



illuminate

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# Shining a light on... you.

Every in-house lawyer is unique. So are the organisations you represent.

Whether you've recently joined a business and are working to understand the agenda, or you're an experienced hand eager to grasp the impact of the next big thing, being the legal gatekeeper (and a business adviser) can be demanding.

From spotting business risks to managing legal projects and processes, your role is a varied and busy one, but we're here to help.

Welcome to the 1<sup>st</sup> edition of illuminate.

Each edition tackles the issues that matter to you most. We'll be providing interviews, actionable guides and resources on key topics, giving you the confidence to speak and act — no matter what's on the agenda.

#### In this edition:


- We reveal what GCs told us they look for in their law firm partners.
- We focus on AI and how to harness its potential while managing risk.
- We interview Stephanie Beat, Legal and Compliance Director at Certas Energy on what it takes to be seen as a true business partner and how to add value beyond just 'getting the law right'.
- Our Marketing and Business Development Director shares her insights on how GCs can get the most out of the RFP exercise.
- Our specialists highlight some of the legal priorities on the horizon for you.

If you enjoy reading this, please make sure you [sign up](#) to receive future editions delivered directly to your inbox.

Want more? Our online [illuminate hub](#) is brimming with resources to help you develop yourself, your role, and the relationship with your law firms.

Stuart Ponting,  
Partner, Regulatory &  
Compliance, Walker Morris





# Personal chemistry, individualism, and communication (but not too much): What GCs told us they wanted from their law firms

We worked with an independent researcher — Graham Archbold at Chorus Insight — to ask almost 200 senior professionals about their needs, their challenges, and their views on law firms.

This article was featured in The In-House Lawyer Autumn 2023.

In recent years the role of in-house legal teams has expanded beyond its traditional boundaries. In-house lawyers across the board are becoming strategic partners to their commercial counterparts and are advising on the likes of ESG, digital transformation, and risk or reputation management. This is a challenge for many in-house teams, who are already dealing with complex and consuming projects, increased 'business as usual' workloads, and often, all with limited resources to hand.

This is a difficult situation for GCs, who can't be expected to have all the answers, especially when it comes to specialised commercial or legal matters, but need them quicker, and more focused than ever before. Of course, 1 option is to engage additional expertise from external advisors.

Earlier this year, we carried out our own research to better understand what GCs really want from their legal partners and how to better meet their needs in today's faster, leaner, and generally more demanding environment. We worked with an independent researcher – Graham Archbold at Chorus Insight – to ask almost 200 senior professionals about their needs, their challenges, and their views on law firms.

#### So, what did it tell us?

*In some ways, nothing surprising.*

Some of what we heard wasn't earth-shattering, but confirmed our own experience of working with legal teams.

In-house counsel, like all other business functions, are struggling to deal with the current economic situation and controlling costs, while keeping the company in line with ever-changing regulatory landscapes. Considering the average in-house legal team is just 6 or 7 people strong – including admin staff – it's really no wonder this is becoming a difficult scenario to keep on top of.

The other challenge that small – or even medium-sized – teams face, is a lack of knowledge specialism. In fact, it's unlikely that even if you have a bigger team, you'll have the expertise to cover everything. Depending on the sector, practice areas such as technology, IP, and tax law are often too narrow to have

dedicated in-house resources. It would be almost impossible to keep up with every piece of regulation without having experts in data, environmental law, product safety or white-collar crime, but there is simply not enough room in the budget for these specialisms on the payroll in many organisations.

It's not surprising, then, to find technical experience and quality of advice sitting right at the top of the list of 'what GCs need'. Perhaps this tells us what we've always known – in-house teams need firms that properly understand their business and can see what might be coming over the horizon to fill the gaps in the in-house offering. This is where the real value of working with an external firm will come from – but that value will only be delivered if the partner firm has a true specialism on offer, and it fits neatly with their client's needs.

#### So, aside from knowledge, what else are in-house teams looking for in 2023?

Turns out that people buy from people. Or so the saying goes. Our research confirms that it's no different when choosing a law firm partner. Excellent client service is up there with the top expectations, and 32% of GCs told us they place importance on trust, but the personal relationship seems to sit centre stage as well.

We were pleasantly surprised to hear from a fifth of GCs who said that the idea that a firm is human and allows individualism is a key driver when looking at who to work with. That was music to our ears. We encourage all our people to 'forge their own path' – our entire culture is built around allowing everyone to bring their whole selves to work and to pursue great ideas. (In fact, when we ran a companion piece of employee research, 79% agreed that Walker Morris 'is human and allows individualism'.)

A massive 73% said that they're more concerned with making sure they have personal chemistry with their main contact at a firm, rather than choosing based on the whole team. As we know, it's easier to build a closer professional relationship when you know who you're dealing with – and can get used to the way they work – rather than having multiple conversations at once. What's perhaps less clear is how many lawyers think their individual personality is critical to the success of the wider

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32% of GCs told us they place importance on trust

“We were pleasantly surprised to hear from a fifth of GCs who said that the idea that a firm is human and allows individualism is a key driver when looking at who to work with. That was music to our ears.”



Stuart Ponting

relationship (we might ask them next).

And those relationships appear to create a longevity and stability too. On average, CEOs can name just 3 different law firms, while GCs can think of about 7. This shows that while GCs may have more knowledge of the legal market than others in the business, law firms still need to grab their attention and must work hard to build solid, effective relationships with them. It's not about being distinctive or different for the sake of it either — only 2% said it was important that we do things differently to other law firms. Clearly, it's the individual connections that stand the test of time.

### How much communication is too much?

The research tells us that legal teams also continue to look for a service tailored to their needs. They want lawyers who keep them in the loop and communicate what's going on but, crucially, in a way that fits with their organisation.

Stepping away from the research for a moment, our own experience tells us that assuming we should communicate with our own clients in a way that suits us is generally unhelpful. In-house lawyers often want information that can be passed onto the business with minimal work. We're communicating with a mix of 'detail people' and those that prefer a one-page visual — and everyone in-between — so there's really no 'one size fits all'.

But back to the research. Interestingly, 1 in 7 in-house counsel say firms have 'overcommunicated' with them. The immediate assumption is that they're thinking about the volume of communication.

But maybe not. When talking generally about the information they get from law firms, we saw that people want 'workable advice, not 14 different options', or 'a headline executive summary'. We didn't dig into whether the 'overcommunication' meant that they're hearing too much from law firms, or whether communication is just too detailed. We'll do that in our next round of research. In the meantime, we'll be sure to keep asking our clients about their particular 'Goldilocks' volume, format, and method of communication.

### Location, location, location?

A majority of decision-makers now believe that where a law firm partner is based geographically is no longer an issue. Of those we spoke to, 70% said that a firm didn't necessarily have to be local to deliver what they need.

If we'd asked this question 5 years ago, we'd have got a different answer. The seismic shift toward remote and hybrid-working and the improved ease of communication has undoubtedly played its part here.

However, the challenge, particularly for client partners managing relationships, is whether sufficient quality interaction and engagement can still be achieved with in-house teams, and if so, how. Thinking back to the point above — that there's no one right way — we need to make sure we keep asking questions. Do you like Teams, or do you like to build relationships in person? If so, can we involve all of your team and, perhaps occasionally, we can just do the social thing instead? After all, relationships are just as important as CPD aren't they?

### A willingness to listen – and to act on what we hear.

Feedback is the best way to understand how well lawyers are delivering what their clients want — and understand what they can do to improve. That's one of the main reasons we carried out this research, and why we prioritise speaking to our clients regularly to make sure we can support them in the best way.

And the best way to get exactly what you need from your law firm partner? Engage. At Walker Morris, we want GCs to tell us precisely what they need from us at all stages to help them succeed. We take the time to listen, to learn,

and to challenge our clients on their thinking, in order to refine what we do to be the very best it can be. That can be at our initial in-depth consultation or RFP stage, as our work continues, or through formal feedback at the end of

transactions. It's through this kind of communication that we can avoid making assumptions, and act on what's really going to make a difference. But perhaps more importantly, our ears are always open, to listen, to learn and to evolve with our clients.

It's also important that you, as GCs, aren't afraid to tell us if things aren't working as you'd like them to. If our way of doing things — which we may have developed with the best of intentions — doesn't work for you, raise the issue. We're always happy to discuss how to make changes and save any bigger headaches happening down the line.

That's because we want to help. We want to do what's needed to let you handle the day-job, or free up time to do the things that really interest you and add value. And it's through open communication between us and GCs that we can make that happen.

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Independent research agency, Chorus Insight, surveyed 186 senior professionals in businesses across the UK, including clients and non-clients of Walker Morris between April and June of 2023.

“Feedback is the best way to understand how well lawyers are delivering what their clients want – and understand what they can do to improve.”

# What's on your to-do list?

And what are you putting off?

illuminate has guides, articles, and insights from your peers. It might just give you the knowledge or inspiration you need.

The logo for 'illuminate' features a small yellow dot above the letter 'i' in 'illuminate'.

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# Artificial Intelligence: Your questions answered

In November, we joined forces with Lexology to deliver a [webinar](#) on unlocking and controlling AI. [Sally Mewies](#), Partner and [Luke Jackson](#), Director from our [Technology & Digital](#) team were speakers, together with News UK's CTO Simon Farnsworth. If you missed the webinar and want to catch up, you can [watch it here](#).

**During the popular event, the discussion covered issues including:**

- What is AI?
- How AI is being used in large organisations.
- The commercial and legal considerations of choosing an AI solution.
- The status of AI regulation.





**D**uring the event, we asked our audience to share any questions they had about AI. Here, Sally and Luke explore some of the key themes and questions raised during the session, providing insight from their own experience.

**Let's start with a question around best practice for processes and policies:**

**What's the current status of the AI ISO standards and how likely are they to be adopted?**

In December, the International Organization for Standardization (ISO) published a new standard for AI — [ISO 42001](#). Its scope and purpose are similar to the well-known ISO 27001, which is a best practice information management standard and provides requirements to make sure organisations manage their own and others' information securely.

This new standard provides a framework for using AI safely and securely within an organisation. While the standard applies to all AI systems, it's more likely to be useful in respect of high-risk AI systems, i.e. generative AI (GenAI), which is the kind of AI that might influence people's decision making as well as their thinking.

You'll likely already be familiar with GenAI as it's been responsible for a lot of recent hype in the media, mainly because it creates something new at the touch of a button: a piece of text, audio, image, or video — typically from a text prompt being entered. ChatGPT is a well-known example of a GenAI text producer, while Midjourney is a popular way to produce AI-generated images.

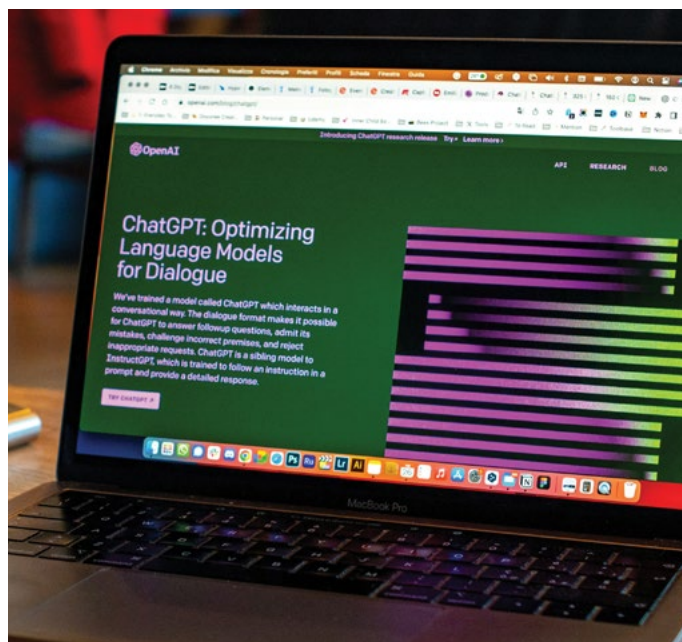
This isn't the only ISO standard relating to AI — there's also [ISO 38507](#) which focuses on the governance implications of the use of AI by organisations, and [ISO 23894](#) on the risk management of AI.

We know from talking to our clients that adopting some kind of guidance and framework for the use of AI within businesses is a critical issue. But whether or not organisations use this new AI standard as a means of achieving that will only become clear with time.

If you're interested in learning more, keep an eye on our [illuminate hub](#) for our guide to AI policies and governance.

**You could argue that freely available data which is used by AI systems creates new intellectual property. But who owns the new IP in the absence of a formal agreement?**

The IP question is complex and one of the key issues that various judicial systems are wrestling with. Perhaps not surprisingly, the answer depends on the IP laws of the country in which the content is created. IP is territorial and that means that different jurisdictions have different rules for the protection and enforcement of IP rights. We do know that in many jurisdictions IP is only protected if it's created by a human — that means an AI-created work will not command protection.



Whether AI systems that use content for training are infringing another person's IP will depend on the material that's used for the training. If it attracts IP protection in the jurisdiction in which it was created, then using it may infringe the IP rights of another party. There are cases being brought around the world against companies like OpenAI and Microsoft, claiming that training AI systems on IP-protected material is an infringing act, but the position in the UK is unclear at the moment.

Here in the UK, the Supreme Court recently [ruled](#) that since it's not a natural person, an AI machine cannot be the named "inventor" for the purposes of the Patents Act 1977. It's likely that cases in the coming months and years will probe the key legal questions in this area — so it'll be important for organisations to be aware of these as and when they occur. And with the goalposts likely to be moving for the foreseeable future, flexibility will be vital for any organisations using AI.

**With the rise of litigation cases in the UK and US regarding IP infringement over AI-generated content, what preventative measures should businesses adopt?**

First of all, there are 3 key things that customers of AI solutions need to consider when buying them:

- Are there steps that the business can take to understand what materials the AI solution has been trained on?
- What comfort is the business getting from the supplier that the way the solution has been trained isn't infringing a third party's IP?
- What systems and solutions can be put in place to make sure that ongoing training of the AI solution is done in a secure and unbiased manner that keeps data up to date and accurate?

These are all points that you will need to raise and discuss with your supplier at an early stage. You can then seek to negotiate and incorporate the relevant protections in terms of rights, obligations, warranties, indemnities, and allocation of liability within the contract. Depending on the solution and the supplier, it may be difficult to negotiate certain commitments and undertakings on these issues.

Another measure that will help to mitigate the risks associated with AI-generated content is to prepare a staff policy which sets out the AI solutions that staff can and can't use, as well as how they're allowed to use them. This should be accompanied by staff training.

**Since the AI solution is only as good as the updated information it generates, who should be responsible for the costs of those updates?**

The issue of update support is interesting. If you're a business that acquires an AI solution from a supplier, then you'll need to agree with that supplier how the AI solution will be kept up to date. That includes training on materials that are accurate and unbiased, and how the associated costs will be allocated.

**Do you think the UK needs more experts in generative AI to inform policy in a centralised AI office?**

According to a recent University of Cambridge [report](#), the UK lacks the computing capacity and capital required to build generative machine learning models fast enough to compete with US companies. It suggests that the UK should instead focus on leveraging these new AI systems for real-world applications. The report goes on to say that those plans could falter without new legislation to make sure the UK has solid legal and ethical AI regulation.

Does the UK need more experts in GenAI to inform policy? Well, the UK government is currently against introducing AI-specific legislation and is looking instead to existing regulatory bodies to manage the use of AI in their respective regulated sectors. The government believes those regulators are experts in their fields and therefore best placed to deal with the regulation of AI.

However, to ensure consistency across all of the different sectors, it's critical that there's government expertise in relation to AI. Without this, there could be areas of AI use that slip between the gaps. The Secretary of State for Science, Innovation and Technology [confirmed](#) in September that their department had established a central AI risk function. This'll identify, measure, and monitor existing and emerging AI risks using expertise from across government, industry, and academia. It seems there will be a particular focus on foundation models and frontier AI.

[Sally Mewies](#), Head of Technology & Digital and [Luke Jackson](#), Director in our Technology & Digital team at Walker Morris.



# Demystifying AI:

## Our guide to what you need to know

With new tech come new risks. It's crucial that businesses understand these risks and put the relevant safeguards in place to make sure such a powerful tool doesn't work against their best interests.

Our guide, Demystifying AI, aims to help you do just that.

### It'll help you:

- Understand AI and the key terms.
- Proactively plan for the legal and practical implications of using AI systems.
- Create an effective AI governance framework.
- Know what to look for when commissioning AI systems.

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# 7 tips for getting the most from your RFP

A good RFP can prove extremely valuable to legal departments, ensuring GCs get the right legal support for the right work at the right price. Conversely a bad RFP can achieve precisely the opposite, costing considerable time, energy, and money without securing the desired experience or expertise. With the stakes high, what steps can GCs take to get the most out of the RFP process? Deborah Fleming, Marketing & Business Development Director at Walker Morris gives us her top tips.

## ***Want to know more about managing a tender process?***

*Our guide provides you with what you need to know to launch and manage a tender process with confidence.*

*The guide includes clear and actionable information about:*

- *Setting your objectives.*
- *Involving the right people.*
- *Deciding who to invite to tender.*
- *Managing communication.*
- *Specifying the tender documents.*
- *Planning the presentation.*
- *Evaluating and communicating the decision.*

## 1. Always share your why

What are you trying to achieve? What does success look like? Why do you need to appoint a law firm and what do you need them to help you do? It sounds simple, but this basic point is often lost. If you're finding it hard to answer these questions, drafting the RFP will have already served its purpose by forcing you to do that pre-thinking. And if you've done this focused thinking, it'll encourage your law firms to do the same, resulting in a much more considered response.

## 2. Think about who you need to involve (and who you might want to involve)

Think about who'll be impacted by your decision. Who'll need to be comfortable working with the people you appoint? Who would it be wise to involve because of their potential to cause delay or disruption if they don't like your decision? Those are the people you need to involve in this process. Be clear with those people what their role is — and what it isn't. And be careful here — if you involve people, give them a say. The only thing worse than not involving them at all, is taking up their time and then appearing to not listen to their views.

Equally, think about who you might want involved, even if their input isn't strictly necessary. If you're nervous about the process, don't be afraid to ask for help, whether from colleagues or peers outside your organisation. You're not a professional buyer and you shouldn't fear admitting that.

## 3. Only invite firms who stand a chance of winning

Responding to an RFP takes a lot of time and resource. Know that firms will agonise about whether to bid or not, even if they know they're not the best choice for this work, because we don't want you to think that we don't want to work with you. But if a firm bids, that's a lot of work for both them and you — you need to spend time communicating with each bidder and reading their submission. So don't ask firms because you think you should. Be bold and only invite firms because you're genuinely interested in how they can help you.

What about incumbents? It's best practice, of course, to review long-standing relationships. Provide the right direction and a strong incumbent firm will understand this and be happy to reaffirm what they stand for. If, however, you're not satisfied with your current law firm, don't run an RFP process to address this. Take the issue up with the firm directly rather than waiting

## 4. Don't use formulaic templates — you'll get formulaic responses

You'll also give yourself a much better chance of appointing the right firm if you ask for information relating to this specific opportunity. The more specific the questions, the more specific the answers will be. If you use a generic RFP, don't be surprised if you end up with the same generic response you got last time around. (Of course, if your RFP is specific and well thought-out and you still receive a 'cut-and-paste' response, that in itself will help you make your decision.)

Remember that 'specific' doesn't need to mean overly detailed. The sweet spot is probably around 3-4 pages of narrative. That's long enough to capture the essence of what you're looking for, while short enough not to deter firms from responding. And from our side, bear in mind that the people responding to you really want this work and don't want to risk leaving anything out. Unless you want reams of information — I've heard "include it just in case" a lot — give word limits. It'll force tenderers to really think about what they want you to know — and means that you don't have to wade through 70-page tenders.

## 5. Be open to questions

If your processes permit, be open to questions and state who interested parties can contact. Even better, go one step further and actively encourage scoping calls. Being able to pick up the phone and ask questions helps firms to establish whether they're best placed to give that advice. It also might uncover something that's really important to you, and that the law firm can do well — that they otherwise wouldn't have thought to mention.

Ultimately, the success of your relationship with your chosen law firm will be determined by the quality of advice and support received, not whether they provided a compelling answer last year to question 5 on page 19 of the RFP. Not discussing your needs sufficiently is one of the main reasons tender processes don't deliver the best possible result.

## 6. Be clear and honest about the result

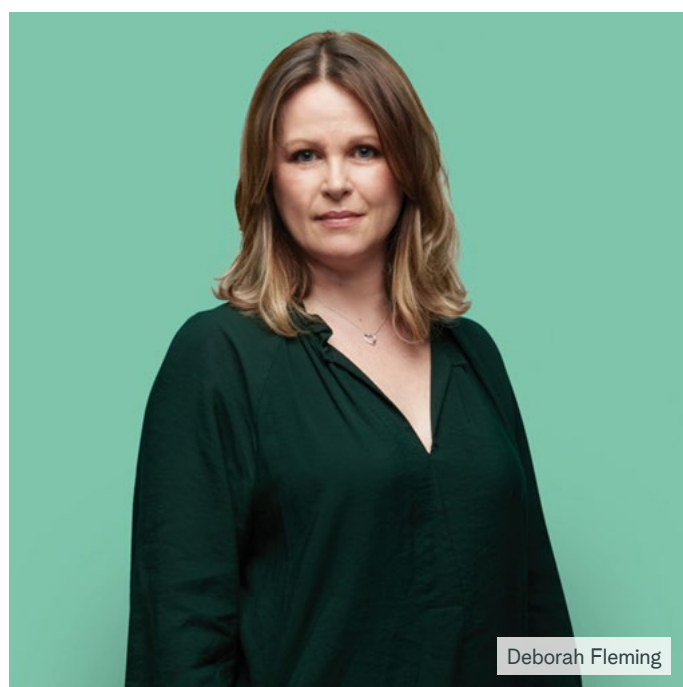
You might not be running a large or procurement-led RFP, but it's still helpful to design some kind of score sheet. If you're considering a few firms, it'll help you remember why you liked the first document you read or the first presentation you saw. It should also help you remain objective if you have a tendency to make quick 'gut feel' decisions or need to justify your decision to colleagues or losing bidders.

Try not to put off making and communicating the decision. Firms might be resource planning for other potential work and will welcome knowing the result, even if it's not the one they were hoping for. Which leads onto our final tip...

## 7. Maintain your relationship with all bidders

Even if you don't choose a firm on this occasion, give them feedback. From the law firm's perspective, they'll have put their all into their response and will want to know what worked and what didn't. From your perspective, if you think a firm got the wrong end of the stick, let them know. They might do better next time and be a perfect choice for your next project.

Deborah Fleming, Marketing & Business Development Director at Walker Morris





In conversation  
with:

# Stephanie Beat, Certas Energy

The scope to contribute to the strategic direction of the business as a GC or in-house legal team is enormous, but historically, these roles have often been seen as the people who say “no”. Jeanette Burgess, Head of Regulatory & Compliance, Walker Morris talks to Stephanie Beat, Legal & Compliance Director, from Certas Energy to explore what it takes to be seen as a true business partner and how you can add value over and above just ‘getting the law right’.

Stephanie qualified in private practice as a Commercial Solicitor, but soon felt frustrated by what she describes as the distance from her clients. A secondment cemented this feeling and after two and half years in private practice, Stephanie made the move in-house. After working for an online retailer for 9 years, Stephanie joined JLA, a private equity backed business as their first Legal Counsel. Describing her time at JLA as “eye-opening and pretty intense”, she went on to explain why she believes being a GC is about more than just answering the legal questions, and how the role can be a force for good.



Stephanie Beat

“You have to put in the effort to build relationships. Some teams will embrace you, others may keep you at a distance, and it’s usually the latter that actually need you the most.”

**It’s great to talk to you today, Stephanie, thank you for taking the time to tell us more about your role and experience in-house. First, I’d like to ask you how you believe the role of General Counsel or in-house legal team goes beyond risk mitigation to actively contribute to the strategic direction of the business?**

I’m part of the leadership team here at Certas Energy and to be honest that’s a real game changer. It allows me to build partnership relationships with the MDs of the divisions and be part of the discussions around business strategy and direction. It also demonstrates to the wider business the importance of legal and compliance, so it sets the tone from the top. To be really effective in my role, I need as much information about the business strategy, goals, priorities and challenges as possible, and being brought in at an early stage is vital to this. On the other hand, if you’re kept at a distance, you can’t really add much value or be anything more than a tick box person. So being given the opportunity to have this kind of business-critical information and insight, is fundamental.

There’s always so much interesting stuff going on, that it’s important to use the many transferable skills we have as lawyers to do more than just answer the legal questions. For instance, I joined “General Counsel Sustainability Leaders” (formerly Lawyers for Net Zero) early on in my time at Certas Energy, because ESG and sustainability are areas that I’m interested in and I could see how important it would be to the business, given the nature of what we do and the part it has to play in the energy transition. It struck a chord as an area where I was perfectly placed to really make a difference, and had the potential to influence decisions and drive change within the business. Using our positions as a force for good is one of the most impactful and rewarding things we can do.

**Thanks Stephanie. Can you give us an example of where you and your team have played a pivotal role in shaping the company’s strategic decisions or initiatives?**

At the moment it’s a really exciting time to be part of Certas Energy with the expansion of our products and services to our customers as part of the energy transition. We had an example recently where we were initially instructed to “draft a contract”. When we started to ask questions so we could fully understand what was required, it was clear that there was a lot of detail that

hadn’t been thought through: a number of key commercial and strategic decisions hadn’t been made yet and there was a need to move quickly. Rather than just say “no”, we worked with the team to suggest ways that we could approach things differently and reduce risk. When the team started to think through the different scenarios, they could see that some of the drivers were around risk, but there were also other approaches that hadn’t been considered. We were able to advise about new areas of regulation and compliance that the team were unfamiliar with, and suggest ways that we could partner with colleagues from around the business to get help in specific areas. After talking through what they wanted to achieve and how they were planning to do it, our suggestions resulted in a change of approach and direction. Our input meant that the team was able to speak more confidently about why the go live was going to be delayed — and they didn’t use the “it’s stuck with legal” line. This was a great example of the cross-transferable skills that we have as lawyers and the ways of thinking that make us valuable to the business at lots of different points: we can add the most value when we play a part in the journey from the initial idea right through to the design of how we’ll implement it, and on to taking it live.

**How do you make sure that people come to you, like in the case of this product launch? Are there particular strategies you employ to ensure your legal team is seen as a proactive partner driving the business forward, rather than just a team that ticks boxes, or says “no”?**

To a large extent it’s about being visible, showing an interest and making ourselves approachable and available to all parts of the business. Realistically, there’s always going to be a minority of people who don’t understand why we’re involved in things, or talking about things other than the obvious legal matters, but we do see things in a different way. The nature of what we do and our training as lawyers means we can usually get into the detail of whatever is happening pretty quickly, and can even be ahead in terms of things that people may not have even thought of yet. When we’re involved from the start, there’s an enormous amount we can do to make life easier for the business and that’s what’s key — if people think that involving you will actually help them to achieve what they want to do, you’re halfway there.

**Collaboration is key to successful integration between legal and other departments. How do you foster strong**

## partnerships with different teams to better understand their goals and challenges?

You have to put in the effort to build relationships. Some teams will embrace you, others may keep you at a distance, and it's usually the latter that actually need you the most. A great example of this is the monthly "Legal and Compliance Connects" which we've been running for about 18 months. We started by inviting teams from across the business to a half-hour meeting each month with a member of both the compliance and legal team to discuss projects, issues, compliance concerns and legal and regulatory updates. Over time we asked the business to take over the running of the meetings, to set the agenda and the direction of the discussion. Not only did they work as a way of getting to know people from across the business and to raise the profile of the team, but we were able to gain a better understanding of what the teams were focusing on, what was in the pipeline and where they needed support. We want people to feel comfortable coming to us with questions or concerns — this is just one way for them to do that, but it seems to work.

## What role does ongoing education and awareness about the industry and market trends play in helping your legal team provide strategic value to the business?

This is something that's really important — a key skill, but can be really difficult sometimes to make the time for! We do make use of a lot of updates from law firms, webinars, workshops, that kind of thing. General commercial awareness skills can help you to understand how and why your business needs to act or move in the way it does, and in some cases enables you to actually identify opportunities. Sector specific membership organisations can be really helpful for this: when I worked in retail for instance, we were members of the British Retail Consortium, which allowed me to learn a lot from other businesses in the sector who were all grappling with the same issues. I encourage my team to take whatever is being offered and make the most of it.

## External law firms often serve as important partners. How do you collaborate with these firms to align their services with the business' strategic goals?

I always say that I like to work with the people, not the firm, and I tend to like to work with people that show an interest in the business but also the challenges of the legal team. That's really important when it comes to collaboration, as well as making sure their services are aligned with our strategic goals. The more they invest in you, get to know the business and your team and understand what you need, the more successful the relationship is likely to be. We're always under pressure to reduce costs and deliver more, so if an external provider can show a willingness to make an investment, it's always really appreciated. I always enjoy getting calls from our advisors out of the blue, proactively asking for a catch up or sending me something topical or an update on emerging risks. It's nice to think they'll have a finger on the pulse of what you're doing strategically and have the foresight to get in touch. In our case that means having a good idea of our priorities. At the moment, sustainability and the energy transition has a huge focus and is gathering momentum fast, so it can be a challenge to keep up sometimes. Anything that can be sent directly out to the business is a bonus!

## As the business landscape evolves, how do you see the role of the General Counsel and the in-house legal team evolving to provide even more strategic value?

We'll always have to find ways to do more for less and demonstrate value. Being as efficient as possible is one element of this and legal tech will play a part but we have a great opportunity almost every day to demonstrate that we can do far more than just the legal stuff. Business acumen and commerciality will be right up there alongside the more academic legal knowledge, and honing those softer skills will be very much the norm.

## Finally, how do you envision the future relationship between in-house legal teams and external law firms in terms of driving business strategy?

There'll likely always be a need for in-house teams to engage with external firms for more specialist areas and to work with experts in their field, but I think development of the more successful, sustainable relationships will involve a greater amount of checking in. Law firms will need to take a genuine interest in understanding the business problems of their clients, the industry pressures, and how we're responding to the needs of our own internal clients. Advising in isolation of this is not only more difficult (and probably more expensive for the client) but is also unlikely to give the in-house team what they need. I think that there'll also be a desire for external law firms to be more innovative and be willing to take a punt and explore new things. It should be a mutual relationship with both sides putting in effort to discuss and debate potential opportunities. From my perspective, I'm always very clear about the scope of what we want from our external law firms, but maybe I am being too restrictive sometimes — once a legal partner understands your pain points it's the perfect opportunity for them to be proactive and showcase creative thinking around what else they can offer. We're paying for experts in their fields and that's what we expect, but there's also an element of wanting to know that you are front of mind and can count on the firms you use to provide timely support and creative solutions.

Stephanie Beat, Legal & Compliance Director, from Certas Energy in conversation with Jeanette Burgess, Head of Regulatory & Compliance at Walker Morris



Jeanette Burgess



# Five in 5

In each edition of illuminate, our team of experts shine a light on 5 key priorities for GCs and in-house teams.

## 1 The latest on AI

“The UK hosted the first global [AI Safety Summit](#). This came hot on the heels of a stark [warning](#) from the Corporate Governance Institute UK & Ireland that UK corporate boards need to up their game in terms of governance to be AI-ready.

“The government finally published its [response](#) to last year’s white paper on AI regulation, confirming a context-specific approach led by existing regulators. The next major flurry of activity is in the spring, including the regulators outlining their strategic approach to AI, and updated guidance on the use of AI in HR and recruitment.

“The Information Commissioner’s Office (ICO) published a [round-up](#) of its AI guidance and resources and launched a [consultation series](#) on generative AI, and the National Cyber Security Centre (NCSC) [announced](#) new global guidelines for the secure development of AI technology and published [guidance](#) on AI and cyber security.

“Over in Europe, a landmark provisional agreement was reached on the EU AI Act. It’s expected to be finalised shortly and will be phased in over a 3-year period. The Act focuses regulation on 4 categories of identifiable risk and will apply to providers, deployers, importers, distributors and manufacturers of AI systems placed on the EU market or whose use affects people located there. Watch this space.”

– Sally Mewies, Head of Technology & Digital

**Who does this impact?** Board and senior management, Risk, those responsible for data protection, HR, IT, Learning & Development, all staff.

**When?** For UK regulation, more clarity is expected in spring. The EU AI Act is expected to be finalised shortly, with a phased application from 6 months to 3 years depending on the risk category.



## 2 Corporate transparency and economic crime reforms

“The [Economic Crime and Corporate Transparency Act 2023](#) has been passed, ushering in a comprehensive package of measures designed to tackle corruption, money laundering, and fraud. They include [fundamental reforms](#) that will bolster the role and powers of the registrar of companies and bring Companies House operations up to date.

“A new identity verification regime for both new and existing directors, members of Limited Liability Partnerships (LLPs), and people with significant control is on the horizon. Alongside other changes aimed at enhancing corporate transparency, this will reshape the way every UK corporate entity is formed and managed.”

– Richard Naish, Partner, Corporate

**Who does this impact?** Company secretaries, or whoever is responsible for Companies House filings. They will need to review existing procedures and consider whether the system can continue in light of the new restrictions on who is able to file documents at Companies House.

**When?** Restrictions likely to come into effect in late 2024.

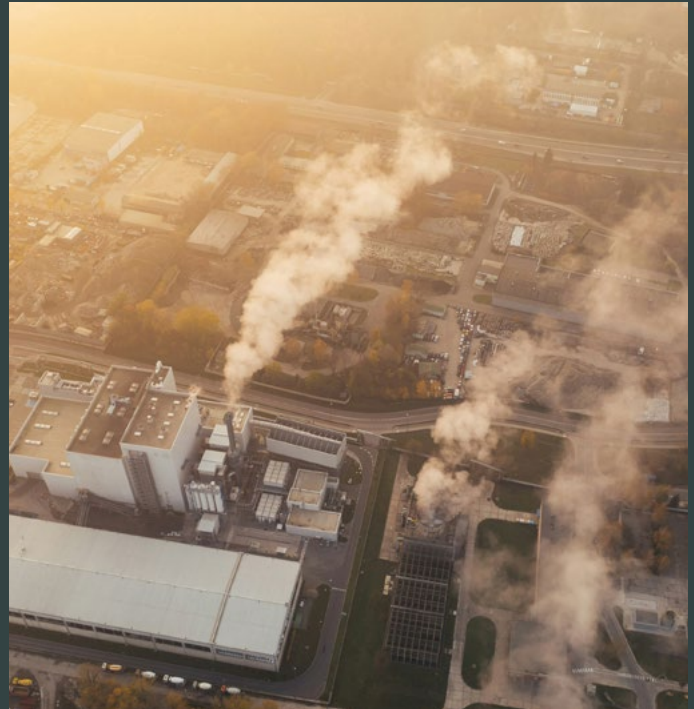
“A significant shift in corporate criminal liability is also in the pipeline, with a new corporate offence of [failure to prevent fraud](#) set to apply to ‘large organisations’ (as defined in the Act). This is slated to come into force following the publication of government guidance.

“Provisions that attribute criminal liability to corporate entities where senior managers commit certain economic crime offences came into force on 26 December 2023. As these changes come into effect, it’s crucial for all UK corporate entities to understand their implications and adapt accordingly to ensure compliance and maintain trust in their operations.”

– Andrew Northage, Partner, Regulatory & Compliance

**Who does this impact?** Board and senior management, Risk, Finance, Learning & Development.

**When?** 26 December 2023 for criminal liability where senior managers commit certain economic crime offences. Failure to prevent fraud offence awaiting government guidance.



## 3 Climate reporting and sustainability

“The Law Society published [guidance](#) for solicitors advising companies on climate risk governance and the risks of greenwashing. In addition, the Transition Plan Taskforce has launched its ‘[gold standard](#)’ [disclosure framework](#) for companies and financial institutions to address climate change and has recently consulted on sector-specific guidance for those preparing and using climate transition plans. We’ve also seen the Taskforce on Nature-related Financial Disclosures release the final version of its [recommendations for a disclosure framework](#).

“The government recently [sought views](#) on Scope 3 greenhouse gas emissions reporting and the effectiveness of the current Streamlined Energy and Carbon Reporting framework. Scope 3 emissions reporting is likely the most significant challenge of any Net Zero plan. Lastly, [asset stranding](#) is increasingly becoming a key commercial consequence of national and international climate action. Businesses should act now to assess their risk and mitigate any potential adverse economic impact.

“In summary, these developments underscore the growing importance of climate risk governance and transparency in business operations. Companies, particularly those with significant greenhouse gas emissions, want to be up to speed with evolving standards and guidelines. They want to be proactive in assessing and mitigating their climate-related risks and keeping pace with rapidly changing regulation and stakeholder interests.”

– Ben Sheppard, Partner, Infrastructure & Energy

**Who does this impact?** Board and senior management, those responsible for climate-related issues.

**When?** Ongoing.



# 4

## Developments in employment law

“The government has introduced legislation to significantly reform annual leave and holiday pay calculations in the working time regulations, and consultation requirements under TUPE. The holiday related changes came into force on 1 January 2024 and the changes to TUPE will impact transfers on or after 1 July 2024.

“More new legislation — coming into force from 1 September 2024 — will give certain workers a right to request a predictable working pattern. This will be particularly relevant for employers with casual or zero hours staff. And from 26 October 2024, employers must take reasonable steps to prevent the sexual harassment of employees in the course of their employment.

“In other news, the ICO published guidance for employers around employment practices and data protection. It’s recently been consulting on two new instalments covering keeping employment records and recruitment and selection.”

- Lucy Gordon, Partner, Employment & Immigration

**Who does this impact?** Board and senior management, HR, Risk, Finance, Payroll, Learning & Development, and those responsible for data protection.

**When?** Various dates in 2024.



# 5

## Data protection and cyber security

“The Information Commissioner warned organisations to proactively make advertising cookies compliant or face enforcement action. In addition, UK businesses are now able to transfer personal data to US organisations certified under the UK extension to the EU-US Data Privacy Framework.

“The Data Protection and Digital Information Bill is expected to become law in the spring. It’s anticipated that businesses operating both in the UK and the EU will likely be compliant with the new law if they adhere to EU GDPR rules.

“In relation to cyber security, the government’s currently asking for views until 19 March 2024 on a draft Cyber Governance Code of Practice to help directors and business leaders boost their cyber resilience, with the CEO of the NCSC stressing that “cyber security is no longer a niche subject or just the responsibility of the IT department”.

“Businesses must stay updated with evolving regulations and ensure they have robust measures in place to protect personal data and prevent cyber security breaches. The consequences of non-compliance can be significant and damaging. So, it’s crucial for businesses to take proactive steps to ensure data protection compliance and prioritise how they deal with cyber threats.”

- Andrew Northage, Partner, Regulatory & Compliance

**Who does this impact?** Board and senior management, Risk, IT, those responsible for data protection and cyber security.

**When?** Ongoing.



# Want to say hello?

Contact us by emailing  
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Alternatively, you can sign up to receive regular updates, developments,  
and events direct to your inbox, or find out more on our hub.

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\*All the content in this publication was correct at the time of publication — March 2024.\*