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| Date | 17 May 2024 |
| Item | 11.00 |
| Title | Annual Review of Governance Framework |
| Author | Richard Hood, Director of Governance, Policy and Legal |
| Purpose | This paper reviews key governance documents and processes to ensure that they remain fit for purpose and meet best practice |
| Recommendation | The Board is asked to NOTE the report and CONSIDER and AGREE any further governance changes that are required in light of the report and the Board's discussions at its strategy session on 16 May 2024. |
| Timing | As set out in the paper, as required |
| Impact assessment | Set out below |
| Impact on Regulatory Objectives | The assurance provided by this report has a positive impact on the following regulatory objectives: <ul style="list-style-type: none"> - Public interest - Consumer interest - Access to Justice - Rule of Law - Professional Principles |
| Implications for resources | No additional resource implications. |
| Impact on consumer empowerment | The regular review of governance arrangements assist in the promotion of consumer empowerment. |
| Impact on ongoing competence | N/A |
| For publication | No, the paper will not be published because it relates to emerging policy although each of the Appendices as approved by the Board will be published |
| Appendices | None |

Background

1. It is a good governance measure to review at regular intervals key governance documents to ensure they remain fit for purpose and reflect best practice. These documents were last reviewed and updated by the Board on 10 May 2023.
2. In advance of undertaking any external review undertaken in the future, the following governance documents were reviewed with proposed improvements highlighted for quick identification:
 - [Board member Code of Conduct](#)
 - [Schedule of matters reserved to the Board](#)
 - [Standing Orders](#)
 - [Governance Transparency Policy](#)
 - [Board, committee and panel periods of appointment](#)
 - [Expenses Policy](#) (all non-executive roles)
 - [Board member Appraisal Arrangements](#)
 - [IGR Dispute Resolution Annex](#)

Governance review

3. This review helps achieve the transparency and public accountability element of the consumer objective and underpins CRL's performance in accordance with the LSB's regulatory performance framework, particularly the Well-led standards.
4. The full documents have been appended so the Board can review.
5. No significant governance matters have arisen during the year although the Board may wish to take into account, when agreeing any improvements or learning, are the LSB's 2024 [regulatory performance assessment](#), the LSB assessed CRL as providing partial assurance that it was meeting the Well-led standard. It repeated previous comments about transparency of CRL's decision-making, which in practice had already been addressed. Progress on transparency is reported in the Director of Governance Report
6. Issues discussed at the Board's strategy session on 16 May 2023 may also inform the review of the governance framework.

Governance documents review

[Board member Code of Conduct](#)

8. No changes are proposed.

[Schedule of matters reserved to the Board](#)

9. No changes are proposed.

[Standing Orders](#)

10. No changes are proposed

[Governance Transparency Policy](#)

11. Paragraphs 3 and 6 stylistic changes

[Board, committee and panel periods of appointment](#)

12. No changes are proposed..

[Expenses policy](#)

13. No changes are proposed.

[Board member Appraisal Arrangements](#)

14. No changes are proposed.

[IGR Dispute Resolution Annex](#)

15. The Annex (to the [IGR Protocols](#)) agreed with CILEX was approved by the Board at its meeting on 17 May 2022. The escalation process set out in the Annex was followed to try and resolve claims made by CRL against CILEX resulting in the IGR NEDs

meeting on 14 September 2022. In the absence of agreement, a referral was made to the LSB in accordance with rule 14(2) [IGR](#). At the conclusion of its investigation the LSB published its [report](#) on 18 April 2023.

16. No changes are proposed.

Governance matters that have arisen in the year

17. The Board Effectiveness is being discussed in the Strategy Session on 16 May 2023.

Recommendation

18. The Board is asked to **NOTE** the and **CONSIDER** and **AGREE** any further governance changes that are required in light of the report and the Board's discussions at its strategy session on 16 May 2024.

Impact Assessment:

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| Public/Consumer | |
| Consumer | Regular review of the Governance Framework demonstrates sound governance in the interests of consumers |
| Public interest | Regular review of the Governance Framework demonstrates sound governance in the public interest |
| Access to Justice | Regular review of the Governance Framework demonstrates sound governance and promotes access to justice |
| Public Legal Education | No direct impact |
| Other Regulatory Objectives | |
| Rule of Law | Regular review of the Governance Framework demonstrates sound governance and supports the constitutional principle of the rule of law |
| Competition | No direct impact |
| Professional principles | Regular review of the Governance Framework demonstrates sound governance and assists in promoting and maintaining adherence to the professional principles within the profession |
| Other issues | |
| Environment | No direct impact |
| Regulated Community | |
| Cost of Regulation | No direct impact – good governance underpins good control of regulatory cost |
| Equality and Diversity | Promoting Equality, Diversity and Inclusion has been incorporated as a key element of governance |
| Us | |
| Reputation/Brand | Sound and transparent governance arrangements enhance our brand and reputation |
| Resources: | No direct impact |
| Operations: | No direct impact |
| Risk: | Continuous review and improvement of our governance arrangements mitigates the risk that we are unable to carry out our regulatory functions to the standards we, consumers, the profession and other stakeholders reasonably expect |
| Finance: | No direct impact |



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| Legal: | No direct impact |
| IT: | No direct impact |