

Chair's report of the Council meeting held on 11 May 2023

This is my report following the Council meeting held on 11 May 2023, the agenda of which is published [here](#).

I mentioned within my [previous report](#) that we have been considering changes to the way that [Council proceedings](#) are recorded to help those that are interested in the CLC's decision-making process. Readers will notice that the minutes of our Council meetings have been significantly expanded to include additional narrative of our discussions, supported by links to cross references to published material.

Meeting with Chair of Legal Services Board

I was pleased to have an introductory meeting with Alan Kershaw, who took up office as Chair of the Legal Services Board (LSB) last month. We were also joined by CLC Chief Executive Sheila Kumar and LSB Chief Executive Matthew Hill. Discussion topics included the Office for Legal Complaints and the CLC's model of assisted compliance and the CLC's regulatory processes.

Regulatory Performance Assessment

We discussed the arrangements for this year's [LSB Regulatory Performance Assessment](#). The assessment this year will be carried out on a different basis to before and we have been considering what the new process looks like and what the timing of it will be. We're expecting to receive an information request from the LSB at the end of May/beginning of June for which there will be a 6 week timeframe for response. To enable this Council to review and obtain assurance in advance of its submission, we hope to be able to consider the CLC's Regulatory Performance submission at our next scheduled meeting on 27 July 2023.

Ongoing Competence

In my previous [report](#), I mentioned that following the analysis of responses to the CLC's consultation on the introduction of more demanding requirements for [Continuing Professional Development](#) (CPD), work would be beginning to renew entirely the education element of the wider ongoing competence programme. The new approach will set much tighter expectations of CLC lawyers to ensure that they can demonstrate that they are maintaining their competence in their particular role.

Testing of the mechanisms for the collection of information from individuals on their activity and how that will tie into the licence renewal process is currently underway prior to implementation of the new arrangements which will be reported to our next meeting on 27 July 2023 and we have agreed to make a further submission to the LSB which maps out our workstreams on this to the LSB's desired outcomes.

Office for Professional Body AML Supervision (OPBAS)

We were also informed of the CLC's preparations for a forthcoming Office for Professional Body Anti-Money Laundering Supervision (OPBAS) inspection which will take place between 19 and 21 September 2023. OPBAS is a government body based within the Financial Conduct Authority, accountable to HM Treasury and Government whose purpose is to ensure a high standard of supervision by professional body supervisors, including the CLC and to facilitate collaboration and information and intelligence sharing between regulatory supervisors and law enforcement agencies on anti-money laundering. Compliance with the Anti-Money Laundering Regulations and assessment of risks form a core part of the CLC's regulatory remit. If you would like to know more about the CLC's work in this area, our most recent Annual Anti-Money Laundering report is published [here](#).

Private Members' Bill – Power of Attorney

We received an update on progress with a [Private Members' Bill](#) presented by Stephen Metcalfe MP which is currently progressing through Parliament.

The current draft Bill is at its second reading and the CLC and the representative body Society of Licensed Conveyancers have been engaging with the Ministry of Justice to ensure that the position of CLC lawyers as certifying professionals, who are not currently mentioned within the draft Bill but who provide this important service, is addressed. The CLC and SLC have suggested that although not the ideal or preferred solution, the situation may be mitigated by ensuring that CLC lawyers are mentioned and captured within the relevant Hansard Reports and explanatory records as we seek to avoid frustrating the Bill's progress through Parliament.

Monitoring, Discipline and Enforcement

The Council reviews quarterly updates on monitoring, enforcement and disciplinary activity. We were very pleased to note that one serious matter reached its conclusion following a sanctions hearing of the independent Adjudication Panel that took place in March.

In addition to the findings of our Adjudication Panel, which are published [here](#), and the CLC's [published frameworks](#), we are also developing an overview of the general routes for enforcement actions and enforcement activity report which will be published shortly.

Published Indicators and Metrics

We have reviewed quarterly performance indicators for the first Quarter of 2023 which have been published [here](#), the format of which has been amended to increase the information and granularity of Individual and Practice application metrics. We were unable to include Office for Legal Complaints (OLC) case handling data for the first Quarter of this year as this has not yet been provided by the OLC. We were informed that the indicators are in line with expectations, and we have asked officers to outline the timetable for this year's regulatory monitoring inspections.

Committee Chair's Reports

Audit and Risk Committee

We were pleased to receive the Annual Report of the Chair of the Audit and Risk Committee which followed completion of the 2022 Internal and External Audit programme by independent external providers.

I am delighted to report that the Annual Internal Audit Opinion for 2022 indicated that the CLC has an adequate and effective framework for risk management, governance and internal control, and which represents the sixth successive year where the CLC has received the highest assurance rating. This was supported by our external auditors who confirmed that the system of internal control that is in place at the CLC is appropriate for the size of the organisation and who issued an unqualified opinion. The CLC's 2022 Annual Financial Statements are published [here](#).

Appointments Committee

Upon the recommendation of the Appointments Committee, we have agreed to offer a second, four year term of office to 6 serving members of the CLC Adjudication Panel.

ENDS