date

Appendix I



Resolution of the Authority on the reappointment of members to the Review Committee under Section 62 of the Legal Services Regulation Act 2015

Proposed by: Angela Black

Seconded by: Dermott Jewell

Establishment of Review Committee

Pursuant to section 62(1) of the Legal Services Regulation Act 2015, on 2 April 2020, the Authority formally passed a resolution establishing a committee, to be known as the Review Committee for the purpose of considering reviews requested by complainants or legal practitioners in relation to determinations of the Authority under section 60 or 61.

Appointment of Lay Members

Pursuant to section 62(2), 62(3) and 62(4) of the Legal Services Regulation Act 2015, the Authority has formally passed this resolution duly reappointing the following lay persons to be members of the Review Committee:

Lay Member nominees:

Anne Maher
David Swinburne
John Horan
Meave Hosier
Audry Deane
James Doorley
Stephen Kealy
Brice Dickson

Appointment of Members nominated by the Bar of Ireland and the Law Society of Ireland

Pursuant to section 62(2), 62(3) and 62(4) of the Legal Services Regulation Act 2015, the Authority has formally passed this resolution duly reappointing the following persons nominated by the Bar of Ireland and the Law Society of Ireland to be members of the Review Committee:

Bar of Ireland nominees:

Joe Jeffers BL

Fionnuala O'Sullivan BL

Nicola Cox BL

David Leonard BL

Law Society Nominees:

Dermot Scanlon

A handwritten signature in black ink, appearing to read 'Ultan Ryan', is centered on the page.

Signed by Secretary Ultan Ryan

Resolution passed on 21 March 2024

Annex I

Review Committee

62. (1) The Authority shall establish a Review Committee to consider reviews requested by complainants or legal practitioners in relation to determinations of the Authority under [section 60](#) or [61](#) .
- (2) The Review Committee shall be composed of 3 persons, 2 of whom shall be lay persons and one of whom shall be a legal practitioner.
- (3) The member of the Review Committee who is a legal practitioner shall—
- (a) in a case where the complaint relates to a solicitor, be a solicitor, and
 - (b) in a case where the complaint relates to a barrister, be a barrister.
- (4) A person shall be eligible to serve as a member of a Review Committee established under this section if he or she is eligible to serve as a member of the Complaints Committee established under this Part.
- (5) The Review Committee shall consider reviews requested and, having given both the client and the legal practitioner an opportunity to make a statement in writing to it as to why the determination of the Authority under [section 60](#) or [61](#) , as the case may be, was incorrect or unjust, determine the review by—
- (a) confirming the determination of the Authority,
 - (b) remitting the complaint to the Authority, with such directions as the Review Committee considers appropriate or necessary, to be dealt with again under [section 60](#) or [61](#) , as the case may be, or
 - (c) issuing one or more than one of the directions to the legal practitioner that the Authority is authorised to issue under [section 60](#) (6) or [section 61](#) (6), as the case may be.
- (6) Any payment made by a legal practitioner pursuant to a direction referred to in *subsection (5)* shall be without prejudice to any legal right of the client.

Annex II

Authority to facilitate resolution of complaints made under this Part relating to inadequate services

60. (1) Where the Authority determines under *section 57* that a complaint to which *section 51 (1)(a)* applies is admissible, or where a complaint is remitted to it under *section 62*, it shall invite the client and the legal practitioner concerned to make efforts to resolve the matter the subject of the complaint in an informal manner.
- (2) Where the client and the legal practitioner agree to the Authority's invitation under *subsection (1)*, and request the Authority to do so, the Authority shall facilitate the resolution of the matter—
- (a) by offering its assistance in resolving the matter in an informal manner, or
- (b) by identifying to the legal practitioner and the client other persons who are willing to assist in resolving the matter in an informal manner.
- (3) Where the Authority, having allowed the client and the legal practitioner a reasonable period to resolve the matter the subject of the complaint in an informal manner, considers that an agreement or resolution between the parties in relation to the complaint is unlikely to be reached in that manner, it may give notice in writing to the client and the legal practitioner (and, where appropriate, any other person involved in attempting to resolve the dispute) that it proposes to determine the complaint in accordance with this section.
- (4) Where *subsection (3)* applies, the Authority shall not determine the complaint concerned earlier than 30 days after the giving of notice under that subsection.
- (5) Where—
- (a) the client or the legal practitioner does not accept the Authority's invitation under *subsection (1)*,
- (b) the client or the legal practitioner, having attempted to resolve the matter in an informal manner, confirms to the Authority that he or she does not wish to continue to make such an attempt, or
- (c) the Authority decides under *subsection (3)* to exercise its power to determine the complaint under this section,
- the Authority shall thereafter invite the client and the legal practitioner to furnish to it, within such reasonable period as is specified by the

Authority, a statement setting out their respective positions in relation to the matter the subject of the complaint.

- (6) The Authority shall consider any statement furnished to it pursuant to *subsection (5)* and, where it considers that the legal services provided by the legal practitioner were of an inadequate standard, and that it is, having regard to all the circumstances concerned, appropriate to do so, the Authority may direct the legal practitioner to do one or more of the following:
- (a) secure the rectification, at his or her own expense or at the expense of his or her firm, of any error, omission or other deficiency arising in connection with the legal services concerned;
 - (b) take, at his or her own expense or at the expense of his or her firm (which shall not exceed €3,000), such other action as the Authority may specify;
 - (c) transfer any documents relating to the subject matter of the complaint to another legal practitioner nominated by the client, subject to such terms and conditions as the Authority may consider appropriate having regard to the existence of any right to possession or retention of any of the documents concerned vested in the legal practitioner to whom the direction is issued;
 - (d) pay to the client a sum not exceeding €3,000 as compensation for any financial or other loss suffered by the client in consequence of the legal services provided by the legal practitioner to the client being of an inadequate standard.
- (7) Where the client or the legal practitioner is aggrieved by a direction made by the Authority under *subsection (6)* or its failure to make such a direction, he or she may by notice in writing given not more than 30 days after the Authority has notified the parties to the complaint of its decision under *subsection (6)*, seek a review by a Review Committee established under [section 62](#) of the direction or the failure.
- (8) Any payment made by a legal practitioner pursuant to a direction referred to in *subsection (6)(d)* shall be without prejudice to any legal right of the client.

Annex III

Authority to facilitate resolution of complaints made under this Part relating to excessive costs

61. (1) Where the Authority determines under *section 57* that a complaint to which *section 51 (1)(b)* applies is admissible, or where a complaint is remitted to it under *section 62*, it shall invite the client and the legal practitioner concerned to make efforts to resolve the matter the subject of the complaint in an informal manner.
- (2) Where the client and the legal practitioner agree to the Authority's invitation under *subsection (1)*, and request the Authority to do so, the Authority shall facilitate the resolution of the matter—
- (a) by offering its assistance in resolving the matter in an informal manner, or
 - (b) by identifying to the legal practitioner and the client other persons who are willing to assist in resolving the matter in an informal manner.
- (3) Where the Authority, having allowed the client and the legal practitioner a reasonable period to resolve the matter the subject of the complaint in an informal manner, considers that an agreement or resolution between the parties in relation to the complaint is unlikely to be reached in that manner, it may give notice in writing to the client and the legal practitioner (and, where appropriate, any other person involved in attempting to resolve the dispute) that it proposes to determine the complaint in accordance with this section.
- (4) Where *subsection (3)* applies, the Authority shall not determine the complaint concerned earlier than 30 days after the giving of notice under that subsection.
- (5) Where—
- (a) the client or the legal practitioner does not accept the Authority's invitation under *subsection (1)*,
 - (b) the client or the legal practitioner, having attempted to resolve the matter in an informal manner, confirms to the Authority that he or she does not wish to continue to make such an attempt, or
 - (c) the Authority decides under *subsection (3)* to exercise its power to determine the complaint under this section,
- the Authority shall thereafter invite the client and the legal practitioner to furnish to it, within such reasonable period as is specified by the

Authority, a statement setting out their respective positions in relation to the matter the subject of the complaint.

- (6) The Authority shall consider any statement furnished to it pursuant to *subsection (5)* and, where it considers that the amount of costs sought by the legal practitioner in respect of legal services provided to the client by the legal practitioner was or is excessive, and that it is, having regard to all the circumstances concerned, appropriate to do so, may direct the legal practitioner to do one or more of the following:
- (a) refund without delay, either wholly or in part as directed, any amount already paid by or on behalf of the client in respect of the practitioner's costs in connection with the bill of costs;
 - (b) waive, whether wholly or in part as directed, the right to recover those costs.
- (7) Where the client or legal practitioner is aggrieved by a direction made by the Authority under *subsection (6)* or its failure to make a direction, he or she may by notice in writing given not more than 30 days after the Authority has notified the parties to the complaint of its decision under *subsection (6)* seek a review by a Review Committee established under [section 62](#) of the direction or the failure.
- (8) Where a bill of costs which has been the subject of complaint under [section 51 \(1\)\(b\)](#) has subsequently been adjudicated, then—
- (a) where the Authority has given a direction under *subsection (6)*, the direction shall cease to have effect, or
 - (b) where the Authority has not given a direction under *subsection (6)*, it shall not proceed to investigate such a complaint or otherwise apply the provisions of this section.
- (9) Where the Authority has notified a legal practitioner under [section 57 \(6\)](#) that a complaint under [section 51 \(1\)\(b\)](#) in respect of a bill of costs issued by the legal practitioner is admissible, the legal practitioner shall not—
- (a) issue or cause to be issued civil proceedings (whether on his own behalf or on behalf of any other person or persons), or
 - (b) if already issued, proceed further with civil proceedings,
- in respect of the amount (or any part thereof) of a bill of costs without the written consent of the Authority before the Authority has determined the matter under *subsection (6)* unless, on application by

that legal practitioner, on notice to the Authority, a court orders otherwise.

- (10) Where pursuant to this section a dispute regarding a bill of costs between the client and the legal practitioner is resolved, the client shall not thereafter be entitled to seek adjudication of the bill of costs under *Part 10* unless such adjudication forms part of the resolution.
- (11) The determination under this section of a complaint shall be without prejudice to any legal right of the client.