

## LSB 2021-22 Performance report Q1

### Programme: Discharge of statutory functions

Regulatory performance: In Q1, we reviewed the updated actions of regulators against their not-met outcomes. Updates are published on our website on the current regulatory performance assessments page.

Well-led reviews: Our review of the Bar Standards Board under the 'well-led' standard was published on 1 July 2021. Our review of the Faculty Office under the 'well-led' standard is being finalised and is now planned for publication in Q2.

Statutory decisions: In Q1, we approved two alterations to regulatory arrangements and five exemption directions.

### Policy and research projects

Diversity and inclusion: On 28 May 2021, we published the independent research report we commissioned from the Bridge Group. The report focused on the success of regulatory interventions and the extent to which regulators evaluate the impact of their diversity and inclusion initiatives. We have extended the time spent on scoping the next phase of work, which has now been agreed.

Consumer empowerment: On 22 July 2021, we published our response to submissions received on our quality indicators discussion paper. In Q2 we are now planning to engage on a draft policy statement ahead of a formal consultation in Q3.

Technology and innovation: In Q1 we developed our approach to the next phase of our technology and innovations work.

Ongoing competence: On 9 July 2021, we published research on the importance the public places on lawyers having the right knowledge, up to date skills and attributes to provide good quality legal services. We are undertaking a period of engagement ahead of a formal consultation planned for Q3.

Regulatory performance framework review: The scoping of this work was completed in July after being slightly delayed in Q1.

Review of process for alterations to regulatory arrangements: The consultation on new rules and guidance was published on 15 June 2021. The resource for this project was reprioritised to our statutory decisions programme to cover a short-term resource issue there. We still expect to publish new rules and guidance in Q3.

Scope of regulation: We scoped this work and engaged with stakeholders in Q1. Our plan to get a fixed-term researcher to support this work is slightly delayed due to difficulties with recruitment.

Legal expenses insurance: On 14 July 2021, we published research on consumers' perceived need for legal expenses insurance and what might encourage or discourage them from taking out legal expenses insurance policies.

Legal support for small businesses: In Q1 we commissioned this research. There is the potential for delays to completing the fieldwork due to certain sectors being hit by Covid-19 (hospitality, retail) where it may be more challenging to fill up quotas.

Citizens in vulnerable circumstances: We have commenced scoping this work.

Policy framework assessment: We have commenced scoping this work.

## **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 working 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.

## **Statutory decisions - analysis**

In Q1, we received three applications to make alterations to regulatory arrangements and made two decisions. One decision was made following an extension notice, while the other was made following a warning notice. This was our first warning notice in several years. We also issued five exemption directions.

Thus far in 2021/22, our median and mean decision time is high because we made one decision in Q1 (excluding the decision following a warning notice) which was on a higher risk application. We expect our average decision time to reduce as more decisions are made.

In Q1, we published all applications and decisions within our two working day target.

In Q1, our decisions that have taken longer than 28 days have all been on higher risk applications.

## **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 or less.

## Contact Us – analysis

There were 182 Contact Us enquiries in Q1, higher than any other quarter in the last two years. 63% of these enquiries were repeat enquiries, 55% were a complaint about an AR and 34% were enquiries that were copied to us or did not require a reply.

In Q1, our median and mean response time was lower than any quarter in the previous two years.

In Q1, 82% of our responses were within our target time. This is slightly improved on the overall percentage for last year, which was 79%.

## 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 Q1, similar to previous recent quarters.

We met our target response time for all responses in Q1. All four were responded to in 20 working days or less.

Thus far in 2021/22, our median and mean response time is lower than in recent years.

## Communications and engagement

Website users in Q1 were comparable to recent quarters. Thus far in 2021/22, median and mean users are higher than the previous two years.

The market intelligence dashboards continue to be used. In Q1, we launched a diversity dashboard.

Views of the Chair's blog are consistent. Average time on the blog increased over the last few months.

Senior engagement meetings increased in Q1 compared to Q4 of last year.

We continued distributing a newsletter to stakeholders via our CRM system. Our June 2021 newsletter was sent to more recipients and was opened more times than any previous monthly newsletter. Our current open rates and click-through rates are high relative to 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.

There were 145 instances of media coverage on us in Q1. Media coverage was mostly very positive or neutral in Q1. The very positive coverage (55 instances) was primarily about our

new diversity dashboard and research report, and our response to 'replying by silence'. The positive coverage (8 instances) was primarily about our quality indicators work and online reviews. The neutral coverage (90 instances) included SRA compensation fund and law firms citing our prices research. The negative coverage (2 instances) were an opinion piece about online reviews and challenging our approach to transparency and a piece on the Bar Council's concern that we are exceeding our remit.

## **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 prompt payment data in Q1 was broadly consistent with Q4 of last year and better than Q1 of last year.

In Q1, we paid 64 invoices, of which 61 (95%) were paid within 5 working days. We paid 100% of invoices within 10 working days.

On average we paid our invoices within 2.4 days in Q1. This is the same as in Q4 of last year.

## **Human Resources**

Results from the colleague pulse survey in Q1 were broadly consistent with survey results over the last 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. The most common preference continues to be two days per week in the office. However, this preference has seen a large reduction over the last two surveys.

Spending on training was relatively low in Q1 as we expect at this stage of the year. The remaining training budget is forecasted to be spent in 2021/22.

Sick days in Q1 were comparable to Q4 of last year and lower than 2019-20 levels. One colleague resigned in Q1. The time taken from the colleague leaving the LSB to having a new replacement was two weeks.