



**CONFIDENTIAL MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF CILEx REGULATION LIMITED
HELD ON 27 SEPTEMBER 2023**

Present:

Jonathan Rees (Chair), Helen Astle, Alice Belcher, Douglas Blackstock and Patricia White

In attendance (CILEx Regulation):

Robert Morris, Interim Chief Executive Officer
David Pope, Director of Operations
Simon Blandy, Director of Governance
Becky Mckune, Personal Assistant (minutes)
Michelle Drury, Finance Manager (item 6 only)
Deborah Smith, Wordsmith (private discussion only)

1 Welcome and Apologies

The Chair opened the meeting. There were no apologies for absence.

2 Declarations of Interests

No other declarations of interests were made in addition to those already included on the register of interests.

3 Minutes of previous meetings and action log

The Chair introduced the item for the Board's approval.

Subject to minor amendments, the Board APPROVED:

- the minutes of the meeting of 12 July 2023;
- the minutes of the meeting of 4 August 2023;
- the minutes of the meeting of 5 September 2023; and
- the action log and AGREED that any completed actions would be removed.

4 Chair's update

The Chair brought Board members up to date on recent developments and noted the CILEX Consultation was due to close on 5 November 2023 and the SRA Consultation on 22 November 2023.

PRIVATE DISCUSSION

The Board AGREED:

- the form of the draft response to the CILEX consultation, subject to minor amendments
- the consultation response should be copied to CILEX and the SRA before it was published and copied to the LSB
- CRL's lawyers should be instructed to send the letter as drafted (received after the start of the meeting) to the LSB

- Deborah Smith should prepare the slide pack for the CRL webinar on 2 October 2023
- CRL should have a targeted communication campaign following the webinar aimed at maximising the responses to CILEX's consultation to be supported by an updated version of the video Deborah Smith had prepared
- Deborah Smith should commission a consumer research survey (cost up to £2,000 inc. VAT).

5 Chief Executive's Report

The Chair introduced the Chief Executive's Report and asked the Interim Chief Executive to present the paper. The Interim Chief Executive asked the Board to treat his paper as read.

The Interim Chief Executive reported that an in-person meeting between the CRL Chair and Interim CEO and the LSB Chair and CEO had been scheduled for 5 October 2023. The CRL Chair and CEO were also had meetings with the Law Society President and CEO as well the Legal Services Consumer Panel on 5 October 2023.;

The Interim Chief Executive reported that fortnightly discussions with the CILEX CEO were continuing and that relations between CILEX and CRL were improving. The Interim Chief Executive was also intending to attend the CILEX AGM on 4 October 2023 in person, though train strikes might mean that the AGM would be held entirely online.

The CRL Chair and Interim CEO had also had an initial meeting with the SRA Chair and CEO on 18 September 2023.

Staffing

The Interim Chief Executive welcomed Becky Mckune who had just joined as PA to the CEO, Chair and Executive Team.

The Interim Chief Executive reported that, subject to agreement on terms, a replacement had been found for the Director of Governance who had resigned. It was hoped there would be a reasonable handover period.

PRIVATE DISCUSSION

The Chair noted and thanked the Executive for ensuring that the performance statistics were presented so clearly in the Board Packs.

The Board NOTED the Chief Executive Report.

6 Finance Update

PRIVATE DISCUSSION

The Chair thanked the Finance Manager for the update and for the clear way in which it had been presented, and for all the work on the PCF Application.

The Board:

- NOTED the financial update to August 2023 and that the current level of reserves complied with the Reserves Policy

- APPROVED the Annual Statement of Costs for 2022, for publication
- RECEIVED an update on the historic PCF reconciliation
- APPROVED the updated delegated authority list
- NOTED the update on tax from Azets, and agreed that no application for a refund should be made at the moment
- REVIEWED and APPROVED the Final 2024 PCF Budget
- REVIEWED and APPROVED the Draft 2024 PCF Application

The Finance Manager left the meeting.

7 Strategy (2022 – 2024) Accessibility/diversity/EDI action Plan

The Chair introduced the item and invited the Director of Governance to present the paper. The Director of Governance said that the paper provided the Board with a report on progress to date against the CRL EDI Strategy, planned activity for the remainder of 2023 and set out the proposed activity in 2024.

Good progress had been made in some areas. Of particular note was the draft diversity data report which the Board was asked to approve. It had not been possible to progress work on EDI with CRL firms because of other pressures, in particular CILEX's stated intention to re-delegate its regulatory functions to the SRA. Attempts had been made to co-operate effectively with CILEX on EDI, but the response had been disappointing, particularly because, as the representative body, it had an important role in raising the profile of EDI. The LSB had made it clear that it intended to take a step change on EDI. It was due to consult on an EDI statement of policy to replace the current guidance and provide regulators with clear expectations of the progress required of them.

Given the current uncertainties, the proposal set out an activity schedule to June 2024. Once the diversity data report had been published, engagement was planned with other regulators to identify how the tracking of seniority and progression could be improved. The EDI Consortium was due to publish its report by the end of the year. Early in 2024 an EDI campaign would be launched directed primarily at CILEX Fellows and Practitioners, rather than CRL firms, promoting the softer interventions advocated in the Bridge Report. Some further work would be carried out with a view to publishing a further insights report on progression. CRL would continue participating in the cross-regulator research into digitally excluded consumers of legal services with a draft report expected by mid 2024. The Board would carry out its next EDI strategy review at its meeting in July 2024.

The Chair thanked the Director Governance for his report and Sue Chandler for her work during the year. He noted that the Diversity Survey Report would be published within the next couple of weeks and made the following observations:

- The profile for black and ethnic minority CILEX Fellows was broadly same as for solicitors
- The rate of progression was generally still good, though there remained an issue with perception within the profession
- There were uneven rates of progression for males and female which was replicated across all sectors.

The Board:

- NOTED progress in 2023; and
- APPROVED the proposed workstreams for Q4 2023 and Q1-Q2 2024, and

- APPROVED the draft diversity report for publication.

8 Strategy (2022 – 2024) Comms

The Chair introduced the item and invited the Director of Governance to present the paper. The Director of Governance said that there had been some notable achievements during the year. Information for consumers on the CRL website has been refreshed with improved signposting. There has been more frequent positive media coverage across a range of topics, in particular the development of new routes to qualification, the roll out of new qualification courses, the transition from qualifying employment to qualifying experience and strong support for CRL's proposal to authorise higher rights of audience. The major and, in terms of scale, unplanned campaign supported CRL's Consultation Specialist Regulation for the Future of an Independent Profession generating over 1,000 responses and provided valuable insight into the views of the profession. As with the EDI strategy, the proposal set out an activity schedule to June 2024 and the Board would carry out its next communications strategy review at its meeting in July 2024.

The Board noted the following:

- Communications had been rightly focused on the Membership, CILEX and SRA Consultations
- Recent webinar attendance suggests a positive performance of CRL, although no feedback on the webinars was available
- The upcoming webinar on 2 October 2023 would hopefully offer the opportunity for evaluation
- The approach taken by CILEX had effectively made things easier for CRL's engagement with the Membership. Consideration needed to be given to maintain and grow this engagement.
- Since confusion remained regarding the differences between CILEX and CRL, the Board should revisit the re-branding proposal in 2024.

The Chair thanked Paula Charnock for her work during the year.

The Board:

- NOTED the update and
- APPROVED the proposed communications work plan.

9 Director of Operations Report

The Chair introduced the item and asked the Director of Operations to present the paper.

The Director of Operations summarised the report which provided an update on the work of the Operations Directorate undertaken since the last meeting.

The Director of Operations made the following additional comments:

- QE numbers were likely to continue the downward trend in October 2023 in terms of applications.
- WBL had picked up.
- Practice Rights holders (excluding ACCA-Probate holders) were now at 205 with 22 Applications received in August 2023.
- Advocacy Courses were proving a concern. The training provider was not holding any courses in December 2023 and the earliest course would be run until April 2024.
- Alternative solutions would be scoped and support requested from CILEX.



- CILEX had agreed to extend the current compensation arrangements whilst the regulatory review continues with CRL providing an update to the LSB in January 2024.

The Chair highlighted the following action:

- **64/23** The Director of Operations to investigate with CILEX options for running Advocacy Courses more frequently.

The Board NOTED the updated report and APPROVED for submission and publication:

- the Annual AML Report
- the response to the HMT Consultation on AML Regime.

10 Director of Governance Report

The Chair introduced the item and asked the Director of Governance to present the paper.

The Director of Governance asked the Board to note the report which provided an update on the work undertaken in the Governance, Policy and Legal Directorate since the last Board meeting.

The Director of Governance reported to the Board as follows:

- Apprenticeships had started to accept applications.
- The Head of Education would submit the Higher Rights application in the next two to three weeks.
- In advance of the meeting of the Legal Choices Governance Board that morning, the SRA had produced a paper setting out options and indicative costings on development of a central register. The Board would be kept advised of developments.

The Director of Governance provided an update on the Regulatory Performance Assessment Action Plan 2022 which the Board agreed should be published.

The Board NOTED the update.

11 Annual Cycle of Business

The Chair introduced the Annual Cycle of Business 2023.

The Board NOTED the annual cycle of business.

12 Confirmation Papers Can Be Published

The Board confirmed the proposals for papers to be published.

13 Any Other Business

The next meeting was the Teleconference on 18 October 2023.

At the suggestion of the Chair and the Interim Chief Executive the Board agreed CILEX should be invited to a Board to Board meeting hopefully in the period 5 – 27 November 2023. The morning of 16 November 2023 (before the CRL Board meeting) might work best.



The Chair highlighted the following action:

- **65/23** The Interim Chief Executive to contact CILEX to arrange a Board to Board meeting.

There was no other business.

Jonathan Rees
Chair of the Board