



LEGAL SERVICES
BOARD

DRAFT BUSINESS PLAN 2022/23

December 2021

Three strategic themes, and nine challenges for the legal services sector



LEGAL SERVICES
BOARD



Eight regulatory objectives that underpin our work

The eight regulatory objectives in the Legal Services Act 2007 underpin our plans.

We share these regulatory objectives with the organisations that we oversee and we consider how best to promote the regulatory objectives in all of our work.

RO1: Protecting and promoting the public interest	RO2: Supporting the constitutional principle of the rule of law	RO3: Improving access to justice	RO4: Protecting and promoting the interests of consumers
RO5: Promoting competition in the provision of services	RO6: Encouraging an independent, strong, diverse and effective legal profession	RO7: Increasing public understanding of the citizen's legal rights and duties	RO8: Promoting and maintaining adherence to the professional principles

LSB activities 2022/23 and the regulatory objectives

All of our workstreams are underpinned by our statutory functions - Regulatory Performance and Statutory Decisions, OLC oversight and SDT oversight

	Workstream	RO1	RO2	RO3	RO4	RO5	RO6	RO7	RO8
Statutory oversight workstreams	Consumer empowerment			✓	✓	✓		✓	
	Curating the strategy	✓	✓	✓	✓	✓	✓	✓	✓
	Diversity and inclusion	✓		✓	✓		✓		✓
	Legal support strategy for small businesses			✓	✓	✓		✓	
	Ongoing competence	✓	✓		✓		✓		✓
	Regulatory performance framework review	✓	✓	✓	✓	✓	✓	✓	✓
	People in vulnerable circumstances	✓	✓	✓	✓			✓	
	Technology and innovation			✓	✓	✓	✓		✓
New workstreams	Financial protection arrangements	✓		✓	✓				
	Consumer redress/ alternatives to OLC			✓	✓	✓		✓	
	Disciplinary and enforcement processes	✓			✓		✓		✓
	Review of education and training guidance	✓	✓		✓		✓		✓
	'Rule of law' and regulation	✓	✓	✓	✓		✓		✓

LSB activities 2022/23 and the strategic themes

All of our workstreams are underpinned by our statutory functions - Regulatory Performance and Statutory Decisions, OLC oversight and SDT oversight				
	Workstream	Fairer outcomes	Stronger confidence	Better services
		✓	✓	✓
		✓	✓	✓
		✓	✓	✓
		✓	✓	✓
			✓	✓
			✓	
		✓	✓	✓
		✓	✓	✓
			✓	
			✓	✓
		✓	✓	
		✓	✓	✓
		✓	✓	

Statutory oversight functions

Statutory Oversight Functions	Key activities in 2022/23
Regulatory performance and statutory decisions	Continue to monitor regulators' performance and conduct thematic reviews as appropriate in line with performance assessments.
	Continue to discharge our approval and decision-making powers.
OLC oversight	Continue to hold the OLC to account, to ensure that it delivers at an appropriate cost and achieves sustained performance improvement.
SDT oversight	Continue to discharge our statutory functions regarding the Solicitors Disciplinary Tribunal.

Continuing workstreams

Workstream	Key activities in 2022/23
Consumer empowerment	Implement the recommendations from the CMA's report on legal services, and in collaboration with regulators, so that consumers are able to understand and engage with the legal services market.
Diversity and inclusion	Continue to identify and dismantle barriers to a diverse and inclusive profession, including exploring, through dedicated research, the experiences of professionals and the impact of counter-inclusive behaviours.
Technology and innovation	Use our regulatory levers to foster responsible innovation that increases access to legal services. Work with other regulators to develop proposals for a central database of regulatory information. Continue to collaborate, including producing joint guidance in support of innovation.
Regulatory performance framework review	Complete the regulatory performance framework review, including a public consultation on a proposed, revised framework.
Scope of regulation	Complete our mapping of the unregulated sector to ensure that we have a clear evidence base to support any future review of reserved legal activities.
Legal support strategy for small businesses	Utilise the findings from the Small Business Legal Needs Research to make the case for a legal support strategy for small businesses that helps reduce unmet legal need.
People in vulnerable circumstances	Utilise the findings from the case study research with our Public Panel to develop inclusive design principles and to make the case for a strategic approach to vulnerability and better measurement of outcomes.
Curating the strategy	Maintaining momentum on the sector-wide 'Reshaping Legal Services' strategy, including tracking progress against its nine challenges, documenting the impact of change through a dedicated microsite, and organising an annual conference.

New work 2022/23

Workstream	Key activities in 2022/23
Financial protection (PII and compensation funds)	Building on our initial work in 2021/22, helping establish the right balance between protecting consumers when things go wrong, and the costs of that protection and associated impact on access to justice. This will include an econometric analysis of the cost of PII and compensation fund arrangements, and understanding consumer attitudes to risk.
Disciplinary and enforcement processes	Establish and embed clear principles to underpin effective disciplinary and enforcement processes to ensure outcomes that build public confidence, deliver fairness for professionals and uphold proper standards of conduct and competence.
Consumer redress	Review our 2016 guidance on first-tier complaints handling. Work to deliver the best possible redress system for consumers across both the regulated and unregulated sectors.
Rule of law and regulation	Recognising the fundamental role in society that legal professionals play, define the role of legal services regulation in supporting the constitutional principle of the rule of law (one of the regulatory objectives in the Legal Services Act 2007).
Review of LSB education and training guidance	With a view to supporting a strong and independent legal profession that operates in the public interest, ensure that education and training is focused on fostering the professionalism, competence and ethical practice that is essential to public confidence.

Market intelligence 2022/23

Workstream	Key activities in 2021/22
Datasets <i>Exploiting our existing datasets to generate insight</i>	Maintain and further develop our interactive dashboards on the health of the market, and ensure our survey findings are accessible
	Utilise existing datasets to inform policy development through new analysis, including the Small Business Legal Needs Survey
Public Panel <i>LSB's standing panel of the general public</i>	Publish research on consumers and risk to support work on financial protection arrangements
	Retender for the Public Panel, following expiration of initial two-year contract
Research <i>Gathering fresh insight to inform policy development</i>	Review of the factors that contribute to PII premiums
	Econometric analysis on financial protection arrangements
	'Proof of concept' study on a centralised regulatory database
	Technology and Innovation Survey (third edition)
	Counter-inclusive behaviours and their impact on professionals
	External think pieces on regulation and the rule of law

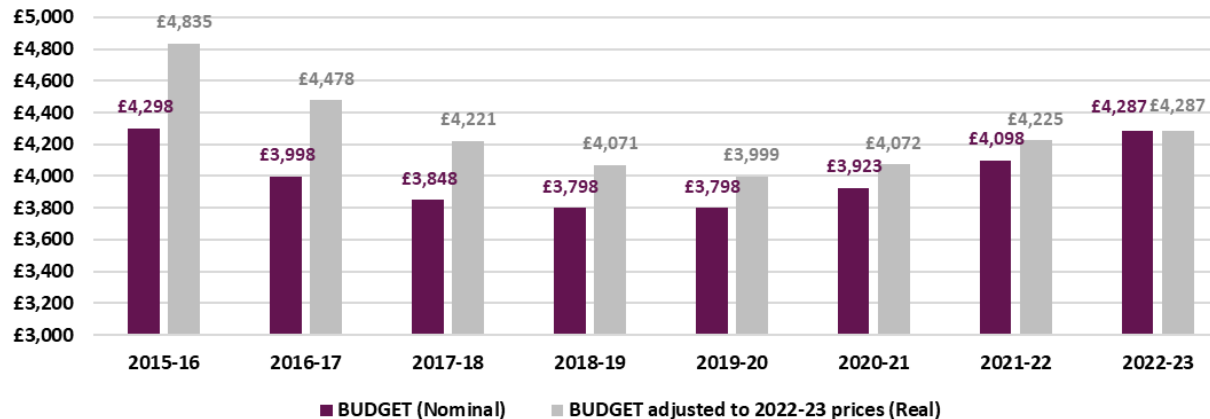
Enabling Services 2022/23

Enablers	Key activities in 2022/23
Governance and assurance <i>Public appointments; Policies and procedures; Risk; Performance</i>	Appoint / reappoint members to the LSCP and OLC where member terms expire in 2022/23. Work with the Ministry of Justice to appoint and reappoint members to the LSB where member terms expire in 2022/23.
	Support an external evaluation of the Board and put in place an action plan based on findings.
	Review our governance manual, risk management strategy, and business continuity plan to ensure they remain fit for purpose.
	Manage risks in line with our risk management strategy.
	Report on performance quarterly on our website, including progress against delivery of our business plan.
People <i>Learning and Development (L&D); Diversity; Ways of working</i>	Invest in our people capability linked to the delivery of our business plan activities and individual L&D needs.
	Continue to implement our diversity strategy and evaluate the actions taken in 2021/22.
	Support our people to work effectively, including by enabling remote working, considering the best utilisation of our office, and monitoring wellbeing.
Communications and engagement	Implement our new communications and engagement strategy.
	Deliver a programme of stakeholder engagement to support the business plan, including the inaugural sector-wide conference
Legal	Provide timely and robust support and advice across all workstreams and relevant business areas, mitigating risks and responding to challenges.
Finance	Ensure our business plan objectives are achieved by providing our internal and external customers with complete, accurate and timely financial information.
IT	Provide our people with the technology to perform their roles in the most effective manner while ensuring value for money for the organisation.

LSB budget 2022/23

LSB Revenue Expenditure Budget		2021-22	2022-23
LSB Full Time Equivalent		32.2	33.5
LSB Colleague costs		£2,564	£2,642
LSB Board costs		£197	£199
Consumer Panel costs		£198	£193
OLC Board costs		£119	£131
PAY BUDGET	£000s	£3,078	£3,165
Research budget		£232	£250
Other non pay budget		£787	£872
NON PAY BUDGET	£000s	£1,020	£1,122
TOTAL BUDGET	£000s	£4,098	£4,287

LSB Budget - Nominal and Real (inflation adjusted) £000s



- Budget of £4.287m - a £189k (4.6%) increase on the 2021/22 budget. This equates to an increase of 1.5% plus inflation (3.1%).
- Budget is £548k (11%) lower than 2015/16 budget, and £191k (4%) lower than 2016/17 budget (when adjusted for inflation).
- Budget is similar to our budget in 2017/18 (£4.221m) in real terms (inflation adjusted).
- Expenditure is funded through a statutory levy on approved regulators in the legal sector.
- Improved resource planning and financial reporting ensures that we continue to make effective use of our resources and plan accordingly.

LSB Behaviours

Lead

We set the agenda, and through our convening power, we bring different people together to push for change

Innovate

We are creative in our approach to ensuring regulation evolves and benefits everyone in society

Transform

We use evidence to inform our work and to show its impact, because we are committed to making a difference for consumers

Communicate

We value openness, listen, share knowledge and promote the regulatory objectives