

<b>To:</b>	Board
<b>Date of Meeting:</b>	25 January 2012
<b>Item:</b>	Paper (12) 10

<b>Title:</b>	Q3 Performance Report: October – December 2011
<b>Workstream(s):</b>	Business Plan 2011/12
<b>Author / Presented by:</b>	Julie Myers, Corporate Director julie.myers@legalservicesboard.org.uk / 020 7271 0059
<b>Author:</b>	Nicholas Baré Business Planning Associate nicholas.bare@legalservicesboard.org.uk / 020 7271 0053
<b>Status:</b>	Protect

**Summary:**

This paper provides a summary of the Board's performance in delivering its published Business Plan commitments during Q3 2011 (October - December). It also contains the draft Q3 submission for the Ministry of Justice's (**MoJ**) Non-Departmental Public Body (**NDPB**) performance reporting requirements (**Annex A**).

**Risks and mitigations**

**Financial:** N/A

**FoIA:** N/A

**Legal:** N/A

**Reputational:** N/A

**Resource:** 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 Q3 report.
<b>Others:</b>			

**Recommendations:**

The Board is invited:

- (1) to review and to comment on the draft Q3 performance report.
- (2) to agree to its use as a basis for discussion with MoJ.

## LEGAL SERVICES BOARD

<b>To:</b>	Board		
<b>Date of Meeting:</b>	25 January 2012	<b>Item:</b>	Paper (12) 10

### Q3 performance report: October – December 2011

#### Recommendations

The Board is invited:

- (1) to review and to comment on the draft Q3 performance report
- (2) to 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 Q3 2011/12 (October - December). It also contains the draft Q3 submission for the MoJ's NDPB performance reporting requirements (**Appendix 1**), the Consumer Panel's quarterly report of activity (**Appendix 2**) and a report on regulatory decisions made during the quarter (**Appendix 3**). A narrative cover for the MoJ Q3 report is at **Annex A**.

#### Overview

2. The LSB Business Plan for 2011/12 stated what LSB expected to achieve on a quarter-by-quarter basis. Progress against those commitments for Q3 and an update on any commitment which was outstanding from previous quarters, is reported below:

Q3 2011/12 commitment	Progress
Conveyancing: review of evidence and decision on next steps	<b>Ongoing:</b> A review of the evidence has commenced though further work remains to be done to find an appropriate structure to findings so that a way forward can be decided upon. Work through the regulatory effectiveness framework, rather than an expansion of regulatory scope, seems more likely.
Commence review of approved regulators arrangements for first tier complaints handling	<b>Ongoing:</b> The procedural review began in October and the results are due to be published in early April.
Implementation of appellate bodies arrangements	<b>Delayed:</b> Due to lack of available recourses, this project has been delayed. An approach will be developed over the coming month with a recommendation expected to be presented to the Board in May 2012.
Receive advice from Consumer Panel on not-for-profit bodies	<b>Project re-scoped:</b> The LSB and the Consumer Panel have decided to work collaboratively on the development of an LSB discussion paper for public consultation which will be presented at the March Board meeting in the light of a steer on Paper (12) 05

Receive advice from Consumer Panel on quality schemes	<b>Complete:</b> A report on voluntary quality schemes was presented at the November Board meeting
Potential S.24 investigation into making will writing a reserved legal activity	<b>Ongoing:</b> Continuing to gather evidence for will-writing, probate and estate administration investigation including stakeholder meetings and questions to targeted stakeholders. Paper (12) 03 on agenda for this meeting.

<b>Q2 2011/12 commitment</b>	<b>Progress</b>
Publish decision-document and way ahead on regulatory standards	<b>Complete:</b> Decision document published on 15 December 2011.
Consultation with ARs around review of first-tier complaints-handling	<b>Delayed:</b> This will be issued early in Q3.

<b>Q1 2011/12 commitment</b>	<b>Progress</b>
Submission of self-certificates by Applicable Approved Regulators	<b>Complete</b>
Publication of the RIR	<b>Complete:</b> This research has been published and shared with the Approved Regulators and relevant stakeholders.
Publication of research database	<b>Ongoing:</b> We are tendering to find a company that can effectively present the data from the RIR alongside other pieces of research; this will be completed by 31 March.

3. 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**

4. The draft Q3 performance report for MoJ is attached (**Appendix 1**). The report contains all of the fields requested by MoJ, including headline risks for each project, a quarterly report on regulatory arrangements applications, a quarterly report from the Consumer Panel and a brief narrative cover paper to provide some further context for the report.
5. Our sponsor team has confirmed that they wish to continue to review and discuss LSB performance on the basis of these documents.

## Paper (12) 10 Annex A - Narrative cover for MoJ Q3 report

To: Ministry of Justice

### Legal Services Board Q3 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 Q3 2011/12. 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. 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 2011/12 and thus its regulatory responsibilities is **GREEN/AMBER**.
4. Matters of note not specifically addressed by the programme report include the following:

#### Organisation development and governance

During October – December 2011:

- A number of changes in the structure of the organisation were implemented, including new internal management and review groups;
- Colleagues and Board Members completed equality and diversity training;
- Following a Board strategy session, the draft 2012-15 LSB strategy and supporting 2012/13 operational business plan were developed; both of which were released for consultation;
- The Board also published its Equality Report and draft Equality Objectives for consultation alongside the draft Business Plan, meeting the Board's Equality Act obligations;
- The recruitment process to appoint lay member(s) to the OLC was begun, with interviewing planned for 24 January 2012;
- Following internal review and advice from our internal auditors KPMG, recommendations for amendments to LSB governance were presented to the Audit and Risk Committee, which were agreed and then endorsed at the 30 November Board meeting;
- Colleagues held a constructive meeting with KPMG to review their performance as our internal auditors ahead of the expiry of their contract in March 2012; and
- PFK were confirmed as agents for the NAO as the LSB's external auditors.

## **Relations with the Ministry** (not included in Appendix 1)

During October - December 2011:

- Received a letter from Helen Edwards (Acting Permanent Secretary) congratulating the LSB for the quality of the LSB's financial governance arrangements following an earlier review;
- Work progressed to commission a joint Law Society / LSB / MoJ piece of research on High Street provision of legal services;
- The Parliamentary Under Secretary of State for Justice addressed the LSB's reception for the launch of ABS on 6 October;
- MoJ provided the LSB with draft instructions on how the Triennial Review will be carried-out;
- Implementation of the actions agreed at the joint LSB/MoJ workshop in September was progressed; and
- Julie Myers attended a meeting of MoJ's Transparency Team in the Efficiency Review Group with other NDPBs to discuss Cabinet Office reporting requirements.

## **Stakeholder relations** (not included in Appendix 1)

During October – December 2011:

- The Chairman met with Lord Justice Thomas to discuss judicial support for QASA to supplement constant senior contact with regulators on the issue;
- The LSB hosted a workshop for key partners on the scope of regulation;
- The Chief Executive attended a meeting at No. 10 hosted by Lord McNally to discuss social mobility in the legal profession; and
- The Chief Executive met senior OFT colleagues to discuss emerging strategies around will writing and conveyancing.