

Legal Services Board

Performance Report – 2020/21 Q1

Discharge of statutory functions

Programme/Project			
Key activity/milestone		← Timeline as at publication of the Business Plan 2020/21	
Key activity/milestone		← Latest timeline	
R	R	R	← Red = Signification issues; Amber = Issues but delivery not at risk; Green = According to plan; R = resourcing issue

Q1			Q2			Q3			Q4		
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar

Regulatory performance											
Analyse consultation responses			Publish revised framework & review well-led			Publish performance assessment & publish review outcomes					
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R	R	R	R								

Statutory decisions											
											

PCF processes & NPP											
Draft Rules			Consultation			Analyse responses & publish new rules					
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Analysis

In line with the increasing emphasis we have placed on regulatory performance, we have been through a process of re-resourcing this activity in Q1. We are now at full complement and a new policy lead is in place to lead regulatory performance. This includes conducting a review of the performance of the Bar Standards Board (BSB) and the Faculty Office (FO) against the well-led standard.

Our statutory decisions programme is entering a peak period, with many applications expected over the summer period. This includes significant applications, such as the Solicitors Regulatory Authority's Solicitors Qualifying Examination. We are confident that we have the resources to manage this peak.

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

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Q1			Q2			Q3			Q4		
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Ongoing competence											
Call for evidence closes			Analysis of evidence			Analysis of evidence			Consultation on policy options		
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R	R	R	R								

IGR review outcomes											
			Revised IGR into force 23 July			Ongoing monitoring			Ongoing monitoring		
			Revised IGR into force 23 July			Ongoing monitoring			Ongoing monitoring		
R	R	R	R								

Analysis

Significant progress has been made against strategic objective 1 in Q1 .

We closed our ongoing competence call for evidence, receiving 40 submissions, on top of 50 stakeholder meetings that we conducted over the period. This has given us a rich evidence base to analyse.

We provided advice to approved regulators and regulatory bodies on compliance with the Internal Governance Rules 2019. By the deadline of 23 July, we received certificates of compliance from all approved regulators and regulatory bodies, confirming that they had taken the necessary steps to comply with the rules.

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

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Q1			Q2			Q3			Q4		
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar

Public legal education											
Consider next steps & publish literature review			TBC								
Consider next steps			Publish literature review			Engagement					

Consumer engagement											
Scoping			Develop proposals			Consult on proposals					
Scoping			Develop proposals			Stakeholder engagement and research			Consult on draft policy statement		

Enforcement											
Develop audit approach			Trial audit approach			Trial audit approach					
Develop audit approach			Develop audit approach			Workshop					

Analysis

Progress has been made against strategic objective 2 in Q1.

We are planning to publish the public legal education literature review in August. We had originally planned to publish it in Q1 but the university we had commissioned to write the review had a resourcing pressure, which delayed the project.

Our consumer engagement project has commenced, which will include work on quality indicators. We held a roundtable with the regulatory bodies, Legal Ombudsman and Legal Services Consumer Panel to ensure that they are sufficiently engaged with this work.

We commenced the development of our enforcement audit approach and requested information from the regulators about their quality assurances practices. We are now planning to hold a workshop in Q3 to test our proposals with regulatory bodies, rather than proceeding immediately to trial our audit approach, as previously planned.

Strategic objective 3 – Increasing innovation, growth and the diversity of services and providers

Programme/Project	
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Q1			Q2			Q3			Q4		
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Technology & regulation											
Publish first phase findings			Establish expert reference group						Conduct research with public panel		
Publish final series of papers			Publish first phase findings			TBC			TBC		
█	█	█	█								

Prices research											
Analysis of fieldwork			Publish report								
Analysis of fieldwork			Publish report								
█	█	█	█								

Diversity											
Analysis and report findings											
Analysis and report findings											
█	█	█	█								

Analysis

There has been good progress made against strategic objective 3 in Q1.

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 had intended to publish an overarching paper on our findings from this phase of work, but this has been put back. We expect it to be finalised over the next month and to publish it in late September or early October.

Our prices research is nearing completion. We are planning to publish it in September alongside interactive dashboards on our website.

Diversity is an area in which we have been increasing or focus. It is now progressing well with a dedicated Manager leading the work. We analysed and reported on the diversity data provided to us by the regulatory bodies. In Q2 we will be scoping the next phase of this work.

Other areas of work

Programme/Project	
Key activity/milestone	← Timeline as at publication of the Business Plan 2020/21
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Q1			Q2			Q3			Q4		
Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar

Strategy development			
Stakeholder engagement	Engage & research with public panel	Publing State of Sector & consult on draft Strategy	Finalise strategy and business plan
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 R			

Covid-19 project			
Project scoping	Sector monitoring & evidence gathering		
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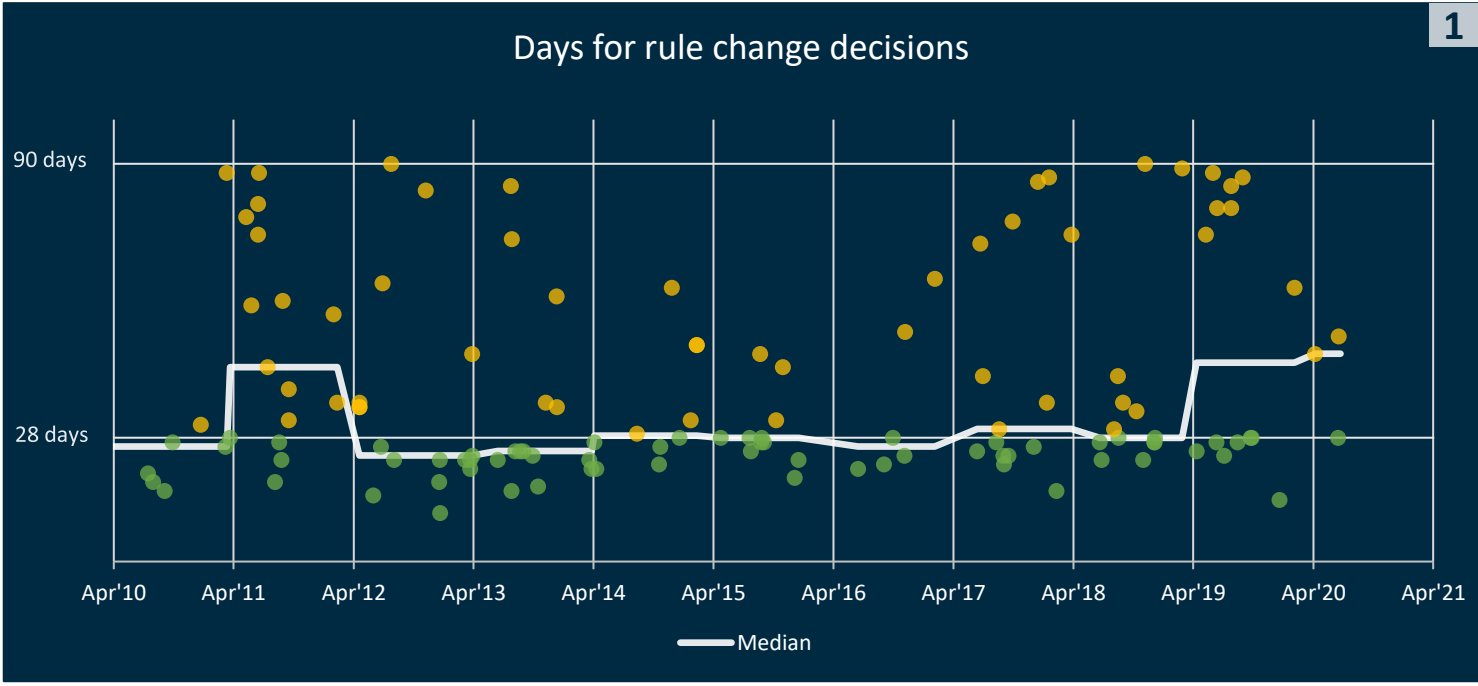
Analysis

The development of our next three year strategy has progressed well. Early in Q1 there was a concern that, due to Covid-19, we might not be able to engage with stakeholders effectively. Reassuringly, we continued to engage and capture external feedback in line with our ambitions and commenced research work with the public panel. We are now starting to pull together the feedback and research to draft the state of the legal services sector report and narrative headlines.

We initiated a Covid-19 project in Q1 with the purpose of understanding the impact of Covid-19 on the legal sector and to contribute to its recovery. Early on we issued an active blanket exemption to allow regulators to make temporary alterations to regulatory arrangements in response to Covid-19. We also published an impact dashboard on our website, which has received a good deal of attention. Thus far we have captured lots of information on the demand-side impact and are seeking to capture the same level of information on the supply-side impact.

Background: 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. In our consideration process, we take a risk-based approach whereby applications are assessed as low risk or high risk. For low risk applications, our target is a decision in 28 days or less. For high risk applications, our target is a decision in 90 days or less.

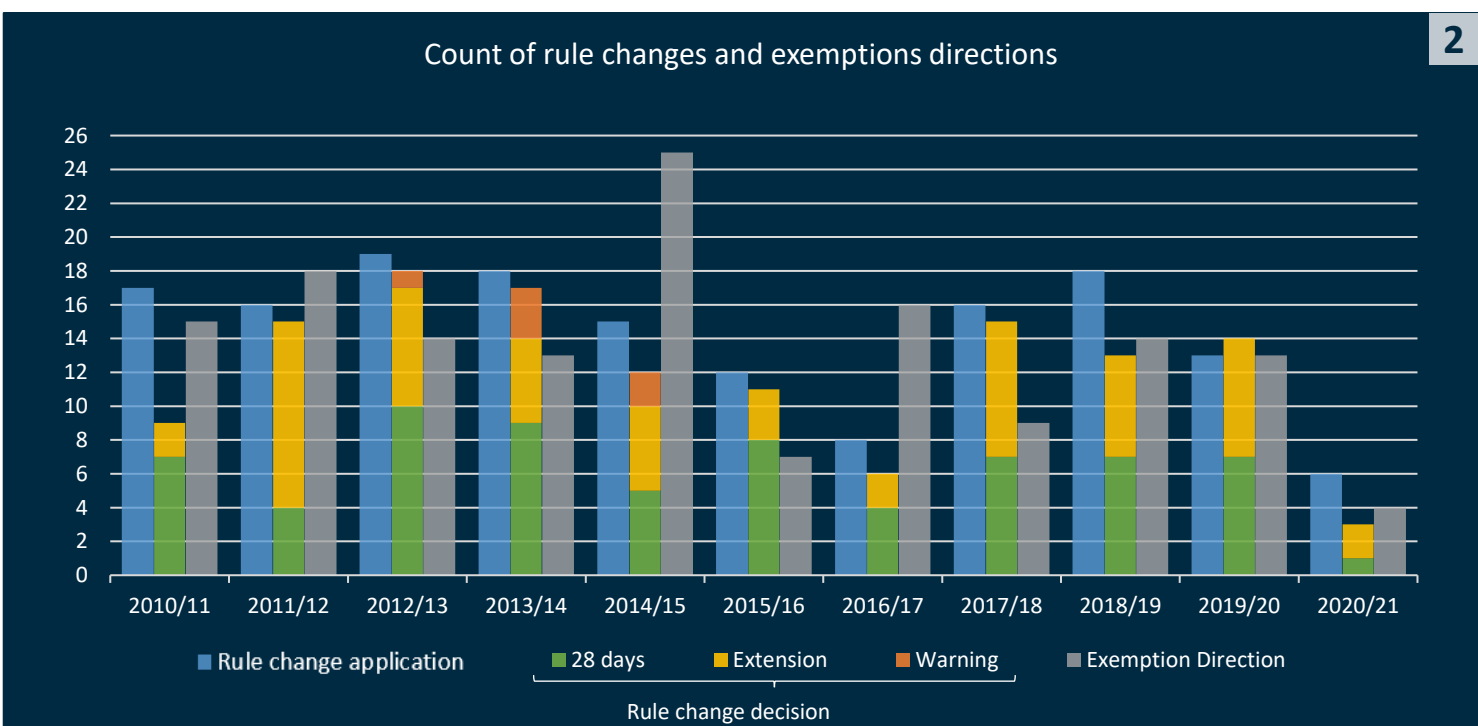
Days for rule change decisions



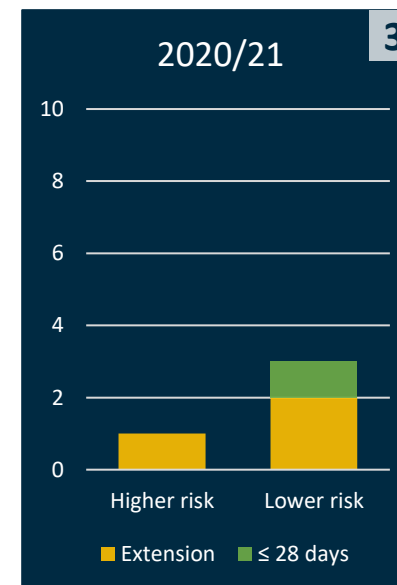
Analysis

- 2019/20 saw an increase in workload for the statutory decision team as the complexity of applications increased. This contributed to an increase in the median decision time to 45 days, the highest in our history (Chart 1). This follows several years with a relatively high number of decisions and a high proportion of extension notices (Chart 2).
- While there were relatively few decisions in Q1, we expect 2020/21 to be busier than previous years. Already since the end of Q1 there have been a large number of decisions made and we are expecting several high risk application in Q2, including the Solicitors Regulatory Authority's Solicitors Qualifying Exam application.
- There has already been two lower risk applications that have required an extension notice. This compares to two for all of 2019/20 (Chart 3 and 4). In both cases, the extensions were to allow the regulator time to respond to issues raised by the LSB and to make some minor changes to its proposed regulatory arrangements.

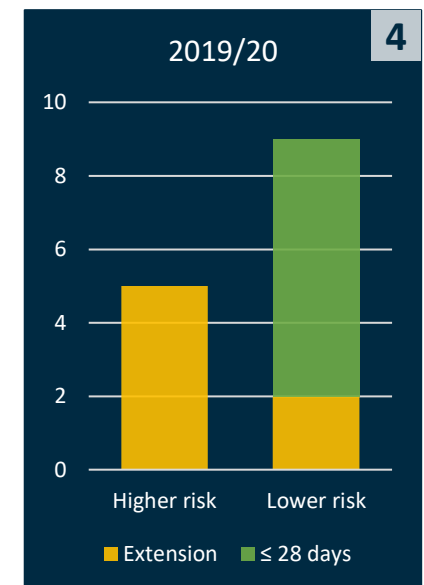
Count of rule changes and exemptions directions



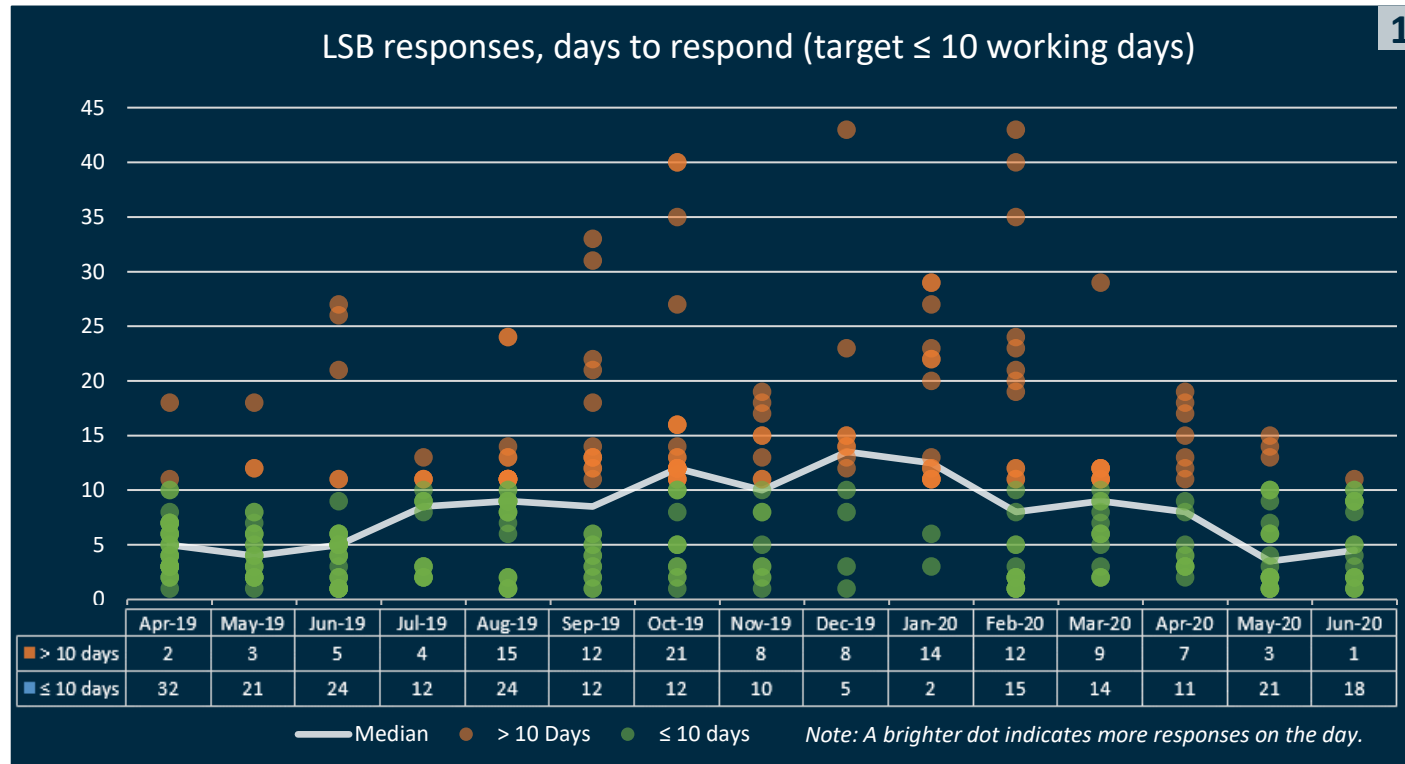
2020/21



2019/20



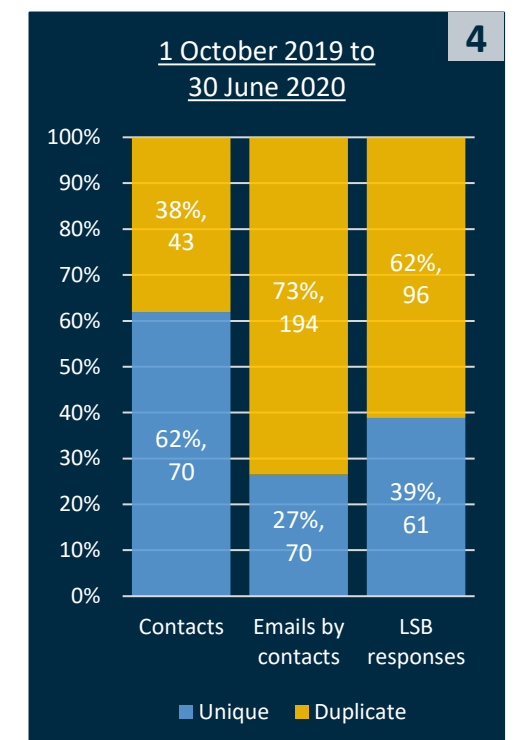
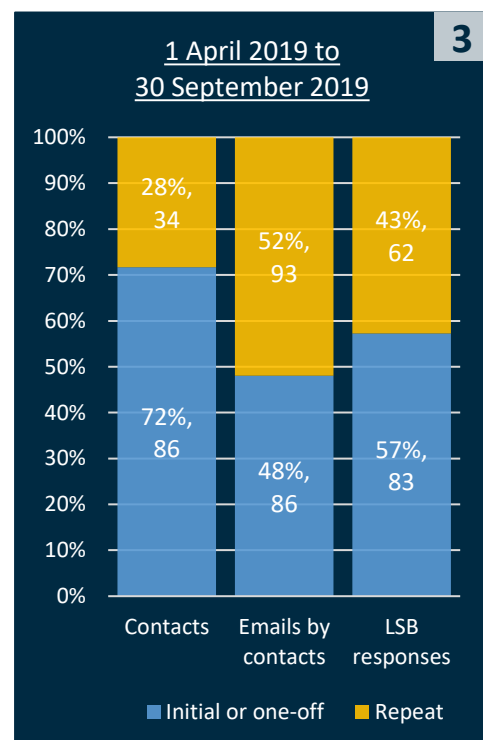
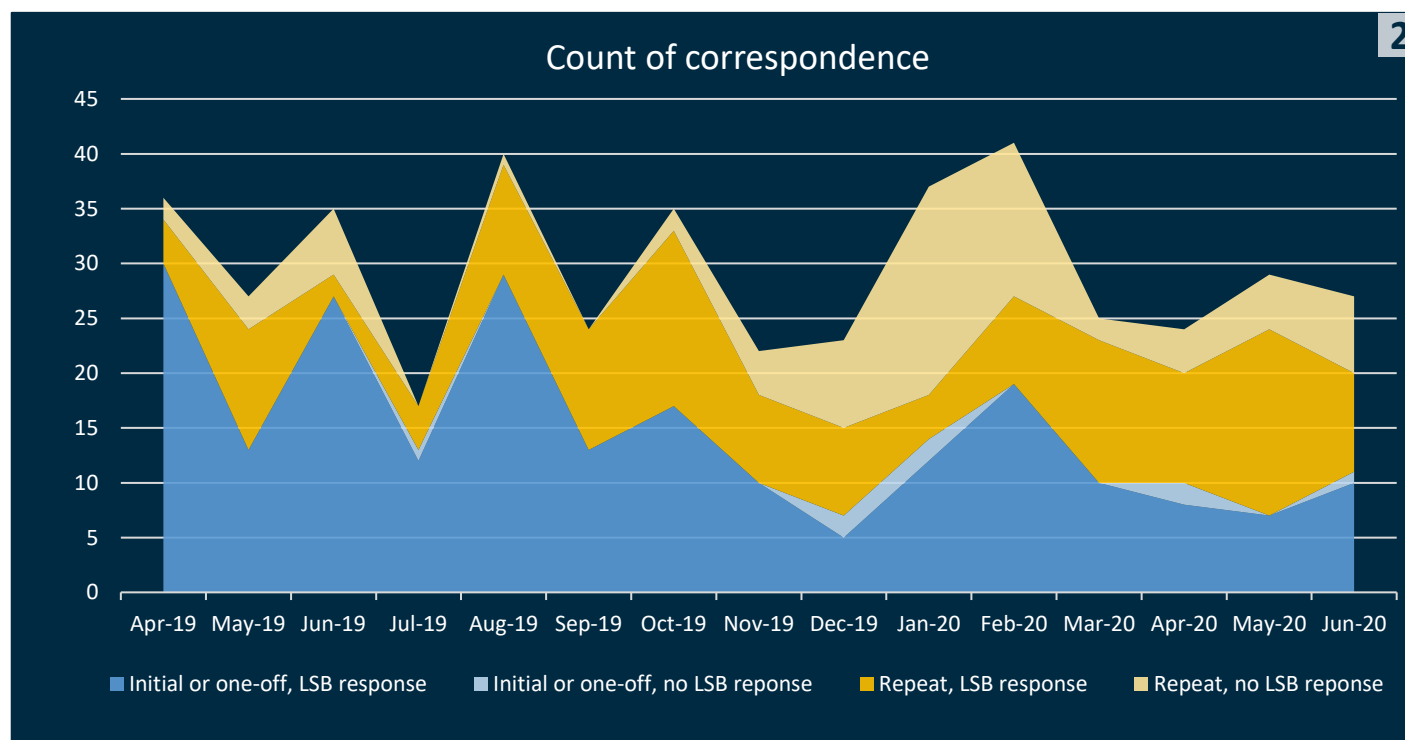
Background: Contact Us is our inbox for receiving correspondence from the public. It is monitored by the administration team, who individually monitor the inbox on a weekly basis. The public typically contacts us to complain about an approved regulator, lawyer, the Legal Ombudsman, or with general enquiries about legal services and legal aid. All responses are reviewed by a relevant member of the Senior Leadership Team.



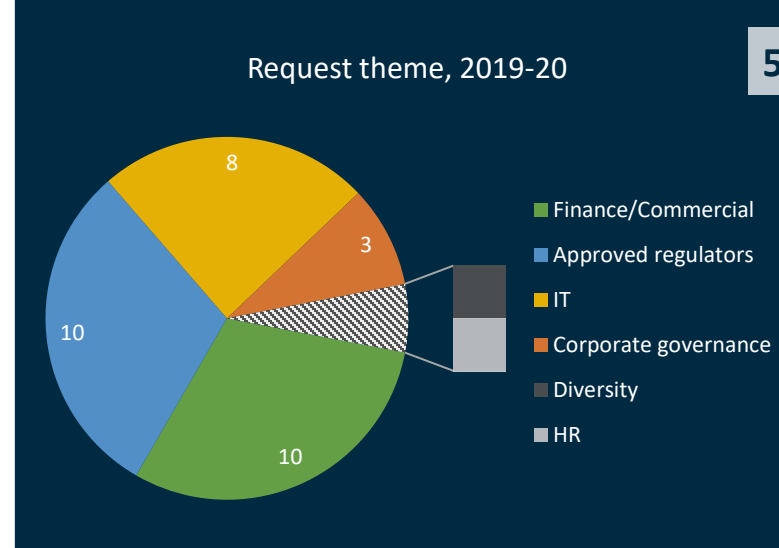
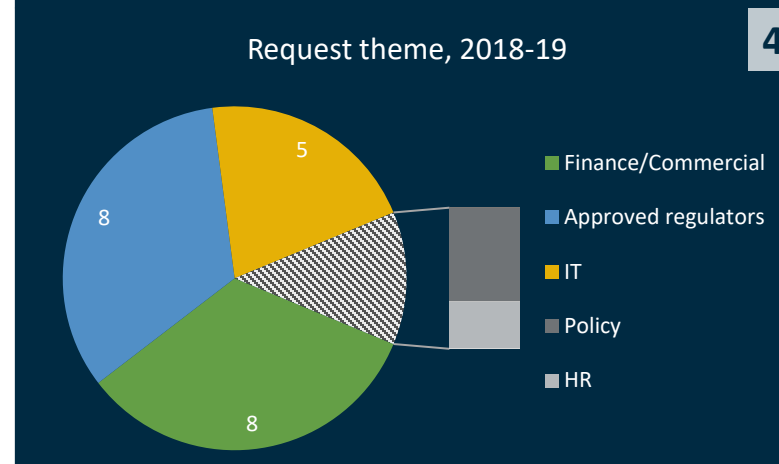
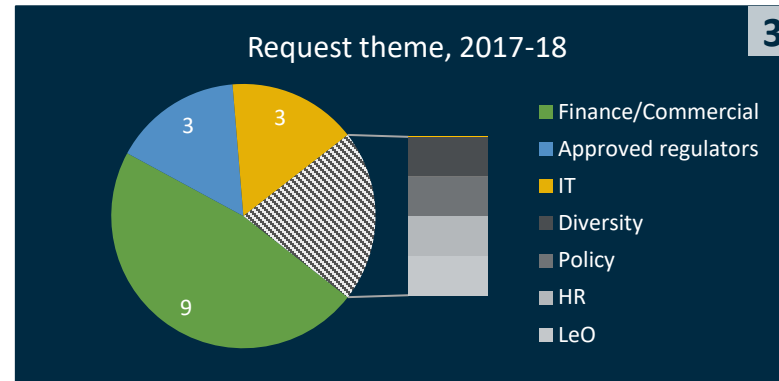
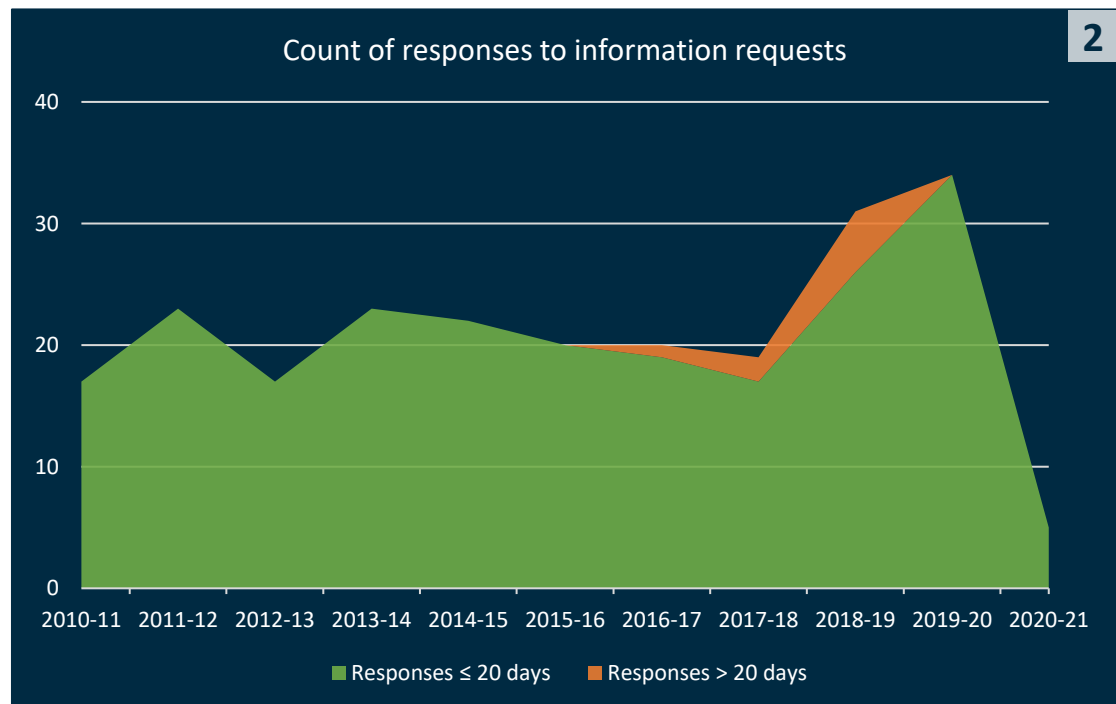
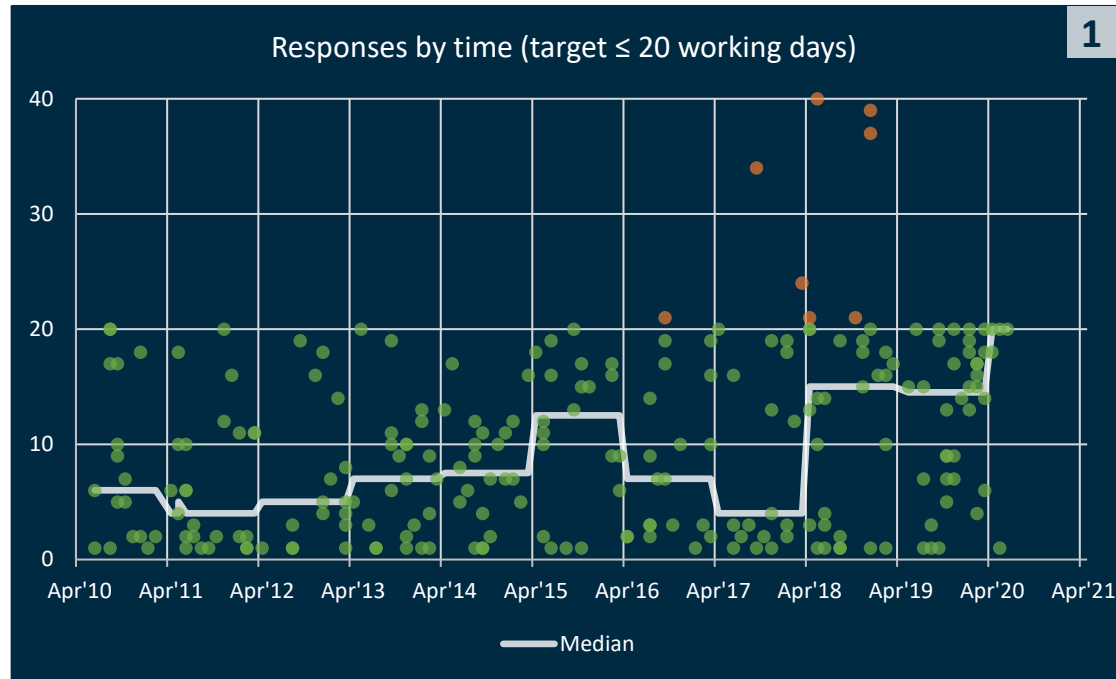
Analysis

- Over the last year, responding within our target response time has been challenging (Chart 1). This resulted in our median response time exceeding our target for several months during late 2019 and early 2020. Recently there has been an improvement. Fewer responses are outside our target and the median response time has decreased to low levels. This is partly due to increased management-level involvement in recent months.
- Since late 2019, there has been a high proportion of *repeat* correspondence, with *initial or one-off* correspondence trending down and *repeat* trending up (Chart 2,3,4). We are monitoring this situation and considering how our approach to Contact Us can deliver better value for money.

Definition:
Initial or one-off: When a person emails us for the first time on an issue.
Repeat: When a person emails us again on the same issue, for example, with follow-up questions.



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').



Analysis

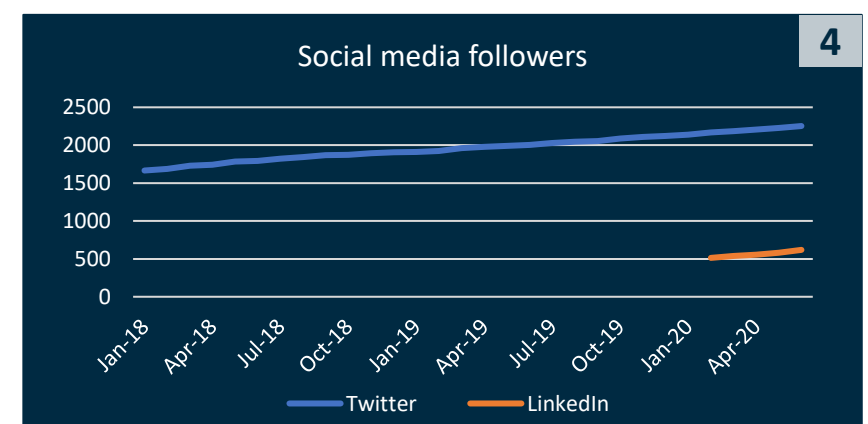
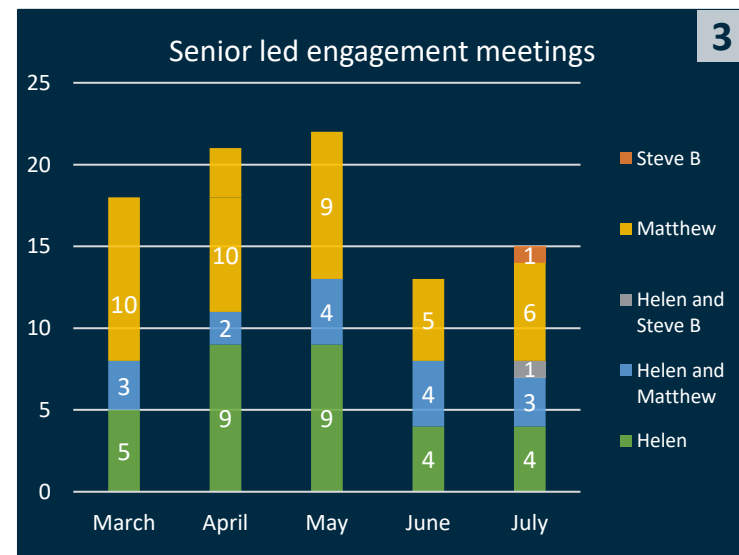
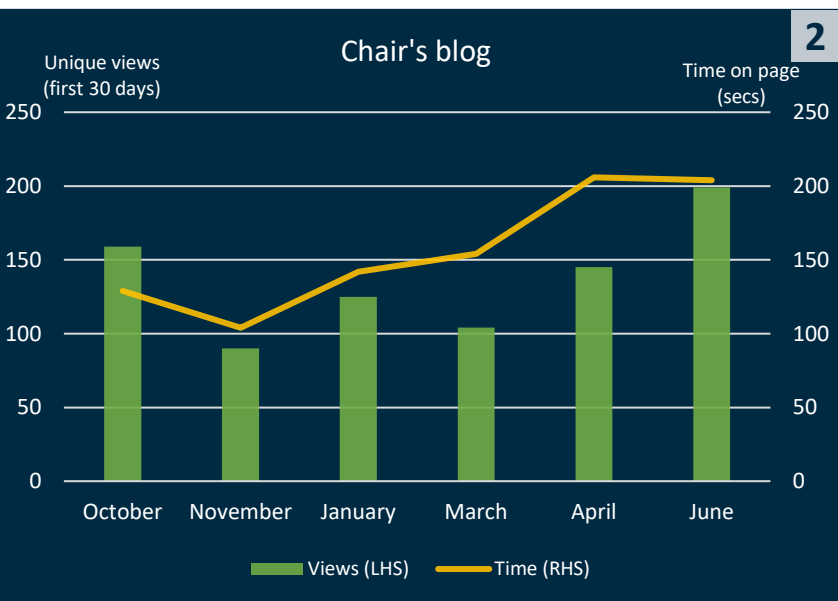
- Over the last year we have met our target response time (Chart 1). This compares to recent years where we missed our target multiple times. While we are consistently responding within target again, our median response time has increased. In Q1 our median response time was 20 days. This suggests that we could be at risk of missing our target this year.
- Over the last two years there has been a large increase in the amount of information requests (Chart 2). This has been driven by an increase in two types requests, those relating to approved regulators and those relating to IT (Charts 3, 4 and 5). A high number of requests are expected again in 2020/21. There were a total of nine requests in Q1, of which five were responded to within Q1.

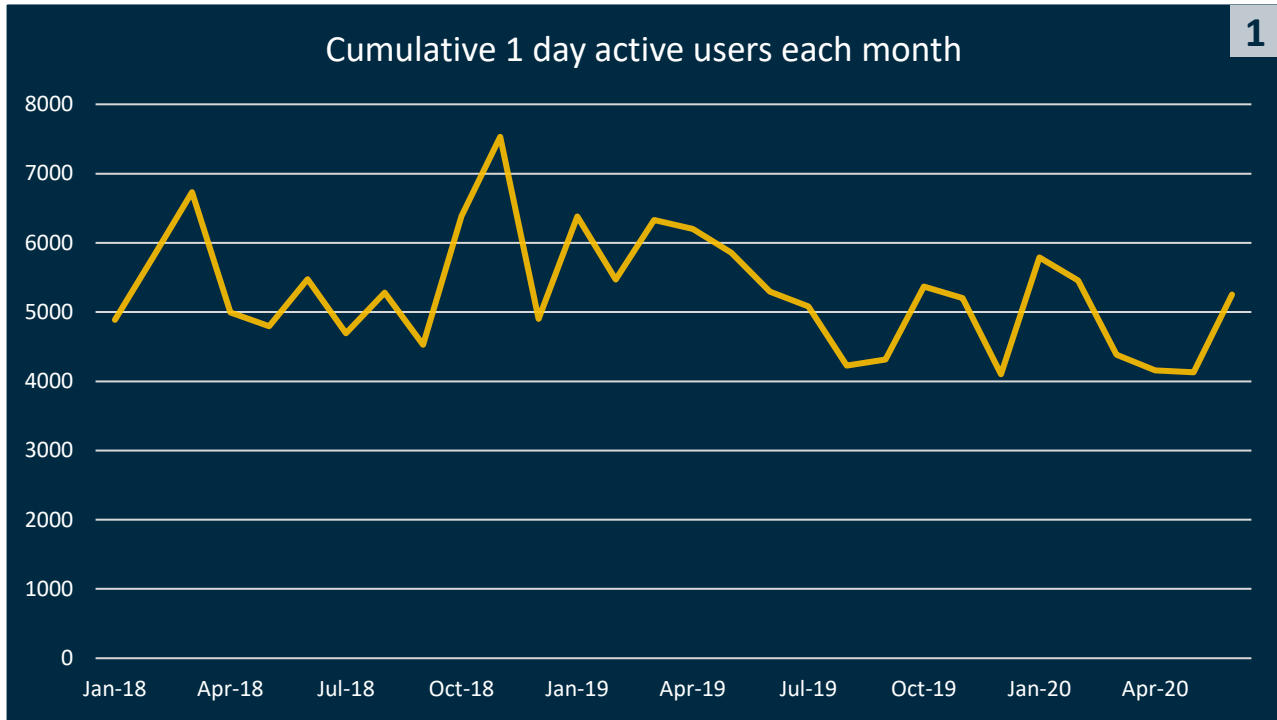
Background: We do not currently have any specific targets or key performance indicators for our communications and engagement work. However, this is being explored in the context of an upcoming deep dive. Presented here is a selection of recent initiatives and general indicators of engagement.



Analysis

- The new Market Intelligence research hub launched on our website in January 2020. It currently consists of four interactive research dashboards: market structure, consumer protection, individual legal needs, and coronavirus impact. We have seen the greatest level of engagement with our coronavirus impact dashboard (Chart 1). This has been communicated widely by the LSB in senior level meetings and at cross-sector roundtables. Our market structure dashboard has seen relatively high and continued levels of engagement. Conversely, our research on consumer protection has seen relatively little engagement. Our ambition is to gain more traction with the consumer press.
- Our recent initiative to publish a Chair's blog after every Board meeting is being met with increased levels of engagement (Chart 2). Page views and time spent on page have trended upward over time.
- We had been increasing the amount of senior led engagement meetings up to May (Chart 3). Covid-19 temporarily impacted our ability to book further meetings for a period, which explains the relatively few meetings in June and July.
- Our social media following continues to grow steadily (Chart 4).

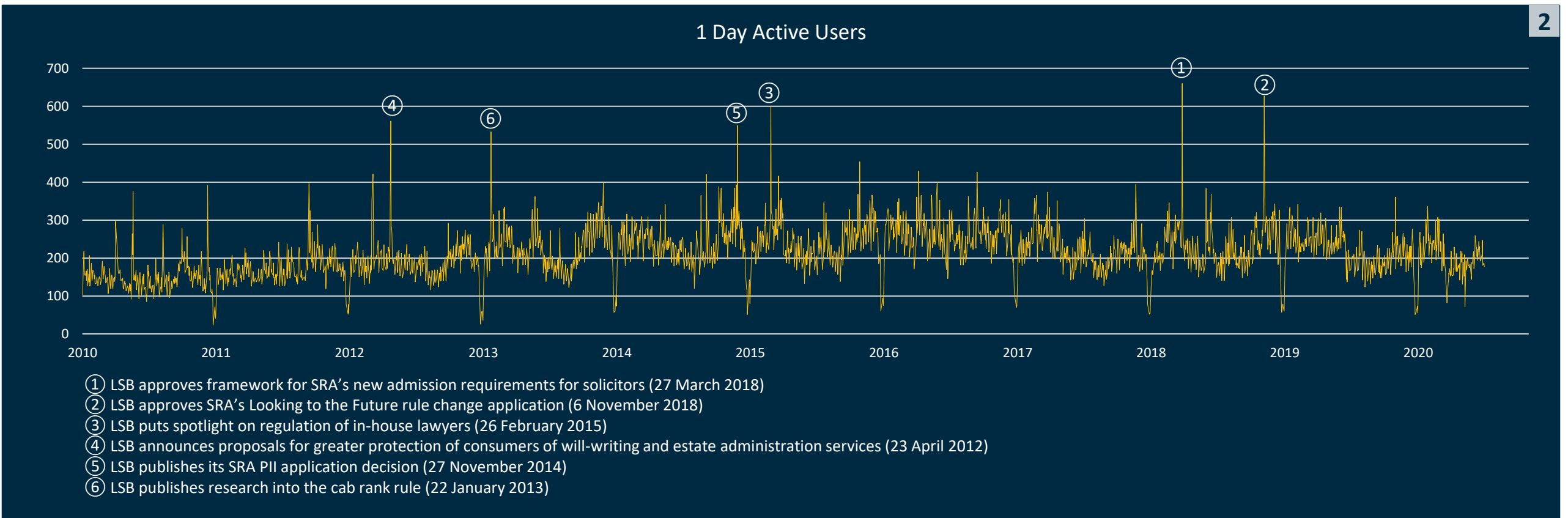




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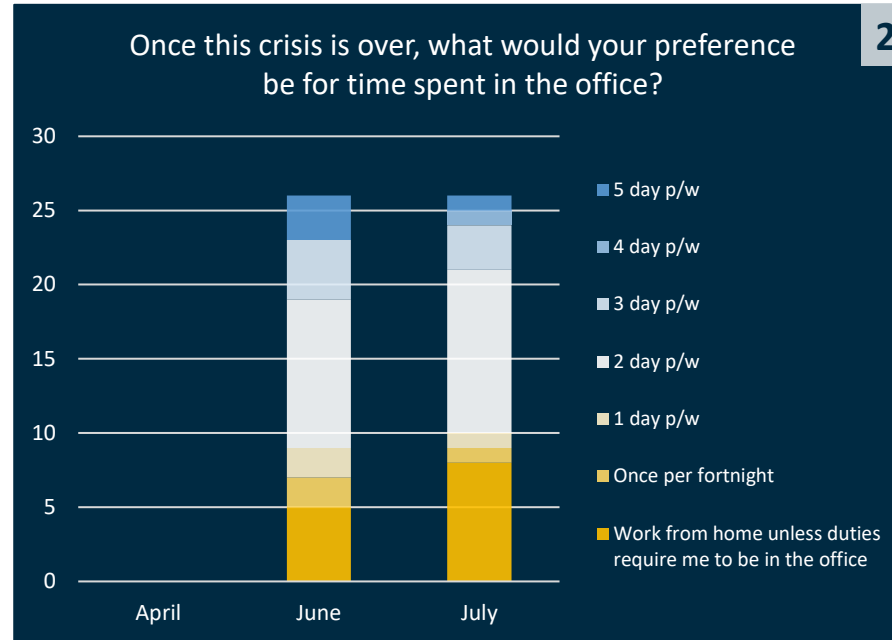
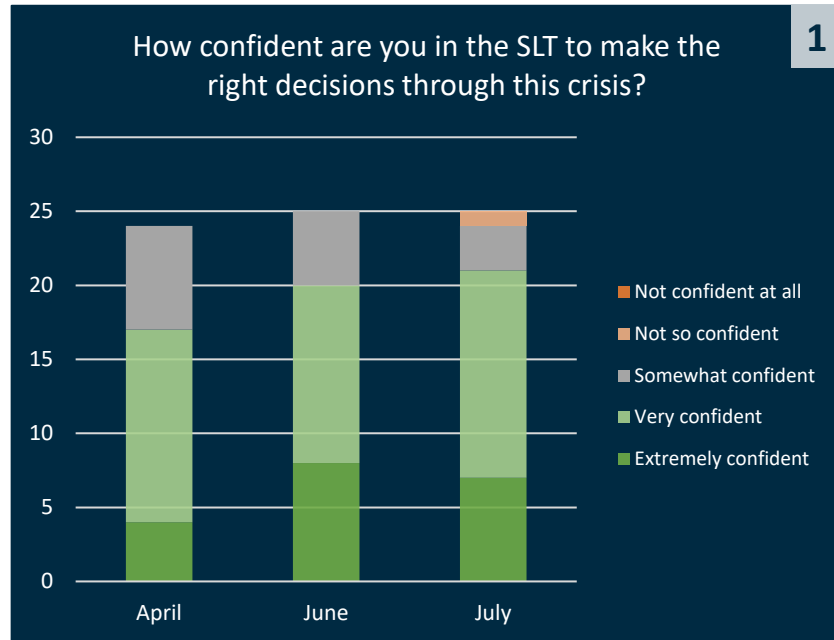
Analysis

- Q1, on the whole, saw a decrease in the amount of visitors to our website (Chart 1). This is likely due to the impact of coronavirus, with the attention of many placed elsewhere. The last month of Q1 saw a bounce-back of visitors.
- Historically, visitors to our website have been highly variable, with peak periods driven by particular statutory decisions or policy (Chart 2). The top two peak days affirm the interest and scrutiny that will be placed on our upcoming decision on the Solicitors Regulatory Authority's Solicitors Qualifying Exam rule change application, expected in Q2. It is likely that around this time we will receive an increased level of attention, which might present additional opportunities for us.



2

Background: Since lockdown commenced, our HR Manager has conducted monthly pulse surveys and reported the results to monthly Senior Leadership Team meetings. The results have informed internal communications and our ways of working. A selection of the results are presented here, along with regular HR related information.



Analysis

- Colleagues are confident in SLT's ability to make the right decisions, generally increasingly so. (Chart 1).
- Colleagues have expressed a desire to do more remote working once the crisis is over (Chart 2). In June, 80 percent of colleagues expressed a desire to work remotely most days, with 30 percent expressing a desire to work remotely by default.
- Colleagues did not take much leave in Q1 (Chart 3). Around 10 percent of leave was taken in Q1, with a further 17 percent booked for future quarters. Colleagues have been encouraged to take leave for their wellbeing.
- Use of the training budget was low in Q1, with some scheduled training being postponed to later in the year (Chart 4). Several organisational training sessions are already scheduled for later in the year and we are still forecasting to use close to the full budget for 2020/21.
- Sick days were relatively steady in Q1 but remain relatively low (Chart 5). Turnover was low again in Q1 (Chart 6).

