

**MINUTES OF THE MEETING OF  
THE BOARD OF DIRECTORS OF CILEx REGULATION LIMITED  
HELD ON 23 FEBRUARY 2021 VIA ZOOM**

**Present:**

Sam Younger (Chair) (SY), Alice Belcher (AB), Andrew Donovan (AD), Nick Hanning (NH), Jonathan Rees (JR)

**In attendance (CILEx Regulation):**

Carilyn Burman, Chief Executive (CB)  
Stuart Dalton, Director of Policy, Governance and Enforcement (SD)  
Victoria Purtill, Director of Authorisation and Supervision (VP)  
Beccy Snape, Personal Assistant (BS) – minute taker

**In attendance (CILEx) for specific sections**

Michelle Drury, Finance Business Partner (MD)

**1 Welcome and Apologies**

All Board members were in attendance.

**2 Declarations of interests**

None were noted other than the interests already declared on the register of interest.

**3 Minutes of Previous Meetings and Action Log**

The Board **APPROVED** the following minutes subject to some minor word changes:

- Confidential minutes 17 November 2020
- Confidential minutes 28 January teleconference

**4 Chairs update**

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

The Chair had recently attended the LSB regulator Chairs and CEOs meeting. Regulator collaboration and LSB strategy were the main agenda items.

The Board **NOTED** the Chair's update.

**5 CEO report**

CEO, Carilyn Burman updated the Board on key work streams and stakeholder engagement.

Legal Choices: The project had made positive steps forward. The beta site had gone live, this housed the disciplinary information for all the regulators involved in the project. This allowed consumers to search for sanctions. Some areas of the site required improvement; however, consumers were using the site.

The Governance Board had met and discussed the cost delivery plan. Sue Chandler (CRL)



met with the BSB and ICAEW last year to discuss funds earmarked by ICAEW for the redesign of the site. The next meeting would be in April 2021.

CMA Review: A follow up meeting of the Remedies Programme Implementation Group (RPIG) was scheduled for 3 March. It was expected that the LSB would share their view on what actions they planned to take forward.

CILEx CPQ: CILEx launched the CILEx Professional Qualification to the press and public in February.

Staffing: Most staff had been coping well working from home over the last year, though this latest lockdown had been the most difficult. The management continued to be flexible with staff working from home and managing home schooling.

Office Space: A contract had been signed with Wrest Park, for a set room of five desks. This would be a short term 3-month contract, with a one-month notice period thereafter.

The Board **NOTED** the CEO's update.

## **6 Strategy Performance, Risk & Operation Report**

### **Strategy Performance & Risk**

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

The Board **AGREED** to review the full risk register at its meeting in May.

The Board **AGREED** to a modest strategy refresh at its May meeting to fulfil the PCF requirements and to update it on a rolling yearly basis thereafter.

### **Business Plan**

The Board **AGREED** that stakeholder perception of CILEx Regulation could usefully form part of the measures of success which would be developed alongside the new strategy.

The Board **AGREED** to set out the areas of potential collaboration with other regulators prior to the Chair leaving, so the new Chair could take forward the priority areas.

### **Operational**

#### AML

The office is reviewing succession arrangements in relation to AML.

#### DPB application

The DPB application was being reviewed by the FCA. CILEx Regulation expected to have a decision by the end of 2021.

#### Entity Applications

There were three or four entity applications which could go live in the next two to three

months.

### EDI Action Plan

The current portfolio for EDI was with Jonathan Rees, though Alice Belcher retained an interest in this area.

The Board **NOTED** the strategy, performance, risk and operational report.

## **7 Finance**

The Board considered the finance papers and discussed the following:

- 2020 Pre-Audit Management Accounts
- 2020 Full Year Unit Costings

Discussion is minuted confidentially.

The Board **NOTED** the finance papers and **AGREED** to receive an update on the 2022 budgeted provisions and the reserves policy at its May meeting.

## **8 LSB Performance Assessment**

The Board reviewed the performance assessment and considered the two areas that had been marked down. The Board noted that the previous Board teleconference had already discussed the LSB's Performance Assessment in detail.

The first area marked down was QASA which was linked to the Education Standards and therefore would be resolved with the Education Standards changes.

The Board reflected on the rule change assessment and sought assurance from the Executive on what was being done to address the LSB's concerns. The Executive updated the Board on a constructive meeting with the LSB in January where the LSB had provided useful insights into how CRL could improve its applications and also importantly methods of dialogue and continuous learning to help ensure that all CRL rule change submissions meet the LSB's expectations. SMT had identified additional quality assurance steps to ensure submissions met the LSB's expectations. Lastly, SMT assured the Board that ensuring the LSB expected standards for rule change submissions was a SMT priority.

The Board were gratified that the LSB had concluded that CRL were meeting all the other 25 performance assessment outcome areas, including all the well-led indicators and that the LSB had stated, "Overall, CILEx Regulation continues to perform strongly against the outcomes" and congratulated the Executive on a good record.

The Board **NOTED** the LSB Performance Assessment.

## **9 LSB Strategy & CRL's Strategy Next Steps**

The Board discussed the LSB's new strategy, further to discussions at the last Board teleconference, and reviewed the final response CRL sent to the LSB.

The decision to wait until the new Chair joined to develop CRL's business plan and strategy had altered due to the LSB's PCF requirements.

The Board agreed that it would be sensible to refresh the current strategy at its meeting in May, rather than develop a whole new strategy.

The Executive would review the critical elements beneath the main strategy headings, considering the state of the legal services report and the LSB priorities. External engagement with the strategy would be explored so that any comment could be presented to the Board, along with the draft strategy at its May meeting.

The Board **NOTED** the LSB strategy and CRL strategy next steps and **AGREED** a revised timeline for finalising the new strategy before the end of 2021 to meet the new PCF requirements.

## **10 CMA Legal Services Review**

The CMA report was published in December 2020. The report identified some positive developments on market transparency and that further progress was needed. There was the expectation that some measures implemented by regulators would have increased impact over time. CILEx Regulation continued to be involved in collaborative activities that worked towards the required outcomes.

The next RPIG was scheduled for early March with two main agenda items: thoughts of the regulators and LSB following the publication, and to hear from the LSB how they plan to take forward their role suggested by the CMA. CILEx Regulation had drafted an action plan and would wait until they had heard from the LSB and the regulators before taking it forward.

The Board **AGREED** the following as areas to focus on:

- Quality Indicators
- Transparency & Best Practice

The Board **NOTED** the CMA legal services review.

## **11 Board Self-Evaluation 2020**

Appraisals had recently been completed and logged for all Board members.

The overall scores in the self-evaluation reflected the progress made by the Board in the last few years.

The Board **NOTED** the Board self-evaluation and **AGREED** the following areas for focus and improvement:

- Ensuring time is set aside for broad strategic debate and business planning.
- Access to independent high level financial advice, rather than accessing advice from CILEx.
- A quarterly catch-up call between CRL professional NEDs and CILEx member representative NEDs to share thinking.
- Any changes to Board portfolios would be left for the incoming Chair to decide in discussion with the Board.
- Periodic external governance reviews, including assisting with Board effectiveness assessment, to be suggested to the incoming Chair, starting 2022.

## **12 Information Governance Annual Report 2020**

The Board reviewed the report and noted the good progress made over the last couple of years.

The Board supported encouraging staff that deal with members of the public had to implement the two-minute send delay on emails, whilst not making it mandatory.

Board members would be required to complete online training for information security on an annual basis.

The Board **APPROVED** the information governance annual report.

## **13 Annual Complaints & Compliments Report**

No emerging trends had been identified due to the low number of complaints. The learning culture around complaints remained a focus.

The Board noted the great number of compliments for staff, in particular the practitioner and entity teams and requested that their gratitude be communicated to staff.

Board members suggested including the complaints information in the annual report.

The Board **APPROVED** the complaints and compliments report.

## **14 Education Standards Update**

The Board received an update on the latest developments on the education standards review at CILEx Regulation. Discussion is minuted confidentially.

The Board **NOTED** the education standards report.

## **15 ACCA Update**

CILEx Regulation were awaiting outstanding information from ACCA to include in the second draft of the rule change application to bring ACCA Probate firms and practitioners into CILEx Regulation. The application would likely be ready to submit in early March 2021.

The Board **NOTED** the ACCA update.

## **16 Legal Technology Update**

CILEx Regulation continued to work on various projects in legal tech, including flagship areas of collaboration across the regulators.

The Board noted the valuable contribution that the Research & Policy Officer, Felix Brown, had made in getting CILEx Regulation involved in the area of legal technology. It was suggested that the Executive consider a similar approach with regards to consumer and ensure that the cost was built into the proposed 2022 budget.

The Board **NOTED** the legal technology update.

**17 Annual Cycle of Business**

Board members **AGREED** to receive the business continuity report at its November meeting rather than at the May meeting given a report was provided last November.

The Board **NOTED** the annual cycle of business.

**18 AOB**

Board members discussed the following:

- Access to Family Court
- Claims Management Activities
- Office Rent

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