

## **LSB 2020-21 Performance report Q3**

### **Programme: Discharge of statutory functions**

Regulatory performance was rated amber (Issues affecting the project but delivery not at risk) for all of Q3. We reprioritised activities for the future approaches to enforcement to better schedule our calls on regulatory bodies' time. We will no longer hold a workshop in Q4. We will continue our work in this area in Q1 2021-22, with a focus on establishing our expectations in terms of internal quality assurance and transparency on enforcement processes. We published our annual performance assessment of regulators as planned.

The well-led review has progressed well in Q3.

On statutory decisions, in Q3, we approved the Solicitors Qualifying Exam and since approved all expected practising fee applications. A resource issue is flagged due to recruitment timing and short-term availability issues.

Review of process for alterations to regulatory arrangements progressed well in Q3 after being reprioritised earlier in the year to focus on our Covid-19 project. Consultation is now expected early in Q1 2021-22.

New PCF rules and guidance will be published early in Q4.

### **Programme: Strategic objective 1 - Promoting the public interest through ensuring independent, effective and proportionate regulation**

Our analysis of ongoing competence evidence continued in Q3. We intend to publish our evidence and research in Q4.

The IGR review outcomes were monitored via our regulatory performance programme in Q3.

### **Programme: Strategic objective 2 - Making it easier for all consumers to access the services they need and get redress**

We plan to publish the literature review on public legal education in Q4.

There was a change request on the consumer engagement project in Q3. A discussion paper will now be published in Q4, following the CMA's review, which was published in Q3. The discussion paper is intended to gather further information from stakeholders and address outstanding policy questions to inform a draft policy statement in 2021-22.

A review of our small business legal needs survey is underway.

### **Programme: Strategic objective 3 – Increasing innovation, growth and the diversity of services and providers**

Earlier in the year we published the final technology papers and podcasts in our series on developing approaches to regulation for the use of technology in legal services. We intend to publish an overarching paper on our findings from this phase of work in Q4.

## Programme: Other areas of work

Our State of the Legal Services 2020 report was published in Q3 and received widespread and positive media coverage. We published our consultation on our draft strategy and business plan in Q3. The consultation closes on 5 February 2021.

Implementation of Vuelio continued in Q3.

## Statutory decisions - background

### Alterations to regulatory arrangements

Under the Legal Services Act 2007 ('the Act'), alterations to approved regulators' regulatory arrangements ('rule changes') must be approved by the LSB before coming into effect. This is one of the LSB's principal and most frequently exercised statutory functions.

The Act prescribes an initial 28 day period for making a decision that can be extended by the LSB by up to 90 days via an extension notice or by a further year if the LSB is considering refusing an application and issues a warning notice. The LSB can only refuse an application if one of the statutory refusal criteria is met.

Under the Act, the LSB also has the power to exempt certain general or specific changes from the approval process by issuing an exemption direction.

The LSB aims to publish all applications and decisions within two days.

In our consideration process, we take a risk-based approach whereby applications are assessed as lower risk or higher risk. For lower risk applications, our target is a decision in 28 days or less. For higher risk applications, our target is a decision in greater than 28 days and 90 days or less.

### Practising fees

Under the Act the LSB assesses and approves practising fees. The LSB aims to make a decision on practising fee applications within 21 days.

## Statutory decisions - analysis

In Q3 we received one application to make alterations to regulatory arrangements, issued two decisions and four exemption directions. This includes our decision on the Solicitors Qualifying Exam. In Q3 we also received five practising fee applications and made decisions on four of them.

Our decision time for alterations to regulatory arrangements continues in line with 2019-20, with the majority of decisions requiring extension notices this year and the median time for decision being 47 days. Almost half of our decisions have been on higher risk applications. Our decision time for practising fee applications is above our target decision time of 21 days so far this year and marginally lower than last year.

In Q3, we published all applications and decisions within the two day target. So far this year, 80% of applications and 100% of decisions have been published within target. The two applications that were published outside our target time were due to technical issues.

In Q3, there were no decisions made on lower risk applications. In 2020-21, so far, there have been two decisions made on low risk applications that were made after issuing an extensions notice. This is the same amount as in 2019-20. In Q3, all of our decisions on

higher risk applications were made after issuing an extensions notice. This is consistent with the 2020-21 year-to-date and in all of 2019-20.

## Contact Us – background

Contact Us is our inbox for receiving correspondence from the public. It is monitored by the administration team.

The public typically contacts us to complain about an approved regulator, lawyer, the Legal Ombudsman, or with general enquiries about legal services and legal aid.

Our target response time is 10 working days.

## Contact Us – analysis

Contact Us enquiries were lower in Q3 compared to recent quarters, particularly in December, and have been trending down in recent quarters.

Repeat enquiries now make up a smaller proportion of overall enquiries compared to 6-18 months ago.

Our response time performance in Q3 was similar to recent quarters. Our median response time and average response continues to hover around 7 days this year. This is much improved compared to 12 months ago.

In Q3, 78% of our responses were within our target time. This is in line with the year-to-date figure, and higher than in 2019-20.

## Freedom of Information – background

The Freedom of Information Act 2000 ('the Act') gives people a right of access to the information held by, or on behalf of, public authorities ('authorities'). This applies regardless of the age, format, origin or classification of the information, and covers for example: reports, letters, emails, notebooks and photographs.

The Act requires authorities: (1) to publish information proactively in accordance with their publication schemes; and (2) to provide within not more than 20 working days other information requested by any person ('information requests').

## Freedom of Information – analysis

We received relatively few freedom of information requests in Q3 compared to previous quarters. Overall, this year we are on track to receive fewer requests compared to the two preceding years, which saw a large increase in requests.

Over the last year we have met our target response time. This compares to recent years where we missed our target multiple times.

At the end of Q1, our median decision time was on the cusp of 20 days. In Q2, our response time improved, lowering our year-to-date median response time for 2020/21 to below levels of recent years.

## Communications and engagement

There were more website users in Q3 compared to any previous quarter in almost 2 years. This was partly driven by the publication of our decision to approve significant changes to the how solicitors qualify and the publication of our State of the Legal Services 2020 report. Overall, year-to-date median and average user is slightly down on previous years.

The market intelligence research hub continues to be used, with the coronavirus dashboard gaining the most interest.

Views of the Chair's blog appear to have plateaued at lower levels. The December blog saw the highest average time on the blog.

Senior engagement meetings were lower in Q3 compared to previous quarters. Several engagement events are scheduled for the consultation phase of our strategy.

In Q3 we started distributing a newsletter to stakeholders via our CRM system. Our current open rates and click-through rates are high relative comparative industry benchmarks, which are around 22% open and less than 3% for click-through.

Our social media following continues to grow at a steady rate.

Media coverage was positive in Q3, consistent with the year-to-date coverage on us. The very positive coverage was primarily about the State of Legal Services 2020 report. The positive coverage was primarily about our role in approving the Solicitors Qualifying Exam. The two negative pieces were opinion pieces critical of our role. Media coverage included 7 national pieces, of which 5 were very positive and 2 were positive.

## Finance – prompt payment – background

The LSB undertakes one payment run per week.

Prompt payment data is reported in line with Government guidance.

## Finance – prompt payment – analysis

The number of invoices paid and our prompt payment data in Q3 was broadly consistent with previous quarters in 2020-21.

72% percent of invoices were paid within 5 working days in Q3. 94% of invoices were paid within 10 working days. 100% of invoices were paid within 30 calendar days.

## Human Resources

Results from the colleague pulse survey were consistent with earlier in the year. Most colleagues remain confident in SLT's ability to make the right decisions. Most colleagues would prefer to work remotely for most of the week.

Organisation training spend increased substantially in Q3 as training that was postponed from earlier was rescheduled in Q3. Colleague training spend remains low. Total forecast training spend for the year is estimated to be around £10k lower than budgeted.

Sick days were lower in Q3 than in any previous quarter. Two colleagues left the LSB in Q3. The time to recruit gap was 14 weeks and 0 weeks.

Annual leave taken rose substantially in Q3. Around 50% of annual leave taken was taken in Q3. Annual leave is now closer to levels expected at this time of year compared at the end of Q2.