

Meeting: Legal Services Board

Date: Circulated out of committee - 1 November 2019

Item: Paper (19) 52

Title: Quarter 2 2019/20 Performance Report

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Status: Official

Introduction

1. This paper provides a summary of the Board's performance in delivering against the published Business Plan during Q2 2019/20 (July – September 2019). It also provides data on various corporate metrics and statutory decision activity (Annex 1). A quarterly activity report from the Consumer Panel is also included (Annex 2).
2. This year, the performance report has undergone a total redesign in terms of contents and format of the programme and corporate dashboards. For this quarter, we have also refreshed the statutory decision dashboard. The format of the LSCP report is the purview of Consumer Panel colleagues.
3. We meet with the Ministry of Justice (MoJ) twice a year, and we have agreed that we will additionally send them a performance report on a quarterly basis. This report provides our performance report for Quarter 2 of 2019/20.

Recommendations

4. The Board is invited to:
 - review the Q2 report;
 - agree to the report being submitted to MoJ.

Changes to the report this quarter

Business Plan update

5. The LSB gave a commitment to publish a Business Plan update of the projects once per quarter and it was agreed that the Quarterly Report is an appropriate medium for this information.
6. The slide shows each of the projects listed on the Business Plan and the most up to date estimate of the project's high level milestones.

Statutory decisions

7. The Board requested that the statutory decision information that it sees be reconsidered. They felt that the information was too operational and requested a more strategic overview. The statutory decision slide is our first attempt to provide a more strategic level of information. We are open to feedback on this and like all of the dashboards, the information presented may evolve over time.
8. When discussed at its 30 October meeting, the Senior Leadership Team (SLT) requested that future reports show comparisons with previous quarters where possible. This will be something we will look at including in next quarter's report.

Analysis

Programme dashboard and Business Plan update

9. These dashboards give the Board a view of the current Business Plan projects and how they are progressing. On the first slide, next to each project is an indication of the phase the project is in (initiation, execution, or closing), the next Business Plan milestone, and the overall health of the project (red, amber, green). Two quarters have been included for these indicators to give the Board a view on project progression as well as current status.
10. There has been an increase in projects rated amber this quarter although this is likely a reflection of a successful change of attitudes towards more objective and granular reporting of a project's status and therefore the change should not be seen in itself as a concern. The projects that are rated as amber are being managed closely with SLT oversight. The projects flagged as having resourcing issues are also currently being scrutinised at a senior level.
11. Also on this page are details of the top project risks. One of these risks has been escalated and is reflected in the Corporate Risk Register.

Corporate dashboard

12. SLT felt it was encouraging to see colleagues increasingly using the training budget but overall take-up was still below expectations. The HR manager will be working with SLT colleagues to re-think the way we deploy our training capacity and to align it more directly with our strategic aims.
13. SLT also noted that the sickness absence figures were higher than earlier in the year, though still lower than in previous years. It was agreed that there should be an addition to the HR absence policy in order to specify a 'return to work' discussion after all absences. SLT further noted the very low level of resignations.
14. SLT noted that the number of website users had gone down since the new website went live. SLT also discussed other measures that could be used to demonstrate the effectiveness of stakeholder engagement - the next Quarterly Report will explore using the number of events held, or the number of events held outside London.

Statutory Decisions

15. The Statutory Decision slide contains four charts:
 - Chart 1 shows the number of rule change and exemption direction applications received since January 2019 and the number of extensions notices issued over the same period. An extension notice provides for the initial decision period on a rule change application to be extended from 28 days of receiving the application to 90 days. We issue extension notices when the proposed changes are considered to be high risk (see Chart 2 below)
 - Chart 2 shows high-level categorised reasons for the eight extension notices that we have issued in 2019.
 - Chart 3 shows the number of rule change applications received per regulator since January 2019.
 - Chart 4 shows the average number of days taken to process each regulator's rule change applications.

The last 6-12 months have seen a significant increase in the volume of statutory decision applications and the increased complexity of applications. The increased volume has resulted in part from a number of apparently less significant changes that were not pre-notified and which, often due to the quality of applications, have resulted in significant extra work. There have also been two applications that have led to warning notices being drafted, which has meant additional time and effort being required even though the applications were later withdrawn.

Risks and mitigations	
Financial:	N/A
Legal:	N/A
Reputational:	Possible reputational risk/opportunity dependent on publication policy
Resource:	N/A

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
Cover paper	None	
Annexes	None	

Programme Dashboard – Q2 19/20

Business Plan Projects	Q1	Q2	Next Business Plan milestone	Q1	Q2
Regulatory performance			Update Board		
IGR review outcomes			Publish IGR documents		
Technology and regulation			Publications and event		
Legal Needs survey			Publication		
Ongoing competence			Scoping		
Public legal education			Scoping		
Technology – sandboxes			Scoping		
Review of PCF processes &. NPP			PCF process element to start		
Enforcement			Evidence gathering		
Responding to EU exit			Ongoing in response to external developments		
Market evaluation exercise			Analysis		

Top Project Risks

Tech: lack of resource	4x3=12
Stable since July	
Reg Perf: Regulatory failure	5x4=20
Stable since September	

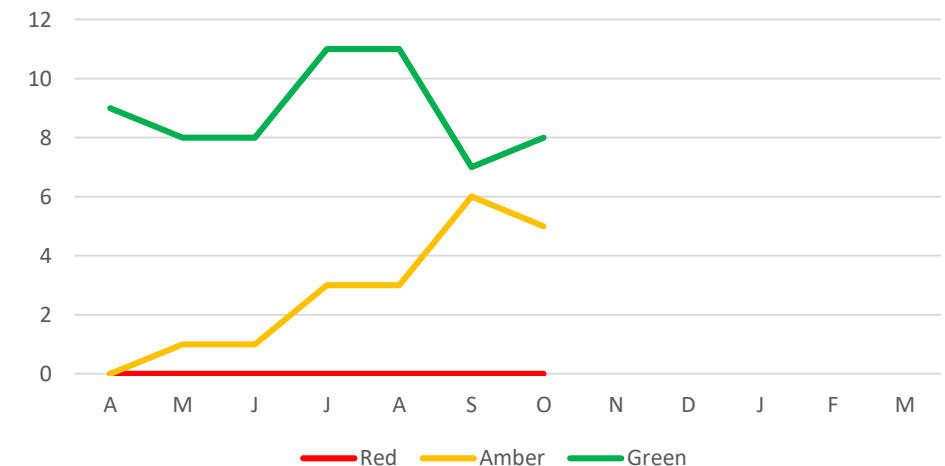
Project phase

Initiation
Execution
Closing

Project Status

Missed/will miss delivery
On track to miss delivery but corrective action possible
On track

Project status tracker



Number of change requests: **0**



Number of projects with resourcing issues flagged: **2**

Updated Business Plan – Q2 19/20

Project	Q1 19/20	Q2 19/20	Q3 19/20	Q4 19/20	Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21
Regulatory performance	Review information returns	Update Board	Review information returns	Update Board	IGR incorporated into framework			
IGR review outcomes	Finalising rules and guidance	Transition phase	Transition phase	Transition phase	Transition phase	Compliance assessments		
Technology and regulation		3 topics published	Rest of topics published		End project – final paper			
Legal Needs survey	Analysis	Reporting	Reporting					
Ongoing competence		Scoping	Evidence gathering	Evidence gathering	Analysis	Analysis	Consultation	
Public legal education	Scoping	Scoping, analysis and engagement	Publication, analysis and engagement	Publication and Board update				
Technology – sandboxes		Scoping	Scoping and analysis	Publication				
Review of PCF processes & NPP	PCF process element to start		NPP element to start					
Enforcement			Evidence gathering	Evidence gathering				
Responding to EU exit	Monitoring	Monitoring	Gov. exit deadline					
Market evaluation	Analysis	Analysis/reporting						

Corporate Dashboard – Q2 19/20

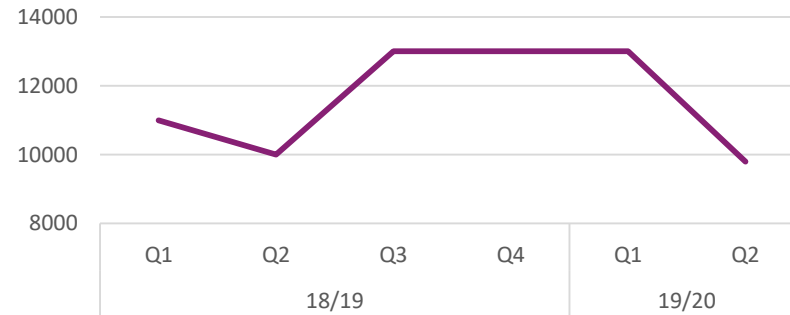
Corporate Calendar

Business Plan kick-off	September
BP draft	November
BP consultation	December

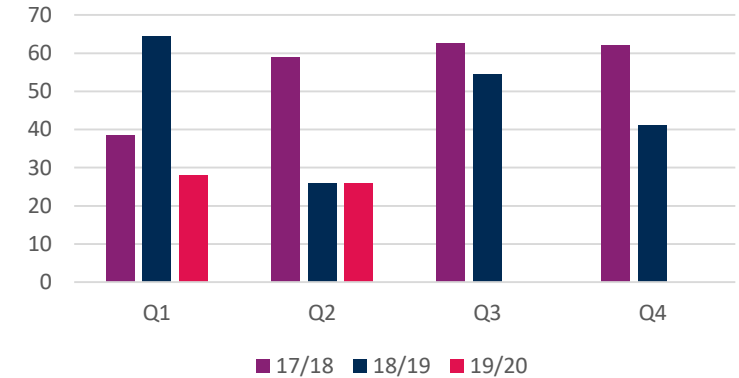
Top Corporate Risks

(3.3) Poor LeO performance	4x4=16
Trend: stable since Q2 18/19	
(3.2) Enduring regulatory non-compliance	3x3=9
Trend: increase since Q1	

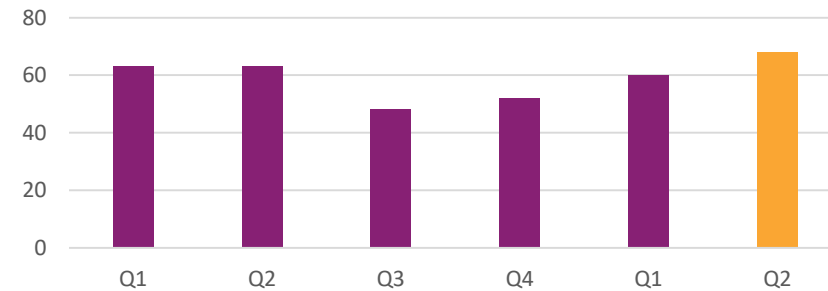
Website Users



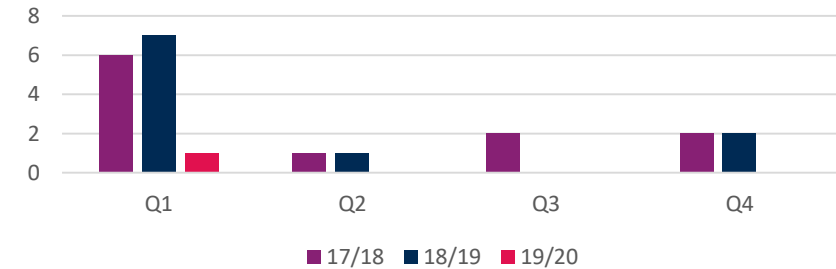
Staff sickness



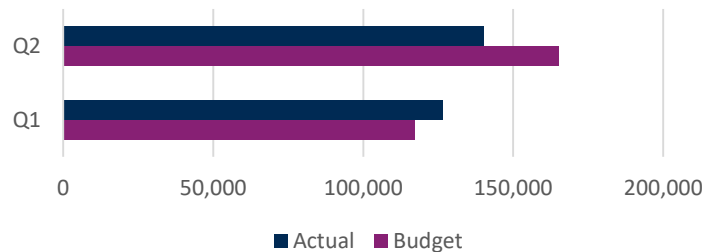
Contact us queries



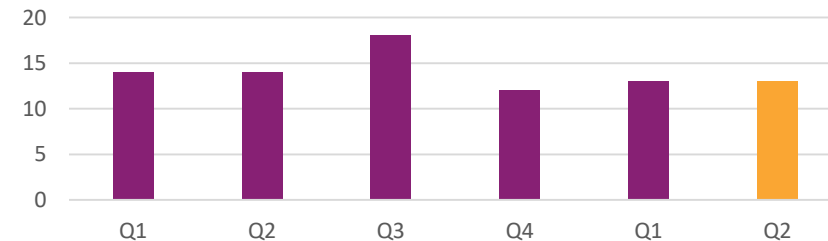
Resignations



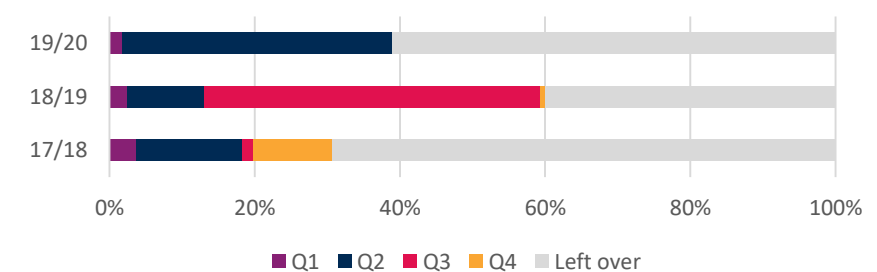
Finance 2019/20: Budget vs Actuals



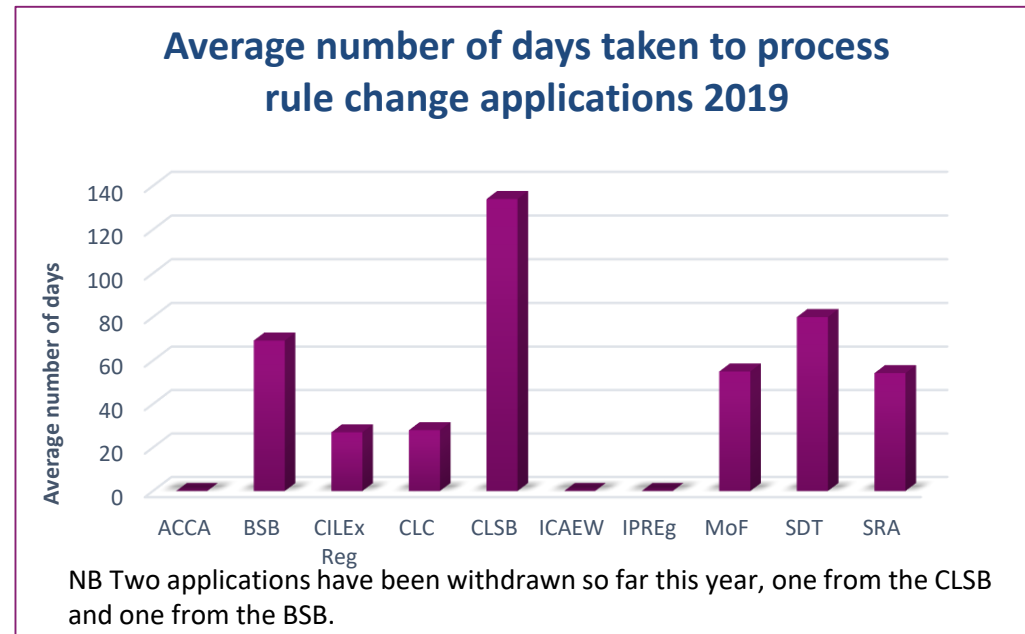
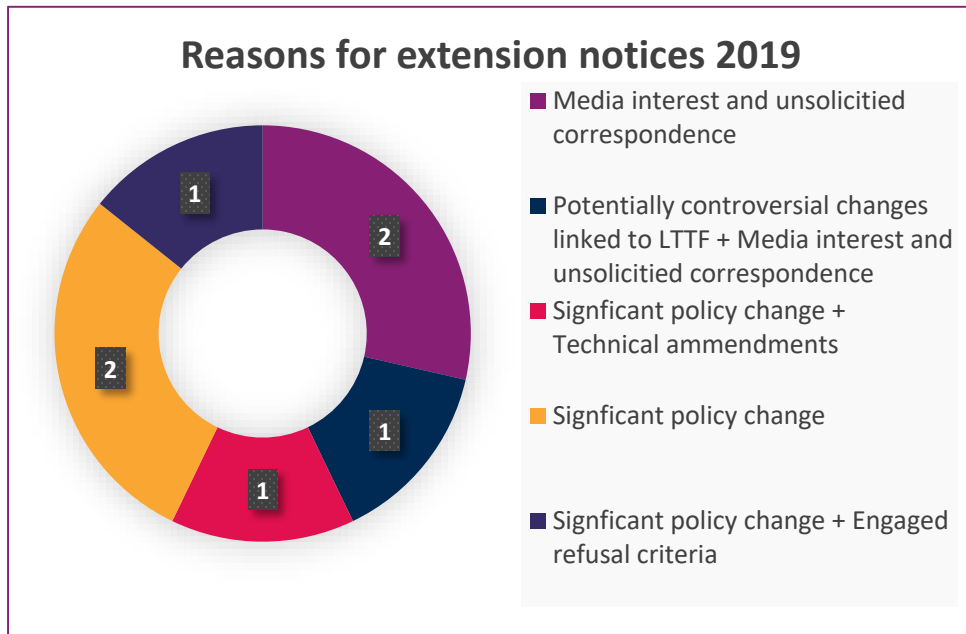
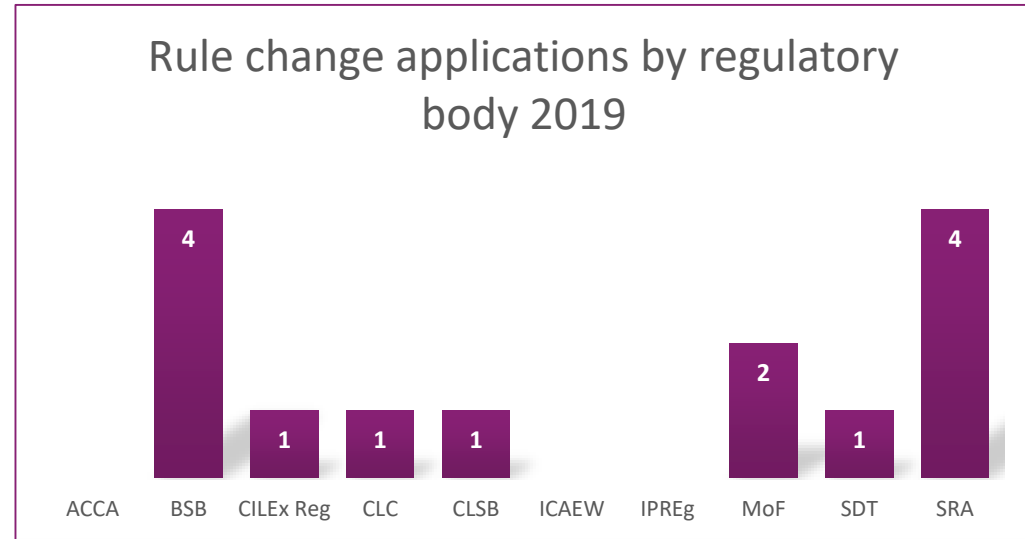
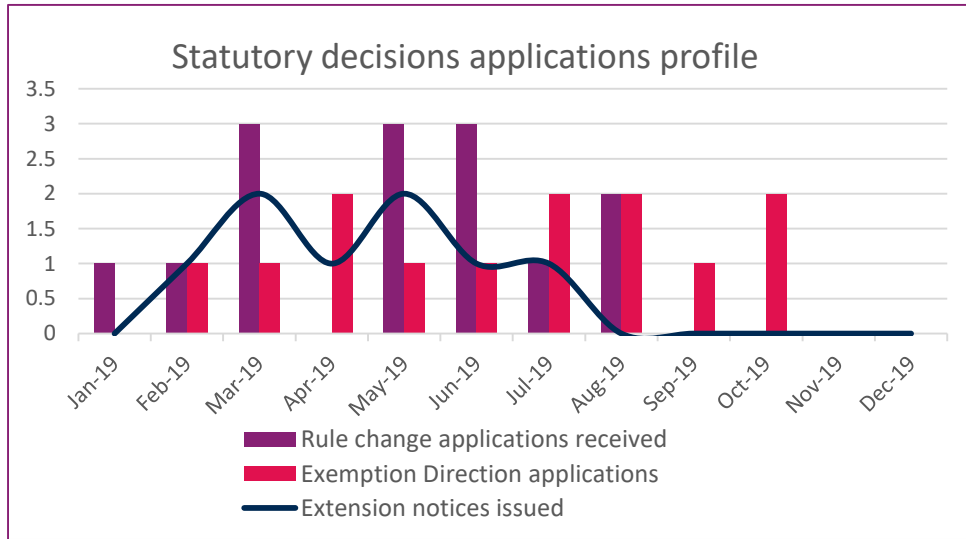
Number of press releases



Percentage of training budget accessed



Statutory Decisions – Q2 19/20



ACTIVITY REPORT: July - September

Overview

Between July and September the Panel attended several events held by various stakeholders, including the Law Society and Chartered Institute of Legal Executives, and spoke at the Solicitors Regulation Authority (SRA) Innovate event. Moreover, the Panel met with the Competition and Market's Authority (CMA) to discuss the transparency remedies for legal services.

We hosted a successful roundtable on lawtech and innovation.

Update on planned projects

Project	Activity
Technology	In July, the Panel hosted a roundtable on lawtech further to the discussion paper published in May on the same topic, which looked at how regulators could enhance the use of technology in the legal services sector.
Consumer Impact Report	The Panel finalised drafting the next edition of its Consumer Impact Report. The Report is assessing the sector against some of its key visions as well as progress towards the CMA's report.
Quality Indicators	The Panel drafted a paper on quality indicators in the legal services sector that will be published in October after hosting a roundtable on the same topic.

Update on unplanned work

Consultation responses:

- LSB – The Panel responded to the LSB's consultation on the rule change application on the Bar Standards Board's Enforcement Decision Regulations.

Selected external events/meetings:

- The Chair attended the inauguration of the Law Society's new President.
- The Chair had an introductory meeting with the new President of the Law Society.
- The Panel spoke at the SRA's event on innovation in Birmingham.
- The Panel met with the policy team of the Office for Legal Complaints in Birmingham.
- The Chair met with Professor Richard Moorhead and Crispin Passmore for an update on Non-Disclosure Agreements.

- The Panel organised a roundtable on lawtech and innovation.
- The Chair had an introductory meeting with the new CEO of the Cost Lawyers Standard Board (CLSB).
- The Chair met with the Intellectual Property Regulation Board's CEO.
- The Chair had an introductory meeting with the new Chair of the Bar Council.
- The Chair met with the CEO of the Legal Ombudsman.
- The Chair met with the CEO of Council of Licensed Conveyancers.
- The Chair met with the Chair of the Solicitors Regulation Authority.
- The Panel met with the CLSB to discuss research options.
- The Chair met with the CMA to discuss the transparency remedies.
- The Chair attended the annual Chartered Institute of Legal Executives Awards
- The Chair met with the LSB to discuss the ongoing competence work.
- The Chair met with the CMA and Chair of Remedies Programme Implementation Group (RPIG) to discuss the transparency remedies.

Future activity

The Panel will focus on implementing its Work Programme over autumn.

Future Presentations

- The Panel is hosting a roundtable on quality indicators in legal services in October.
- The Panel is scheduled to speak at the Law Expo event on the future of regulation in October.
- The Chair is scheduled to attend a CILEX Regulation roundtable on legal education/law tech and emotional competence in October.
- The Chair is scheduled to attend the LSB's event on supporting professionalism in legal services through ongoing competence in October.
- The Chair is scheduled to meet with Citizens Advice Newcastle in October.
- The Chair is scheduled to attend the RPIG meeting in October.
- The Panel is scheduled to attend the Law for Good Conference in October.
- The Chair is scheduled to speak at the Presentation at the APPG Public Legal Education in October.
- The Chair is scheduled to attend the Law Society Excellence Awards in October.
- The Chair is scheduled to meet with the newly appointed Office of the Immigration Services Commissioner in November.
- The Panel is scheduled to speak at the Westminster Legal Policy Forum event on the future of legal technology in December.

Consultation responses: the Panel will continue to respond to consultation reports that fit its prioritisation criteria and are within scope.

October 2019