

## 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 Q3 17/18 reporting period:

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

- Interest Group meeting held 7 November 2017
- Engagement exercise started, 13 stakeholders engaged with during November and December

##### **Innovation research**

- Specification drafted and contractor appointed
- LSB input sought on how the 2015 questionnaire should be revised.

#### Key activities for Q4 17/18 reporting period:

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

- Engagement exercise completes by 31 January 2018
- Interest Group Meeting 7 February 2018
- Report to LSB Board

##### **Innovation research**

- Initial meeting with contractor 10 January 2018
- Survey to be reviewed and updated.

### PROGRESS AGAINST 17/18 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	Complete: Contractor appointed in Q3

### RISKS (new or raised):

Risk	Impact	Likelihood	Overall	Action taken
[REDACTED]				

### OVERALL STATUS:

4	[REDACTED]
3	
2	
1	

# QUARTERLY PROJECT HIGHLIGHT REPORT

**PROGRAMME/POLICY AREA:** Unmet legal need

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.

**LINK TO REGULATORY OBJECTIVES:** RO1, RO3, RO4, RO7

## PROJECT HEADLINES

### Milestones achieved in Q3 17/18 reporting period:

#### **Increasing market transparency:**

- Published assessments of regulators CMA action plans in October.
- On-going monitoring of delivery against actions included in the plans

#### **Vulnerable consumers:**

- Lunch and learn session for colleagues on the results of the research took place on 10 November 2017

#### **Prices of individual legal services:**

- Published on 14 November 2017

#### **The legal needs of small businesses:**

- Analysis and reporting complete.

### Key activities for Q4 17/18 reporting period:

#### **Increasing market transparency:**

- Continuing to monitor delivery of regulators’ progress against actions included in the CMA action plans

#### **The legal needs of small businesses:**

- Report publication planned for late February, work ongoing on a launch event

## PROGRESS AGAINST 17/18 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	Complete. Results published in October.
	Monitor regulators’ progress	Ongoing throughout Q2-4
<b>Understanding how vulnerable consumers access legal services</b>	Publish report	Completed: Report published 14 July.
<b>Prices of individual legal services</b>	Publish research	Completed: Report published 14 November
<b>The legal needs of small businesses</b>	Publish research	Rescheduled: due in Q4

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

OVERALL STATUS:	
4	[REDACTED]
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.

**LINK TO REGULATORY OBJECTIVES:**

RO1, RO2, RO6, RO8

## PROJECT HEADLINES

### Milestones achieved in Q3 17/18 reporting period:

#### **Regulatory performance:**

- The Board approved the consultation document at their November meeting.
- The consultation decision and agreed revised regulatory performance framework was published in December 2017.

#### **Changing shape of legal regulation:**

- Monitoring information received to the end of December compiled to report to the Board in January 2018

#### **Independence of regulation:**

- Internal governance review reported to October Board meeting
- Consultation published in November 2017
- Stakeholder engagement event held 29 November 2017

#### **Reviewing delivery of enforcement activities:**

- PID approved by SLT in November.

#### **Diversity:**

- The Board received an update on the progress of this project in November.
- Individual reports sent to regulators and overall report published 14 December 2017.

### Key activities for Q4 17/18 reporting period:

#### **Regulatory performance:**

- Transitional reviews to be carried out as part of the revision to the regulatory performance framework

#### **Changing shape of legal regulation:**

- The Board will receive update on information received from regulators at their January meeting.

#### **Independence of regulation:**

- Consultation on options for amending IGR to conclude

#### **Reviewing delivery of enforcement activities:**

- Interest group to shape project scope following desk research in January 2018

#### **Diversity:**

- Formal review to be scoped in February 2018, including engagement with regulators as part of the scoping exercise

PROGRESS AGAINST 17/18 BUSINESS PLAN MILESTONES		
PROJECT	BUSINESS PLAN MILESTONE	STATUS
<b>Holding regulators to account for their performance</b>	Report on 2015/16 action plans	Completed: Reports published 4 July
	Consultation on new framework	Completed: Consultation closed 25 September
	Publish decision	Due in Q4
<b>Changing shape of legal services regulation</b>	Regulators to provide information by 30 December 2017 under Section 55	Completed: Reporting to Board in January 2017
<b>Independence of regulation</b>	Stakeholder engagement on IGR review	Completed: Stakeholder engagement completed
	Initial consultation and stakeholder engagement	Completed: Initial consultation in Q3.
	Publish decision (further work/updated IGRs)	Due in Q4
<b>Diversity – assessing regulators’ responses to revised LSB guidance</b>	Stakeholder engagement	Completed: All regulators engaged with.
<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 will now be carried over into Quarter 4 and 2018/19 due to lack of resources
	Feedback to regulators	July 2018
	Final report published	July 2018

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

OVERALL STATUS:	
4	[REDACTED]
3	
2	
1	

# 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 Q3 17/18 reporting period:

- Representatives of the LSB spoke at:
  - the Legal Symphony annual conference
  - a WLPF event on standards in legal services, and
  - an ARK 'risk and compliance' event
- We published research including on the prices paid for legal services.
- We held a Board meeting in Bristol in November. In conjunction with this meeting we partnered with the Bristol Law Society and the University of Law (Bristol) and hosted a panel discussion for legal professionals and anyone with an interest in legal services that evening.
- A number of stakeholder (Bristol and Leeds law societies, COIC, etc.) meetings took place.
- A planned meeting between the Chair and Chief Executive to Cardiff to meet with representatives of the Wales Government including the Counsel General and Cabinet Secretary was postponed to 2018 due to the untimely passing of Carl Sargeant.
- We started and widely publicised consultations on our annual business plan and next three year strategy and also on a review of the Internal Governance Rules.
- We welcomed a delegation of Chinese civil servants and briefing them on the reform of legal services regulation in England and Wales.

### Key activities for Q4 17/18 reporting period:

- We have hosted an informal Board level stakeholder roundtable for legal counsel from magic circle firms in the city. This is being run in association with Herbert Smith Freehills LLP.
- We are announcing and publicising our decision in relation to the ACCA's application to regulate probate.
- We will be holding meetings with representatives of the judiciary (including the President of the Supreme Court and the Lord Chief justice).
- We will have representatives speaking at Westminster Legal Policy Forum events on 'innovation in legal services' and 'diversity in legal services'.
- We will be publishing our updated small business legal service needs research. We will also be organising and hosting an event to discuss the findings of this research.

## RISKS (new or raised):

There are no new or raised risks this quarter.

[REDACTED]

OVERALL STATUS:	
4	[REDACTED]
3	
2	
1	

# QUARTERLY HIGHLIGHT REPORT

<b>PROGRAMME/POLICY AREA:</b>	Finance and funding mechanism (Levy)
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Finance

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

### Key achievements in Q3 17/18 reporting period:

- Provided monthly financial report for monitoring of LSB's spending position to the Board, Executive Group and budget holders
- Prepared draft budget for 2018/19 including associated appendices and comparisons for consideration by the Board's Audit and Risk Assurance Committee members meeting as a 'finance committee'
- Provided regular monthly submissions and reports to MoJ in line with reporting dates
- Provided information and completed model for MoJ for Q2 consolidation purposes
- Prepared delegation letters for the Accounting Officer to issue.

### Key activities for Q4 17/18 reporting period:

- Provide monthly financial report for monitoring of LSB's spending position to the Board, Executive Directors and budget holders
- Prepare final budget for 2018/19 for Board approval
- Monthly financial reports for monitoring of LSB's spending position to the Board, Executive Group and budget holders
- Financial appraisals of spending decisions
- Submit LSB financial information for MoJ Consolidation Model Q3

## RISKS (new or raised):

There are no new or raised risks this quarter.

[REDACTED]

## OVERALL STATUS:

4 [REDACTED]

3

2

1



# 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 Q3 17/18 reporting period:

- Biennial refresh of the corporate risk register approved by October ARAC.
- Review of Risk Management Strategy October ARAC.
- Six-monthly review of risk register by Board (November)
- Work on assurance mapping options and pilots started
- Regular review of risk at SLT meetings

### Key activities for Q4 17/18 reporting period:

- Regular review of risk at SLT meetings
- Complete assurance mapping pilots on performance management and whistleblowing, to report to March ARAC

## RISKS (new or raised):

New and raised risks this quarter are as a result of the biennial refresh of the corporate risk register:

[REDACTED]

## OVERALL STATUS:

4	[REDACTED]
3	
2	
1	