








**Strategic Risk 2** – We do not understand consumer needs and so are unable to be as an effective regulator as we can be.

**Risk Summary**

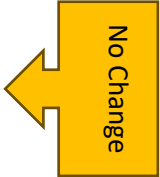
This includes the ability to respond and influence external drivers for change for example, technological developments, the unregulated/unauthorised legal services sector, consumer empowerment and the development of entities.

Current Risk Influencers	
-/+	LSB Business Plan and publication of statutory guidance on technology and innovation
+	LSB approval of changes to CRL transparency rules
+	Legal Choices and the development of the RIS
+	Technology/market changes lead to greater unregulated legal services market – opportunity to provide regulation to a wider area
-	Consumer detriment owing to lack of consumer knowledge of legal services market
-	Uncertainty created by CILEX proposals results in hard insurance market impacting entity numbers and barrier to growth
-	Digital exclusion prevents individuals accessing essential legal services
-/+	First tier complaints handling including expectations around standardised wording in client care letters

Mitigations in place	
	AI and innovation paper for Board discussion. Member of LSB Innovation and Technology Forum
	Review of LSCP and LSB consumer research eg Legal Needs survey. Member of Law Tech UK
	Increased emphasis on PLE – development of CRL website content
	DPD application. Liaison with Insurers to resolve barriers to potential CRL regulated entities.
	AI and Law tech paper and discussion at Board level to assess impact and regulatory response
	Cross regulatory working led by MTCOG and Legal Choices Governance Board
	Legal Choices and development of the Regulators Information System.








**Review Date**  
February 2025

**Risk Owner**  
DoG

	Impact	Likelihood	Risk Score	
Inherent Risk		5	5	
Current Risk		4	3	
Target Risk (planned migrations in place)		3	3	

**Risk Appetite**

Communication and Profile – Seeks  
Reform - Seeks

Planned Migrations 2025		Progress	
	Corporate plan – unregulated market literature review and roundtable Recruitment of additional Policy and Research resource to support collaboration with LSCP		Literature review published in November. Roundtable scheduled for 26 February
	Continued engagement with MTCOG and Legal Choices Engagement with LSCP including Chair attendance at CRL Board meeting.		
	Response to SRA consultation and associated comms highlights consumer impact of CILEX proposals		SRA consultation response publish. Public affairs strategy. Concerns raised with MoJ and Privy Council.
	Ongoing development of web content and comms collateral with a consumer focus.		
	Engagement with Lexis Nexus Gen AI product. Attend AI and Tech webinars to understand impact and opportunities relating to Law Tech		Ongoing. CRL attendance at SRA and LSB conferences. Engagement with Lexis Nexus and entities webinar. IoR and Westminster Forum seminars
	Digital exclusion collaborative research with BSB, CLC & ICAEW Gap analysis against LSB SoP on First tier complaints		Research launched with M-E-L research
	Legal Choices and development of RIS. Engagement with		RIS discovery phase complete. Project moving to