PROGRAMME/POLICY AREA: ABS / APPEALS MECHANISMS

KEY OBJECTIVES: Widening access to the legal market

LINK TO REGULATORY OBJECTIVES: RO1, RO3, RO4, RO5, RO6, RO8



PROJECT HEADLINES

Key achievements of Q2 reporting period:

- 1. Successful workshop held with ARs and Tribunals Service on 30 June to discuss proposed licensing rules and appeal arrangements, costs etc.
- 2. Written agreement with Tribunals Service drafted to formalise proposed arrangements.
- 3. Meeting held with Tribunals Service to discuss implementation issues: composition of panels, costs and funding.
- Consultation paper and draft S.80 Order published.
- 5. Impact Assessment drafted and discussed with Tribunals Service and SDT.
- 6. Letter sent to Tribunals Service CEO seeking confirmation of commitment.
- 7. Significant amount of work done with the SRA to develop the content of the S.69 order which needs to be laid prior to the commencement of Part 5 of LSA. Difficult issues have been ironed out including the mechanics around the compensation fund.
- Work is continuing on developing the impact assessments required for the commencement of the remaining ABS related parts of the LSA. A draft impact assessment for a maximum financial penalty has been shared with MoJ.
- Publication of S.69 consultation document with a consultation end date of 20/12/2010. Compensation
 fund issues have been identified as potentially contentious and will be addressed in a separate
 consultation to be run by the SRA.
- 10. Supportive speech from the Minister, Jonathan Djanogly, to Law Society, emphasising 6/10/11 Go-Live.
- 11. Framework MoU is nearly complete and will set out a basis to manage multiple regulators of ABS.
- 12.
- 13. Consideration of the legislative basis for the regulation of sole solicitors continues to be discussed. Meeting on 04/10/2010 led to agreement from SRA that they would draft the SI and Consultation paper for the area and run a consultation exercise. Further planning and agreement on the policy areas is underway.
- 14. Discussions with the SRA on regulatory capacity and their change programme are underway.

- 1. Appeals Mechanisms consultation closes, prepare S.80 order for submission.
- Agree funding agreement with applicant LAs.
- 3.
- 4. S69 Consultation closes, prepare SI for submission to Lord Chancellor.
- 5. Work with SRA to scope-out and publish Sole Practitioners consultation and draft SI.
- 6. Prepare for first applications for Licensing Authorities.

Q1 and Q2 PROJECT MILESTO	NES	
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Preparation for ABS go-live	 Fulfilling MoJ requirements Publication of S.69 Consultation 	On-going Completed (27/09/2010)
	 Agreement with SRA on approach to Sole Practitioners S.69 Consultation closes Board SI approval 	30/10/2010 20/12/2010 30/12/2010
On-going development of market readiness for ABS	Regular ABS implementation group meetings	On-going
Appeals Mechanisms	 Publish consultation paper Consultation Closes 	Completed (18/08/2010) 12/11/2010
	 Board SI approval Funding agreement with applicant LAs 	30/12/2010 30/12/2010 29/10/2010

PROJECT RISKS:				
RISK	IMPACT (1-5)	LIKELIHOO D (1-4)	RAG RATING	ACTION TAKEN
[REDACTED]				

STATUS:	
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SERVICES

Improving services by resolving complaints effectively

LINK TO REGULATORY OBJECTIVES: RO1, RO2, RO4, RO6, RO7, RO8

PROJECT HEADLINES

Key achievements of Q2 reporting period:

- Developed and hosted a data collection workshop for ARs. There are plans to take this forward with the ABS implementation group. Have developed and published the report of the data collection workshop.
- 2. We wrote to all ARs advising them of the proposals regarding exemption for regulatory arrangement changes resulting from LeO / OLSO transition, reminding them about agreement for implementation of S.112 signposting and exemption and requesting complaint numbers and likely schedule for completion.
- Developed regulatory review of each AR's compliance with first-tier complaints handling programme and sent out letters to all ARs requesting a response.
- 4. Analysis and review of regulatory review responses. This includes ongoing engagement and analysis of ARs' submissions regarding compliance with signposting requirements and rules reflecting LSB guidance on outcomes for consumers from first-tier complaints handling.
- 5. In process of settling CLC submission for exemption to rule change.
- 6. We wrote to the LCS commending levels of performance and confirming that we were satisfied with the LCS Board's approach to Q3 targets. This followed a detailed meeting with LCS operational staff about the performance measures.
- 7. The Chief Executive of the LCS attended a first-tier complaints handling workshop hosted by the first-tier complaints handling team.
- 9. LCS/LSB Chief Executives met 28 September. This was their last meeting before LeO go-live on 6 October when LCS will cease to take on any new cases.

Key activities for Q3 reporting period:

- 1. Following up on any outstanding issues with ARs changes to their regulatory arrangements to reflect the signposting requirements and guidance.
- 2. Continue analysis and review of regulatory review responses.
- 3. Engagement with ARs in relation to remaining regulatory review questions, which includes monitoring and enforcement.

4.

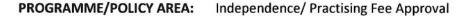
8.

Q2 and Q3 PROJECT MILESTONES		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Working with ARs to develop the outcomes sought for effective complaints handling procedures and collecting baseline information from them	 Monitor the ARs' implementation of their action plans against specific objectives and milestones including information gathering 	On-going
Regulatory Review - Complaints Handling	 Continue development of thematic review process and communicate to ARs Two tier AR compliance review responses in Review of thematic review responses 	Completed (31/07/2010) 29/10/2010 30/11/2010
Agree and monitor performance targets with	Initial KPIs agreed	30/09/2010

OLC		
Oversee the maintenance of customer facing performance by current second-tier complaints bodies	 Ongoing performance monitori LeO opens Leamington Office shuts down 	on-going 06/10/2010 31/12/2010

PROJECT RISKS:				THE PROPERTY OF THE PARTY OF
RISK	IMPACT (1-5)	LIKELIH OOD (1- 4)	RAG RATIN G	ACTION TAKEN
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KEY OBJECTIVES: Securing Independent Regulation

LINK TO REGULATORY OBJECTIVES: RO1, RO2, RO4, RO5, RO6, RO7



PROJECT HEADLINES

Key achievements of Q2 reporting period:

- Initial assessment summary reports agreed by the Board, sent out to each applicable approved regulator (AAR), and published on the LSB web site. This was achieved two weeks in advance of the published deadline despite the late return of over half of the independence certificates. The letters and reports set out areas of non-compliance, areas of concern and areas where further information is required to assess compliance, as well as the next steps required by the regulators. Deadline for responses is end of August.
- 2. The first practising fee application, the Law Society / SRA, received and approved in 10 calendar days. In line with the priorities for the approval process set by the Board substantial progress has been made in improving the level and quality of information about how practising fee levels made available to those mandated to pay the practising fees.



- 4. ILEX practising fee application has been received and we are awaiting a response from our request for further information.
- 5. Good working relationships have been built with several other ARs through pre-practising fee application discussions to ensure clarity of expectation and a smooth process. This includes meetings / conversations with the Bar Council, CLC, ALCD and IPREG. Indications are that progress towards the LSB's key objective of ensuring transparency for those mandated to pay fees will be achieved this year.
- 6. Analysis of IGR responses to be completed and final position in relation to each AAR to be presented to 30 the September Board for final decision.

Key activities for Q3 reporting period:

Complete decisions on Practising Fee applications

Q1 and Q2 PROJECT MILESTONES				
PROGRAMME / POLICY DELIVERABLES		OJECT MILESTONE	MILESTONE DELIVERY DATE	
Thematic review - separation of regulatory and representative functions of approved regulators	•	Progress update/ Compliance/ Enforcement proposals/ options to Board	Completed (28/09/2010)	
Practising certificate approval	•	Receive, consider and determine applications	31/12/2010	

PROJECT RISKS:				
RISK	IMPACT (1-5)	LIKELIHO OD (1-4)	RAG RATING	ACTION TAKEN
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OVERALL PI	OJECT STATUS:	
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PROGRAMME/POLICY AREA: Workforce

KEY OBJECTIVES: Developing a workforce for a changing market

LINK TO REGULATORY OBJECTIVES: RO1, RO3, RO4, RO5, RO6, RO8



PROJECT HEADLINES

Key achievements of Q2 reporting period:

- 1. Stakeholder Roundtable held to discuss proposal broad agreement about overall shape of scheme.
- 2. Engagement with Lord Justice Thomas to update him on developments.
- JAG Consultation on QAA (crime) launched 10/08/2010. While this is a significant achievement, considerable further development is needed to deliver a scheme which satisfies our key principles and carries the confidence of key stakeholders. Letter and paper drafted and sent to JAG setting our further development required.
- 4. Quality researchers interviewed and appointed.
- 5. Discussion Guide developed with quality researchers and approved.
- 6. Observed first quality focus groups in viewing facility early signs are that the research will produce valuable insights about consumer perceptions of quality.
- 7. Diversity detailed proposal produced for 'data collection and transparency framework'.
- 8. "Barriers to the Legal Profession" Literature Review published and distributed to top firms.
- The Research Team have conducted a mapping exercise of diversity initiatives through interviews with ARs. This is a continuation of the initial work conducted by the Equality and Human Rights Commission (EHRC) through the Diversity Forum.
- Consultation on the single route map of entry into the profession with the Diversity Forum and ARs has been completed and amendments are finalised.
- 11. Focus groups completed and draft report received for comment. Report is good quality and offers valuable insights to consumer expectations about quality and perceptions of existing quality marks and regulation.
- 12. Work is continuing with Skills for Justice to get Careers Pathways website up and running showing the entry routes into the legal profession. Letter sent to ARs about diversity progress so far and next steps, including a paper on the potential diversity impact of ABS.
- Final research report on consumer perceptions of quality received by Consumer Panel.

- A final version of the mapping exercise of diversity initiatives to be provided at the Diversity Forum on 06 October.
- 2. Further work to be completed on the data collection framework; a final version of the data collection framework and draft consultation paper to be presented at the Diversity Forum on 06 October.
- 3. A conference launching the Leeds-Westminster research, hosted by the University of Westminster, is scheduled for 13 October.
- 4. Further engagement with JAG on design and implementation issues at meeting on 12 October particularly assessment methods and governance and proposed delivery approach for scheme.
- 5. Plan to feed outputs from this work into broader education and training framework review, subject to Board agreement.
- 6. The legal profession section of the website will be demonstrated at the Diversity Forum on 06 October with the aim of going live in December 2010.

Q2 and Q3 PROJECT MILESTONES		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Workforce access/ diversity and social mobility)	 Initial proposed measurement framework considered by diversity forum Framework and guidance to go out to consultation Diversity Forum 	Completed (30/07/10) 30/11/2010 06/10/2010
Initial proposed measurement framework considered by Diversity Forum	 Publish single source map of education routes 	31/12/2010
Quality assurance	 Develop initial draft framework for extension of QAA with JAG Review existing mechanisms Undertake Quality Consumer Research and publish 	Completed (30/07/10) Completed (30/07/2010) Completed 30/09/10

IMPACT	LIKELIHO	RAG		- Allerton
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PROGRAMME/POLICY AREA: Access to Justice / Reserved and non-reserved legal activity,

Referral fees

KEY OBJECTIVES: Improving Access to Justice

LINK TO REGULATORY OBJECTIVES: RO3, RO4, RO5, RO7

PROJECT HEADLINES

Key achievements of Q2 reporting period:

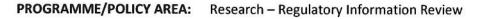
- Commission awarded to the Regulatory Policy Institute (Professor George Yarrow and Dr Chris Decker) to undertake research into understanding the economic rationale for regulation of legal services. Initial findings from the early stages of research have been presented to the Board.
- Commission awarded to Opinion Leader for research to develop measures of consumer outcomes for legal services. Initial findings from the early stages of research have been presented to the Board.
- A workshop was held that brought together a range of organisations with different interests and
 experiences of the will writing industry to share knowledge and scope the Legal Services Board
 examination of the failings that may harm consumers and different options for protecting against them.
- 4. First part of independent research by Stephen Mayson of the College of Law's Legal Services Institute into the history and rationale of reserved legal activity was published. Concluded that there was no obvious common rationale for the reserved activities and some were intended for protection of the legal profession and therefore the development of the current framework provides little to assist with making decisions about future regulation.
- 5. Board undertook initial session to consider longer-term strategy around the regulatory framework and reserving of legal activities.
- 6. Letters have been sent to a range of interested parties asking for financial support for consumer research into the type and scale of consumer detriment arising from current practice in writing wills.
- 7. Consumer Panel has been asked to provide evidence on all the different problems, both current and potential, experienced by consumers wishing to write a will. The investigation will seek to find out how widespread each problem is, or could be, why it happens and what the impacts are on the testator and their executors and beneficiaries. It will consider whether existing consumer protections are capable of addressing any consumer harm or whether new solutions are needed, including what the advantages and disadvantages of various ways of regulating will writing may be for consumers. A call for evidence launched on 22 September.
- 8. The majority of July and early August was spent developing the policy proposals for inclusion in the Referral Fees consultation document.
- Proposals published on 29 September cover improving consumer confidence in the market by making transparency and disclosure better and improving compliance and enforcement.

- 1. Economic rationale for regulation of legal services research will be finalised.
- 2. Research to develop measures of consumer outcomes for legal services due in at the end of November.
- Will-writing call for evidence closes in December.
- 4. Devise timetable for considering making will-writing a reserved legal activity.
- 5. Referral Fees consultation will close 22 December 2010.

Q1 and Q2 PROJECT MILESTONES			
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE	
Access to Justice	 Review research on legal need and commission further research where necessary 	On-going	
Reserved and non-reserved legal activity	 Scope out work and agree approach Review existing research Receive in commissioned research Will-writing call for evidence closes 	Completed (30/06/2010) Completed (31/07/2010) 30/11/2010 31/12/2010	
Referral Fees	 Scope out work and agree policy approach Economic research on referral arrangements (CRA) published Stakeholder engagement Publication of consultation document Consultation closes 	Completed (30/06/2010) Completed (17/05/2010) On-going Completed (31/09/2010) 22/12/2010	

PROJECT RISKS:					
RISK	IMPACT (1-5)	LIKELIHO OD (1-4)	RAG RATING	ACTION TAKEN	
[REDACTED]					

OVERALL P	ROJECT STATUS:
4	
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KEY OBJECTIVES: Putting consumer and public interest at the heart of regulation

LINK TO REGULATORY OBJECTIVES: RO1, RO3, RO4, RO5, RO6, RO7



PROJECT HEADLINES

Key achievements of Q2 reporting period:

- 1. Met with ARs to discuss project and provision of initial data.
- 2. Received initial supply data from Bar on Regulated Individuals by location.
- 3. Held coordination meeting with MoJ and OFT. We agreed to set up a steering group involving them and consider what they might help fund as part of the project.
- 4. Completed internal survey of future data needs which has been circulated to staff.
- 5. First analysis of solicitor supply data and first assessment of demand literature.
- 6. Increased number of academic papers logged on database.
- 7. 208 studies are now included in information scan out of 600 identified, all logged by area of LSB interest.
- 8. An initial discussion was held with the SRA to discuss their capability for supplying data to support this project and consider market segmentation.
- Agreement was reached with the Legal Services Research Centre to supply demand side data by postcode.

- 1. Completion of information scan with all 600 papers logged and the scan circulated to selected academics to consider and suggest additional evidence.
- 2. Enhancement of supply data with other professions and legal aid data into a single database for analysis against demand side data.
- 3.
- 4. Development of follow-up questionnaire for stakeholders to identify unpublished data and research reports.

Q1 and Q2 PROJECT MILESTONES	发生的现在分词		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE	
Research designed to provide evidence to meet the LSB's Business Plan 2010/11	 Building up evidence base to support policy decisions Assist with the development of Impact Assessment to fulfil legislative requirements 	On-going	
Regulatory Information Review	 Draft correspondence outlining data requests, rationale and background for ARs Data request information returned from ARs Set up knowledge bank and begin to populate 	Completed (23/06/2010) Completed (26/08/2010 30/10/2010	
	 Compare data collected to needs of LSB Produce needs vs. Availability report and 	Completed (16/07/2010) 29/09/2010	

•	agree approach by Board Review LSB website capability to hold Data hub Produce market segmentation model	(Completed) 23/08/2010 Completed (30/08/2010)
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OVERALL P	ROJECT STATUS:	
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PROGRAMME/POLICY AREA: External relations



KEY OBJECTIVES: Working with smaller ARs/ Communications and public affairs

LINK TO REGULATORY OBJECTIVES:

PROJECT HEADLINES

Key achievements of Q2 reporting period:

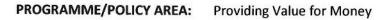
- 1. Contingency plan structure finalised.
- 2. Interviews held with researchers for smaller AR research project. Researcher selected.
- 3. Internal workshop held to scope out required content on contingency plans.
- 4.
- 5. Event The Annual Regulatory Affairs International Symposium 2010.
- 6. Speech David Edmonds APP Legal Services Board: The story so far.
- 7. Welsh Language Scheme Consultation closed.
- 8. Rules relating to the Solicitors Disciplinary Tribunal consultation launched.
- 9. Main S.69 Consultation launched.
- 10. Alternative business structures: appeal arrangements consultation launched.
- 11. Referral fees, referral arrangements and fee sharing consultation launched.
- 12. Article written by Crispin Passmore for University of Warwick newsletter.
- 13. Speech by Fran Gillon to the London Advice Conference.
- 14. Speech by Chris Kenny to The Annual Regulatory Affairs International Symposium 2010.
- 15. Speech by Chris Kenny to Epoq Institutional seminar.

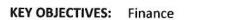
- 1. Finalise development of Smaller AR contingency options.
- 2. Write up individual strategies with each AR and agree.
- 3. Summarise required information from smaller ARs in line with agreed approach with Regulatory Information Manager and Regulatory Review Project Manager.
- 4. Document detailing AR information requirements produced in draft form.
- 5.
- 6. The smaller ARs research project will begin. This will involve a meeting with the researcher, formal notification to ARs of the project and planning about the use of LSB resource in the project.
- 7. Consideration of ALCD draft code of conduct, IGR activities and other documentation.
- Speech by Fran Gillon to LAPG Annual Conference 2010.
- 9. Speech by Chris Kenny to Westminster Conference.
- 10. Speech by David Edmonds to RIAD Congress.
- 11. Speech by Chris Kenny to Harvard on The future of legal education and the relationship between what is happening in this arena and the changes in legal practice.
- 12. Speech by David Edmonds to the Bar Conference.
- 13. Speech by Chris Kenny to the BSC Legal Futures 2010 Conference.
- 14. Speech by Chris Kenny to the The Lawyer's Alternative Business Structures conference.
- 15. Speech by Crispin Passmore to The Society of Will Writers' annual conference.
- Speech by Fran Gillon to The Lawyer's New Solicitors Code of Conduct Outcomes Focused Regulation conference.
- 17. Speech by Chris Kenny to GC and senior law firm lawyer breakfast.
- 18. Speech by David Edmonds to 2010 Lord Upjohn Lecture.
- 19. Speech by Chris Kenny to APP Legal Services Board on The story so far.

Q1 and Q2 PROJECT MILESTONES		
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE
Small ARs	 Develop Smaller AR contingency planning summaries Develop Smaller AR relationship management plans 	
Communications and Public Affairs	 Conduct programme of speeches Chris Kenny speech to Harvard Law School Business Plan Consultation launched 	31/12/2010 30/10/2010 31/12/2010

IMPACT (1-5)	LIKELIHO OD (1-4)	RAG RATING	ACTION TAKEN	

OVERALL P	PROJECT STATUS:	
4		
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LINK TO REGULATORY OBJECTIVES:



PROJECT HEADLINES

Key achievements of Q2 reporting period:

- 1. Ongoing financial management.
- 2. Annual Report and Statutory Accounts laid.

Key activities for Q3 reporting period:

1. Roll out of delegated budgets.

Q1 and Q2 PROJECT MILESTONES					
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE			
Ensure appropriate procurement processes are in place	Provide quarterly financial reports	On-going			
Constant review of spending decisions	 Spending kept with DEL Produce Annual report and Budget, gain sign off from NAO, submit to Minister and lay 	Completed 19/07/2010			

PROJECT RISKS:					
RISK	IMPACT (1-5)	LIKELIHO OD (1-4)	RAG RATING	ACTION TAKEN	

OVERALL P	ROJECT STATUS:	
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KEY OBJECTIVES: Ensuring that a system of risk management is maintained to inform decisions on financial and

operational planning

LINK TO REGULATORY OBJECTIVES: All projects are risk assessed and measures taken to mitigate or exploit are

integral to planning, approval and operational activities

PROJECT HEADLINES

Key achievements of Q2 reporting period:

- 1. Programme risk process review completed and incorporated into Corporate Risk process.
- 2. Reviewed risk process fully incorporated into Project Risk process.

- 1. 2nd annual Audit and Risk Committee oversight.
- 2. Board review of amended risk strategy and Corporate Risk Register.

Q1 and Q2 PROJECT MILESTONES		N. S. C.	
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE	
Formal risk management system maintained by executive and reviewed by Audit and Risk Committee	2 nd annual Audit and Risk Committee oversight	11/10/2010	
All projects are risk assessed and measures taken to mitigate or exploit are integral to planning, approval and operational activities	 2 x risk workshops held to review approach to managing project risk New risk process fully incorporated into project management process Ongoing project and corporate risk maintenance in line with risk strategy New risk process incorporated into corporate risk management process 	Completed (30/07/2010) Completed (30/09/2010) On-going Completed (30/09/2010)	

PROJECT RISKS:	国的发展的	Teles De			SIGNAL MAN
RISK	IMPACT (1-5)	LIKELIHO OD (1-4)	RAG RATING	ACTION TAKEN	

OVERALL P	PROJECT STATUS:	
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PROGRAMME/POLICY AREA: The Levy





LINK TO REGULATORY OBJECTIVES:

PROJECT HEADLINES

Key achievements of Q2 reporting period:

1. Consultation closed.

Key activities for Q3 reporting period:

2. Lay Levy SI.

Q1 and Q2 PROJECT MILESTONES				
PROGRAMME / POLICY DELIVERABLES	PROJECT MILESTONE	MILESTONE DELIVERY DATE		
Development of methodology for running costs recovery	 Develop IA and consultation for running costs SI in liaison with MoJ and HMT Launch consultation on running costs levy and SI Approval from Board of final agreed SI Levy SI laid 	Completed (31/07/2010) Completed (12/07/2010) 31/10/2010 31/12/2010		
Recoup of running costs	Begin to invoice ARs	31/01/2011		

IMPACT (1-5)	LIKELIHO OD (1-4)	RAG RATING	ACTION TAKEN	

OVERALL PI	ROJECT STATUS:	
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