

<b>To:</b>	Board
<b>Date of Meeting:</b>	25 April 2012
<b>Item:</b>	Paper (12) 33

<b>Title:</b>	Q4 Performance Report: 1 January to 31 March 2012
<b>Workstream(s):</b>	Business Plan 2011/12
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<b>Status:</b>	Protect

<b>Summary:</b>
<p>This paper provides a summary of the Board's performance in delivering its published Business Plan commitments during Q4 2011/12 (January – March).</p> <p>It also contains the draft Q4 submission for the Ministry of Justice's (MoJ) performance reporting requirements (<b>Appendix 1</b>), the Consumer Panel's quarterly report of activity (<b>Appendix 2</b>) and a report on regulatory decisions made during the quarter (<b>Appendix 3</b>). A narrative cover for the MoJ Q4 report is at <b>Annex A</b>.</p>

<b>Risks and mitigations</b>	
<b>Financial:</b>	N/A
<b>FoIA:</b>	Appendix 1: <ul style="list-style-type: none"> <li>• all Project risks and Overall project statuses (s36)</li> <li>• Sub-heading: Smaller Approved Regulators (page 1), point 2 (s36)</li> <li>• Sub-heading: Smaller Approved Regulators (page 2), points 1 and 2 (s36)</li> </ul>
<b>Legal:</b>	N/A
<b>Reputational:</b>	N/A
<b>Resource:</b>	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 Q4 report.
<b>Others:</b>			

<b>Recommendations:</b>

The Board is invited to:

- review and to comment on the draft Q4 performance report.
- agree to its use as a basis for discussion with MoJ.

## LEGAL SERVICES BOARD

<b>To:</b> Board	
<b>Date of Meeting:</b> 25 April 2012	<b>Item:</b> Paper (12) 33

### Q4 Performance Report: January to March 2012

#### Recommendations

The Board is invited to:

- review and to comment on the draft Q4 performance report
- 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 Q4 2011/12 (January - March).
2. It also contains the draft Q4 submission for the MoJ's 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 Q4 report is at **Annex A**.

#### Overview

3. The LSB Business Plan for 2011/12 stated what LSB expected to achieve on a quarter-by-quarter basis. Progress against those commitments for Q4 and an update on any commitment which was outstanding from previous quarters, is reported below:

Q4 2011/12 commitment	Progress
Publish assessment of approved regulators arrangements for first tier complaints handling	<b>Assessment completed but publication delayed.</b> Approved regulators have responded to our request for information on first-tier complaints handling. A paper detailing next steps will go to the April 2012 Board meeting and publication of progress will be considered at that point.
Development of options around special bodies	<b>Completed except for publication.</b> In November 2011, we held an event with stakeholders to include them in early stages of developing our approach. The Board was updated on the options in January 2012, where it was decided that consultation should be delayed until April 2012 to coincide with the scope of regulation consultation.

Commission consumer research to compare changing consumer experience of legal services with MoJ baseline study	<b>Changed.</b> The timing is too early to carry out a meaningful review the impact of the introduction of ABS on consumer experience. We have, however, compiled research to review of the effectiveness of the Legal Services Act reforms as a whole and published the Interim Baseline Market Impact Report.
Publish key principles against which education and training reforms can be assessed	<b>Delayed.</b> Following our series of seminars/debates, emerging principles will be considered by the LSB at its July 2012 meeting.
Quality: Complete toolkit and publish framework	<b>Completed.</b> The quality toolkit was released for consultation in March 2012. This included options for regulatory tools and interventions to maintain minimum quality standards.
Review approved regulators' latest diversity data with a view to scoping work for 2012/13	<b>Completed.</b> We received action plans from all approved regulators by February 2012. We expect that the first full cycle of data collection should be complete and publicly available by March 2013. On receipt, we will be able to collate cross-sector data to build a picture of the shape of the workforce across the eight diversity standards. We will then consider next steps.
Publish approach to making regulatory decisions	<b>Completed except for publication.</b> Due to the complexity of the work and to provide time for full consideration of the responses received, we delayed publication of our approach on scope of regulation and reserved activities until April 2012.
Consultation on the results of will writing investigation if required	<b>Completed except for publication.</b> We will launch a public consultation based on the findings of our analysis of will writing, probate activity and estate administration in April 2012.

<b>Q3 2011/12 commitment</b>	<b>Progress</b>
Conveyancing: review of evidence and decision on next steps	<b>Changed.</b> Evidence has been reviewed and will be presented to the Board in early 2012/13. The paper will provide an overview of regulatory issues in the conveyancing market. This paper was developed in the context of the SRA conducting its own wide-ranging review on effective conveyancing regulation.
Consultation with ARs around review of first-tier complaints-handling	<b>Completed.</b> We wrote to approved regulators signalling expectations and proposed dates for procedural and qualitative assessments of their progress on first tier complaints handling.

Commence review of approved regulators arrangements for first tier complaints handling	<b>Completed in Q4.</b> Paper will be presented to Board in April 2012 (delayed from March 2012 due to agenda pressure).
Implementation of appellate bodies arrangements	<b>Changed.</b> The project has been re-scoped in the fourth quarter and work will continue in 2012/13.

<b>Q1 2011/12 commitment</b>	<b>Progress</b>
Publication of research database	<b>Delayed.</b> We completed the Regulatory Information Review and our research database in September and have shared it with the approved regulators. However, given the quantity and variety of sources of the information we have collected, we intend to disseminate this resource on our website site by developing a user-friendly searching tool, which is being developed in the first quarter of 2012/13.

4. 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**

5. The draft Q4 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.
6. Our sponsor team has confirmed that they wish to continue to review and discuss LSB performance on the basis of these documents.



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

During January – March 2012

- The Chairman met Helen Edwards, Director General, Justice Policy on 12 January, for their regular quarterly meeting. They mainly covered the triennial review.
- A successful workshop was held on 4 January with the sponsor team, mainly focusing on ABS “loose end” issues, although they were also briefed on emerging thinking on scope. A high degree of agreement was reached, and we will continue to work closely.
- The Chief Executive met with Catherine Lee, Director, Access to Justice, on 19 January to discuss the High Street research that is being jointly commissioned by the LSB, the Law Society and the MoJ.
- International issues were also covered, notably the conditions of the IMF recovery plans being imposed in the Republic of Ireland, Greece and Portugal which calls for legal market liberalisation and independent regulation of lawyers, but has been the subject of adverse comment from the American Bar Association and Council of European Bar Associations. We provided further briefings on the factual background to the MoJ’s international team, the UK Delegation to the IMF and to UKREP Brussels.

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

During January – March 2012:

- A number of speaking engagements were carried-out during the period. The Chief Executive gave a well-received presentation to the Council of the ICAEW, which focused particularly on the process for application for designation as a licensing authority for ABS, as well as at the kick off meeting for the multinational “Law without Walls” course in St Gallen (Switzerland). Crispin Passmore featured in a Lexis Nexis webinar focusing on regulatory reform and what changes to the landscape will mean for practitioners.
- The Chairman met Baroness Hale to discuss diversity issues on 18 January. We also wrote to Lady Justice Hallett following her comments concerning LSB governance which were made to a Bar audience, and also in view of a shared interest in improving diversity in the legal profession.
- February saw the publication of a comment piece in my name in *The Times*. The article focused on achievements to date in delivering on the reform programme, as well as the main themes of the new strategic and business plan. We have also authored an opinion piece for the ILEX journal which focuses on workforce development and diversity.
- The Chief Executive spoke at the Joint Four Law Societies event held in Liverpool, as well as a presentation to the Council for Mortgage Lenders and a webinar for the University of Miami’s “Law without Walls” programme. Alex

Roy spoke on our behalf to the European Law Student Association. The Chairman delivered the keynote address to the first event in our series of education and training seminars at the College of Law and spoke on diversity at the University of Northumbria on 23 March.

- The contribution of the legal services sector to driving social mobility was praised in The Times, with coverage driven by the launch of the social mobility toolkit, which the LSB co-funded, in a project initiated by my post-Milburn Report group and now steered by Professions for Good.