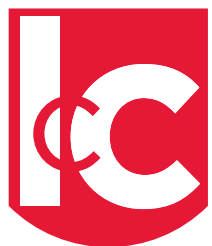


# Business Plan 2012



Council for  
**Licensed  
Conveyancers**

# Foreword

Anna Bradley, Chair

The CLC is proud to have played an important part in the profound changes which have taken place in the delivery of legal services in recent years. The Legal Services Act is designed to increase consumer choice and create better access to high quality legal services. The introduction of Alternative Business Structures, in particular, has opened up the market for the delivery of legal services and has set the foundations for a much more innovative approach, allowing entrepreneurs with different business experiences to help shape how services are offered.

As the first licensing authority to regulate ABS in England and Wales, the CLC has been at the very forefront of these changes and we will continue to lead the drive for improvement and innovation in legal services during 2012.

In 2010 we published our three-year corporate strategy for 2011-2013. It sets out an ambitious agenda for growth and innovation. The strategy was developed taking into account the evolving market conditions and developments within the legal services sector; our progress against previous plans and feedback following consultation with stakeholders. Our 2012 business plan outlines our key objectives for the year to enable us to implement that strategy. It also includes indications of our strategic intent from 2013 onwards.

Our application to the Legal Services Board to regulate litigation and advocacy is a major strategic priority for the CLC and our business plan is published later than usual this year in order to reflect the LSB's decision.

On 10 April 2012 the LSB announced that it would not be approving the current application from the CLC, but has offered positive insight into how a future application could achieve approval. The application was refused because the LSB is advised that the CLC does not currently have the statutory power to regulate litigation and advocacy services and because the LSB was not satisfied that the CLC had demonstrated that it has completed a detailed risk analysis for the new activities.

During 2012 the CLC will continue to work with the LSB to address these issues and to re-submit its application in due course. At the same time we will continue to set in place the licensing and regulatory arrangements required to fulfil this new role.

Extending our regulatory scope to cover litigation and advocacy is not the only challenge for the CLC in the coming year. Our other key areas of focus will include growing our regulated community, in particular encouraging new Alternative Business Structures to choose regulation by the CLC, and converting our existing regulated entities into ABS. We will also be working hard to increase the evidence base for our regulatory approach.

Above all, we will continue to focus on enabling and promoting innovation in the conveyancing sector, to the benefit of consumers. Our approach as a regulator is risk based and proportionate. We have replaced detailed prescriptive rules wherever possible with more flexible, high level principles and the positive outcomes we expect to see for customers. Our aim is to enable flexibility and innovation, while at the same time quickly identifying any areas of risk, and acting to ensure the interests of consumers are protected.

We welcome comments on our business plan and on our longer-term corporate strategy, which is available from our website at [www.clc-uk.org](http://www.clc-uk.org).



# About the CLC

The Council for Licensed Conveyancers (CLC) was established by the Administration of Justice Act (AJA) 1985 to regulate licensed conveyancers in the provision of legal services (currently conveyancing and probate). We are bound by the statutory regulatory objectives laid down in the Legal Services Act (LSA) 2007, which describe what we must aspire to achieve for the public, consumers and the regulated community.

The Act says that the CLC must, so far as is reasonably practicable, act in a way:

- I. Which is compatible with the following regulatory objectives:
  - a) protect and promote the public interest;
  - b) support the constitutional principle of the rule of law;
  - c) improve access to justice;
  - d) protect and promote the interests of consumers;
  - e) promote competition in the provision of legal services;
  - f) encourage an independent, strong, diverse and effective legal profession;
  - g) increase public understanding of the citizen's legal rights and duties;
  - h) promote and maintain adherence to the professional principles

2. And which it considers most appropriate for the purpose of meeting those objectives.

Further, the CLC must have regard to:

3. General principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed, and
4. Any other principle appearing to the CLC to represent the best regulatory practice.

## Our activities

Our regulatory activities include:

- setting educational and training standards for entry to the profession
- issuing licences to practise to those qualified to provide conveyancing and probate services
- licensing recognised bodies and Alternative Business Structures (together known as regulated entities)
- maintaining a register of all licensed conveyancers and regulated entities
- setting standards to regulate the professional practice, conduct and discipline of licensed conveyancers and regulated entities
- setting standards to ensure that regulated entities maintain adequate professional indemnity insurance

- managing a compensation fund to protect consumers
- monitoring the work and conduct of licence holders
- providing guidance and advice to licence holders to help them comply with our regulatory requirements
- investigating allegations of misconduct and where appropriate taking disciplinary action and
- collaborating with key stakeholders in the legal services market to monitor and shape future policy.

## Our approach

Our approach to regulation is proportionate, risk based and outcomes focused. Licence holders are required to demonstrate that they:

- act with independence and integrity
- maintain high standards of work
- act in the best interest of clients
- comply with duties to the court [once in force]
- deal with regulators and ombudsmen in an open and cooperative way and
- promote ease of access and service

We are committed to promoting the highest standards in legal services.



“ We are committed to promoting the highest standards in legal services ”

# Values and strategic themes

## Values

All of our decisions and actions are underpinned by the following values:

- **Integrity:** Acting professionally and being accountable in all that we do.
- **Effectiveness:** Providing reliable and recognised qualifications and maintaining the standards of competence and professional conduct of Licensed Conveyancers and Regulated Entities in the interest of consumers and of the public.
- **Expertise:** Defining and promoting better practice in partnership with licence holders, regulated entities and key stakeholders (including other professional bodies and partners).

- **Innovation:** Continuously looking for new and better ways to protect consumers and the public and to support students, licence holders, regulated entities, employers, partners and other stakeholders.

- **Communication:** Encouraging open, clear, productive and valuable communication between ourselves and everyone we come into contact with.

## Strategic themes

Our Corporate Strategy 2011-2013 is centred on four strategic themes:

- 1 Developing and delivering innovative and excellent regulatory services.
- 2 Deepening our understanding of the markets that we regulate.
- 3 Strengthening and growing our regulated community.
- 4 Building our capability and capacity.

This business plan describes the high level objectives we have set under each of our four strategic themes. It does not include our day-to-day 'business as usual' or operational activities.

Many of the objectives described in this business plan form a rolling programme of work which has been carried over from 2011 and will continue into 2013.

“ Our regulatory approach allows firms to innovate and develop, at the same time as protecting the interests of consumers ”





# I Developing and delivering innovative and excellent regulatory services

In 2011 we introduced our new risk based and outcomes focused approach to regulation. Wherever possible we avoid detailed prescriptive rules in favour of more flexible high level principles. This approach supports growth and innovation across the legal services market. Consumers benefit from greater choice of service and service provider; and more competitive charges.

During 2012 we will continue to review and improve our regulatory arrangements to ensure they are proportionate, fair and flexible, while at the same time protecting the public interest. This will include an effective risk assessment methodology to quickly identify those licence holders unwilling to adhere to our professional principles and a range of sanctions that ensure all regulated entities act appropriately.

At the same time as facilitating growth amongst our existing regulated communities, our aim is to expand the scope of our regulatory field. Although the LSB has advised that it will not be approving our current application, we have been encouraged by the Board's positive insight

into how a future application could achieve approval, and we will continue to work with the LSB and the Ministry of Justice to address the issues raised and to ensure that legislation is amended to permit an extension of our regulatory scope.

During 2011 we continued to build our capacity so that we will be able to regulate litigation and advocacy effectively, and this remains a priority. We recognise these are new fields for the CLC and we are proposing a cautious and incremental approach to allow the organisation to build up experience and demonstrate a successful track record before widening our scope further.

During 2012 we will continue to plan the licensing and regulatory arrangements required to fulfil this new role. These will include changes to our continuing professional development, supervision and monitoring arrangements. The changes will apply equally to those practices providing conveyancing and probate services.

Our longer term plans under this strategic theme include carrying out a

review of how education services are delivered and simplifying the disciplinary and appeals processes. There will also be a strong focus on implementing our regulatory arrangements for special bodies, subject to an extension of regulatory scope.

## 2012 Objectives

- 1.1 We will review our ABS licensing application and determination processes and make any necessary improvements to ensure that they are robust and achieve positive outcomes for consumers.
- 1.2 We will review our approach to risk assessment so that we identify and target high risk firms at the earliest possible opportunity.
- 1.3 We will implement a new qualifications framework for our current regulated activities
- 1.4 We will implement our new supervisory approach for our regulated providers of will writing services.

**“ We will continue to review and improve our regulatory arrangements to ensure they are proportionate, fair and flexible, while at the same time protecting the public interest ”**

## 2 Deepening our understanding of the markets that we regulate

Our Corporate Plan 2011-2013 describes how the CLC will, over time, increase our focus on research and data gathering in order to enhance the evidence base for our policy and regulatory approach. This remains an important priority for the CLC, although given other pressures we have made less progress than we had anticipated.

In 2011 the CLC continued to deepen its knowledge of the market, principally to identify emerging risks. We have been looking at the lessons CLC practices can learn from service complaints determined by the Legal Ombudsman. The CLC has responded to calls for evidence about complaints handling and mortgage fraud. We have explained to lenders our risk based approach to regulation and have explored ways of resolving the concerns they have expressed about the operation of the conveyancing market.

We are committed to working with the LSB to achieve success in our bid to regulate litigation and advocacy, and a priority during 2012 will be to commission new research

and insight to enable us to identify the risks in the new legal services markets that we are seeking to regulate.

With the other approved regulators the CLC will shortly carry out a diversity survey of practices we regulate. During 2012 we will also be reviewing our requirements for referral fees and acting for both parties so we can assess whether we should take any further steps to mitigate any risks we identify.

We are proud of the fact that we listen and respond to the views and needs of our regulated community and that our policy is practice-based. We will continue to use our regulatory intelligence to inform policy, and to roll out our stakeholder management plan to strengthen our relationships with our licence holders.

Beyond 2012, our research plans include extending the scope of consumer research to the probate and wills markets and the non-reserved activities that we regulate, and undertaking thematic reviews on key issues including ABS-specific risks and outcomes focused regulation. We also intend to repeat

the insightful customer feedback survey for licensees and students which we last undertook in 2010.

### 2012 Objectives

- 2.1 We will expand our programme of research to enhance the evidence base for our regulatory approach.
- 2.2 We will commission new research to identify and understand the risks in the new legal services markets that we are seeking to regulate.
- 2.3 We will gather feedback and insight from amongst our licence holders and our partners, and use regulatory intelligence to inform policy and strengthen our approach.
- 2.4 We will publish and disseminate our research and findings in order to inform public policy and debate.

**“ We will continue to increase our focus on research and data-gathering in order to enhance the evidence base for our policy and regulatory approach ”**





## 3 Strengthening and growing our regulated community

The CLC currently regulates over 200 recognised bodies and over 1000 individuals – some 10-15% of the conveyancing market by turnover. Between 2002 and 2011 the turnover of our regulated community grew from £55 million to £94 million.

Our designation as a licensing authority entitled to license and regulate Alternative Business Structures has given the CLC an opportunity to increase the size of our community, building on our existing strengths in regulating entities. Future success in our application to the LSB to regulate litigation and advocacy would allow us to strengthen and build our community further still. Our licence holders will be able to develop new skills and extend the services they offer to consumers.

During 2011 we agreed a new communications and marketing strategy. Key elements of the strategy include a new relationship management plan for regulated entities; clearer and more consistent corporate messaging; a stronger voice in the media; enhanced marketing of CLC

qualifications; and an improved website and online services. We will continue to implement that strategy during 2012, with a particular focus on increasing the number and size of our regulated entities. Our aim is to increase the size of our regulated community, with a target of a 10% rise in regulated turnover.

At the same time, we will work with our existing licence holders to ensure that those required to transfer to ABS status do so within the required timescales.

During 2011 the CLC worked closely with professional associations and with individual lenders to ensure that licensed conveyancers remain fairly represented on lenders' panels. This work remains a priority for 2012.

We will also work closely with government, consumer organisations and the legal services profession to maintain support for our regulatory approach and to ensure the practices we regulate continue to act in the best interests of consumers.

### 2012 Objectives

- 3.1 We will implement our communications and marketing strategies, with the aim of increasing the size of our regulated community by a 10% turnover.
- 3.2 We will review the structure of our regulatory fees.
- 3.3 We will continue to work to establish a consistent and favourable position with major lenders with regard to panel management for CLC regulated entities.
- 3.4 We will review the financial protection arrangements for consumers of CLC regulated entities.

“ In the last ten years the turnover of our regulated community has grown by 70% ”

## 4 Building our capability and capacity

As we increase the scale and scope of services we regulate we will make sure that we have the organisational capacity and expertise to maintain the high standards of regulation for which the CLC is recognised.

The CLC's flexible approach to resourcing means we are able to act promptly to meet our needs. This could include direct recruitment, fixed term contracts or bought-in services, all of which have already been used successfully. Technical training for existing staff will continue at a pace to accommodate new ways of working, with particular emphasis on risk management and outcomes focused regulation.

As the CLC's remit and scale expands it is vital that progress is checked to confirm maintenance of standards against regulatory principles and objectives and that positive consumer outcomes are being delivered. These checks will include an in-depth Self Assessment which will be independently audited.

Following the success of the online payment facility introduced in October last

year, further development of the CLC's information management systems during 2012 will include more online options as we further reduce the need for paper. A significant addition will be a knowledge management module which will make data more accessible to better inform decision making. A redesign of the CLC website will make it more intuitive and include improved search optimisation.

During 2011 a series of preferred behaviours was developed to support CLC values. Further work will be carried out in the coming year to embed these behaviours fully into the organisational culture.

In the longer term we will be reviewing key arrangements for the management of our people, including pay and grading structure, recruiting arrangements and staff development. We will also implement a structured internal review process to facilitate continuous improvement of all our regulatory arrangements.

### 2012 Objectives

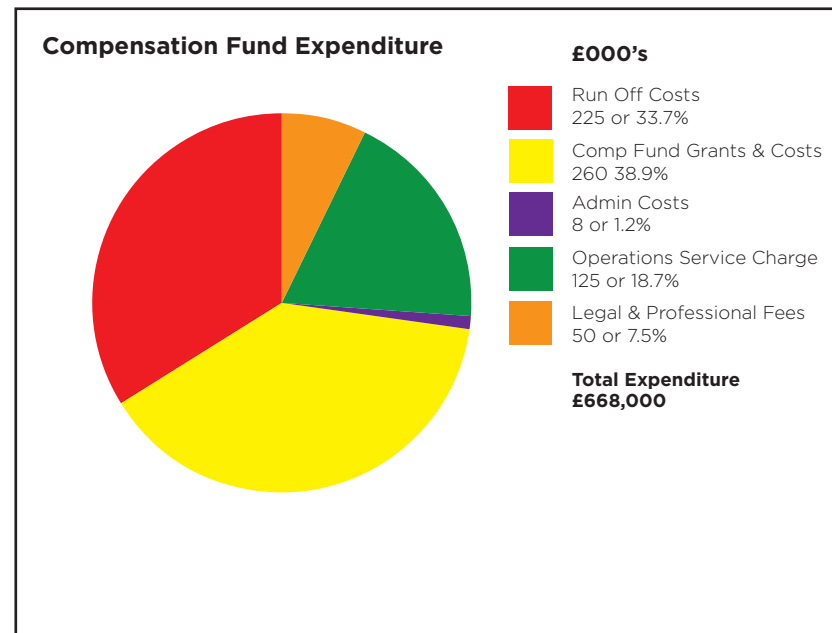
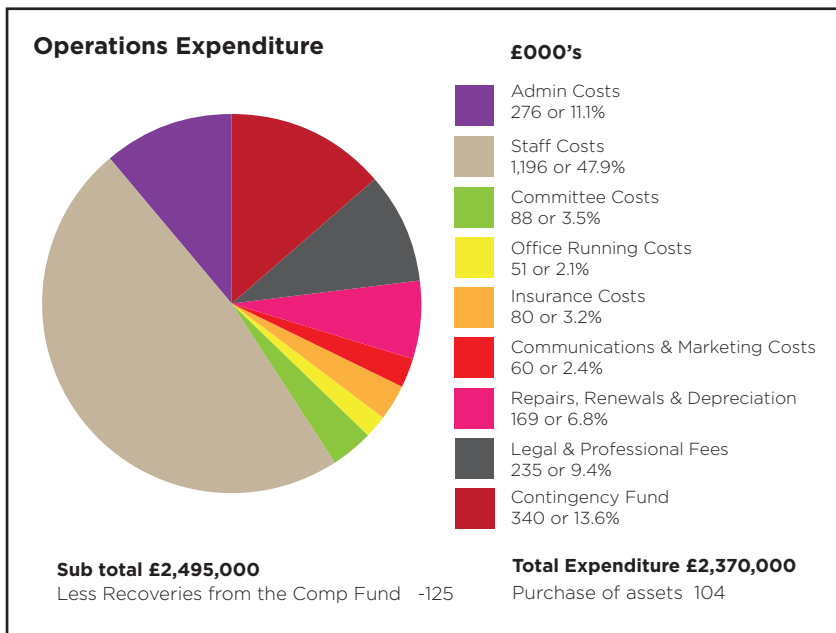
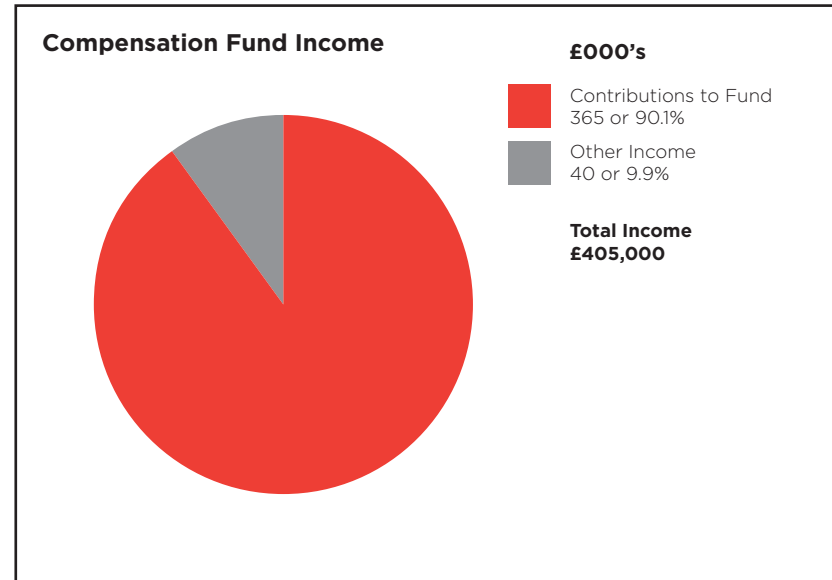
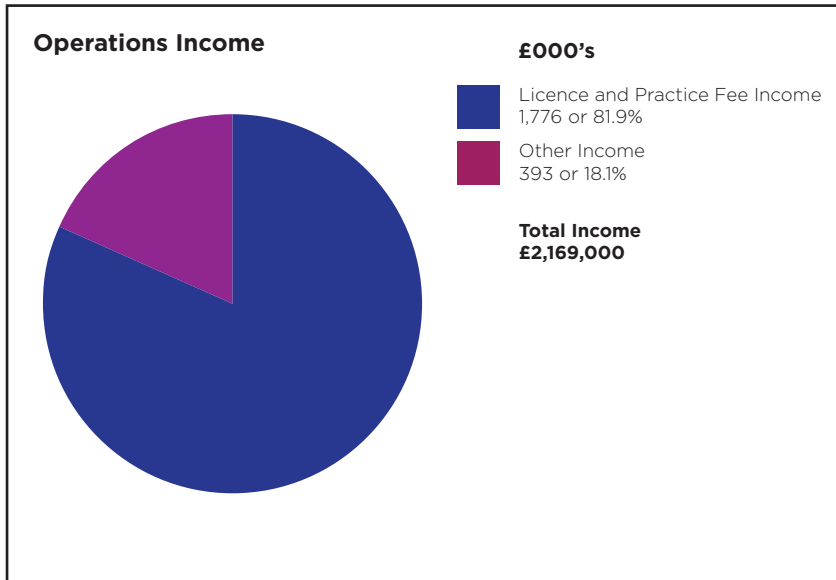
- 4.1 We will build capacity and capability in our key development areas, including increasing the depth and scope of technical/legal expertise and research.
- 4.2 We will carry out an assessment of our regulatory arrangements against the regulatory objectives, the better regulation principles and best regulatory practice to ensure that the way we operate facilitates the delivery of positive outcomes for consumers.
- 4.3 We will continue to develop our information management systems and website to increase the online delivery of regulatory activities.
- 4.4 We will implement new systems to ensure that the information we hold is shared and used to best effect.
- 4.5 We will continue to work to embed the CLC behaviours across the organisation.

“ We will carry out an in-depth Self Assessment which will be independently audited ”





# Budget summary 2012





We welcome feedback on our Business Plan.  
Please email us at [clc@clc-uk.org](mailto:clc@clc-uk.org).



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