

# QUARTERLY PROJECT HIGHLIGHT REPORT



**PROGRAMME/POLICY AREA:** A: Regulatory performance and oversight

**KEY OBJECTIVES:** Developing standards and performance, reviewing progress on prior year initiatives, reviewing regulatory sanctions and appeals processes, ending the transitional arrangement for licensable bodies and the regulation of “special bodies”.

**LINK TO REGULATORY OBJECTIVES:** RO1, RO4, RO6, RO7

## PROJECT HEADLINES

### Key achievements of Q4 14/15 reporting period:

#### **Regulatory standards:**

##### **2014/15 self assessments**

- Paper to the January Board identifying best practice case studies
- Project now completed

##### **2015/16 self assessments**

- Workshop held to outline the 2015/16 approach with third parties
- PID completed

#### **Thematic reviews**

##### **Schedule 13 review:**

- Met with the SRA regarding work to improve its authorisation processes, including related to Schedule 13 LSA
- Ongoing discussion on whether we are in a position to withdraw our existing s55 notice requiring data on ABS authorisations
- SRA response reviewed against points raised in 2014

##### **Section 15 review:**

- Discussion paper and update to the January Board
- Continuing engagement with regulators about the analytical approach and the early findings
- Handover to new project manager prepared

### Key activities for Q1 15/16 reporting period:

- Continue meeting with the regulators regarding 2015/16 self-assessment to seek feedback on the data request and third party questionnaire
- Paper to the April Board outlining planning development since January
- Finalising the self-assessment questionnaire, loading and user testing
- Respond to the SRA on any follow up information on Schedule 13 review
- Decision on whether to close Schedule 13 review and/or withdraw the s55 notice
- Handover Section 15 review to a new project manager

PROJECT MILESTONES		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Developing standards and performance	<b>2014/15 Assessment</b>	
	Collate and update intelligence on the performance on the approved regulators	On-going
	Regulators complete and submit update self-assessments/plans	Completed
	LSB regulatory standards report is published	Completed
	<b>2015/16 Planning</b>	
	External discussions on approach to regulatory standards in 2015/16	Completed
	External discussions on approach and short consultation for 2015/16 exercise	Completed
	Proposal and Board paper drafted	Completed
THEMATIC REVIEW: Schedule 13 review	Consult on proposal for change (if necessary)	Re-scoped
	Submit recommendation to Lord Chancellor (if necessary)	Re-scoped
	Publish detailed scope and schedule for completion of review	Completed
THEMATIC REVIEW: Section 15 review	Review of relevant regulatory arrangements	Completed
	Publish interpretation and review for comment	Completed
	Review responses and present finding to Board	Late summer 2015
THEMATIC REVIEW: Business ownership restrictions	Complete review of ownership restrictions against the principles of better regulation and regulatory objectives	Completed
	Complete review of consumer protection of ownership restrictions	Completed

RISKS (new or raised):				
Risk	Impact (1-5)	Likelihood	RAG Rating	Action Taken
No new or increased risks this quarter				

OVERALL STATUS:	
4	[REDACTED]
3	
2	
1	

# QUARTERLY PROJECT HIGHLIGHT REPORT



**PROGRAMME/POLICY AREA:** B: Strategy development and research

**KEY OBJECTIVES:** Reviewing the scope of regulation, developing a workforce for a changing market, putting consumer interests at the heart of regulation, cost and complexity of regulation, research – evaluation and evidence

**LINK TO REGULATORY OBJECTIVES:** RO1, RO2, RO3, RO4,RO5, RO6, RO7, RO8,

## PROJECT HEADLINES

### Key achievements of Q4 14/15 reporting period:

#### **Regulatory reform:**

- Survey results published on 18 March
- Ongoing search for provider for benchmarking work (waiting to hear from PA Consulting and Deloitte)
- Received draft interim report from ICFI on in-depth research
- Agreed to extend project finance beyond financial year to allow more time for data gathering phase. At the end of March data gathering completed with a total of 62 responses.

#### **Liberalising the legal workforce**

##### ***Education and training:***

- This project has been closed down and replaced with ongoing desk based monitoring.

##### ***Diversity:***

- Following comments from regulators on the work on diversity they have completed, the draft report on the regulators' implementation of the LSB's diversity data collection and publication guidance has been updated
- An LSB roundtable with regulators and four guest speakers was held on 23 March 2015 to discuss what more regulators can do with the data being collecting to make a real difference on diversity in the legal sector
- Publish the report on the regulators' implementation of the LSB's diversity data collection and publication guidance
- A staff level discussion has been held on potential future work programmes for the LSB in its leadership role on diversity. A paper on this is due to be discussed at the April Board meeting

#### **Improving the consumer experience**

##### ***Quality:***

- Confirmed publication of core regulatory data in a reusable format by all but one of the regulators
- Reviewed JAG member responses to LSB letter requesting an update on their QASA implementation plans
- Desk based monitoring of regulators open data work
- Obtained an update on the progress with the OLC's report on the transparency of the cost of legal services, which the LSB required it to produce under Section 120 of the Legal Services Act

##### ***Complaints:***

- Paper prepared for Gateway Group strategy session (includes initial thinking on s112 LSA thematic review). This suggests action to discuss s112 compliance points with two ARs and scoping for the review in Q1. Further work would then be deferred until later in the year to allow us to take account of the results of research LSB– Evaluation: Updating the 2012 baseline report

**Research:**

- Managed ongoing projects through tender evaluations, contract finalisation, meetings, and end communications.
- Online Divorce – Report published 17 March. Project closed
- Innovation: capabilities and barriers in legal services: Field work went live on 3 March for 2 weeks, but extended to allow for more sample participants. Sample was 1,114 on 23 March and is expected to be circa 1,250 by 31 March. 250 additional survey interviews due to be completed by 16 April. Draft report due 31 March.
- Unbundled research: Joint LSCP project. Field work ongoing with 43 out of 55 interviews completed. Draft report due on 20 March.
- Legal needs survey: Joint with LEF and TLS. First stage of two stage tender process launched 5 March. Using the UKSBS Research Framework because total contract value exceeds £100k. Researchers in post by end of May.
- Small business legal needs: Survey closed, with 10,625 survey respondents for the 2015 Small Business Legal needs survey – 2,220 of which responded to the 2012 survey meaning significant scope for longitudinal analysis allowing understanding of changes in consumer behaviour. Analysis underway and final report from Kingston University Small Business Research Centre due in June.
- LSCP Tracker survey – field work closed and data shared.

**Key activities for Q1 15/16 reporting period:**

- Engage cost management firm for benchmarking exercise of regulator cost. Decide whether to proceed to open tender.
- Start analysis of PCF spend on non-regulatory permitted purposes between 2010-2015
- Start analysis of survey comments on areas for further investigation as part of the cost of regulation project
- Establish a depository on the LSB research website for the aggregated diversity data collected by the regulators
- Attend an SRA seminar on diversity and disproportionality in regulation.
- Respond to the Supreme Court’s decision following the QASA appeal hearing on 16 March
- Review the OLC report on the transparency of the cost of legal services and confirm the next steps at the April Board meeting ahead of our publication of the report
- Legal needs survey – review tenders received in stage 1, assess, and agree assessments with TLEF and TLS. Invite the successful bidders to next stage, and inform unsuccessful bidders. Agree final funding agreement between TLEF, TLS, and LSB.
- Finalise reports for the Innovation and Unbundled research for publication at end of May, review drafts of Small Business and In-depth Cost for publication in June and July respectively.
- Develop scope of Market Evaluation work, and confirm whether a work package is required for this project. Research Analyst to begin to source data for key areas.
- Prepare for research spending audit as part of LSB audit w/c 13 April – 27 April.

**PROJECT MILESTONES**

PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Regulatory Reform	Gap analysis and assessment of the most viable options for collection of indirect costs for regulation	Completed (Sept 2014)
	Prioritisation of areas for analysis	Re-scoped
	Formation of stakeholder group	Completed
	Run provider survey	Completed

	Publish results of provider survey	Completed
	Publish results of review of regulator's and LSB's income and spend	Sep/Oct 2015
	Publish results of in-depth provider interviews	July 2015
LIBERALISING THE LEGAL WORKFORCE: Education and Training	Report on regulators' progress	Completed
LIBERALISING THE LEGAL WORKFORCE: Diversity	Report on regulators' progress	Completed
IMPROVING THE CONSUMERS EXPERIENCE: Quality	Publish discussion paper about indicators for informed consumer decision making	Delayed until March 2016
	Consider appropriate action depending on the outcomes of 2013/14 research into effective methods to support consumers in identifying and responding to legal problems	Delayed until March 2016
	Depending on outcomes of research into: <ul style="list-style-type: none"> <li>Consumer information for regulation of complaints handling</li> <li>consumer experience of online divorce consider further action.</li> </ul>	Completed
	Focus on developing regulators' own understanding of and response to consumer experience by contributing to 2014/15 regulatory standards exercise	Completed (July 2014)
	Research - Online Divorce	Completed
	Research - The impact of 'unbundled' services on consumers	April 2015
	Research - Quality and Price Information	2015/16
	Research – Open Data and market impact case studies	2015/16
IMPROVING THE CONSUMERS EXPERIENCE: Complaints	Continue to monitor how regulators are using complaints data to identify emerging patterns of provider behaviour	Completed
Research	Review of ADR schemes	Postponed
	PhD Student funding	Completed
	Legal services benchmarking survey	June 2015
	Evaluation: Updating the 2012 baseline report	Feb 2015

RISKS:				
RISK	IMPACT (1-5)	LIKELIHOOD (1-4)	RAG RATING	ACTION TAKEN
[REDACTED]				

OVERALL PROJECT STATUS:	
4	[REDACTED]
3	
2	

1	
0	

# QUARTERLY HIGHLIGHT REPORT



**PROGRAMME/POLICY AREA:** External relations

**KEY OBJECTIVES:** Communications and public affairs

**LINK TO REGULATORY OBJECTIVES:** All

PROJECT HEADLINES
<p><b>Key achievements of Q3 14/15 reporting period:</b></p> <ul style="list-style-type: none"> <li>• LSB strategic plan stakeholder events held (26 Jan / 6 Feb)</li> <li>• LSB newsletter #6 issued</li> <li>• LSB representatives spoke at Modern Law Conference (11 Mar) and 360 Conference (20 Mar)</li> <li>• A number of media articles</li> <li>• Publication of (and accompanying communications actions to support publication) <i>S15 discussion paper</i>, the <i>AR regulatory standards self assessments report</i>, the findings of phase 1 of the <i>cost of regulation project</i>, the findings of the <i>online / DIY divorce</i> research, the <i>Diversity Review</i> report, and the <i>three year strategic plan</i> and <i>2014/15 business plan</i>.</li> <li>• The announcement of new OLC board members and a new LSB board member</li> </ul> <p><b>Key activities for Q1 15/16 reporting period:</b></p> <ul style="list-style-type: none"> <li>• First interviews with the media for the new CEO and external relations activity in support</li> <li>• Comms activity to support policy activity milestones</li> <li>• Comms activity to support publication of LSB sponsored research</li> <li>• Publication of annual report</li> <li>• Initial engagement with new members of Parliament who have an interest in legal services</li> <li>• LSB newsletter #7</li> <li>• Chairman and Research Manager to speak at Law conference at Georgetown University.</li> <li>• LSB to be represented at Birmingham Law School conference</li> </ul>

PROJECT MILESTONES		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Communications and Public Affairs	<ul style="list-style-type: none"> <li>• Conduct programme of speeches</li> </ul>	On-going

OVERALL PROJECT STATUS:	
4	[REDACTED]
3	
2	
1	
0	

# QUARTERLY HIGHLIGHT REPORT



**PROGRAMME/POLICY AREA:** Finance and Funding Mechanism (Levy)

**KEY OBJECTIVES:** Finance

**LINK TO REGULATORY OBJECTIVES:**

## PROJECT HEADLINES

### Key achievements of Q4 14/15 reporting period:

- Q3 consolidation for MoJ accounts
- Updated proposed budget for 2015/16 following public consultation and MoJ comments for consideration by Audit, Risk and Assurance Committee meeting as a 'finance Committee' for the Board including associated appendices and comparisons
- Monthly financial reports for monitoring of LSB's spending position to the Board, Executive Group and budget holders
- Financial appraisal of spending decisions
- Produced all required analyses and reports required by NAO for interim audit of 2014/15 financial statements
- Updated and issued *Memoranda of Understanding* for all approved regulators and issued payment notices and collected all amounts due.

### Key activities for Q1 15/16 reporting period:

- Finalise 2015/16 budget analysis for MoJ and LSB budget holders
- Prepare all necessary documentation and analyses for year-end audit
- Produce the 2014/15 statutory Annual Report and Accounts
- Q4 financial consolidation for MoJ finance team
- Collect levy information in order to be able to calculate estimates for the levy for 2015/16 for all approved regulators

## PROJECT MILESTONES

PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Ensure that the LSB does not breach its expenditure budget	<ul style="list-style-type: none"> <li>• Provide monthly financial reports for the Board and MoJ</li> </ul>	On-going

## OVERALL PROJECT STATUS:

4	[REDACTED]
3	
2	
1	
0	



# QUARTERLY HIGHLIGHT REPORT



**PROGRAMME/POLICY AREA:** Risk

**KEY OBJECTIVES:** Ensuring that a system of risk management is maintained to inform decisions on financial and operational planning

**LINK TO REGULATORY OBJECTIVES:** All projects are risk assessed and measures taken to mitigate or exploit are integral to planning, approval and operational activities

PROJECT HEADLINES
<p><b>Key achievements of Q4 14/15 reporting period:</b></p> <ul style="list-style-type: none"> <li>Regular review of risk at Gateway meetings</li> </ul> <p><b>Key activities for Q1 15/16 reporting period:</b></p> <ul style="list-style-type: none"> <li>Regular review of risk at Gateway meetings</li> <li>Six-monthly review of risk register by Board</li> <li>PESTLE analysis for new risks following the outcome of the general election</li> </ul>

PROJECT MILESTONES		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Formal risk management system maintained by executive and reviewed by Audit and Risk Committee	<ul style="list-style-type: none"> <li>Last Audit and Risk Committee meeting of 2014/15 held</li> <li>Risk Register and cover paper to the Board</li> </ul>	<p>Complete</p> <p>27 May</p>
All projects are risk assessed and measures taken to mitigate or exploit are integral to planning, approval and operational activities	<ul style="list-style-type: none"> <li>Ongoing project and corporate risk maintenance in line with risk strategy</li> </ul>	On-going

PROJECT RISKS:				
RISK	IMPACT (1-5)	LIKELIHOOD (1-4)	RAG RATING	ACTION TAKEN
No new risks this quarter				

OVERALL PROJECT STATUS:	
4	[REDACTED]
3	
2	
1	
0	