

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF CILEx REGULATION LIMITED
HELD ON 20 FEBRUARY 2019**

Present:

Sam Younger (Chair), Andrew Donovan, Luisa Fulci, David Gilbertson,
Harvey Sandercock

In attendance (CILEx Regulation):

Stuart Dalton, Director of Policy and Enforcement
Victoria Purtill, Director of Authorisation and Supervision
Beccy Snape, Personal Assistant (minutes)
Helen Whiteman, Chief Executive Officer

In attendance (CILEx):

Karl Cerski, Director of Group Services and Chief Finance Officer (Item 10)
Michelle Drury, Management Accountant (Item 10)
Philip Sherwood, CILEx President (Item 10 – 12)

1 Apologies

None.

2 Declarations of Interest

One additional interest was identified.

Action 3/19: Add Chartered Legal Executive to Andrew Donovan's
declaration

3 Minutes of previous meetings

DECISION: The following minutes were approved:

- confidential minutes of the Board meeting on 20 November 2018;
- minutes of the Board meeting on 20 November 2018;
- confidential minutes of the Board teleconference on 12 December 2018;
- confidential minutes of the Board teleconference on 16 January 2019.

4 Chair's Update

The Chairman gave an overview of his work since the last meeting.

5 CEO Report

CEO, Helen Whiteman updated the Board on key work streams and stakeholder engagement.

Transparency: CILEx Regulation were asked to co-host a meeting to demonstrate best practice transparency to other regulators.

Legal Services Board: The Chair and CEO meeting scheduled for 19 February had been postponed.

CILEx Group Strategy: The Board would meet on Friday 12 April at 4pm, prior to the Group dinner at 7pm, to approve the 2018 annual accounts, education standards and receive a report on strategic risk. The Group Strategy meeting was due to finish at 3.30pm on Saturday 13 April.

Executive Committee: The newly formed committee, which replaced the Group Executive, met on 19 February to discuss the agenda for Group Strategy in April. CILEx Regulation would provide a session on regulation at the Group Strategy day. Other topics included education, marketing and communication. The executive was also working on a legal technology work stream, which would be shared with Board once completed.

Recruitment: An appointment had been made to the Head of Stakeholder Engagement position. The candidate was due to join the business in early April and would meet with the team before then. The high-level objective was to boost consumer engagement. An invitation would be extended to join the Board meeting in May.

Staff Survey: The senior management team had met to discuss the results, which were overwhelmingly positive. An action plan had been created for development areas with staff given the opportunity to shape.

DECISION: To receive the CEO's report.

6 Q1 Operational Performance

Director of Policy and Enforcement, Stuart Dalton, reported progress against business plan activities and operational performance against targets, including updates on associated work plans.

LSB CMA Progress: The office had reviewed the CMA recommendations following the request from Board. No major gaps were identified. However, the risk to consumers relating to self-employed member supervision was highlighted. Actions rated amber were dependent on other regulators, for example the single digital register. These would be kept on the agenda at the

cross-regulator meetings to ensure delivery. An update would be provided at the next Board meeting.

Board Governance: Board endorsed the format and structure changes to aid strategic discussion with all supplementary papers shared via SharePoint for transparency.

Business Plan: A high-level summary was presented to Board. Good progress had been made against the business plan. Board members agreed the presentation was useful and issues would be raised by exception.

Entity/ABS Delivery Plan: The LSB had agreed CILEx Regulation's proposal for interim arrangements, prior to the commencement of the section 80 order, subject to CILEx Regulation seeking legal advice on the risks. Legal advice had identified a remote risk of judicial review. Board members noted the legal advice and agreed the risk was low.

Information Governance and GDPR: CILEx Regulation remained compliant as a Data Controller. A new e-learning tool would enable staff to undertake GDPR training from April which would then be completed on an annual basis. Any risks were identified on the GDPR action plan and the risk register.

Operational performance July to September 2018: Board members noted the growth in Fellows and Practitioners.

Action 6/19: Vicky Purtil to agree fellow data numbers with CILEx prior to Group Board.

The Board noted the enforcement team's work that reduced the outstanding prior conduct cases to normal levels. This would be kept under review.

The office would investigate the Board's suggestion to monitor members not intending to sign up for membership to aid reduction of CPD compliance numbers.

Group Governance Structure: The Board confirmed that Section Two of the terms of reference for the Executive Committee that states where any matters arising in subsidiary structures which require resolution, must automatically be referred to the Executive Committee, would not apply to CILEx Regulation.

Presentation of Performance Report: Board members agreed the presentation helped focus on the key issues.

7 Quarterly Risk Review

The Board reviewed a risk update. The Board's discussion is minuted confidentially.

DECISIONS:

- To endorse the current risk assessment;

- To agree for a Board seminar to consider risks to delivery of strategic objectives and agree risk appetite.

8 Strategic Risk Discussion

The Board reviewed a strategic risk update. The Board's discussion is minuted confidentially.

DECISION: To note the risks and possible options for further exploration in the future.

9 Internal Governance Rules & Financial Modelling

Stuart Dalton updated the Board on the Internal Governance Rules (IGR). Board members considered the latest developments, independent financial modelling and proposed key activities and timeline. Discussion is minuted confidentially.

10 Finance

The Board considered the following:

- 2020 PCF Budget
- Draft Group finance outturn for 2018
- December 2018 Management Accounts
- January 2019 Management Accounts (tabled)
- IGR
- CRM update

Discussion is minuted confidentially.

DECISIONS:

- To approve the draft 2020 PCF Budget;
- To receive Pre-Audit Draft Management Accounts to December 2018;
- To receive the CILEx Group Pre-Audit Draft Outturn for 2018 update;
- To receive the IGR Financial modelling update; and
- To receive the Group CRM project update.

11 Education Standards Review Update

The Board received an update on the latest developments on the education standards review at CILEx Regulation and a risk assessment from CILEx in relation to the introduction of the Quality Assurance framework for CILEx Accredited Centres.

Discussion is minuted confidentially.

DECISION: To agree the outcome of the impact assessment in relation to the introduction of a Quality Assurance framework to ensure that CILEx Accredited Centres meet minimum delivery standards for CILEx qualifications.

12 Marketing Update

Vicky Purtill, Director of Authorisation and Supervision, updated Board members on progress in relation to applications for entity and practice rights, following the marketing analysis provided at the September Board meeting. Discussion is minuted confidentially.

DECISION: To note the marketing update and endorse the approach.

13 2018 Board Self-Evaluation Outcomes

The Board reviewed the results and actions arising from the 2018 Board Self-Evaluation. Discussion is minuted confidentially.

DECISION: To note the outcomes of the Board's 2018 self-evaluation.

14 Board Recruitment 2019

The Board considered the arrangements for the appointment of two new Board members

DECISION:

- To agree the arrangements for the appointment of two new Board members set out in this paper. In particular:
 - The timetable
 - The membership of the Appointment Committee
 - Board member portfolios
 - The role profile remains unchanged
 - Confirming new Board member remuneration remains as is
 - An induction involving all Board members

15 2018 Complaints and Compliments Annual Report

The Board considered a report on customer service complaints and compliments in 2018. The Board noted that there had been only 12 customer service complaints during the period reported, only one escalated to stage two, which was not upheld. The main theme was around service quality and in line with this the customer service standards were undergoing review.

The overall customer service was balanced by a range of compliments to staff about service levels and customer care.

DECISION: To approve the annual report on complaints and compliments 2018.

16 Proposed Annual Cycle of Business

The Board considered a proposed annual cycle of business for 2019.

DECISION: To approve the proposed annual cycle of business.

17 CILEx Regulation Website Demonstration

The Board received a demonstration of the new CILEx Regulation website, which was due to go live on 28 February 2019. Board members thanked the teams for their hard work and made some suggestions regarding access and content.

**SAM YOUNGER
CHAIRMAN**