

To:	Legal Services Board	Agenda Item:	8
Date of Meeting:	21 September 2017	Item:	Paper (17) 61

Title:	Measuring progress against business plan headlines
Workstream(s):	Corporate
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Status:	Official

Summary:
<p>The Board has requested that a summary gauge or gauges of progress against priorities and key headlines in the business plan be developed.</p> <p>This paper proposes a new summary ‘dashboard’ in response to this action, to highlight the key messages in the performance reports that the Board already receives.</p> <p>The executive is also considering the feasibility of including an additional element of reporting with the dashboard, namely a summary of the activities of the approved regulators undertaken as a consequence of LSB oversight, as a further measure of the LSB’s impact.</p> <p>It is proposed that any more fundamental changes to progress reporting arrangements be considered if needed once a trial of the new dashboard has been completed and the new strategy is in place.</p>

Recommendation(s):
<p>The Board is invited to agree, subject to any comments being taken into account, that a new ‘dashboard’ along the lines set out in Annex A be produced and included in Board papers on a trial basis for the next two quarters. Its usefulness will then be reviewed and a decision taken on whether to continue production alongside any discussion of progress reporting arrangements more broadly that is felt to be necessary.</p>

Risks and mitigations	
Financial:	N/A
Legal:	None

Reputational:	None
Resource:	Almost all of the underlying data required to produce the new dashboard is already available in the existing performance reports (see below). Some additional planning resource will however be required each quarter to summarise the data in the new format. The resource implications of collecting and processing the necessary information to produce a summary of approved regulator activity may be significant and will be considered further.

Consultation	Yes	No	Who / why?
Board Members:		x	
Consumer Panel:		x	
Others:	Members of the 'Planning Network' (a loose grouping of planning colleagues across regulators, including UKRN members and others) were asked to share how they report on progress against internal and external commitments. We were able to engage in detail with Ofgem on how it does this.		

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires

LEGAL SERVICES BOARD

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Measuring progress against Business Plan headlines

Introduction

1. During the discussion of the LSB's 2017/18 Business Plan at the March Board meeting, the Board asked the Executive to provide a summary gauge or gauges of progress against priorities and the key headlines within the business plan.
2. The purpose of this paper is to respond to this action by seeking approval from the Board that a new quarterly dashboard be produced on a trial basis, subject to any comments the Board may have. If the Board agrees to this trial then, after two quarters, the usefulness of the dashboard would be reviewed and a decision taken (in consultation with the Board) on whether to continue producing it alongside any discussion of progress reporting arrangements more broadly that is felt to be necessary.

Existing performance reports

3. At ARAC's request, a paper went to the May ARAC meeting setting out the current performance reporting process. The paper described the market evaluation, business planning, strategy planning, project management and end-of-year reporting processes. It also explained the current arrangements for in-year reporting:
 - **Monthly** progress against project plans is reported to Programme Board via the Project Highlight Report (PHR) which is then shared with SLT and the Board (as part of the out-of-Board monthly updates). The PHR includes, amongst other things, an assessment for each project whether work is on track against the published Business Plan milestones and whether there are any new or increased risks for issues;
 - **Quarterly** compilations of the PHR are incorporated into a report presented to the Board and which then forms the Board's assurance report to the MoJ. These reports are largely produced to the MoJ's specification. These reports also include narrative around operational developments, the overall status of the programme, details of any s55 requests issued, a quarterly report of the statutory decisions team and the Consumer Panel.
4. ARAC was content with the current reporting for the time being and noted that a paper on progress measures would go to the Board in July (as was planned at that time).

Suggested approach

5. The executive proposes that a summary dashboard be produced showing high level progress against Business Plan project milestones. The executive is also considering the feasibility of including an additional element of reporting with the dashboard, namely a summary of the activities of the approved regulators in any given quarter undertaken as a consequence of LSB formal or informal prodding in its oversight role, which is a key way in which the LSB's work has a wider impact on the market.

The dashboard

6. A mocked-up example of the dashboard – currently populated with random data - is attached at Annex A. The dashboard is designed to show at a glance progress against the projects in the business plan and how this maps onto the LSB's strategic priorities, alongside an update on statutory decision work. It is important to recognise that the dashboard does not aim to cover all of the LSB's activities (for example, its work on the OLC and on following up on regulatory performance action plans is not included).
7. For each project the following measures are listed on the dashboard:
 - the **RAG rating**. This traffic light scale indicates whether the project is on track, at risk of falling behind schedule, or behind schedule; and
 - the **number of business plan milestones met** (shown as a fraction of total business plan milestones).
8. The dial at the top of the sheet shows the perceived extent of completion, as judged by project colleagues, of the business plan as a whole. The black needle indicates the current quarter's position and the grey needle indicates last quarter's position for comparison. The fraction beneath the dial shows, in aggregate, how many milestones have been achieved against how many were scheduled to be achieved by this point in the year.
9. Almost all the data to produce the dashboard comes from the Programme Highlight Report and the quarterly MoJ report. The dashboard can therefore be produced once a quarter (in April, July, October and January) without the collection of significant additional information.

Activity undertaken by the approved regulators

10. The executive is also considering the feasibility and resource implications of producing a summary report of activity undertaken by the approved regulators as a consequence of LSB oversight (for example, delivering against LSB policy recommendations and compliance with LSB rules). Oversight of the approved regulators is a major part of the LSB's function and a key channel through which the LSB influences outcomes in the wider market. However, approved regulator activity arising from LSB oversight can be 'lumpy' and so there may be more activity to report in some quarters than in others.

Wider impact on market outcomes

11. The wider impact of the LSB's work in terms of progress towards the LSB's strategic objectives and on the legal sector more broadly is difficult to measure precisely, but should ultimately be reflected in improvements in market outcomes for consumers and the public.
12. The LSB undertakes a periodic evaluation of market outcomes, the latest of which was published in July 2016¹. Market outcomes analysed include market share of new business models, extent of innovation, changes in price, extent of shopping around, trust in lawyers, diversity of the profession and quality of legal services.
13. As part of the work developing the LSB's next three year strategy, a review of the market evaluation framework is being undertaken with a view to rationalising the number of market outcomes analysed. The design of a summary report of key market outcomes is also being considered. It should be borne in mind that the research necessary to monitor changes in market outcomes is expensive and only takes place at best on an annual frequency – and in many cases, less frequently than this. This means that 'real time' (or even quarterly) monitoring of changes in market outcomes is not possible.

Next steps

14. Subject to any comments received, a new quarterly dashboard as described in paragraph 6 will be produced on a trial basis starting in October, summarising progress against business plan priorities. The usefulness of the dashboard will be reviewed after two quarters (or longer if necessary for a meaningful trial to take place) and a decision taken, in consultation with the Board, on whether to continue producing it, alongside any discussion of progress reporting arrangements more broadly that is felt to be necessary in light of the new strategy.
15. The executive will also consider the feasibility of a quarterly summary of the activities of the approved regulators undertaken as a consequence of LSB oversight.

7 September 2017

¹ <https://research.legalservicesboard.org.uk/wp-content/media/2015-2016-FINAL-Market-Evaluation-Main-report11.pdf>