

To:	Board		
Date of Meeting:	24 March 2010	Item:	Paper (10) 21

Title:	Consumer Panel work programme 2010/11
Workstream(s):	Corporate governance
Presented by:	Dianne Hayter, Chair of the Consumer Panel dianne.hayter@legalservicesconsumerpanel.org.uk
Author:	Steve Brooker, Consumer Panel Manager steve.brooker@legalservicesconsumerpanel.org.uk / 020 7271 0077
Status:	Protected

Summary:
The Consumer Panel's ('the Panel') proposed work programme 2010/11 is attached (Annex A). The Board is asked to endorse the work programme, as set out in the memorandum of understanding between the Board and the Consumer Panel.

Risks and mitigations	
Financial:	The Panel does not have a delegated budget, but shares the LSB's research budget. Projects in the work programme likely to require research funds are quality assurance (where the Board is seeking the Panel's advice) and the Consumer Welfare Index (where some limited omnibus polling may be required to fill gaps in data).
FoIA:	Policy development exemption (s36).
Legal:	N/A.
Reputational:	This is the first document that describes the role of the Panel and its initial priorities. Effective communication will be needed to ensure that the work programme is seen by key audiences and that the Panel's priorities are seen as complementary to those of the Board.
Resource:	The Plan is ambitious, but allows some unplanned time for reaction to emerging consumer detriment and unexpected additional work caused, for example, by a new Government's strategy. Any significant new work will need to be matched by explicit subtractions from or re-planning of the work programme.

Consultation	Yes	No	Who / why?
Board Members:	✓		Barbara Saunders.
Consumer Panel:	✓		The work programme has the full endorsement of the Panel, following its meeting on 10 March.
Others:	N/A.		

Recommendation(s):
The Board is invited: <ol style="list-style-type: none"> a) to discuss the Consumer Panel work programme's overall tone and direction; and b) to endorse the Consumer Panel work programme 2010/11.

LEGAL SERVICES BOARD

To:	Board		
Date of Meeting:	24 March 2010	Item:	Paper (10) 21

Draft Consumer Panel work programme 2010/11

Recommendations

The Board is invited to:

- a) to discuss the Consumer Panel work programme's overall tone and direction; and
- b) to endorse the Consumer Panel work programme 2010/11.

Overall approach

1. The Consumer Panel (**the Panel**) has deliberately written the work programme 2010/11 to communicate its role and initial priorities to a wide range of stakeholders within and outside the legal sector, reflecting the diversity of audiences that have an interest in the provision of legal services. We have also been at pains to write the work programme in plain language so that it is accessible to the general public.
2. This work programme is the Panel's first opportunity to describe its purpose and approach in some detail. The document sets out in simple terms the benefits of the Consumer Panel model, its strategic objectives and the tools it uses to carry out its work. The Panel felt it important to develop its own strategic objectives rather than follow those of the Board wholesale, not least as the Panel's remit is limited to the consumer interest, whereas the Board must consider the wider public interest. Nevertheless, we consider that the Panel's strategic objectives map well on to those of the Board. They are:
 - A competitive legal services market where consumers are empowered and have easy access to high quality legal advice at a fair price
 - All consumers have an equal access to legal services regardless of their personal circumstances
 - Regulatory bodies have processes enabling them to take decisions which are in the consumer interest
 - Consumers receive legal advice from a diverse and competent workforce
 - Consumer complaints are resolved quickly, fairly and cost-effectively
3. The work programme describes two main roles for the Panel. First, its core role is to provide advice to the Board and others on the reform agenda. This activity includes providing informal behind-the-scenes and formal public input on policy development and implementation activities. A second type of activity is where the

Panel sets the policy agenda, by taking a lead role in developing policy including on issues where regulators are not active.

4. The Panel takes a share of responsibility along with its partners to deliver improved outcomes for consumers. The work programme describes steps that the Panel will take to measure the effectiveness of its contribution.
5. The Panel is conscious of the need to ensure that its work is sensitive to any differences in the experiences of consumers in Wales and takes account of the devolved context. The Panel is planning a seminar in Cardiff with key individuals and organisations to 'Welsh-proof' the delivery of the work programme.

Prioritisation

6. The Panel is not resourced to tackle the entire policy agenda. It has developed a set of prioritisation principles:
 - Does it fit with our strategic objectives?
 - Is there evidence of significant consumer detriment, an emerging threat or an area that would benefit from fresh thinking?
 - Is consumer detriment likely to continue or increase?
 - Is the Panel best placed to carry out this work?
 - Is there a realistic prospect that our work will have an impact?
 - Are resources available to deliver the work effectively?
7. The Panel's work programme is unashamedly ambitious. However, like all consumer markets, the unexpected can happen in legal services and the Panel needs the flexibility to respond to emerging areas of consumer detriment. Further, there will be a general election before the summer and it is possible that the new government, of whatever hue, will unveil initiatives to which the Panel should respond. The work programme includes some slack to adapt to changing priorities, although any significant new work will need to be matched by explicit subtractions from or re-planning of the work programme. The Panel will come back to the Board should this happen.
8. The Panel represents a wide variety of consumers, not just individuals. It recognises that small businesses, charities and other types of consumer may face an imbalance of power when dealing with lawyers and so benefit from someone to represent their interests. However, some consumers are more vulnerable than others, as was recognised in the Board's first Business Plan and debate in Parliament during the passage of the Bill. The Panel will assess vulnerability on each project but is likely to prioritise those consumers who are less able to give voice to their own interests. The Panel has also received representations from some parts of the legal profession that it should represent the interests of lawyers in their capacity as consumers of other lawyers' services. However, the Act prohibits the Panel from having lawyers amongst its membership and parliamentary debate during the passage of the Legal Services Act makes the intentions of Ministers clear on this point.

9. Based on the division of activities described in paragraph 4, the Panel's proposed priorities for 2010/11 are as follows:

- Responding to the policy agenda – ABS; complaints; governance rules; reservation of legal activities; changes to approved regulators' codes of conduct.
- Setting the policy agenda – helping approved regulators to develop robust capabilities for consumer engagement; developing a Consumer Welfare Index to measure outcomes of the reforms; an investigation into price comparison websites; providing advice to the Board on quality assurance; and completing our investigation into referral arrangements.

Resourcing

10. The Panel does not have a delegated budget, but shares the LSB's research budget. There is close collaboration between the LSB Research Manager and the Consumer Panel Manager in the commissioning of research, whether this work is led by the Board or the Panel. Further, one of the Panel Members sits on the Board's Research Strategy Group.

11. Two projects in the work programme are likely to require research funds. The first is quality assurance where the Board has indicated in its Business Plan that it will seek the Panel's advice. The Board has yet to indicate what this work will involve and so it is not possible to estimate costs at this stage. The Consumer Welfare Index project will mainly rely on published data, but it is likely to require some limited omnibus polling to fill gaps in knowledge. It is difficult to estimate costs at this stage since the project methodology has not been developed, but any costs are likely to be modest. Dialogue between the LSB Research Manager and the Consumer Panel Manager has indicated that the Panel's research needs can be safely accommodated within the Board's proposed research spend. Further, over the course of the year, intelligence gathering will be a key focus for the Panel and it will explore opportunities to work in partnership with others as an alternative means of funding consumer research.

Next steps

12. The Panel plans to publish the Work Programme in April. As set out in the memorandum of understanding, the Panel will return to the Board with proposals for significant new areas of work, should the need arise.

15.03.10