

## QUARTERLY PROJECT HIGHLIGHT REPORT

<b>PROGRAMME/POLICY AREA:</b>	Breaking down regulatory barriers
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As the traditional boundaries between different legal professions and business models disappear, regulation must keep pace with market developments. Work here is designed to ensure that unnecessary regulation that can stifle positive change is removed, thereby delivering the benefits of competition, growth and innovation. Through our work, we hope to achieve more choice for consumers and less unmet need; a greater range of business models in the sector, with increasingly diverse service provision and an increased ability for service providers to be agile and respond to changing patterns of demand; and a smaller number of streamlined and simplified regulatory arrangements.

<b>LINK TO REGULATORY OBJECTIVES:</b>	RO1, RO3, RO5, RO6
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### PROJECT HEADLINES

#### Milestones achieved in Q1 17/18 reporting period:

##### Barriers to investment

- Final report published in June 2017
- This project, as it appears in the 16/17 Business Plan, is now complete.

##### Developing LSB oversight of standards of education and training

- This work has been assigned a project team

#### Key activities for Q2 17/18 reporting period:

##### Developing LSB oversight of standards of education and training

- The project team will carry out scoping work for this project

### PROGRESS AGAINST 16/17 BUSINESS PLAN MILESTONES

PROJECT	BUSINESS PLAN MILESTONE	STATUS
<b>Making sure that regulation does not unnecessarily deter entry, innovation and investment</b>	Publish report	Complete: Published in Q1 17/18.
<b>Developing LSB oversight of standards of education and training</b>	Q4: Publish report	Due in Q4
<b>Innovation research</b>	Q3: Commission research	Due in Q3

### RISKS (new or raised):

Risk	Impact	Likelihood	Overall	Action taken
[REDACTED]				

### OVERALL STATUS:

4	[REDACTED]
3	
2	
1	

# QUARTERLY PROJECT HIGHLIGHT REPORT

<b>PROGRAMME/POLICY AREA:</b>	Unmet legal need
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Legal services must be affordable and accessible, consumers must be able to make informed choices to take advantage of the range of services that a more dynamic market will offer, and appropriate protections for consumers and the public interest must be secured. We want consumers to be able to meet their legal needs conveniently, affordably and effectively, and we want to improve the extent to which need for legal services is met. We want small businesses to be able to grow by being able to access the legal services they need at a price they can afford. We aim to improve our – and service providers’ – understanding of the consumer’s journey through the legal services landscape, and how we can target our activity in this area (whether by type of consumer, area of law or legal activity) to have the most beneficial effect for consumers.

<b>LINK TO REGULATORY OBJECTIVES:</b>	RO1, RO3, RO4, RO7
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## PROJECT HEADLINES

### Milestones achieved in Q1 17/18 reporting period:

- Responding to emerging market risks:**
- Shared a research note on the in-depth analysis of LSB research with the regulators in May.
- Increasing market transparency:**
- Responded to the LSCP advice on information remedies in May
  - LSB took part in two meetings of the Remedies Project Implementation Group
  - LSB provided informal feedback on the draft action plans from several regulators
- Vulnerable consumers:**
- Report to Board in April with an overview of findings and an update on work to supports its publication
- Prices of individual legal services:**
- Fieldwork completed and finalised data tables received
  - In-house analysis of data begun
- The legal needs of small businesses:**
- Fieldwork completed and finalised data tables received
  - Issued tender for analysis and report writing

### Key activities for Q2 17/18 reporting period:

- Responding to emerging market risks:**
- Continue to monitor the regulators’ risk forum work and encourage the sharing of knowledge.
- Increasing market transparency:**
- Assessment of regulator’s action plan
  - Monitoring delivery of actions included in the plans
- Vulnerable consumers:**
- Report will be published in July
  - Launch event scheduled for 14 July
- Prices of individual legal services:**
- Complete analysis and prepare draft of report
  - Report scheduled to be published in Q2
- The legal needs of small businesses:**
- Awarded contract to BMG
  - Analysis of data by BMG

## PROGRESS AGAINST 16/17 BUSINESS PLAN MILESTONES

PROJECT	BUSINESS PLAN MILESTONE	STATUS
<b>Increasing market transparency for consumers</b>	Respond to LSCP advice on information remedies	Completed: Letter to LSCP sent in May.

	Assess regulators' action plans	Due in Q2
	Monitor regulators' progress	Ongoing throughout Q2-4
<b>Understanding how vulnerable consumers access legal services</b>	Publish report	Rescheduled: To be published in Q2 17/18
<b>Prices of individual legal services</b>	Publish research	Due in Q2
<b>The legal needs of small businesses</b>	Publish research	Due in Q3

<b>RISKS (new or raised):</b>				
Risk	Impact	Likelihood	Overall	Action taken
<b>[REDACTED]</b>				

<b>OVERALL STATUS:</b>	
4	<b>[REDACTED]</b>
3	
2	
1	

# QUARTERLY PROJECT HIGHLIGHT REPORT

**PROGRAMME/POLICY AREA:**

Performance, evaluation and oversight

The Act gives us a range of responsibilities that we fulfil through our programme of performance, evaluation and oversight activities. These range from approving new designations and requests for changes to regulatory arrangements to monitoring the performance of approved regulators in delivering the requirements of the Act and evaluating the Act's impact. We also oversee the OLC's performance in administering the Legal Ombudsman scheme, approve the OLC's budget and consent to their Scheme Rules. In 2015/16, the LSB will also deliver its new functions as competent authority for the OLC in line with The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 if called upon.

**LINK TO REGULATORY OBJECTIVES:**

RO1, RO2, RO6, RO8

## PROJECT HEADLINES

### Milestones achieved in Q1 17/18 reporting period:

**Regulatory performance:**

- Reports were completed in Q1 and published 4 July
- Preparation of the consultation paperwork and the launch of the consultation occurred between April and June
- Consultation was launched on June 20th

**Independence of regulation:**

- Stakeholder engagement started in Q1, with an initial discussion at the regulators' CEO Forum
- Met with 7 regulators during the quarter
- We also wrote to the General Pharmaceutical Council, with a view to meeting to understand its experience of introducing separate regulatory and representative functions for the pharmacy profession
- Project documents were developed and signed off by SLT.

### Key activities for Q2 17/18 reporting period:

**Regulatory performance:**

- Work with the regulators tailoring the performance management dataset to their individual circumstances and monitoring the regulators' performance will occur between July and September

**Independence of regulation:**

- Stakeholder engagement is ongoing. We currently have 2 meetings arranged with ARs, with others expected to follow, and hope to meet with the Financial Reporting Council, who also oversee ICAEW's activities as a regulator.
- The Board will consider a paper at the July meeting on the proposed scope of the initial consultation.
- We will consider the need for additional legal advice to support our initial consultation.

**Reviewing delivery of enforcement activities:**

- Work on this project has been rescheduled to Q3 due to resource constraints

**Diversity:**

- There will be a progress check carried out involving emails to diversity contacts and individual meetings.

<b>PROGRESS AGAINST 16/17 BUSINESS PLAN MILESTONES</b>		
<b>PROJECT</b>	<b>BUSINESS PLAN MILESTONE</b>	<b>STATUS</b>
<b>Holding regulators to account for their performance</b>	Report on 2015/16 action plans	Completed: Reports published 4 July
	Consultation on new framework	Due in Q2
	Publish decision	Due in Q4
<b>Independence of regulation</b>	Stakeholder engagement on IGR review	Completed: Stakeholder engagement has commenced and will continue into Q2
	Initial consultation and stakeholder engagement	Due in Q2
	Publish decision (further work/updated IGRs)	Due in Q4
<b>Diversity – assessing regulators’ responses to revised LSB guidance</b>	Stakeholder engagement	Due in Q2
<b>Transparency of regulators’ costs</b>	Ongoing monitoring	Ongoing throughout 2017/18
<b>Reviewing delivery of enforcement activities</b>	Fieldwork with approved regulators (including SDT)	Rescheduled: This work is now due in Q3 due to lack of resources
	Feedback to regulators	TBC
	Final report published	TBC

<b>RISKS (new or raised):</b>				
<b>Risk</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Overall</b>	<b>Action taken</b>
<b>[REDACTED]</b>				

<b>OVERALL STATUS:</b>	
<b>4</b>	<b>[REDACTED]</b>
<b>3</b>	
<b>2</b>	
<b>1</b>	

# QUARTERLY HIGHLIGHT REPORT

<b>PROGRAMME/POLICY AREA:</b>	External relations
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Communications and public affairs

<b>LINK TO REGULATORY OBJECTIVES:</b>	All
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## PROJECT HEADLINES

### Key achievements of Q1 17/18 reporting period:

- Representatives of the LSB had a number of external speaking events lined up in Q1. Following the introduction of the period of purdah leading into the General Election most of these were stood down. However the Chief Executive was able to attend and speak at a *Manchester Law Society* legal regulation event which took place just after the end of the period of purdah.
- We responded to the CMA's LSB specific recommendations and again a few weeks later when the approved regulators published their *CMA assigned action plans*.
- We published a document outlining the *LSB's regulatory approach* and a week later launched a *consultation on the regulatory performance* of regulators.
- We announced the *LSB's recommendation* on the ICAEW's designation application.
- Our Chief Executive attended a meeting of the *Joint V Law Societies* grouping in Leeds. The Joint V are Manchester, Birmingham, Liverpool, Leeds and Bristol Law Societies.

### Key activities for Q2 17/18 reporting period:

- Due to summer, we will be relatively quiet until September, save for the following.
- We have two speaking engagements in the diary.
  - A Legal Practice Management event in Birmingham, and
  - The CIPA annual congress 2017. It is expected that more events will be added to the calendar.
- We will publish a number of pieces of research including:
  - vulnerable consumers (dementia and mental health) and legal services (delayed as a result of purdah) which we are also hosting a roundtable event to discuss findings
  - Small business legal needs research, and
  - Prices paid for legal services.
- We expect to publish our annual report in July.
- A number of meetings between the Chief Executive and stakeholders (regional law societies etc.) are also planned.

## RISKS (new or raised):

[REDACTED]

## OVERALL STATUS:

4

3

2

1

[REDACTED]

# QUARTERLY HIGHLIGHT REPORT

**PROGRAMME/POLICY AREA:**

Finance and funding mechanism (Levy)

Finance

**LINK TO REGULATORY OBJECTIVES:**

n/a

## PROJECT HEADLINES

### Key achievements in Q1 17/18 reporting period:

- Provided monthly financial report for monitoring of LSB's spending position to the Board, Executive Group and budget holders
- Finalised 2016/17 budget analysis for MoJ (for tracking and monitoring purposes) and LSB Executive Group and budget holders for resource management purposes
- Completed Annual Report and Accounts for statutory audit and Audit and Risk Committee and Board scrutiny and approval. This is due to be laid in Parliament and published on 13 July 2017
- Prepared and submitted Q4 financial consolidation for MoJ corporate finance team
- Provided regular monthly submissions and reports to MoJ in line with reporting dates
- Collected information from approved regulators as per The Legal Services Act 2007 (Levy) (No. 2) Rules 2010 and as amended in 2014 to enable estimates to be given to approved regulators of their respective likely levy contribution for 2017/18.

### Key activities for Q2 17/18 reporting period:

- Provide monthly financial report for monitoring of LSB's spending position to the Board, Executive Directors and budget holders
- Prepare draft budget for 2018/19 for consideration by Board including associated appendices and comparisons
- Monthly financial reports for monitoring of LSB's spending position to the Board, Executive Group and budget holders
- Prepare delegation letters for the Accounting Officer to issue once the MoJ has sent a budget delegation letter to the LSB for 2017/18.

## RISKS (new or raised):

[REDACTED]

## OVERALL STATUS:

4

3

2

1

[REDACTED]

# QUARTERLY HIGHLIGHT REPORT

**PROGRAMME/POLICY AREA:** Risk

Ensuring that a system of risk management is maintained to inform decisions on financial and operational planning. All projects are risk assessed and measures taken to mitigate or exploit are integral to planning, approval and operational activities

**LINK TO REGULATORY OBJECTIVES:** See individual work streams

## PROJECT HEADLINES

### Key achievements in Q1 17/18 reporting period:

- Regular review of risk at SLT meetings
- Review of risk register by ARAC (May)
- Six-monthly review of risk register by Board (May)

### Key activities for Q2 17/18 reporting period:

- Regular review of risk at SLT meetings
- Single issue meeting of ARAC to discuss OLC risk (September)
- Biennial refresh of the corporate risk register
- Work to begin on assurance mapping options

## RISKS (new or raised):

[REDACTED]

## OVERALL STATUS:

4	[REDACTED]
3	
2	
1	