

<b>To:</b>	Board
<b>Date of Meeting:</b>	28 March 2012
<b>Item:</b>	Paper (12) 18

<b>Title:</b>	Market Impacts of the Legal Services Act - Interim Report
<b>Workstream(s):</b>	Securing independent regulation, Improving access to justice, Developing a changing workforce for a changing market
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<b>Status:</b>	Unclassified

<b>Summary:</b>
<p>Following on from the LSB Evaluation Framework<sup>1</sup> published in April 2011, this market evaluation report sets out the changes in the legal services market between 2006/07 and 2010/11, highlights knowledge gaps, and our future plans for monitoring the market. This is an interim report with a final report due in October 2012, with annual updates to follow every April thereafter.</p>

<b>Recommendation:</b>
<p>The Board is invited to review the market Evaluation Report and approve its publication alongside the Business Plan in April 2012</p>

<b>Risks and mitigations</b>	
<b>Financial:</b>	N/A
<b>Legal:</b>	N/A
<b>Reputational:</b>	Knowledge gaps mean we are forced to draw conclusions based on incomplete evidence. This is mitigated by the narrative in the overview section, drawing on a wide range of indicators, and by publishing an interim report inviting feedback in advance of a final evaluation report in October 2012.
<b>Resource:</b>	N/A

Consultation	Yes	No	Who / why?
<b>Board Members:</b>	X		Nicole Smith, William Moyes - Board research and information leads.
<b>Consumer Panel:</b>	X		Steve Brooker – for sources of consumer insight.
<b>Others:</b>			Research managers at SRA, TLS and BSB – views sought on which demand indicators are most relevant (section 3). Academic members of the Research Strategy Group – views on the range of data used, and conclusions drawn. No comments were received.

<sup>1</sup> [http://www.legalservicesboard.org.uk/news\\_publications/publications/pdf/evaluation\\_framework\\_april\\_2011.pdf](http://www.legalservicesboard.org.uk/news_publications/publications/pdf/evaluation_framework_april_2011.pdf)

<b>Freedom of Information Act 2000 (Fol)</b>		
<b>Para ref</b>	<b>Fol exemption and summary</b>	<b>Expires</b>
Annex A	Section 22 exemption until the publication of the interim report.	N/A

## LEGAL SERVICES BOARD

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### Market Impacts of the Legal Services Act - Interim Report Executive Summary

#### Background / context

1. In April 2011 the LSB published a framework for evaluating impacts of the Legal Services Act 2007 (LSA) on the legal services market. In that publication we committed to using the framework to undertake evaluations and publish these annually.
2. The framework sets out 17 outcomes spread across 5 stakeholder groups – the profession, the consumer, the public, the market and the investor. In this report, attached at **Annex A**, we assess each outcome with a series of indicators for which data is available. While it is easy to develop a wish list of indicators we would ideally want to assess, the challenge remains the lack of underlying data and evidence in this sector. The Regulatory Information Review – shared with the Board in November 2011 – highlights these knowledge gaps. The list of indicators in the report is based on our assessment of where we can get data, and where we will have research findings available in future.
3. Alongside publication of the report, we will publish an Excel data file containing the data used in this report to further promote transparency, and encourage feedback.
4. This interim report comes at a stage before the regulatory changes allowing ABS, have had an opportunity to bed in. The results therefore provide a baseline against which we will measure future changes.
5. This interim report will be followed by a final report in October 2012 to account for the first year of the ABS regime and the findings of a range of ongoing research. Thereafter we will refresh and update this evaluation report alongside our Business Plan to track changes over the 2012-2015 period.

#### Recommendation

6. The Board is invited to review the report, providing feedback as necessary, and approve its publication alongside the LSB Business Plan in April. Our intention is to run a press briefing on the report in the week commencing 2 April to illustrate the role of the LSB in driving both the production and dissemination of evidence in the market.

**Conclusion / 'next steps'**

7. Following approval, we will publish this report and discuss with a wide range of stakeholders, as part of the development of the final report. A draft of the final report will be shared with the Board at its meeting in September.

20.03.12