MEETING DATE: **23 February 2021**

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

APPENDIX: **2 – Business Plan**

CILEx Regulation Business Plan 2021

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 are milestone that have 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 or on target
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

APPENDIX 1: 2021 Business Plan

Strat - Priority	Ref / External	Priority project	Status	Progress in last Quarter (including current RAG)	Milestones 2021 (January to December)	Focus for next quarter
To ensure that the needs of the consumer, both current and future, inform our work by:	A1	Instilling a culture of transparency in legal services providers we regulate	CB	o Agreement to proceed with transparency rules for immigration now the CMA report has been published o LSB agreeing to lead on QIs	o LSB decision on its role and policy post CMA review 2020 recommendations o New CMA action plan (pre and post LSB decision) delivery o Rolling out transparency to immigration o Assessing research findings and recommendations on quality indicators o	o Submit Immigration Transparency Rules to LSB. o Progress work on Quality Indicators with other regulators
	A2	Collaborating with other regulators on the delivery of the Legal Choices website	CB	o Clarity over funding mechanisms after first 3 year agreed funding ends	o Finalising plan for 2020/2021 including agreement of budget and costed delivery plan (Development of site content, products, evaluation: user feedback, dashboard) o Clarify lead role for Legal Choices o Measures of success agreed by the Legal Choices Board o Single digital register	o Roll out of disciplinary records integration on Legal Choices website. o Confirmed delivery plan following agreement of costs for 2021
	A3	Rolling out public legal education priorities beyond Legal Choices	CB		o *To be developed* o Follow-up with APPG for MP booklet	o Review potential staff post to focus on consumer activity/policy.
1.	A4	Transition to a targeted risk-based supervision process for regulated individuals (linked to introduction of new CRM)	VP	o Risk data being collected with renewals for the first time	o Consider other tools that can be used to support higher risk members o Risk data collected with renewals o Application form and fields to be agreed by CRL to enable data survey to be released. o Risk matrices Embedded	o Review collected data from renewals

Strat Priority	Ref / External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2021 (January to December)	Focus for next quarter
strengthen the diversity of the legal profession and accessibility to legal services by: 2.	B1	Implementing changes to qualifying requirements to enhance a diversified workforce	VP	o Currently tendering	o Education Standards rule approval o Review of authorisation processes for entity regulation o Proposal of extending Entity to Fellows o Gaining CILEx buy in to marketing entities from a diversity perspective	o Education standards application o Assessment organisation appointed
	B2	Delivering entity regulation and ABS licensing through providing support to identify and realise opportunities	VP	o See top issues for PII risk	o Develop KPIs (what success looks like) o Contribution to CILEx Group comms o Develop and implement targeted engagement to address anti-competitive practices in relation to entity authorisation including monitoring and annual review. o Put marketing plan in place with targets based on marketing activity	o Assess if market opens now SRA firms have renewed o PII issue outlined on risk register. Review of PII will be covered on May Standards Review for Board.
	B3	Deliver the LSB's revised diversity outcomes and be rated by the LSB as achieving EDI outcomes that are within CRL's gift	SD	o EDI action plan drafted and being vetted internally o Support from CILEx to hold an EDI round-table in the autumn o Feeding back to LSB to ensure EDI central in their strategy	o A new EDI action plan is developed for the LSB's new revised outcomes o CILEx detailed EDI member survey o Encouraging LSB improving diversity/removing barriers as a key objective in their 2021-24 strategy o Amend action plan in light of LSB State of the Nation o Revise EDI governance reporting structures	o Seeking EDI portfolio holder input on the plan o Finalise EDI action plan and present to Board

Strat Priority	External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2021 (January to December)	Focus for next quarter
strengthen the diversity of the legal profession and accessibility to legal services by:	B4	Align CILEx/CRL diversity approaches to maximise delivery of respective CRL and CILEx EDI objectives	SD	o Agreement for CRL to be able to join the CILEx EDI NEDs Group o Simon Garrod is raising whether dedicated resource/staff for EDI can be found in CILEx given it is a key plank in their strategy	o Formalise governance/ structure now we have cultural buy in with CILEx o Contribute to CILEx's EDI Strategy development o EDI covered in CRL and CILEx Board to Board in 2021 o Embed CRL contributions to newly formed EDI NEDs Group	o Finalise ToR for the NEDs Group (dependant on CILEx) o Input to CILEx's proposed EDI strategy (if it is shared with us in the next quarter)
	B5	NEW 2021: Building a reliable understanding of the full diversity profile of the regulated community and internal decision-making groups	SD	o Renewals successfully capturing EDI data	o Produce first ever full membership composition (and therefore diversity) of regulated community o Agree plan to re diversity on the Board o Recruitments target diversity applications o Explore affordable ways to remove EDI identifiers in recruitment applications o Amending EDI data to reflect cross-sector data fields determined by the LSB (once produced by the LSB)	o Initial report once renewals has completed to assess how complete the data is [Sue conversation with Danni if we can produce this internally] & if time allows analyse how this data compares with survey data (may be quarter 2)
.	B6	NEW 2021: Understanding the barriers to entry and progression within our regulated community and develop a programme of initiatives to mitigate/break down identified barriers with measures in place to evaluate effectiveness	SD	o CILEx have chosen to park their membership survey to prioritise renewals data o Our response to LSB presses for a cross-sector progression solution	o Membership survey with free text to identify barriers and potentially solutions o CILEx membership survey analysis o Using CRM, cross-compare regulatory outcomes with EDI characteristics to identify any significant unexplained differences [will require build up of data on CRM – likely to need to stretch into future years to build up meaningful data]	o Seeking confirmation from LSB on a cross-sector approach to EDI

					o User feedback survey to seek feedback on EDI barriers and use within work to identify solutions to issues identified o Develop an action plan to address entry and progression barriers – particularly for priority areas: BAME, gender, social mobility o Diversity Group develops KPIs to assess the effectiveness of actions o designing evaluation approaches which assess impact and monitor progress over time	
	B7	**NEW 2021** Measures in place to understand any differential impact on protected characteristics within their disciplinary/ enforcement procedures and then mitigation activities	**SD**	o We have started manually capturing this data in enforcement. It will take time to build up an understanding within misconduct due to low numbers of misconduct cases	o Build disciplinary section on CRM (or alternative database plug in to CRM) o Build means of capturing data manually in the meantime o Analysis of disciplinary findings update to Board o Prior conduct analysis o Ensure EDI data captured for all relevant people to be able to demonstrate diversity e.g. panels o Unconscious bias training for panellists	o Decision on a plug in misconduct case management system

Strat Priority	Ref / External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2021 (January to December)	Focus for next quarter
3. To promote and uphold the highest *[member]* standards through:	C1	Contributing to understanding of new technologies and innovation for legal services	VP	o	o Identifying key sources of legal tech development o Analysing the LSB's research papers o Take forward outputs from design sprint to develop into Regulators Pioneer Fund bid in conjunction with SRA and CLC. o Publishing outputs to see if there are companies that would like to take up the challenge irrespective of funding o fostering technology skills within qualifications and entity growth]	o Meeting tech start ups through regulatory response unit and ID opportunities to work with them on other solutions (e.g. Legal Utopia & comparison tool) o Working with SRA/CLC on outcomes of design sprint
	C2	Risk-based Enforcement	SD	o Schedule to LSB advises submission end of 2021	o Rule change submission to LSB [timescale dependent in supervision risk matrices work o Risk-based scoring system embedded	o This is not time critical and waiting for risk matrices work
	C3	**NEW 2021** Risk-based supervision	VP	o	o Develop options to enhance supervision of regulated community through increased understanding of individual risk profiles o Link to LSB's review of ongoing competence o Develop rule changes to introduce new supervisory tools o Understanding risk profiles of regulated community once practitioner risk matrix live in CRM	o Undertake initial analysis of collected data and include as part of May Standards Review.

Strat Priority	Ref / External	Priority project	Prev Q	Progress in Quarter (including current RAG)	Milestones 2021 (January to December)	Focus for next quarter
Strategic operations key projects Strategic operations key projects	D1	Ensuring financial sustainability for CRL in light of significant change projects (*reserves; PCF application process etc*)	VP/ SMT	o A latest position on renewal numbers will be provided at the February Board	o Reserves Policy (linked to PCF LSB review) o PCF work on permitted purposes / feed modelling o Review PCF revised timetable in light of LSB proposals and risks around application refusal. o *Update milestones following outcome of LSB consultation*	o Review PCF rules published by LSB and reconsider PCF timetable o Documented process agreed by both CRL and CILEx over financial delineation/separation for CRL finances for key areas
	D2	CRM	SMT	o CILEx are concluding their first contract with Silverbear covering P2s o CILEx carried out the contract negotiation without CRL involvement o SMT flagging to Board further changes to the CRM governance changes, without CRL involvement. CRL have asked CILEx to reflect on potential conflict of leadership of the CRM project	o P2s rolled out o Online applications to carry over into 2021 o Database developed to address limitations o Disciplinary database built	o P2s completed in Q1 remaining items to be included in new CILEX roadmap o Engage further with CILEx to ensure involvement in new governance arrangements.
	D3	Communications and Engagement account management approach	CB	o SMT view not to market entity at the moment given PII challenges	o Practice rights marketing o Entity marketing o *EDI comms & engagement plans identified following action plan & analysis of broader EDI*	o Focus on practice rights
	D4	Strategic KPIs for Board to be able to measure progress of the strategic objectives	SD	o Dec 20 Board Strategy sessions	o SMT recommendation that measures of success are developed alongside development of the 2022-24 strategy as part of Board strategy discussion	o No action until future strategy development discussions taken place

	D5	**NEW 2021:** Develop Rule change processes to meet new LSB requirements	**SD/ VP**	o Helpful mtg with LSB early January to discuss rule change process. LSB open to early review	o Assess if any changes are required to our processes in light of LSB feedback o Review LSB updated guidance o Creating a procedure for putting applications together o Develop regulatory impact assessment template	o Use education standards application as a template for future applications. o Agree internal QA process for rule change applications.
	D6	**NEW 2021:** Develop policy positions for key matters (e.g. Mayson; LSB approach)	**CB/ SD**	o The LSB sector-wide strategy gives us a clear steer to help our focus	o Board strategy session o CRL/CILEx Board to Board o Document listing all policy positions o Develop 2022-24 strategy	o SMT start writing and presenting to the Board
	D7	**NEW 2021:** Effective working with CILEx	**SMT**	o SMT have agreed the matters to raise at a contract management meeting with CILEx	o OLAs sitting under the PCF permitted purposes o Post-COVID working arrangements o IGR compliance	o IGR NEDs Group meeting takes place o Contract meeting with CILEx o IGR influencer training built
	D8	**NEW 2021:** Reviewing the PCF process, timetable and policy	**VP**	o LSB has not altered its approach significantly in light of regulator feedback (including CRL)	o PCF timetable amended in light of 2020 experiences	o Contract management after Board to raise PCF timetable
	D9	**NEW 2021:** Collaboration and joint working with the other regulators	**SD/ CB**	o SD has asked other regulators to populate a document expressing areas of interest for collaboration	o Agreed areas of collaboration with other regulators identified	o Firming up with other regulators areas they are interested in collaborating on