

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF CILEx REGULATION LIMITED
HELD ON 6 OCTOBER 2016**

Present:

Sam Younger (Chair), Patrick Bligh-Cheesman, Ian Chivers, Andrew Donovan, Luisa Fulci, David Gilbertson, Harvey Sandercock

In attendance:

Michelle Barter, Management Accountant, CILEx Regulation
Martin Callan, President, CILEx
Karl Cerski, Chief Finance Office, CILEx
Jill Durham, Head of Policy & Governance, CILEx Regulation
Laura Gadsby, Group Finance Manager, CILEx
Victoria Hurdley, Director of Development, CILEx
David Pope, Entity Authorisation Manager, CILEx Regulation
Beccy Ryder, Personal Assistant, CILEx Regulation
Saadia Siddiqui, Investigation Manager, CILEx Regulation
Helen Whiteman, Chief Executive Officer, CILEx Regulation

1 Confidential Items

The Board met in private session (separate notes).

2 Minutes

The Board considered minutes presented for approval.

DECISION:

- To approve minutes of the Board meeting held on 14 July 2016;
- To agree notes of Strategy session minutes on 14 July 2016.

3 CEO Report

MoJ: Deputy Director Elizabeth Gibby had transferred to deal with family justice policy. The Justice team was understood to be working on four key areas: prisons, judicial diversity, Brexit and sustaining the reputation and standing of the legal sector post Brexit. The prioritisation of judicial diversity presented a welcome opportunity for discussion with the Secretary of State Liz Truss. The office had sent a letter jointly with CILEx requesting a meeting.

LSB: The outcome of the application for approval of the 2017 PCF was awaited. The LSB were due to host a consumer event in Manchester on 24 November which Consumer lead officer, Sue Chandler would attend.

Regulator CEO Forum: Costs transparency had been discussed. CEOs considered a proposed template for publication of standardised regulatory cost information. Some regulators already published costs data in different formats. The LSB agreed to speak with each regulator separately to identify common ground.

Escrow: Protected Travel Services (PTS) had further developed their escrow proposals and had invited CILEx Regulation to support trialling of their systems with regulated firms in quarter two of 2017. The cost to the regulator at this stage was officer time only. Further issues to be considered were safeguards for firms willing to participate in the trial. The Board agreed to consider the proposal, which was innovative and had potential to reduce regulatory cost. Officers would risk assess the proposals, before confirming participation in the pilot.

KPIs: Sam and Helen had developed a revised KPI framework, to be presented at a future Board meeting.

LSB Self-Assessment Action Plan: CILEx Regulation will next report progress to the LSB later in October.

Client Care Letter Research: The Board queried whether lay people would review the client care letter research findings. Officers advised that the group is finalising the findings in the report and agreeing the PR. One proposal is to invite consumer organisations to the next Regulators' Forum to hear the feedback and advise on taking the findings forward.

DECISION:

- Officers to review the PTS pilot for cost/benefit.

4 Business Development Plan Update

The Board considered a report from CILEx on business development strategy and planning for growth of practice rights and entity.

Vicki Hurdley advised that CILEx have engaged Big Content Marketing (BCM) to support CILEx marketing activity. Targets were set out in a marketing plan overview. CILEx were moving forward with activity to drive results. BCM would carry out some of the work, to add capacity.

The work would include:

- review of IRN research and what it shows about level of interest in entity regulation;
- contacting legal practices recently registered with Companies House about regulator choice factors;

- analysis of self-employed in non-regulated areas;
- adjusting the communications channel to be more manageable for the consumer.

Vicki is happy to take forward any other focus the Board may identify.

David Gilbertson raised the level of non-response to entity surveys and whether BCM could drill down into the 92% that had not responded to find out why and what the inhibitors are. Vicki confirmed the initial focus was intended to be on respondents who had expressed interest but had then not applied, and that non-response to the survey could also be explored.

There was concern that the sample group would be too small, though the office indicated that 8% was a good response for this type of survey (benchmark around 3%).

Vicki advised that the aim was to present members with an attractive proposition. CILEx had profiled the types of people and personalities likely to apply so they could target structured phone call resource. A Board member emphasised the importance of identifying potential ABS applicants at an early stage and before an application for an ABS licence was submitted to the LSB for approval.

CILEx Regulation had an exhibition stand at the recent CILEx Graduation event. This had generated 28 leads for practice rights and entity that were being actively followed up. The response was different to last year in that most members were now aware of practice rights and there was more appetite to submit applications.

The Board discussed perception of the application process as a barrier and asked that a clear message be communicated confirming this had been addressed. The Board were advised that there was an exercise needed in changing cultural perceptions of the application process. Applying for practice rights was now being embedded in member expectations from the start of the member journey.

The Board reviewed the entity dashboard which captured performance. The Board asked for a similar dashboard for ABS.

5 Tech Level Update

The Board received an update on Tech Level.

Board members asked how the two week work placement would be provided. Vicki confirmed that they are working with two pilot colleges to contact firms in the area to invite them to provide work experience. CILEx have created a matrix of the types of work the students should be doing. A Board member offered to invite their employer to contribute work experience.

The Board agreed that this was a qualification with great potential to provide a valuable route into a career in law.

DECISION:

- To receive the report.

6 AOB

Next Board meeting: The Chairman confirmed the date of the next Board meeting as 6 December. The Board were invited to meet at the Barns Hotel on the eve of the meeting for a structured session at 5pm followed by Christmas dinner.

CILEx Regulation newsletter: The Board agreed to a separate promotional and news publication being produced for CILEx Regulation, with disciplinary case reports and some other items remaining in the CILEx Journal. The separate publication would be cost neutral and hopefully secured under the SLA with CILEx. The Board asked to see mock ups.

Date of next meeting:

Strategy meeting: 5 December 2016 at 5:00pm, Barns Hotel, Bedford

Board meeting: 6 December 2016 at 9.30am, Kempston

**SAM YOUNGER
CHAIRMAN**