

To:	Legal Services Board	
Date of Meeting:	26 November 2015	Item: Paper (15) 56

Title:	Draft Business Plan 2016/17 and budget proposal	
Workstream(s):	All	
Author / Introduced by:	Edwin Josephs, Director of Finance and Services Richard Moriarty, Chief Executive Julie Myers, Corporate Director Caroline Wallace, Strategy Director	
Status:	Official	

Summary:

Further to the Board's strategy session in September 2015 and an all-colleague workshop based on the Board's steer, the Executive has prepared a draft Business Plan for 2016/17. Pending the Board's endorsement, this will be subject to full public consultation for eleven weeks with a final post-consultation Plan, returning to the Board for approval in March 2016.

The draft Plan is the second year of a three-year strategic planning period and, in line with the Board's steer, retains the same strategic themes. As was anticipated in the current (2015/16) Business Plan, a number of areas of work are long-term programmes which will be continuing into 2016/17 and potentially into 2017/18. This is made clear in the draft.

Bearing in mind the likely need to react to significant external initiatives in 2016/17, the draft Plan also makes clear that in-year prioritisation decisions may need to take place bearing in mind the constraints on the LSB's resources, in particular staffing.

The draft also includes two possible commissions for advice from the Consumer Panel. These have been shared with the Panel.

[REDACTED]

Recommendation(s):

The Board is invited to:

- (1) review and discuss the draft Business Plan 2016/17
- (2) delegate final approval of the document to be issued for consultation to the Chairman and Chief Executive
- (3) [REDACTED]
- (4) [REDACTED]

Risks and mitigations	
Financial:	Budget is subject to MoJ being content with its quantum and thereby providing authority to spend
Legal:	
Reputational:	
Resource:	Delivery of the Plan will require a full staffing complement to be in post all year: this cannot be guaranteed under prevailing MoJ emergency spending controls.

Consultation	Yes	No	Who / why?
Board Members:	X		Board members provided the strategic steer for the draft Plan at their September strategy session
Consumer Panel:	X		Suggested areas for commissions discussed with LSCP
Others:			Early draft of Plan sent to MoJ for informal comment and expected to be sent to Minister. No comments received at time of drafting.

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
Summary: Para 5 Recommendations: 3 and 4 Main paper: Para's 14-47, Para 50 (3) and (4)	Section 36(2)(b)(ii): information likely to inhibit the exchange of views for the purposes of deliberation	
Annexes A and B	Section 22: information intended for future publication	

LEGAL SERVICES BOARD

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Draft Business Plan 2016/17 and budget proposal

Executive Summary

Background / context

1. The Board provided a steer for the draft Business Plan 2016/17 at its September 2015 strategy session. The Board agreed to maintain the strategic themes, to protect the research budget and to consider carefully the implications of wider public sector spending pressures.
2. The Executive has prepared a draft Business Plan for 2016/17 in light of the Board steer and subsequent review, by the ARAC, of the draft budget for 2016/17 at its October meeting.
3. Please note that the document remains work in progress and is subject to formatting and proofing alongside final revisions. In particular, the Chair's forward, which will be the key context setting section of the Plan is skeletal at present as we expect to need to reflect the outcome of the Government spending review and related MoJ announcements both of which will emerge on 25 November.

Proposed business plan 2016/17

4. Based on the discussion had by the Board at its strategy day in September and subsequent discussion, the executive has prepared the working draft plan attached at **Annex A**.
5. In the light of the Board's steer, the proposed annual programme of work for the year ahead is a continuation of the three year strategy published for 2015-18 and reiterates the Board's focus on:
 - a. breaking down the regulatory barriers to competition, growth and innovation;
 - b. enabling the need for legal services to be met more effectively;
 - c. and ensuring that the regulators and Legal Ombudsman are operating effectively and that there is a shared understanding of the legal services market..
6. A number of programmes of work are long-term in nature, and build, in 2016/17, on work undertaken in 2015/16. These include our work regarding possible options for a future legislative framework for legal services; our work on affordability and diversity and on open data.
7. Additionally, we are proposing a small number of new projects which are designed to address challenges we see emerging within the market as a consequence of the liberalised regulatory framework, such as the consequences of regulatory choice and the impact of 'differences' between regulators.

8. Furthermore, as planned, the two pieces of advice we are due to receive from the Consumer Panel in 2015/16 have been designed to feed into work taking place in 2016/17 around informed choices, unregulated providers and trading behaviour risk (a project re-prioritised from 2015/16 to 2016/17).
9. Finally, we maintain a strong emphasis on our statutory decision-making function, our role in relation to the Office for Legal Complaints and our regulatory standards role. These activities are the crucial foundation for all LSB activity and are often the primary source of intelligence for emerging risk.
10. The Executive has identified two prospective ideas for commissions from the Board to the Legal Services Consumer Panel. These have been shared with the Chair of the Consumer Panel and the Consumer Panel Manager, making clear that they are preliminary ideas that may flex in light of responses to consultation. Their informal response is that their capacity is such that they may only be able to respond to one commission and they have expressed a preference for the commission on information remedies. The executive would prefer to consult on both options, making clear that it is likely that only one will be sought and to seek stakeholder views. It is also possible that additional ideas for Panel advice may emerge through the consultation process and as project prioritisation takes place.
11. The draft Plan also includes reference to the idea of a three-way initiative, to be led by the Consumer Panel, with LSB and the Legal Ombudsman. Whilst there is agreement in principle to this work, discussions are at an early stage and, as the LSB will not be leading this work, we have not included any further detail in our draft Plan.
12. In line with our Framework Document, we submitted an early draft of this Plan to the Ministry of Justice for comment and we expect that by the time of the Board meeting it will have been submitted to the Minister for review of the budget proposal. If any comments are received, we will circulate them to the Board for review.
13. We propose to conduct an eleven week consultation, starting no later than 7 December. We will hold a consultation event during this period and the Board will be asked to approve the final Plan at its March meeting.

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Next steps

- 48. The planned date for launch of the consultation at the time of writing is on or about Monday 7 December, with the consultation period ending on or about Friday 19 February (resulting in an 11 week consultation period).
- 49. There will be a press release on the day of the launch of the consultation, which will publicise the. There will also be appropriate workshops during the consultation period to engage different groups of stakeholders, once they have had a chance to consider the document. Our normal programme of meetings with stakeholders - which will, from the beginning of January, include Neil Buckley's introductory meetings - and other communications opportunities will also be used to promote the consultation and encourage responses.

Matter for decision

- 50. The Board is invited to:
 - (1) review and discuss the draft Business Plan 2016/17
 - (2) delegate final approval of the document to be issued for consultation to the Chairman and Chief Executive
 - (3) [REDACTED]
 - (4) [REDACTED]

Index of Attached Annexes:

Description	Annex
Draft Business Plan 2016/17	A
Budget proposal and analysis of budgets (April 2010 – March 2016)	B