

MEETING DATE: 29 September 2020

REPORT TITLE: ITEM 6 – Strategic Performance, Risk and Operational Report

APPENDIX: 2 – Business Plan

CILEx Regulation Business Plan 2020

The quarterly performance summary shows:

- high level progress on key planned business activities to deliver the three strategic priorities in CILEx Regulation’s Strategy 2019/2021
- Text in grey has been completed
- RAG (Red/Amber/Green) ratings for the last quarter with comparison to previous quarter; and
- Milestones for the year.

Where business activities are managed through associated delivery plans updates to these are shared in the Board member secure online area. Delivery plans and plan owners/sponsors currently in place are as follows:

Diversity Action Plan: Stuart Dalton, Director of Policy and Enforcement

(stuart.dalton@cilexregulation.org.uk)

Educational Standards: Victoria Purtill, Director of Authorisation and Supervision

(victoria.purtill@cilexregulation.org.uk)

Entity/ABS Delivery Plan: Victoria Purtill, Director of Authorisation and Supervision

Contact for questions: Clare Harper Smith, Research and Performance Analyst

(Clare.harpersmith@cilexregulation.org.uk)

Key:

Red: Activity not progressed or on hold

Amber: Activity partly progressed milestones partly met

Green: Activity progressing as planned with milestones achieved

Purple: Activity highly reliant on external entities/factors to deliver, not directly in our control

Abbreviations:

ALC: Admissions and Licensing Committee

BME: Black and Minority Ethnic

CPD: Continuous Professional Development

CMA: Competition and Markets Authority

CRM: Customer Relationship Management (system)

OPBAS: Office for Professional Body Anti-Money Laundering Supervision

PCF: Practising Certificate Fees

SMT: Senior Management Team

SRC: Strategic Risk Committee

QE: Qualifying Employment

WBL: Work-based learning

Strat - Priority	External	Priority project	Status	Progress in last Quarter (including current RAG)	Milestones 2020 (January to December)	Focus for next quarter
1. To ensure that the needs of the consumer, both current and future, inform our work by:		Instilling a culture of transparency in legal services providers we regulate	CB	<ul style="list-style-type: none"> 16 weeks Immigration transparency consultation closed 31 July 2020 CMA attending 30 Sept Regulators Forum mtg CMA action plan delivery on track 	<ul style="list-style-type: none"> CMA action plan delivery Rolling out transparency to immigration in 2020 Assisting CMA in their review Support work on a single digital register 	<ul style="list-style-type: none"> Analysis of the consultation responses and prepare rule change to incorporate immigration transparency measures Assessing LSCP research findings and recommendations on quality indicators
		Extending knowledge of consumer needs and perspectives (Research)	CB	<ul style="list-style-type: none"> The IRN research: on track for October launch Decision on recruitment of a Consumer lead made 	<ul style="list-style-type: none"> IRN consumer research Recruiting a Consumer Manager Share findings with CMA and LSCP and other relevant stakeholders 	<ul style="list-style-type: none"> IRN research launch on 21 October 2020 – save the date for virtual to be sent to stakeholders Recruitment of a Consumer lead
		Delivering public directories (entity and individual) that enhances consumers' access to justice	VP	<ul style="list-style-type: none"> Practitioner Directory – changes completed as far as possible Entity Directory – silverbear working on development of interactive directory to replace PDF 	<ul style="list-style-type: none"> Entity directory fed from CRM Finesse the practitioner directory following CRM roll-out 	<ul style="list-style-type: none"> Completed Practitioner directory next quarter – the changes are with the silverbear service desk to try to speed up results deliver Entity Directory to be released into test by silverbear. Testing to commence in early September

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1. To ensure that the needs of the consumer, both current and future, inform our work by:		Collaborating with other regulators on the delivery of the Legal Choices website	CB	<ul style="list-style-type: none"> ○ RPIG Chair wrote to LSB CEO highlighting CRL only committing Legal Choices funding for the next year and issues with fully running the project. 	<ul style="list-style-type: none"> ○ Deliver RPIG action plan ○ Produce a cross-regulator joint disciplinary record ○ Marketing activity to consumers ○ LCGB 23rd September with LSB in attendance to discuss future of LC. 	<ul style="list-style-type: none"> ○ Clarity over funding mechanisms after first 3 year agreed funding ends ○ Clarify lead role for Legal Choices ○ Seeking measures of success from the Legal Choices Board
		Collaborating with other regulators to produce a single digital register		<ul style="list-style-type: none"> ○ <i>No change given other regulators preference for Legal Choices upload solution over a single digital register [therefore no RAG rating]. Keeping on - awaiting CMA report</i> 	<ul style="list-style-type: none"> ○ <i>Working with other regulators for agreement</i> 	<ul style="list-style-type: none"> ○ <i>Working with other regulators for agreement</i>
		Rolling out public legal education priorities beyond Legal Choices	CB	<ul style="list-style-type: none"> ○ PLE Roundtable jointly with CILEx in October - exploring online conferencing options 	<ul style="list-style-type: none"> ○ Alternative public legal education options developed (from Board deep dive) ○ Public Legal Education and Consumer round-table ○ Follow-up with APPG for MP booklet 	<ul style="list-style-type: none"> ○ Agreed with SY to scale back the event to a presentation of the consumer research findings + Q&A to be held 21 Oct with key stakeholders
		Transition to a targeted risk-based supervision process for regulated individuals (linked to introduction of new CRM)	VP	<ul style="list-style-type: none"> ○ Risk matrices being finalised by silverbear. Expected mid-September for testing. Application drafted. Once risk matrices are released, data capture can commence. 	<ul style="list-style-type: none"> ○ Consider other tools that can be used to support higher risk members ○ Risk matrices ○ LSB call for evidence on ongoing competence will inform supervisory tools utilised 	<ul style="list-style-type: none"> ○ Risk matrices to be tested once released from SB ○ Application form and fields to be agreed by CRL to enable data survey to be released.

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		IGR compliance and greater regulator independence	SD	<ul style="list-style-type: none"> LSB accept CRL's self-certification. LSB CEO advised compliance assessment will purely be part of the annual overall performance assessment under 'Well-led' 	<ul style="list-style-type: none"> Both CRL and CILEx Board's sign-off compliance certificates before July deadline LSB positive IGR performance assessment Evidence Plan for LSB Contract for support services signed Protocols produced 	<ul style="list-style-type: none"> Scoping Phase 2 independence paper to Sept Board LSB performance assessment scores
2. strengthen the diversity of the legal profession and accessibility to legal services by:		Implementing changes to qualifying requirements to enhance a diversified workforce whilst maintaining existing standards	VP	<ul style="list-style-type: none"> Rule change submitted to LSB 20 hours a week QE SRC ruling 	<ul style="list-style-type: none"> Rule change submission for standards Review of authorisation processes for entity regulation Proposal of extending Entity to Fellows 	<ul style="list-style-type: none"> Acting LSB feedback The LSB has requested a new set of information to support the standards applications, not mentioned in previous feedback. This has been drafted and with CB for review. Deadline for response to LSB 11 September.
		CRM captures accurate and up-to-date member diversity data (that provides the insights for strategic development and monitoring of the impact of activities designed to deliver the diversity objective)	SD	<ul style="list-style-type: none"> CILEx agreement to make data capture mandatory and linked to registration and renewals – Linda Ford to update before Board whether possible for end of 2020 See EDI paper for fallback risk matrices option if this is not possible for 2020 	<ul style="list-style-type: none"> Transition from survey approach to capturing information at joining/renewal/key moments CRM captures statutory E&D data CRM captures data needed for strategic objective insights Diversity Working Group develops insights from data to develop actions Diversity Group develops KPIs to assess the effectiveness of actions 	<ul style="list-style-type: none"> Diversity Working Group starts developing insights data to develop actions to deliver the strategy

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					<ul style="list-style-type: none"> Comms campaign with members to demonstrate why data collection is important 	
		Delivering entity regulation and ABS licensing through providing support to identify and realise opportunities	VP	<ul style="list-style-type: none"> Content design completed (awaiting upload to website) Apr 20 letter from LSB Chair acknowledging LSB commitment to addressing barriers Sandbox policy developed 	<ul style="list-style-type: none"> Section 80 order ABS launch event booked Feb 2020 Develop KPIs (what success looks like) Contribution to CILEx Group comms Develop and implement targeted engagement to address anti-competitive practices in relation to entity authorisation including monitoring and annual review. Develop innovation sandbox policy subject to Board approval 	<ul style="list-style-type: none"> To be discussed at ABSWG in April including marcomms with Harvey Delay to marketing owing to lockdown and other priorities in CILEx VP/CB discussing marketing options to push forward with ABS and entity, although lockdown has seen an uptick in interest including 2 potential ABS applications.
2. strengthen the diversity of the legal profession and		Deliver the LSB's four diversity outcomes (the Board can see these on the E&D action plan)	SD	<ul style="list-style-type: none"> Awaiting LSB feedback on CRL's self-assessment (chased Robin 18 August). Whilst we have made good progress against the original four objectives set by the LSB for CRL; the LSB has signalled that across regulators more 	<ul style="list-style-type: none"> Best practice on opening access and strengthening diversity in other regulated sectors added to Research Plan Collaborating to ensure the data collected by individual regulators is similar across the legal workforce Agree with CILEx via the EDI Group the best way of achieving Outcome 4: Accounting to stakeholders on progress 	<ul style="list-style-type: none"> Awaiting LSB CRL-specific feedback to update action plan following LSB diversity assessment Asking LSB to include a cross-legal sector diversity progress assessment in their state of the nation and improving diversity/removing barriers

				<ul style="list-style-type: none"> needs to be done to achieve diversity. In August, CRL persuaded CILEx of the benefits of developing an EDI strategy 		as a key objective in their 2021-24 strategy
		Improving social mobility and greater diversity throughout regulated members <i>[this will take longer than 2021 to deliver]</i>	SD	<ul style="list-style-type: none"> Social mobility data action plan finalised. Agreement to taken action plan to CILEx Executive Committee CILEx approached SRGs 	<ul style="list-style-type: none"> Agreeing baseline data to enable social mobility/greater diversity progress Starting to capture data Working with CILEx to identify activities to deliver this ambition Prioritise relationships with lawyer groups representing protected characteristics Comms campaign for social mobility Develop KPIs/measures for social mobility to enable assessment of progress 	<ul style="list-style-type: none"> Social mobility action plan signed off by respective Exec Groups

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2. strengthen the diversity of the legal profession and accessibility to legal services		Female equality of opportunity in relation to progression, parity and entrepreneurship	SD	<ul style="list-style-type: none"> Female parity EDI Group brainstorming July EDI Group 	<ul style="list-style-type: none"> Agreeing baseline data to enable social mobility/greater diversity progress analysis and measures Starting to capture data Working with CILEx in EDI Group to identify activities to deliver this ambition Comms campaign for female Prioritise relationships with lawyer groups representing those with relevant protected characteristics Develop KPIs/measures for social mobility 	<ul style="list-style-type: none"> Continue brainstorming on female parity activities at next EDI Group

		Align diversity approaches to maximise delivery of respective CRL and CILEx EDI objectives	SD	<ul style="list-style-type: none"> o CILEx's July Board agreed NED EDI leads on the CILEx Board and Professional Board o CILEx has agreed Harvey as their Executive EDI lead o CILEx producing an EDI strategy 	<ul style="list-style-type: none"> o EDI Group agree priorities o EDI Group agree an Action Plan to deliver the agreed priorities (what we aim to deliver) o Respective CILEx and CRL approval of the identified priorities o Start delivering the actions in the Action Plan set for 2020 	<ul style="list-style-type: none"> o Agreement with CILEx on co-ordinated EDI approach o Contribute to CILEx's EDI Strategy and newly formed EDI NEDs Group
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3. To promote and uphold the highest [member] standards through:		<p>Contributing to understanding of new technologies and innovation for legal services</p> <p>[July 19 Board steer - accessibility activities should focus on what is within CRL's direct gift to influence including fostering technology skills within qualifications and entity growth]</p>	VP	<ul style="list-style-type: none"> o Technologies paper to May Board o Technologies paper to July Board o A design sprint is planned for September which would consider what developments in AI would mitigate risks in conveyancing. The outputs of this meeting were to provide a basis for applying for the regulators' pioneer fund. CRL is investigating to likelihood that this meeting will proceed 	<ul style="list-style-type: none"> o Identifying key sources of legal tech development o Entity survey/research of what technology is being used/where firms see technological opportunities o Look at legal services environment now and in the future to ensure we can deliver diversity/access through legal tech/innovation in legal services o Analysing the LSB's research papers 	<ul style="list-style-type: none"> o Take forward outputs from design sprint to develop into Regulators Pioneer Fund bid in conjunction with SRA and CLC. Although note following a government spending review the next bidding round is delayed. However, the 3 regulators have been discussing publishing outputs to see if there are companies that would like to take up the challenge irrespective of funding

		Enforcement minimum standards agreed	SD	<ul style="list-style-type: none"> First Rule change in 2020 regarding remote DTs and 3x3 terms for panellists – 10 week consultation closes end of September Broader Enforcement Rule changes to be consulted on in 2021 Quality Assurance self-assessment for enforcement submitted to the LSB in September 	<ul style="list-style-type: none"> Enforcement improvements paper to Feb 20 Board Agreeing minimum standards with CILEx Rule changes drafted and consulted on Rule change submission to LSB [may be early 2021] 	<ul style="list-style-type: none"> 2020 remote DT and 3x3 panellist term Rule changes to CRL Board and then submitted to LSB
		Risk-based Enforcement	SD	<ul style="list-style-type: none"> Risk-based scoring system developed and being trialed informally prior to formal rule changes Risk-based Rule changes to be consulted on in 2021 	<ul style="list-style-type: none"> Enforcement improvements paper to Feb 20 Board Processes developed for enforcement for risk-based regulation Rule change submission to LSB [may be in 2021] 	<ul style="list-style-type: none"> Wider Rule changes likely to go into 2021 given breadth of changes
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Strategic operations key projects		Ensuring financial sustainability for CRL in light of significant change projects (independence, CPQ; Membership proposed grade changes; CILEx strategy and PCF changes)	VP/ SMT	<ul style="list-style-type: none"> PCF consultation issued by LSB provides timeline for introduction of reserves policy and related financial controls 2021 budget considered by July Board Phase 2 greater independence project scope includes independence, CPQ and PCF 	<ul style="list-style-type: none"> Financial modelling to Board Reserves Policy (linked to PCF LSB review) PCF work on permitted purposes Review PCF revised timetable in light of LSB proposals and risks around application refusal. 	<ul style="list-style-type: none"> Develop Reserves policy Submit PCF application to LSB following completion of consultation.

		CRM	SMT	<ul style="list-style-type: none"> Kept at red given we need to see prior conduct/CPD fixes work and time is running out Remaining red due to deadline passed 	<ul style="list-style-type: none"> CRM P1 functionality improvements P2s rolled out Member journey project Database developed to address limitations 	<ul style="list-style-type: none"> Ability to open prior conduct and CPD.
		Communications and Engagement account management approach [subject to Board approval]	CB	<ul style="list-style-type: none"> Comms discussion planned for Sept Board 	<ul style="list-style-type: none"> Recruit maternity cover Digital Comms Co-ordinator role Specification for central CILEx comms support needs Early engagement with new BD Director 	<ul style="list-style-type: none"> BD Director - invited to attend Sept Board [unable to attend July Board]
		Relations with CILEx (to enable effective joint working/initiatives to help CRL fulfil its role in improving and protecting member standards)	ALL	<ul style="list-style-type: none"> Put as green given best relations for a while but still a work in progress (IGR and Business continuity work has helped with relations) 	<ul style="list-style-type: none"> CPQ Programme Board Agree way of measures for progress Explore liaison arrangements Finalise new protocols Contract with dispute resolution clause SLAs for membership, quals and marketing OLAs sitting under the PCF permitted purposes 	<ul style="list-style-type: none"> Phase 2 scoping

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Strategic operations key projects		Strategic KPIs for Board to be able to measure progress of the strategic objectives	SD	<ul style="list-style-type: none"> September performance report includes new KPI data SMT recommendation that measures of success are developed alongside development of the 2022-24 strategy 	<ul style="list-style-type: none"> May Strategy Day consider strategic focus on core business Identify any gaps in core/critical business functions reporting Seeking agreement for a CILEx-wide Information Management strategy/approach 	<ul style="list-style-type: none">

	Measuring customer experience/satisfaction	SD	<ul style="list-style-type: none"> Feedback surveys for PAS, Entity and Enforcement services produced Enforcement started in August. PAS and Entity to start Q4 following piloting of questions with WBL applicants in July/August. 	<ul style="list-style-type: none"> Monitoring and reporting mechanisms embedded Survey Enforcement and PAS teams service users and analysis Building a first year of data to enable analysis Incorporate website feedback into customer experience analysis 	<ul style="list-style-type: none"> Q4 roll out of customer/user satisfaction surveys
	Develop Rule change processes for new LSB requirements	SD/VP	<ul style="list-style-type: none"> LSB introduced new process for Rule changes We will have a better understanding of the process after submissions feedback 	<ul style="list-style-type: none"> Develop regulatory impact assessment template 	<ul style="list-style-type: none"> Assess if any changes are required to our processes in light of LSB feedback to initial Rule change submissions e.g. template to be filled out for each Rule change submission and including a mapping table