

<b>To:</b>	Legal Services Board	
<b>Date of Meeting:</b>	10 July 2013	<b>Item:</b> Paper (13) 50

<b>Title:</b>	Q1 Performance Report: 1 April – 30 June 2013	
<b>Workstream(s):</b>	Business Plan 2013/14	
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<b>Status:</b>	Unclassified	

<b>Summary:</b>
<p>This paper provides a summary of the Board's performance in delivering its published Business Plan commitments during Q1 2013/14 (April- June)</p> <p>A narrative cover for the MoJ Q1 report is at <b>Annex A</b>, this includes a summary of all Section 55 information gathering notices that have been issued in this quarter. The paper also contains the draft Q1 submission for the Ministry of Justice's (MoJ) performance reporting requirements (<b>Appendix 1</b>), the Consumer Panel's quarterly report of activity (<b>Appendix 2</b>) and a report on regulatory decisions made during the quarter (<b>Appendix 3</b>).</p>

<b>Recommendations:</b>
<p>The Board is invited to:</p> <ol style="list-style-type: none"> <li>1) review and comment on the draft Q1 performance report; and</li> <li>2) agree to its use as a basis for discussion with MoJ.</li> </ol>

<b>Risks and mitigations</b>	
<b>Financial:</b>	N/A
<b>Legal:</b>	N/A
<b>Reputational:</b>	N/A
<b>Resource:</b>	N/A

Consultation	Yes	No	Who / why?
<b>Board Members:</b>		✓	Regular performance report.
<b>Consumer Panel:</b>		✓	Regular performance report – report also includes Consumer Panel Q4 report.
<b>Others:</b>			

<b>Freedom of Information Act 2000 (Foi)</b>
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<b>Para ref</b>	<b>Fol exemption and summary</b>	<b>Expires</b>
All <i>Risk</i> and <i>Overall Status</i> sections	Section 36(2)(b)(i) - Inhibit the free and frank provision of advice	N/A

## LEGAL SERVICES BOARD

<b>To:</b>	Board		
<b>Date of Meeting:</b>	10 July 2013	<b>Item:</b>	Paper (13) 50

### Q1 Performance Report: April – June 2013

#### Recommendations

The Board is invited to:

- review and comment on the draft Q1 performance report; and
- agree to its use as a basis for discussion with MoJ.

#### Introduction

1. This paper provides a summary of the Board's performance in delivering its published Business Plan commitments during Q1 2013/14 (April - June).
2. It also contains the draft Q1 submission for the MoJ's performance reporting requirements (**Appendix 1**), the Consumer Panel's quarterly report of activity (**Appendix 2**), a report on regulatory decisions made during the quarter (**Appendix 3**). A narrative cover for the MoJ Q1 report is at **Annex A**, this includes a summary of all Section 55 information gathering notices issued during the quarter.

#### Overview

3. The LSB Business Plan for 2013/14 describes the LSB's proposed activities on a quarter-by-quarter basis. Progress against those commitments for Q1 and an update on any commitment which was outstanding from previous quarters, is reported below:

<b>Q1 2013/14 commitment</b>	<b>Progress</b>
Monitor regulators' delivery of regulatory effectiveness action plans	<b>On-going.</b> Formal project closed down and project close down report produced with a proposal for on-going reporting of progress.
Special bodies: Issue draft guidance on regulation for licensing authorities	<b>Changed and completed (Q1 2013/14).</b> The Board agreed to postpone this work and to keep transitional arrangements in place indefinitely. The timetable will be reviewed by the end of the year following the MoJ post-legislative review.
Licensable bodies: Work with regulators to understand how those they regulate will be affected by ending transitional protections.	<b>Changed and completed (Q1 2013/14).</b> The Board agreed to postpone this work and to keep transitional arrangements in place indefinitely. The timetable will be reviewed by the end of the year following the MoJ post-legislative review.
Lord Chancellor decision on	<b>Completed.</b> A decision was received

recommendations for will-writing and probate activity	from the Lord Chancellor not to reserve will-writing. We are now considering how to move forward in relation to the work on cost and complexity.
Diversity: review implementation of regulators action plans	<b>Completed.</b> Review of regulators' progress in delivery of their action plans has been completed and a paper put to July Board reporting progress. A paper will be published in September.
Publish work programme in regards to the cost and complexity of regulation	<b>Completed:</b> A paper has been produced for the Board setting out the context of the work and planned methodology. An additional paper is also being produced in response to the MoJ's call for evidence in light of their Simplification work.
Publish research plan	<b>Completed:</b> The research plan was published with the Business plan in April 2013.
Review consumer toolkit and make available to regulators	<b>Delayed:</b> Resource diverted to other areas of work. Planned delivery now Q2.
Internal Governance Rules – receive duel certificates	Received 2/5 and the subject of a Board report in July.

<b>Q4 2012/13 commitment</b>	<b>Progress</b>
Monitor implementation of self-assessment plans	<b>Completed.</b> The BSB self-assessment report was published in May. Work to monitor their delivery of all regulators' action plans is a core part of our Business Plan for 2013/14.
Decision required from any change in scope for will-writing, probate activity and estate administration	<b>Completed.</b> A decision was received from the Lord Chancellor not to reserve will-writing.

4. The table above only reports on publicly committed deliverables and, as such, does not present a full picture of the Board's achievements to date, all of which have been reported to the Board on a monthly basis through the Chief Executive's progress reports.

### **MoJ performance management framework**

5. The draft Q1 performance report for MoJ (**Appendix 1**) it contains all of the fields requested by MoJ, including headline risks for each project. Also attached is the quarterly report on regulatory arrangements applications (**Appendix 2**), a quarterly report from the Consumer Panel (**Appendix 3**). A narrative cover for the MoJ Q1 report is at **Annex A**, this includes a summary of all Section 55 information gathering notices issued during the quarter.

**To: Ministry of Justice**

## **Legal Services Board 2013/14 Q1 Performance Report**

### **Overview of the Quarter**

1. The programme highlight report at **Appendix 1** provides a comprehensive overview of the Board's work to deliver its Business Plan during Q1 2013/14. The report is based upon the LSB's overarching programme and individual project plans.
2. Attached at **Appendix 2** is a quarterly report on Consumer Panel activity, and at **Appendix 3** is an overview of our work in relation to requests for approval to alterations of regulatory arrangements.
3. We have also included a summary of all the Section 55 requests that have been made this quarter in this report. This ensures that we are transparent about the use of our information gathering powers whilst avoiding the unnecessary and undue attention that real-time publication of each notice might generate were we to release in full at the time of issue.
4. Based on an assessment of the status of individual projects, the LSB judges the status of its overarching programme to deliver its Business Plan for 2013/14 and thus its regulatory responsibilities is as **Amber**. This reflects that, although most of our commitments are on track at the date of report, there have already been some significant changes to our planned programme of work and developments that may have a significant impact on our resources.
5. Matters of note not specifically addressed by the programme report include the following:

### **Section 55 notices**

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<b>Date of Notice</b>	<b>Addressee</b>	<b>Title</b>	<b>Organisation</b>	<b>Overview of request</b>	<b>Due date</b>
09/05/2013	Maura McGowan	Chair	Bar Council	Further information on S55 request of 27 March 2013 (Bar Council's involvement in the design and implementation of element of regulatory arrangements of BSB, relating to Cab Rank Rule / New Contractual Terms)	20/05/2013
21/06/2013	Stephen Crowne	CEO	Bar Council	Further information on S55 request of 27 March 2013	28/06/2013
21/06/2013	Des Hudson	CEO	Law Society	Law Society involvement in design and implementation	28/06/2013

				contractual terms - see Bar Council notices - cessation of negotiations. In subsequent correspondence, the Law Society have indicated that they consider this to be a wholly representative issue, but are prepared to provide the information sought on a voluntary basis.	
24/06/2013	Stephen Crowne	CEO	Bar Council	Notice of extension for narrative information requested in letter of 21/06; administrative timescale unchanged	28/06/2013

## Organisation development and governance

During April- June 2013:

7. A colleague working group has been set up to address some issues around the office environment and colleague information in light of the Colleague Survey results.
8. Adewale (Ade) Kadiri joined the LSB on 3 June as Corporate Governance Manager. Previously Ade worked as the Deputy Head of Corporate Governance at Oxford University Hospitals NHS Trust, following time in a similar role at Sussex Partnerships NHS Foundation Trust. Prior to this, Ade had had a varied career in inspection, audit and regulation in health and local government. Ade is ICSA qualified as well as legally trained, having qualified and been called to the Nigerian Bar.
9. We have extended Tim Bayle's contract as a Regulatory Associate (maternity cover) until November and have also recruited an additional associate to work primarily on the cost and complexity project.
10. The Competition Commission have served us notice on our lease at Victoria House in light of the forthcoming establishment of the Competition and Markets Authority. A range of options for accommodation on the Government estate are being explored and MoJ Estates being kept apprised of progress.
11. Prior to finalising the Annual Report NAO undertook their external audit of the LSB on 15 April. No issues were raised in the NAO Audit Completion Report and the finalised accounts were the first in the MoJ family to be signed off by NAO.
12. Plans have been agreed with Remuneration and Nomination Committee for the extensive programme of Board, OLC and Panel recruitment required this year. This will take up a significant amount of the governance team's time over the

coming months and indeed that of those Board members asked to take part in selection panels. NED colleagues' thoughts about the qualities needed by the Chairman's successor will be fed to MoJ at an appropriate point.

### **Relations with Government**

13. The decision was made by the Lord Chancellor not to make will-writing a reserved legal activity, we are now giving consideration to how to respond to this and to move this work forward in the context of the wider review.
14. We remain in discussion about the legal issues around their proposal to make claims management companies leviable bodies for the purposes of complaints handling.
15. David Edmonds met Helen Grant on 24 June regarding the LSB's Annual Report, which was laid on 11 June and wrote to the Secretary of State about ABS and SRA issues on 25 June.

### **Relations with OLC**

16. We have had a series of discussions OLC around the proposal to make claims management companies leviable bodies for the purposes of complaints handling. They remain frustrated by the impasse that has been reached with regards to vires but are cogniscent of our objections.
17. We have issued the OLC with a S120 requests for data about complaints for Damage Based Agreements. We have requested that OLC provide us with a full report in 2014.

### **Stakeholder relations**

18. During April – June 2013:

- Crispin Passmore spoke at a *Regulatory Policy Institute* event on the Future of Regulation on 26 April. His contribution focused on the independent regulation of legal services. The presentation he made was posted to our website where it was picked up by some of the trade press
- The Chairman and CEO met Anna Bradley and Sheila Kumar of the Council for Licensed Conveyancers on 30 April. This was a very positive discussion, showing good progress with their action plan and a range of broader governance and management issues

- The CEO participated in a panel session at *Modern Law magazine's* one day conference on 1 May, sharing a panel with Adam Sampson and representatives of the BSB and the Law Society
- The CEO spoke at both the *Association of Cost Lawyers* annual conference and at the *Law Society's* Presidents and Secretaries conference
- Following the Lord Chancellor's decision on will-writing there was significant media interest in our reaction to his decision
- The CEO spoke to the Bar Commercial, Finance and Industry Group and Crispin Passmore represented the LSB speaking at a two day conference for senior commercial firm leaders organised by the University of Strathclyde
- The CEO spoke on the importance of accessibility in Ombudsman Schemes at the Ombudsman Association conference at Loughborough University.
- The CEO spoke at the *Reinvent Law Conference*