

To:	Legal Services Board	Agenda item: 6
Date of Meeting:	24 November 2016	Item: Paper (16) 72

Title:	Draft Business Plan consultation 2017/18 and budget proposal	
Workstream(s):	All	
Author / Introduced by:	Neil Buckley, Chief Executive Edwin Josephs, Director of Finance and Services Jenny Prior, Business Planning Associate Julie Myers, Corporate Director	
Status:	Official	

Summary:

The Executive has prepared a draft Business Plan for 2017/18 (the *Plan*) for external consultation. The draft Plan follows the steer given at the Board's strategy session in September 2016 and a Senior Leadership Team (SLT) workshop.

Subject to the Board's endorsement, the draft Plan will be subject to full public consultation for circa eleven weeks with a final Plan, returning to the Board for approval in March 2017, post consultation.

The consultation document is in a slightly different format to recent years. In previous years we published in draft the whole of the final document. This meant, for example, that people commented in detail on the Chairman's forward and suggested changes to it. This format allows us to be clearer that what we would like is commentary on the work we are proposing to do.

The work programme contained in the draft Plan represents the third and final year of a three-year strategic planning period and, in line with the Board's steer, retains the same strategic themes. As set out in the consultation document, there are two elements, in addition to the strategic objectives, that link the work we propose to do. They are enhancing public trust and upholding professional standards.

A number of areas of work are long-term programmes which will be continuing into 2017/18, as anticipated in the current Business Plan (2016/17).

The consultation also makes clear that in-year prioritisation decisions may need to take place in order to respond to any significant external initiatives in 2017/18, given the limited level of resources we will have available.

The executive is not proposing that the Board requests formally any specific advice from the Legal Services Consumer Panel in 2017/18. This is intentional, and reflects that the Panel, with a new Chair, is likely to prefer to use its scarce resources to identify proactively consumer issues that may fall to LSB to address in future years, as opposed to being so closely tied to the LSB agenda. Informal soundings from the Panel are that this approach would be welcome.

[REDACTED]

Recommendation(s):

The Board is invited to:

- (1) review and discuss the draft Business Plan consultation document for 2017/18
- (2) delegate final approval of the document to be issued for consultation to the Chairman and Chief Executive
- (3) [REDACTED]

Risks and mitigations

Financial: Budget is subject to MoJ being content with its quantum and thereby providing authority to spend

Legal: N/A

Reputational:

Resource: Careful decisions will need to be made on resource allocation throughout the year.

Consultation	Yes	No	Who / why?
Board Members:	X		Board members provided the strategic steer for the draft Plan at the September strategy session. ARAC endorsed the budget proposal.
Consumer Panel:		X	Draft has been discussed with Panel secretariat.
Others:			Early draft of Plan consultation sent to MoJ officials for informal comment. Indicative budget expected to be reviewed by Minister. No comments received at time of drafting.

Freedom of Information Act 2000 (Fol)

Para ref	Fol exemption and summary	Expires
Summary box: final para; Recommendation box: point 3; Para's 14 – 45; Third point in para 48; Annex B	Section 36(2)(b)(ii): information likely to inhibit the exchange of views for the purposes of deliberation	
Annex A	Section 22: information intended for future publication	

LEGAL SERVICES BOARD

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Draft Business Plan 2017/18 consultation and budget proposal

Executive Summary

Background / context

1. The Board provided a steer for the 2017/18 draft Plan at its September 2016 strategy session and agreed to maintain the existing strategic themes.
2. The Executive prepared the draft Plan for consultation based on this steer and subsequent scrutiny and review, by ARAC, of the draft budget for 2017/18 at its October meeting.
3. Unlike previous years, the 2017/18 consultation will consist of a consultation cover paper and the proposed work programme only. Previously we have included the Chairman's foreword and a number of sections that are now in the cover paper. The decision to change the format of the consultation stems from the difficulty in making clear which sections of the draft Business Plan are being consulted on. Historically, we have received a lot of views on matters outside of the work programme eg the Chairman's foreword and we hope that this new format focuses attention on the proposed work programme.
4. As is typical at this stage, the Board is asked to note that the consultation document, including the draft work programme for 2017/18, remains a work in progress and is still subject to formatting and proofing alongside final revisions.

Proposed business plan consultation 2017/18

5. The draft consultation document and work programme is attached at **Annex A**.
6. 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.
7. A number of the areas of work are long-term in nature, and build on work undertaken in 2016/17. These include our work on supporting changes in legislation; updating innovation research and the legal needs of small businesses research; our work on vulnerable consumers and transparency around regulator costs.

8. Additionally, we are proposing a small number of new projects which are designed to address challenges we see emerging within each of our themes such as looking at the independence of regulation and increasing market transparency for consumers.
9. We consider that there are two additional elements that run through the projects we are proposing for this year. Those themes are enhancing public trust and upholding professional standards.
10. We will also respond to the advice we are due to receive from the Consumer Panel in 2016/17 on information remedies, and this will assist our work on increasing market transparency for consumers.
11. We continue to 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.
12. In line with our Framework Document, we submitted an early draft of this Plan consultation to Ministry of Justice officials for informal comment. This process also allows the Minister to have sight of the indicative budget proposal and to confirm that the figure can be used for consultation. If any comments are received, we will circulate them to the Board for review.
13. We propose to conduct a circa eleven week consultation, starting on or about 5 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.

Proposed budget 2017/18

ARAC consideration

[REDACTED]

[REDACTED]

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Next steps

- 46. The planned date for launch of the consultation at the time of writing is on or about Monday 5 December, with the consultation period ending on or about Friday 17 February (resulting in an 11 week consultation period).
- 47. There will be a press release on the day of the launch of the consultation. There will also be an appropriate workshop 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 and other communications opportunities will also be used to promote the consultation and encourage responses.

Matter for decision

- 48. The Board is invited to:
 - (1) review and discuss the draft Business Plan consultation document 2017/18
 - (2) delegate final approval of the document to be issued for consultation to the Chairman and Chief Executive
 - (3) [REDACTED]

Index of Attached Annexes:

Description	Annex
Draft Business Plan 2017/18 consultation with Budget proposal	A
Budget analysis	B

10/11/16