



**Legal Ombudsman Business Plan 2019/20
Consultation by the Office for Legal Complaints
Response by the Council for Licensed Conveyancers**

January 2019

Introduction

1. The CLC welcomes the opportunity to respond to this consultation.
2. The CLC has two concerns about the draft Business Plan 2019-20 published by the Legal Ombudsman:
 - its continuing failure to meet its KPIs
 - the continuing upward movement of the costs per case.
3. As set out in responses to the consultation questions, the CLC is disappointed that the performance of the Legal Ombudsman continues to fall short of its own targets. This appears to be acknowledged in the assessment of progress against the 2018/19 annual priorities where it is stated:

‘Performance is improving but remains a work in progress, with more work to be done in terms of through put and timeliness.

‘In the light of variability in performance there is ...’
4. In 2018/19 on the basis of a total of 232 cases CLC practices are estimated (through the OLC levy payable by the CLC) to contribute £364,672 (14% CLC annual spend). The costs per case remains stubbornly over £1,500 per case. Whilst it may not be able to achieve the Financial Ombudsman Service of £600-750 per case, it is, in the CLC’s view, a reasonable expectation that in the short to medium term the cost per case should reduce to £1,000 per case. This would achieve a saving to the CLC on the basis of its current spend of some £130,000 (8.4% CLC annual current spend). Failure to achieve a sustained downward pressure on the costs per case adversely impacts on the CLC’s own regulatory costs and, through CLC practices, on the cost to consumers.

About the Council for Licensed Conveyancers

5. The CLC was established as a legal regulator by the Administration of Justice Act 1985 and is an Approved Regulator under the Legal Services Act 2007, subject to the oversight regulation of the Legal Services Board. It has no representative function.

6. It licenses and regulates licensed conveyancers and practices in England and Wales in the provision of reserved legal activities, currently conveyancing and probate services, and other non-reserved legal activities, including will writing. It is also a Licensing Authority authorised to license and regulate Alternative Business Structures (ABS).
7. The CLC's role is to safeguard the public interest and consumers by regulating providers to deliver high quality and accessible legal services.

Specific Comments by reference to the questions set out in the Consultation Paper

Strategic overview

Question 1: Do you agree with our strategic objectives and analysis?

Yes.

Annual priorities

Question 2: Have we identified the right annual priorities for 2019-20?

In the CLC's view, resources should be focused on Priorities 1 and 2.

Are there others we should consider?

No.

Question 3: Does the business plan include the right outcomes and actions to achieve our vision and strategic objectives?

Resources should be concentrated on the key Outcomes are:

- Improved quality of casework and sustainable case progression (Priority 1), and
- Provide consistent, sustained and high levels of timeliness of performance (Priority 2).

Question 4: Do you have any specific comments on our proposed budget for 2019-20, and the high-level assumptions and risks that support our proposed budget?

Target legal cases resolved in 2018/19 to date appear to be lower than planned so suggesting that the costs per case will exceed the budgeted cost. The key assumptions in the draft BP 2019/20 appear to be implementation of new business processes 'which are still bedding in', and 'staff turnover and levels of experience [which] materially impact assumptions'. It seems premature to increase targets before there is reasonable assurance that the current targets will be met (see response to Question 5 below).

Performance and KPIs

Question 5: Do you have any comments on the Balanced Scorecard which measures our performance?

Assuming that 'Balanced Scorecard' refers to 'External KPIs', the timeliness KPI targets have increased from LeO BP 2018/19. From the monthly performance update submitted to the December 2018 OLC Board meeting it appears that the

2018/19 targets have not been met. It therefore seems unlikely on present trends that the increased stretch of 2019/20 targets will be met.