

To:	Legal Services Board	
Date of Meeting:	26 November 2014	Item: Paper (14) 60

Title:	Draft LSB Strategic Plan 2015-18, 2015/16 Business Plan and budget proposal for 2015/16
Workstream(s):	All
Authors/ Introduced by:	Caroline Wallace, Strategy Director Chris Handford, Head of Research and Development Julie Myers, Corporate Director Edwin Josephs, Director of Finance and Services
Status:	Official

Summary:

The Board discussed a skeleton strategic plan for the 2015-18 period at its September 2014 meeting, and the first full draft of the strategic plan and partial draft of the 2015/16 business plan at its October 2014 meeting.

At **Annex A**, Board members will find a combined revised draft of the strategic plan for 2015-18 and the business plan for 2015/16. This remains work in progress in terms of proofing and format finessing but is presented to the Board for final review. The business plan includes affirmation of our equality objectives for the year ahead.

The following paper also includes the budget proposal for 2015/16 – of £4,298k. This has been reviewed by the Audit and Risk Committee and comes to the Board with the Committee's endorsement. **Annex B** provides additional analysis.

Pending discussion today, we propose to conduct a 10 1/2 week consultation, publishing the documents on 10 December. In due course, the Board will be asked to approve the final Plans, informed by consultation responses, prioritisation work (we almost certainly will not be able to complete all of the thematic reviews canvassed in the plan and we will deliberately seek views on prioritisation) and any new emerging matters, at its March meeting. We will be aiming to publish these final documents before pre-election purdah commences at the end of March.

Recommendation(s):

The Board is invited to:

- review and discuss the draft Strategic and Business Plan document

- delegate final approval of the document to be issued for consultation to the Chairman, Strategy and Corporate Directors
- agree to consult on the basis of a draft budget for 2015/16 of £4,298k (2014/15 £4,298k).

Risks and mitigations

Financial: Budget requires approval from Ministry of Justice.

Legal: The Legal Director has been and will continue to be consulted throughout the development of the plan, particularly with a view to assessing LSB vires.

Reputational: The strategic plan is the LSB's top level guiding document for the next three years and therefore has high reputational importance. This is magnified as it will be the LSB's first strategic plan under a new Chair, new Chief Executive and new Strategy Director.

Resource: The Board has previously discussed the resource implications of the draft strategic and business plans. The plans are challenging but the Executive is confident that they can be delivered within current resourcing limits.

Consultation	Yes	No	Who / why?
Board Members:	x		The draft strategic plan draws heavily on output from the Board strategic planning workshop held in July 2014, the discussion of the skeleton strategic plan at the September 2014 Board meeting and the discussion of the first draft of the strategic plan and the partial draft of the business plan at the October 2014 Board meeting.
Consumer Panel:	x		The Consumer Panel Chair participated in the above workshop and the Panel has provided as an input to the strategic plan its draft 'Emerging Thinking' report in response to the LSB's '2020' commission, and the final version of its report.
Others:			The Chair of the Office for Legal Complaints participated in the above workshop. Early draft of Plan sent to MoJ for informal comment and will be sent to Minister. No comments received at time of drafting.

Freedom of Information Act 2000 (Fol)

Para ref	Fol exemption and summary	Expires
10 – 40	Section 36(2)(b)(ii) – information likely to inhibit the exchange of views for purposes of deliberation	
Annex A	Section 22 – information intended for future publication	

LEGAL SERVICES BOARD

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Draft LSB Strategic Plan 2015-18, 2015/16 Business Plan and budget proposal for 2015/16

Background / context

1. The Board discussed a skeleton of the strategic plan at its September meeting and also held a joint session with the Legal Services Consumer Panel (the Panel) on the same day, to discuss the Panel's draft 'emerging thinking' report¹.
2. The Board discussed the first full draft of the strategic plan and a partial draft of the 2015-16 business plan at its October meeting.
3. The Consumer Panel provided its final report in response to the LSB's '2020 commission' in early November, and this has been circulated separately to the Board along with an analysis of how the Panel's recommendations map onto the proposed work packages in the draft strategic and business plan.
4. This final draft of the strategic plan takes into account the discussion of the previous draft at the October Board meeting and comments received subsequently from Board members, staff and Stephen Mayson.
5. Early drafts of the plans were shared with MoJ officials and formed part of the Chairman's recent meeting with the Minister. No comments were received on either the content of the plans or the budget proposal at that time. The version in front of the Board today has also been shared with the MoJ for formal comment as required by our Framework Agreement. We will update the Board at the meeting if any comments are received.
6. Please note that the document remains work in progress and is subject to formatting and proofing alongside final revisions.

Strategic Plan 2015-18 - key changes from October Board

7. The key changes to the strategic plan after the September Board meeting have been:
 - i. The overview section has been shortened and now includes the summary diagram.

¹ This document was the Panel's interim response to the LSB's '2020 commission' to the Panel. The LSB asked the Panel to consider the following question: "In the light of developments in the legal services market in particular, but also in the wider economy and society, what risks to consumers of legal services might arise in the period to 2020 and how might the LSB and approved regulators react appropriately to them?"

- ii. The plan makes clearer that the LSB's strategic priorities build on and are aligned with the work on deregulation arising from the Ministerial summit.
- iii. The strategic priorities have been slightly renamed: we now have (i) breaking down the regulatory barriers to competition, growth and innovation; and (ii) enabling need for legal services to be met more effectively.
- iv. The 'consistency of regulation' work package has been removed, reflecting the discussion that consistency is not an end in itself.
- v. A sub-section on the wider implications of our plans for other organisations in the legal sector and beyond has been added.

Business Plan 2015/16 - key changes from October Board

- 8. We have edited the draft Business Plan to remove duplication of content with the Strategic Plan and keep it as focused as possible. As with previous plans at point of consultation, there are areas where we will need to refine our work for the year ahead in light of prioritisation decisions and feedback from stakeholders. We almost certainly will not be able to complete all of the thematic reviews canvassed in the plan and we will deliberately seek views on prioritisation.
- 9. The draft Plan also includes initial suggestions of areas on which we might seek the advice of the Legal Services Consumer Panel to inform, challenge and add value to the LSB's work during 2015-16. These are:
 - a. the kind of information regulators could collect from firms to aid consumers
 - b. which areas of law should be priorities for the LSB's work on enabling the demand for legal services to be met
 - c. which categories of vulnerable consumers should be priorities, for example elderly people.

Proposed budget 2015/16

ARC consideration

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Index of Attached Annexes:

Description	Annex
Draft Strategic Plan 2015-18 and Business Plan 2015/16	A
Analysis of expenditure and budgets 2010-2015	B

Next steps

41. The planned date for launch of the consultation at the time of writing is on or about Wednesday 10 December, with the consultation period ending on or about Friday 20 February (resulting in a 10.5 week consultation period).

42. There will be a brief targeted launch event early in the morning on the day of publication and a press release, which together will publicise the consultation and communicate the key strategic themes – Board member involvement in the launch event would be welcome. There will also be three or four meetings 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 - which will, from the beginning of February, include Richard Moriarty's introductory meetings - and other communications opportunities will also be used to promote the consultation and encourage responses (for example, we are writing an article for the next edition of Modern Law magazine which will be on desks from 15 December).

Matter for decision

43. The Board is invited to :

- review and discuss the draft Strategic and Business Plan document
- delegate final approval of the document to be issued for consultation to the Chairman, Strategy and Corporate Directors
- agree to consult on the basis of a draft budget for 2015/16 of £4,298k (2014/15 £4,298k).