



LEGAL SERVICES
BOARD

Draft business plan 2019/20

December 2018

The LSB's strategy and new five-year policy objectives

The LSB's strategic objectives 2018-21

Promoting the public interest through ensuring independent, effective and proportionate regulation

Making it easier for all consumers to access the services they need and get redress

Increasing innovation, growth and the diversity of services and providers

5 year policy objectives: Key markers of our success

The regulators have appropriate frameworks for continuing assurance of professional competence throughout the careers of the people they regulate

The LSB is perceived as being at the forefront of enhancing public legal education

Access to legal services is increased through the promotion of responsible technological innovation that carries public trust

Summary of work packages for 2019/20

Promoting the public interest through ensuring independent, effective and proportionate regulation

Making it easier for all consumers to access the services they need and get redress

Increasing innovation, growth and the diversity of services and providers

5-year policy objectives – laying the foundations

- Ongoing competence

- Public legal education

- Technology

Other key workstreams

- Regulatory performance
- Internal Governance Rules
- Review of PCF processes including non-regulatory permitted purposes

- Consumer transparency
- Individual legal needs survey

- Responding to EU exit
- Market evaluation exercise

Discharging our statutory duties

1) Promoting the public interest, through ensuring independent, effective and proportionate regulation

During 2019/2020, we will pursue the following work under this strategic objective:

Ongoing competence

Conduct a thematic review of how regulators ensure that the people they regulate remain competent throughout their careers.

Regulatory performance

Embed our revised regulatory performance framework and follow up on progress with actions in other areas of LSB's work.

Internal Governance Rules review outcomes

Implement the revised Internal Governance Rules.

Review of PCF including non-regulatory permitted purposes

Conduct a review of the PCF approval process, including a targeted review of the regulators' approach to the non-regulatory permitted purposes in s51 of the Act.

2) Making it easier for all consumers to access the services they need and get redress

Public legal education

Map the PLE landscape and engage with possible partners to explore how the LSB can help improve access to justice by building legal capability.

Use existing research and data, and where necessary originate our own research, to identify key gaps in public knowledge and to establish a baseline of legal capability to allow impact monitoring in future years.

Increasing consumer transparency

Continue to monitor and engage with the regulators on progress implementing action plans produced following the Competition and Markets Authority's 2016 market study.

Individual legal needs survey

Complete the individual legal needs survey in partnership with the Law Society.

3) Increasing innovation, growth and the diversity of services and providers

Regulatory approaches to technology

Continue the work we recently started to commission a collection of papers and provide opportunities for discussion and debate, to consider the regulatory implications of developments in technology in legal services.

Promote wider use of regulatory sandboxes in the sector.

Responding to the regulatory consequences of EU exit

We will continue to liaise closely with the legal services regulators and the Ministry of Justice as the UK leaves the European Union, to ensure as smooth a transition as possible for the public, for consumers and for legal services providers.

Market evaluation exercise

Publish our triennial assessment of whether the market outcomes associated with the regulatory objectives in the Legal Services Act are being achieved over the longer-term, and where more progress needs to be made.

Market intelligence

The focus of our research in 2019/20 will be to support our proposed strategic objective of making it easier for all consumers to access the services they need and get redress. This will include completing our major survey of individual legal needs in partnership with the Law Society and exploring options to establish a baseline of legal capability as part of our new strand of work on public legal education.

We will also publish our next triennial market evaluation before the end of 2019.

As we have in recent years, we will generally commission market research companies to undertake the evidence gathering and carry out the majority of the analysis and report writing work ourselves. We will focus on publicising and sharing the results of our research, to ensure this evidence can inform policy making and enable lessons to be learnt.

We have recently enhanced our research webpages to provide a repository of key official statistics, published regulatory data and our research findings. By bringing these key facts and figures together in one place, our aim is to provide a useful reference resource for stakeholders and the media. We will build on this in 2019/20.

Discharging our statutory duties

In addition to our work to deliver our strategic objectives, we must discharge our statutory duties. During 2019/20, this will incorporate the following:

Considering requests for changes to regulatory arrangements

We will consider individual applications for changes to regulatory arrangements. During 2019/2020 this is likely to include SRA applications relating to financial protection arrangements as well as the BSB's proposed market transparency reforms.

Designating new regulators

Designations allow new firms to enter the market and existing firms to expand the services that they offer and thus improve choices for consumers. We will consider any designation applications we receive according to our established procedures.

Approving practising certificate fees

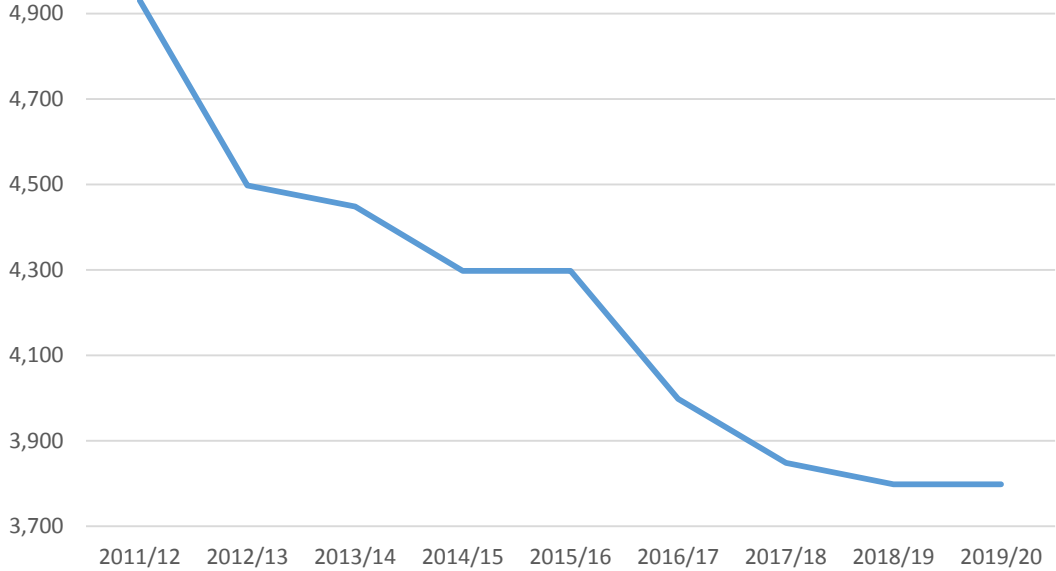
Through the approval of PCFs we will maintain our focus on the level and transparency of regulators' costs.

Undertaking our statutory responsibilities in relation to the OLC

We will continue to hold the OLC to account to make sure that the Legal Ombudsman is delivered at an appropriate cost and achieves sustained performance improvement.

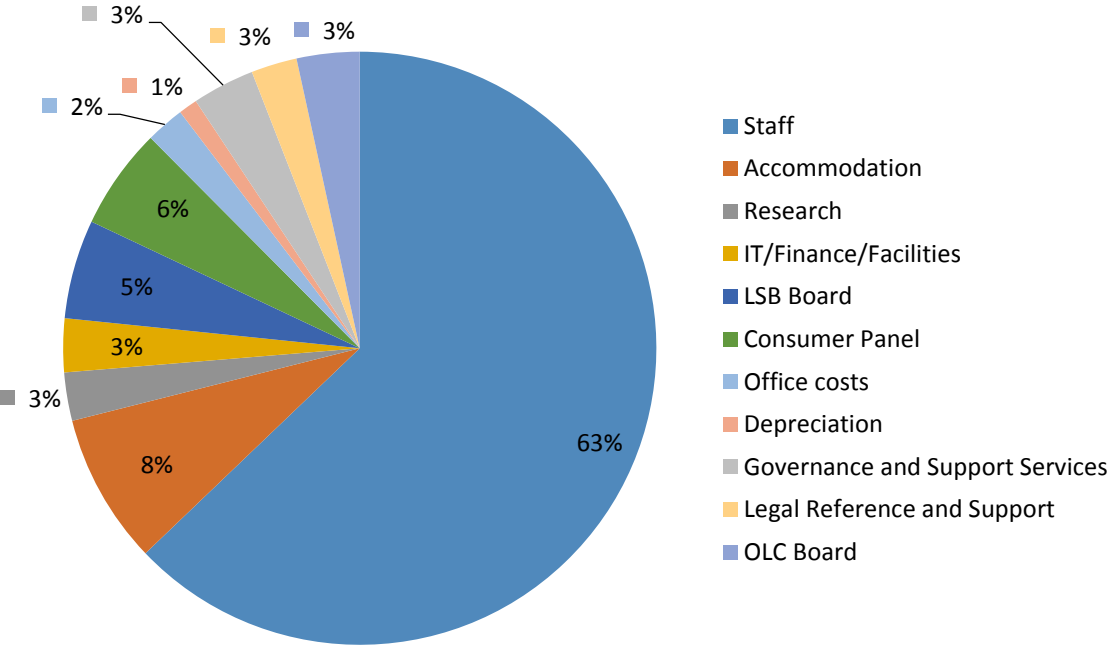
Financing our work in 2019/20

Level of annual budget



- Proposed budget of **£3.798m**
- Budget reduced by almost **23%** since inception
- Committed to using our resources as efficiently and as effectively as we can
- Do not budget for the cost of any litigation
- Costs are financed 100% through statutory levy on approved regulators

Analysis of LSB Costs for 2019/20



- The LSB pays the salaries and expenses of OLC Board and Consumer Panel members
- Public servants, not civil servants
- Relatively small and specialised staff team