



**MINUTES OF THE STRATEGY MEETING OF
THE BOARD OF DIRECTORS OF CILEx REGULATION LIMITED (CRL)
ON 16 MAY 2024**

Present:

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

In attendance (CILEx Regulation):

John Barwick, Chief Executive Officer
Richard Hood, Interim Director of Governance, Policy and Legal
Simon Blandy, Director of Regulation

Note: the strategy meeting had been preceded by a private Board discussion

1. Agreement on Strategy 2025 – 2027

The Board had a workshop discussion focussed on developing a new three-year strategy for the organisation, with the aim of building on the organisation's current position by further strengthening the regulation provided and addressing emerging issues.

The feedback and output from this discussion would be incorporated within the draft Strategy.

There would be stakeholder consultation and engagement over coming months with a draft of the new strategy coming back to the Board for final approval in November 2024.

2. Innovation & Technology

The Board considered and discussed the challenges and opportunities presented by the application in the sector of Lawtech and Artificial Intelligence (AI), receiving a briefing paper from the Director of Governance, Policy and Legal.

Lawtech provided opportunities to improve efficiencies in law businesses through process automation and improvements. AI was a more powerful and was likely to revolutionise legal practice with commercial law research providers about to market new products such as LexisNexis AI+ providing managed and trusted data sources.

The Board was particularly interested in the implications for regulation and how assurance over the use of AI in legal practice might be provided. This included:

- having oversight of outputs from systems by qualified lawyers providing validation,
- the databases being managed and trusted sources, and
- only allowing systems to be used for their intended purpose.

Currently, it was envisaged that, in the short term at least, regulation would continue very much in the same way as present with firms and lawyers taking responsibility for decisions being made and actions taken.

The impact on regulation of AI would be something that CRL and other Regulators would need to keep a close eye on as the situation is fast developing and the exact implications were uncertain.

Commercial products such as LexisNexis AI+ will be used as a tool by law firms with oversight by qualified lawyers who would be able to ensure that the systems are both used as intended and the 'output' from the AI is validated by an intelligent user. Using trusted and managed data sources provides a high degree of assurance.

The Board was also interested in the future application of AI and mindful of the possibilities of harnessing the power of AI to:

- make better legal advice available to the general public, thereby empowering the citizen and addressing the paucity of online legal information and advice available.
- streamline the justice and court system and allowing more cases to be processed and determined on-line, and no longer paper-driven.
- to improve access to justice for all citizens. It would be hoped that AI (by driving more efficient work) could be part of the equation that enables lawyers to deliver legal services at a price current non consumers would be willing to pay.

In relation to this latter point, the Legal Services Board had issued new *guidance on promoting technology and innovation to improve access to legal services*, which was being considered.

Also, there were potential business benefits to CRL to be explored in harnessing AI to enhance its regulatory oversight and arrangements, and gain efficiencies.

CRL would engage with the regulated community to raise awareness of this issue and consider how academic integrity could be maintained with controls over use of AI by students in assessments.

The Board **AGREED**

- (1) That the Director of Regulation should consider potential of AI in streamlining and improving CRL's internal processes;

- (2) That we should consider its use (and potential abuse) with education providers for situation to be monitored and kept under review and asked for an update report to their meeting in September 2024; and
- (3) That the executive should provide for a webinar with interested entities and individuals on the potential and implications of AI.

3. Board effectiveness review - Self-evaluation Outcomes

The Board considered the findings of the self-evaluation that they had undertaken and reviewed where, if it was possible, working or Board arrangements might be enhanced.

Board Members identified a desire to review the governance structure, bringing the Committees & Panels closer to the Board and promoting better coordination and working, including delegation from the Disciplinary Panel to the Executive of the handling of aspects of Prior conduct declarations that currently require consideration by the Prior Conduct Panel, as appropriate.

It was **AGREED** that the Director of Regulation be asked to consider this and bring back a report to the Board's meeting in July 2024.

The meeting concluded at 5.00pm.