



MEETING DATE: 17 November 2020

REPORT TITLE: ITEM 6 – Strategic Performance, Risk & 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"> ○ CMA consultation response submitted September 2020 including IRN research ○ Rule change to Nov Board re immigration transparency 	<ul style="list-style-type: none"> ○ CMA action plan delivery ○ Rolling out transparency to immigration in 2020 ○ Support work on a single digital register 	<ul style="list-style-type: none"> ○ CARRY OVER TO 2021 BUSINESS PLAN ○ Analysis of the consultation responses and prepare rule change to incorporate immigration transparency measures ○ Assessing LSCP research findings/ recommendations on quality indicators
		Extending knowledge of consumer needs and perspectives (Research)	CB	<ul style="list-style-type: none"> ○ The IRN research completed and shared with CMA couple with 21 consumer event ○ High profile article in Legal Futures on the research findings ○ Decision on recruitment of a Consumer lead in progress 	<ul style="list-style-type: none"> ○ IRN consumer research ○ Recruiting a Consumer Manager ○ Share findings with CMA and LSCP and other relevant stakeholders ○ IRN research finalised and advance copies sent to MoJ and CMA ○ Consumer Q&A event held 21 October 2020 to launch IRN research and take forward outcomes. 	<ul style="list-style-type: none"> ○ NOT CARRY OVER TO 2021 BUSINESS PLAN ○ Recruitment of a Consumer lead ○ Use IRN research and Q&A event to inform future work on quality indicators and transparency
		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"> ○ NOT CARRY OVER ○ Entity Directory testing

Strat Priority	External	Priority project	Prev Q	Progress in 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:		Collaborating with other regulators on the delivery of the Legal Choices website	CB	<ul style="list-style-type: none"> Increased funding for 2020 Exploring governance and pre-approval justifying expenditure for the 3 year period 	<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"> CARRY OVER Clarity over funding mechanisms after first 3 year agreed funding ends Clarify lead role for LC Seeking measures of success from the LC Board
		Collaborating with other regulators to produce a single digital register		<ul style="list-style-type: none"> No change 	<ul style="list-style-type: none"> Working with other regulators for agreement 	<ul style="list-style-type: none"> NOT CARRY OVER TO 2021 BUSINESS PLAN unless CMA report requires
		Rolling out public legal education priorities beyond Legal Choices	CB	<ul style="list-style-type: none"> 21 Oct Consumer event a success 	<ul style="list-style-type: none"> Alternative public legal education options developed (Board deep dive) Public Legal Education and Consumer round-table Follow-up with APPG for MP booklet 	<ul style="list-style-type: none"> CARRY OVER Progress next steps once Consumer post defined and recruited after CMA report and LSB strategy/state of the nation published.
		Transition to a targeted risk-based supervision process for regulated individuals (linked to new CRM)	VP	<ul style="list-style-type: none"> Risk matrices being finalised by silverbear CILEx has agreed to capture the additional data required through renewals, therefore we should have complete data for 2021 	<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"> CARRY OVER on the basis this will need to be embedded in 2021



		IGR compliance and greater regulator independence	SD	<ul style="list-style-type: none"> o LSB have asked for CRL and CILEx for an update to inform their assessment of compliance 	<ul style="list-style-type: none"> o Both CRL and CILEx Board's sign-off compliance certificates - July deadline o LSB positive IGR performance assmt o Evidence Plan for LSB o Contract for support services signed o Protocols produced 	<ul style="list-style-type: none"> o NOT CARRY OVER o Awaiting LSB assessment in December 2020 [no issues have been identified to warrant a reduced score]
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Strat Priority	External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2020 (January to December)	Focus for next quarter
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"> o Rule change submitted to LSB o Response provided on 9 September. LSB approved the stage 1 of the alternative application process for practice rights. Education standards application requires re-write and additional information in relation to guidance, handbooks, application forms etc. These will need to be drafted before the application can be resubmitted. 	<ul style="list-style-type: none"> o Rule change submission for standards o Review of authorisation processes for entity regulation o Proposal of extending Entity to Fellows 	<ul style="list-style-type: none"> o CARRY OVER o Acting on LSB feedback

		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"> ○ Excellent progress - Commitment from CILEx CEO in Sept for mandatory EDI data at Nov 2020 renewals ○ Insights has been limited to CRL survey analysis, in the absence of CRM data but insights will be a separate priority for the 2021 Business Plan now data has been resolved 	<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 ○ Comms campaign with members to demonstrate why data collection is important 	<ul style="list-style-type: none"> ○ NOT CARRY OVER unless issues arise with December renewals collecting this data ○ Comms campaign with members to demonstrate why data collection is important [CILEx have agreed to this]
Strat Priority	External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2020 (January to December)	Focus for next quarter
		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) ○ LSB Chair acknowledging LSB commitment to addressing barriers ○ Sandbox policy developed ○ Entity ownership 70% female and 30% BAME 	<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"> ○ CARRY OVER ○ 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.



<p>2. strengthen the diversity of the legal profession and accessibility to legal services by:</p>		<p>Deliver the LSB's four diversity outcomes (the Board can see these on the E&D action plan)</p>	<p>SD</p>	<ul style="list-style-type: none"> ○ LSB is querying EDI data progress in initial performance assessment question in a letter received Oct 20 – which we intend to challenge given data solution linked to renewals ○ LSB State of the Nation will provide cross-sector EDI data ○ CILEx agreement to carry out detailed member EDI survey ○ Agreement with CILEx's execs to review EDI governance reporting to improve accountability ○ Sept Board identified next steps e.g. NED EDI Board lead 	<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"> ○ CARRY OVER ○ A new EDI action plan is developed for the LSB's new revised outcomes
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2. strengthen the diversity of the legal profession and accessibility to legal services by:		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 ○ CILEx approached SRGs re social mobility Comms campaign to be part of wider CILEx EDI survey of why it's important members complete the survey	<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 progress assessment	<ul style="list-style-type: none"> ○ NOT CARRY OVER – broader priority on 2021 Business Plan
		Female equality of opportunity in relation to progression, parity and entrepreneurship	SD	<ul style="list-style-type: none"> ○ CILEx carrying out a far more detailed 25 mins survey which will inform female parity next steps and CILEx producing a separate EDI strategy ○ Rather than progressing workshop on female parity CILEx preferred to focus Oct working group on broader strategy and next steps 	<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 mob 	<ul style="list-style-type: none"> ○ NOT CARRY OVER ○ Await outcome of CILEx survey and strategy
		Align diversity approaches to maximise delivery of respective CRL and CILEx EDI objectives	SD	<ul style="list-style-type: none"> ○ Strong progress – with agreement on data, EDI NEDs identified, survey, Sept Board steer etc ○ CRL being included in CILEx EDI discussions 	<ul style="list-style-type: none"> ○ EDI Group agree priorities ○ EDI Group agree an Action Plan to deliver the agreed priorities (what we aim to deliver) ○ Respective CILEx and CRL approval of the identified priorities 	<ul style="list-style-type: none"> ○ CARRY OVER ○ Need to formalise governance/ structure now we have cultural buy in with CILEx



				<ul style="list-style-type: none"> ○ CILEx advise they will await to finalise their strategy after their member EDI survey 	<ul style="list-style-type: none"> ○ Start delivering the actions in the Action Plan set for 2020 	<ul style="list-style-type: none"> ○ Contribute to CILEx's EDI Strategy and newly formed EDI NEDs Group
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Strat Priority	External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2020 (January to December)	Focus for next quarter
2. strengthen the diversity of the legal profession and accessibility to legal services by:		Female equality of opportunity in relation to progression, parity and entrepreneurship	SD	<ul style="list-style-type: none"> ○ CILEx carrying out a far more detailed 25 mins survey which will inform female parity next steps and CILEx producing a separate EDI strategy ○ Rather than progressing workshop on female parity it was agreed with CILEx to focus the Oct working group meeting on broader strategy and next steps 	<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"> ○ NOT CARRY OVER ○ Await outcome of CILEx survey and strategy
		Align diversity approaches to maximise delivery of respective CRL and CILEx EDI objectives	SD	<ul style="list-style-type: none"> ○ Strong progress – with agreement on data, EDI NEDs identified, survey, Sept Board steer etc ○ CRL being included in CILEx EDI discussions 	<ul style="list-style-type: none"> ○ EDI Group agree priorities ○ EDI Group agree an Action Plan to deliver the agreed priorities (what we aim to deliver) ○ Respective CILEx and CRL approval of the identified priorities ○ Start delivering the actions in the Action Plan set for 2020 	<ul style="list-style-type: none"> ○ CARRY OVER ○ Need to formalise governance/ structure now we have cultural buy in with CILEx ○ Contribute to CILEx's EDI Strategy and newly formed EDI NEDs Group

				<ul style="list-style-type: none"> ○ CILEx advise they will await to finalise their strategy after their member EDI survey 		
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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]</p>	VP	<ul style="list-style-type: none"> ○ Technologies paper to Sept Board ○ Following 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 	<ul style="list-style-type: none"> ○ Identifying key sources of legal tech development ○ Entity survey/research of what technology is being used/where firms see technological opportunities ○ Look at legal services environment now and in the future to ensure we can deliver diversity/access through legal tech/innovation in legal services ○ Analysing the LSB's research papers 	<ul style="list-style-type: none"> ○ CARRY OVER ○ Take forward outputs from design sprint to develop into Regulators Pioneer Fund bid in conjunction with SRA and CLC.

		Enforcement minimum standards agreed	SD	<ul style="list-style-type: none"> ○ 3x3 terms for panellists rule changed submitted to LSB 14 Oct ○ Quality Assurance self-assessment for enforcement submitted to the LSB in September – no issues raised in LSB in initial performance assessment queries ○ Broader Enforcement Rule changes will be considered once the risk matrices work is complete 	<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"> ○ NOT CARRY OVER – given internal rather than membership standards ○ Remote panels COVID exemption rule change to LSB
		Risk-based Enforcement	SD	<ul style="list-style-type: none"> ○ Risk-based scoring system developed and being trialled informally prior to formal rule changes ○ Parked awaiting outcome of supervision risk matrices work 	<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"> ○ CARRY OVER ○ Revive once supervision risk matrices work complete
Strat Priority	External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2020 (January to December)	Focus for next quarter
Strategic operations key projects		Ensuring financial sustainability for CRL in light of significant change projects (independence, CPQ; Membership grade changes;	VP/SMT	<ul style="list-style-type: none"> ○ Awaiting outcome of LSB's PCF consultation (before the end of the year) 	<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"> ○ CARRY OVER ○ Develop Reserves policy ○ Submit PCF application to LSB following completion of consultation.

		CILEx strategy and PCF changes)				
		CRM	SMT	<ul style="list-style-type: none"> ○ Prior conduct and EDI data linked to renewals ○ Kept at red given we need to see prior conduct/CPD fixes work and time is running out ○ Even though good progress, remaining red due to deadline passed & we still need to see agreed changes delivered 	<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"> ○ CARRY OVER ○ Ability to open prior conduct and CPD. ○ Risk Matrices and Entity Directory. ○ EDI and risk data collection in renewal process.
		Communications and Engagement account management approach [subject to Board approval]	CB	<ul style="list-style-type: none"> ○ Awaiting CILEx restructure to confirm our comms/market resource ○ Harvey Sondh attending November 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"> ○ CARRY OVER ○
		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 ○ Constructive discussion with CILEx CEO 15 Oct re priorities of CILEx & CRL Boards 	<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 	<ul style="list-style-type: none"> ○ NOT CARRY OVER given relations are now in a positive place ○ Keep on risk register to monitor, to enable escalation to Board if needed

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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 21 onwards performance reports include new KPI data 	<ul style="list-style-type: none"> May Strategy Day consider strategic focus on core business Identify any gaps in core/critical business functions reporting <i>Seeking agreement for a CILEx-wide Information Management strategy/approach</i> 	<ul style="list-style-type: none"> CARRY OVER for 2022-24 strategy - SMT recommendation that measures of success are developed alongside development of the 2022-24 strategy as part of Board strategy discussion
		Measuring customer experience/satisfaction	SD	<ul style="list-style-type: none"> Feedback surveys for PAS, Entity and Enforcement started August to Oct 2020 and will continue 	<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 <i>Incorporate website feedback into customer experience analysis</i> 	<ul style="list-style-type: none"> NOT CARRY OVER Analysis will take place on data end of 2021, which can be brought forward if significant themes from initial analysis