

**MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF CILEx REGULATION LIMITED (CRL)
HELD ON 9 DECEMBER 2025**

Present:

Jonathan Rees (Chair), Helen Astle (Items 1-7), Douglas Blackstock and Aaron Porter

In attendance (CILEx Regulation):

John Barwick, Chief Executive Officer

Simon Blandy, Director of Regulation

Jonathan Levack, Director of Policy & Governance

Gerard McCarthy, Finance Manager (Items 14)

Andy Burman, Chair, Strategic Risk Committee (item 7)

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

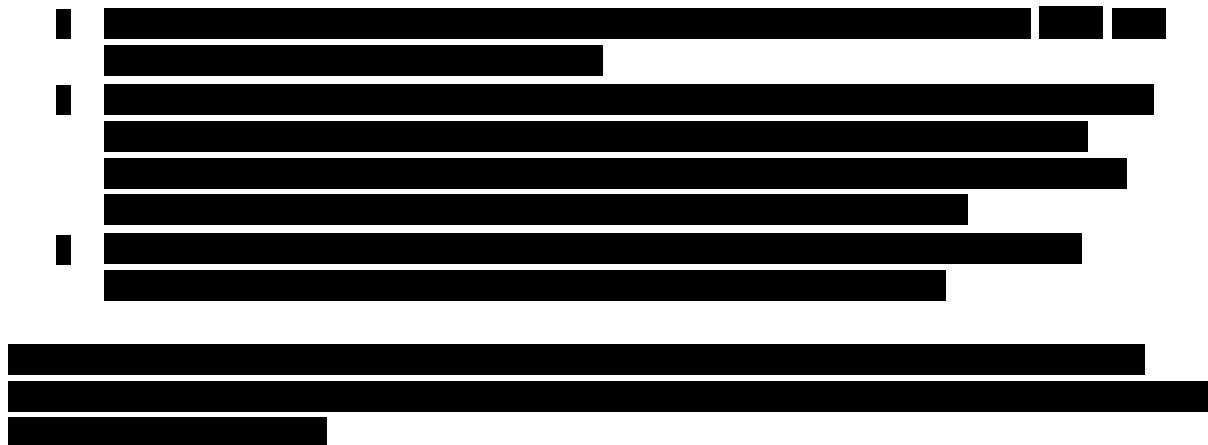
Note of the private discussion (not for publication)

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1 Welcome and Apologies

Apologies were received from Patricia White.

2 Declarations of Interests

There were no new declarations of interest.

3 Minutes of previous meetings

The Board received and **APPROVED** as a correct record the minutes of the Board meeting on 30th September, the teleconference on 21st October and Remuneration Committee on 6th November.

The Board reviewed the Action Log and asked for an update on Panel recruitment.

4. Chair's update

The Chair updated the Board on recent meetings with the Minister of State and LSB as well as CRL webinars hosted in November.

5. Chief Executive's Report

The Chief Executive introduced his report, highlighting that:

- 460 Chartered Legal Executives had initiated portfolio applications for litigation practice rights and 400 had applied to ULaw. The rate of applications, however, was showing signs of slowing.
- The Regulatory Performance Assessment has been delayed by the LSB. We anticipate this to begin in the new year. The RPA action plan will be updated to include first-tier complaint handling and our consumer empowerment self-assessment.
- There were two amber items on the balanced scorecard, one relating to enforcement and the other relating to CILEX and shared services.
- The Risk Register has been updated in response to the Mazur Judgment and that all risks were currently being mitigated.
- The PCF application was still ongoing. The LSB have expressed concerns about CRL's liquidity. The Board discussed the outstanding reserves that

CILEX continue to hold and the risk this poses to regulation and the regulatory system. They agreed that the Executive should continue to press the LSB for action, noting that the recommendation to transfer the reserves had been made nearly three years ago, and the lack of action to date could be picked up in a forthcoming audit.

The Board **NOTED** the report and **AGREED** the Executive should actively pursue the issue of the outstanding reserves.

6. Board Effectiveness Review Action Plan

The Director of Policy and Governance outlined proposals made to address the findings of the Board Effectiveness Review. The Board **AGREED**:

- To appoint the CEO role to the Board
- To conduct a skills audit in time for the May 2026 strategy meeting
- To postpone decisions on succession until May 2026
- Not to establish a Strategic Advisory Committee, but to continue the more active programme of stakeholder engagement underway
- To recruit a professional associate board role to improve diversity and experience on the Board.

The Board **NOTED** the proposals and **AGREED** for the Board Effectiveness Review to be published. The Chair **AGREED** to write to the LSB to bring this work to their attention.

7. Reports from Strategic Risk Committee

The Chair of the SRC joined the meeting.

The Chair of the SRC updated the Board on the work of the SRC. The Chair noted that the terms of reference, composition and focus of the SRC have changed in the last 18 months as well as its engagement with the Board. These changes were positive. The SRC is no longer a mere recipient of information from the Executive but a body that considers the risks to regulation more widely. The Chair invited the Board to use the SRC as a mechanism to consider strategic risks and welcomed the role of Aaron Porter on the SRC.

The Board **THANKED** the Chair and SRC for their work.

The Chair of the SRC and Helen Astle left the meeting.

8. Director of Regulation's Report

The Director of Regulation introduced his report, noting that regulatory operations were being driven by Mazur. The Director of Regulation:

- Outlined the current priorities of the PAS team
- Outlined current supervisory activity
- Explained the proposed changes to AML supervisory arrangements

- Noted that an enforcement review had been initiated. This was being led by the Professional Support Lead – Enforcement who was due to provide an update to the Board at its meeting in February 2026.

The Board:

- a) **NOTED** the progress made by the PAS, Enforcement and Entity teams
- b) **APPROVED** the AML Strategy, AML succession policy and CRL whistleblowing policy which would be published once they had been finalised
- c) **AGREED** to look further at the marketing of our entities proposition.

9. Director of Policy and Governance's Report

The Director of Policy and Governance introduced his report, highlighting the following:

- The 2026-28 EDI Strategy and 2025 Diversity Data had been published
- The Digital Exclusion research had been published
- The First Tier Complaint Handling Rule change application had been approved by the LSB
- The LSB's Section 55 Information Request and CRL's actions to comply with the request
- Initial findings from the stakeholder perceptions research.

The Board **NOTED** the report.

10. Corporate Plan 2026

The Chief Executive introduced the draft CRL 2026 Corporate Plan, which has 6 priority areas. These are:

- Mazur response
- Enforcement review
- User experience
- EDI
- Future regulatory landscape
- Stakeholder engagement

The Board considered the plan and underlined the need to balance demonstrating the breadth of work we are planning but recognising the ongoing impact of responding to Mazur and the resource constraints.

The Board **APPROVED** the 2026 Corporate Plan and **AGREED** for it to be published. Given the resources available, the Board **RECOMMENDED** that progress against the objectives be reviewed at the May strategy session, when a clearer picture of the response to Mazur is available.

11. Consultations Update

The Director of Policy and Governance introduced two draft consultation responses for Board approval. These were a response to the Office of Legal Complaints 2026/27 budget and business plan and HM Treasury's Anti-Money Laundering and Counter-Terrorist Supervision Reform – Duties, Powers and Accountability.

The Board **APPROVED** the responses subject to minor amendments.

12. Annual Cycle of Business

The Board **NOTED** the Annual Cycle of Business.

13. AOB

None.

The following minutes are not for publication.

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