





CLC Stakeholder and Regulated Community Perceptions Report

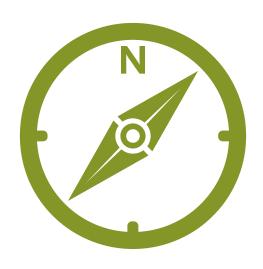


CLC Stakeholder and Regulated Community Perceptions Report

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Background and objectives

- The CLC is the regulatory body for Licensed Conveyancers who specialise in property law whose mission is to protect the public interest, provide consumer choice and to promote effective competition in the legal services market by setting entry standards and regulating providers to deliver high quality, accessible legal services.
- In early 2014 the CLC commissioned a stakeholder perceptions audit amongst its regulated community and key stakeholders with a view to inform communications, set robust benchmarks and identify ways to improve its services.
- In early 2016 IFF conducted a subsequent wave of primary research, to track changes in perception, and gain further insight on ways to improve services and communications.
- The 2016 research programme combined robust quantitative benchmarks amongst the regulated community with exploratory qualitative insight from influential stakeholders to build a holistic view of CLC's current position, and identify methods of improving its offer to stakeholders.





Methodology: The research approach for 2016



- 4 Teledepth interviews (3 licensed conveyancers, 1 student)
- 30 minutes in length
- Feedback was used to improve respondent experience of the Online survey to maximise participation



- **250 Online interviews** (170 licensed conveyancers, 80 managers)
- Starting sample of 1,303 **19%** response rate
- Responses were collected between 29/02/2016 and 01/04/2016



Stakeholder depth interviews

- 14 Teledepth interviews with key CLC Stakeholders
- 20-30 minutes in length
- Interviews were conducted between 25/02/2016 and 05/04/2016

Profile of respondents

Online Regulated Community survey

	All	Licensed Conveyancer	Manager
Male	68	34	34
	27%	20%	43%
Female	177	134	43
	71%	79%	54%
Age 44 and under	114	84	30
	46%	49%	38%
Age 45 and over	133	85	48
	53%	50%	60%
Regulated <3 years	65	45	20
	26%	26%	25%
Regulated 3 – 10 years	100	73	27
	40%	43%	34%
Regulated > 10 years	85	52	33
	34%	31%	42%

Stakeholder Teledepths

Interviews included representatives from the following:

- Lender bodies (1)
- Representatives of publications (2)
- Regulators (1)
- Representative bodies (4)
- Property specialists (1)
- Government (3)
- Banks (2)

Please note all subgroup figures shown are significant at the 95% confidence level





Awareness and Communication

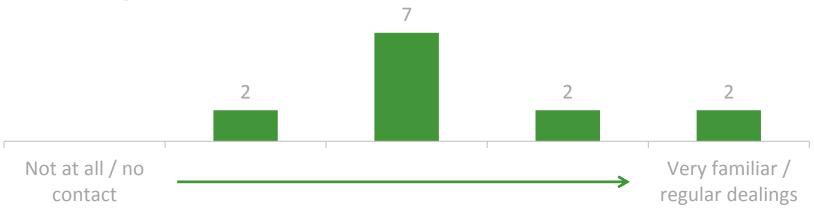
Key findings:

- Stakeholders have a good understanding of the role of the CLC, but less so on the CLC's stance on key regulatory issues
 - Regular, timely communications and a succinct newsletter would help
- The proportion of lawyers using the website once a month or less has increased since 2014
 - The website is mainly used for checks and administration
 - General website accessibility and a return of the Licensed
 Conveyancer forum were examples of potential improvements

Most Stakeholders are familiar with the CLC



 Of the 14 Stakeholder interviews, most had at least some familiarity and dealings with the CLC:



 Most felt the level of contact was about right, mainly on an 'as needed' basis:

[We] have a face to face every 2-3 months and speak regularly on the phone as needed & usually try to do this in a constructive way about member queries. I can call Sheila and discuss their view on an issue on a 'no names basis' and then advise our members without compromising confidentiality or their obligations. [Representative body #1]

 Awareness and dealings with the CLC are often good within departments with a focus on licensed conveyancing, but less so across organisations as a whole.



Most are also happy with the amount of communication with the CLC



- Almost all of the Stakeholders interviewed were happy with the <u>amount</u> of communication with the CLC.
- Some expressed a desire for more **proactive communication**, however.
- Face to face / Skype meetings were most often mentioned as the form of communication that works best.

When we need to have dialogue with them, they are more than happy to communicate with us. We are happy with how it works... The main thing is that you know the named contacts at the CLC and I do not know who to contact at the SRA. [Representative body #2]

The CLC could be more proactive in listening to the views of people in the market but they don't really do that.

[Publication #1]

We get in touch on an 'as and when needed' basis but we could probably do more on a regular basis to discuss trends, risk areas, general 'what are the issues'. It would be good to do some strategic catch ups occasionally rather than only talk on an issue basis. [Lender body]



All Stakeholders understood the basic role of the CLC...



- Regulation of licensed conveyancers was the most common descriptor of the role of the CLC. This included:
 - Setting standards of practice
 - Enforcement
 - Provision of training

They are the regulator for the Licenced Conveyancing community. They exist in order to provide a degree of competition & choice for lawyers in terms of who regulates them, and to protect their community with right degree and proportionate rigour.

To act as the regulator of Licensed
Conveyancers- they are the body responsible
for ensuring that they all meet certain
standards. They also provide training materials
and check that conveyancers do the mandatory
training and monitor firms. [Bank #1]

Like us they have consumers at the heart but I am slightly confused as to whether they have a membership function as well as a regulatory one - I'm guessing they must do. But it is separate from the other regulatory bodies in that it isn't really attached to a professional body – it is a statutory body. [Regulator]



...and this was also largely true about more specific aspects of its regulatory function

Stakeholder

Most had a good understanding on the specific responsibilities of the CLC

 However, there was some confusion relating to the <u>provision</u> of training and <u>who</u> can be regulated by the CLC

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The CLC	Agree	Disagree	DK
Regulates licensed conveyancers	14		
Sets standards of conduct / discipline	14		
Licenses qualified individuals	14		
Investigates allegations of misconduct	14		
Sets education and training standards	13	1	
Promotes competition	12		2
Represents licensed conveyancers	1	12	1
Is overseen by the Law Society	2	12	
Licenses recognised firms and ABSs	11		3
Regulates probate work	11	3	
Puts the needs of the consumer first	10	2	2
Provides education and training	5	4	5
Any solicitor can be regulated by them	7	3	4
Any practice can be regulated by them	8	3	3

Figures in **green** denote the number who answered correctly



However, most Stakeholders were not familiar with CLC's stance on key issues affecting regulation of the legal community today



- The majority of the Stakeholders interviewed stated they were not familiar with the CLC's stance on key issues affecting regulation of the legal community today.
 - This was confirmed when they were asked to state which of 8 statements were truly representative of the CLC's views – among those who stated they were *not* familiar, **no one score higher than 3/8**.
- On a positive note, those who felt they were familiar with the CLC's stance all scored at least 6/8. They had heard about the CLC's stance through:
 - An article in Legal Futures
 - At meetings where the CLC have presented their position
 - Through general e-mails
- This suggests that using the **appropriate channel** is key to effectively communicating the CLC's stance to the wider legal community.



Most Stakeholders felt the CLC could be more effective at getting its messages across, although some added that there has been an improvement in this area



 It was noted by some that the CLC has been improving in this area. Some Stakeholders mentioned that the CLC was good at getting its message across at events or in meetings:

They are trying to improve their communication — they are running an event with us. I know that they also get around and speak at other events and run their own.

They are trying to become more thought leaders in the market and champion best practice. [Publication #2]

They are better than the SLC who have little profile now compared to the CLC, though 4 years ago it was the other way round. The new CLC CEO has changed everything. [Bank #1]

They had a few years where they were a bit insular but there is certainly a lot more communication in bite-sized formula – i.e. easy to digest – since Sheila. [Representative body #3]

Some mentioned that they did not know whether the CLC had a **regular bulletin or newsletter**, and that it would be useful:

If they sent me a regular bulletin setting out their views, <u>I</u> would be happy to read it. It would be very useful. We do get that from the SRA & the Law Society – sometimes too much, but it is helpful to see the occasional bulletin on their stance. [Representative body #2]

[They are] good at putting forward their views and where the frustrations are in the meetings.

[Government #1]



Stakeholders felt the CLC compares favourably to similarly sized bodies in the effectiveness of communicating its message, but less so to larger bodies



 Although some Stakeholders thought the CLC compared unfavourably to larger bodies like the Law Society or the SRA, this was often caveated:

They have much more limited success than the Law Society, SRA etc. but they are a much smaller organisation with a much smaller regulated community. The problem they have is that the solicitor brand (& possibly the barrister brand) is incredibly domineering in the market.

[Government #2]

The Law Society is better because of their sheer size and profile and the SRA has more lobbying power. [Bank #1] You can't really compare with bodies like the Law Society, SRA, Bar Society because they are so much bigger organisations with inevitably much higher profiles. But compared to the smaller similar sized organisations like CiLex, I think they are more effective. They get themselves around more.

[Publication #2]

Again some Stakeholders cited the lack of a CLC 'Gazette' or magazine:

The Law Society Online Gazette is a useful information tool and I am not aware that the CLC have a similar thing. The Online Gazette gives them an advantage at getting their messages across. [Bank #2]

They are less effective than Law Society & SRA. I seem to get a lot more channels of information & contact from them. I get copies of the Gazette and pick up their views there. Because the CLC doesn't have a regular 'magazine' there is less opportunity for them to get their views across. [Lender body]



Regular, timely communication and a newsletter were some suggested improvements



I don't know if there is a

general newsletter or general

piece of information that I

would be allowed to sign up to

but I'd be happy to do that.

Be more media-friendly – <u>be</u>
<u>proactive in short comments that</u>
<u>are timely</u> about any changes rather
than only issuing a weighty and
considered view but a few days later.

[Publication #1]

Communicate regularly with other stakeholders in the industry and be more inclusive on what your plans and ambitions are.

Do an email bulletin.

[Representative body #2]

<u>Regular updates</u> to stakeholders – alerts with snapshot headlines about major issues, developments and their views on things. <u>Short snappy update</u> <u>bulletins</u> so that they get their views out. [Lender body]

If they were more directive
about getting people to come to
their own events it would be
useful. It would help by better
building the feel of Licensed
Conveyancers as a community.

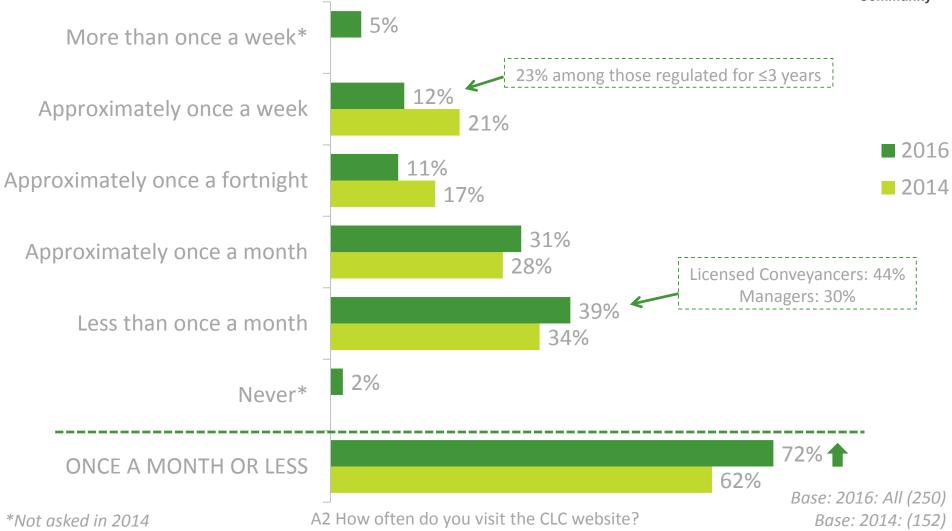
[Representative hody #1]

We like the Online Gazette approach
which gives a lot of articles, some of
which we interesting & useful to us. It
is an effective way to get messages
across to a wider audience.

They could do more
proactive work with the
media, with articles about
licenced conveyancers in
mortgage & homebuyers
magazines. They could
usefully help homebuyers
to understand the process set out a step by step
process in plain terms &
simple language. [Bank #1]

There has been an increase amongst lawyers visiting the website only once a month or less

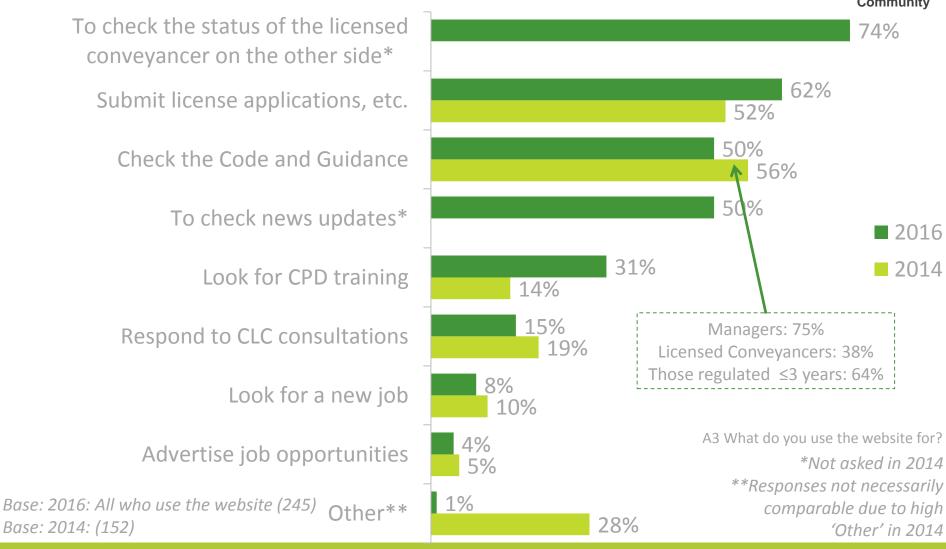






While usage of the website among lawyers is varied, it is mainly used for checking and administrative purposes

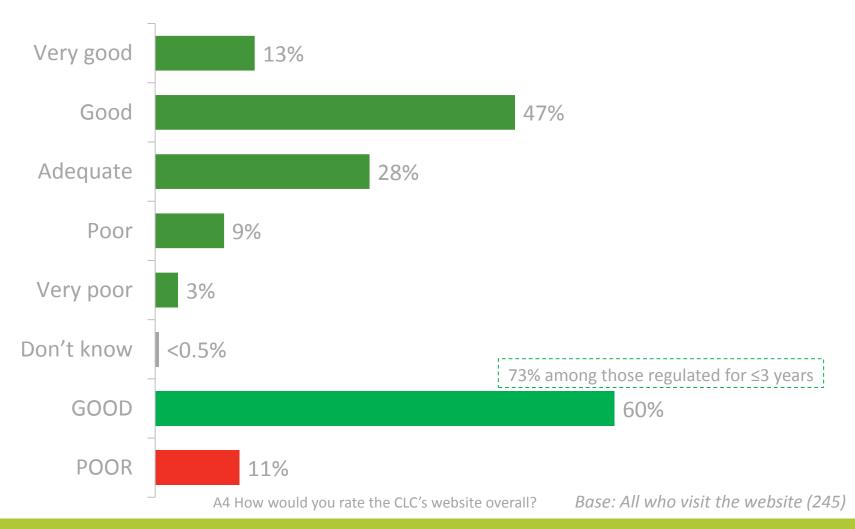






There is room for improvement on the website, although three-quarters of lawyers regulated for 3 years or less rated the website 'GOOD'







General website accessibility and a return of the Licensed Conveyancer forum were examples of ways the website could be improved



Re-open the
<u>Conveyancers forum</u>
on the website.
Regulated community]

The website needs to be more user friendly. It can be difficult to locate what you are trying to find. [Regulated community]

The old site was much better.

Bring back the licensed

conveyancer forum. This was

really useful. [Regulated

community]

Regarding the website, there is <u>no information on there that</u> <u>helps keep me in touch with other licensed conveyancers</u>.

[Regulated community]

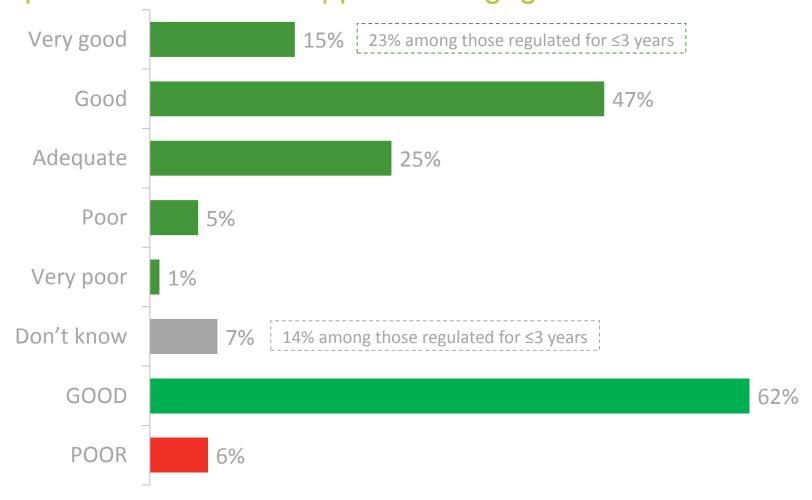
Return to the previous website with <u>areas specifically tailored</u> <u>to conveyancers needs</u>.

Improve their website to be more user friendly as <u>it</u>
<u>is not easy to find</u>
<u>information</u> on there.
[Regulated community]

The <u>new website isn't</u>
<u>easy to access for</u>
<u>members</u> so I have
stopped using it. The
forums used to be
helpful but don't
seem to be available
any more. [Regulated
community]



A quarter of lawyers regulated for 3 years or less rated the newsletters as 'Very good', although there was also a small Regulated proportion who did not appear to engage with them Community



A5 How would you rate the CLC's newsletters overall?



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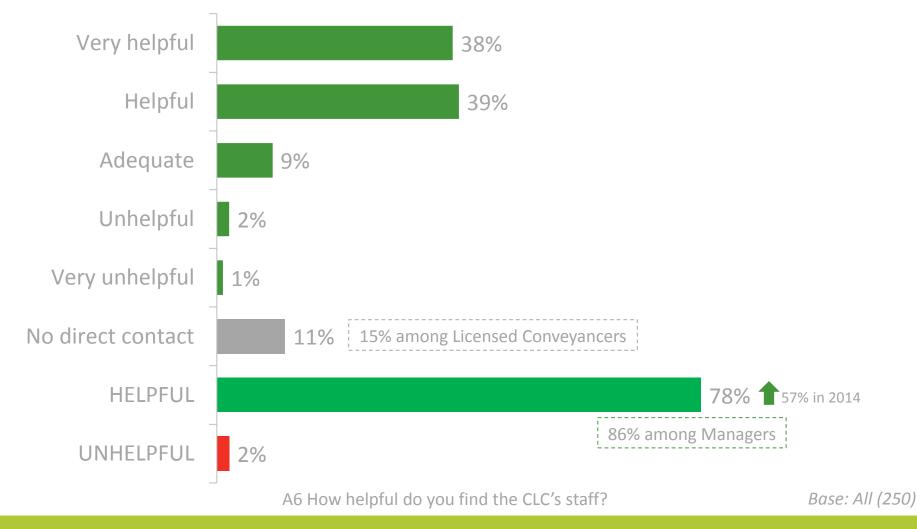
Support from the CLC

Key findings:

- The majority of lawyers are happy with the level of support from the CLC
 - CLC's staff are thought helpful and provide good information
- The proportion of lawyers who feel the CLC keeps them up to date and understands their business has increased since 2014
- However, there is room for improvement by helping lawyers achieve compliance. This could be improved by:
 - More proactive communications
 - More hands-on support

There has been a substantial increase in lawyers finding the CLC's staff helpful. Managers in particular find them helpful

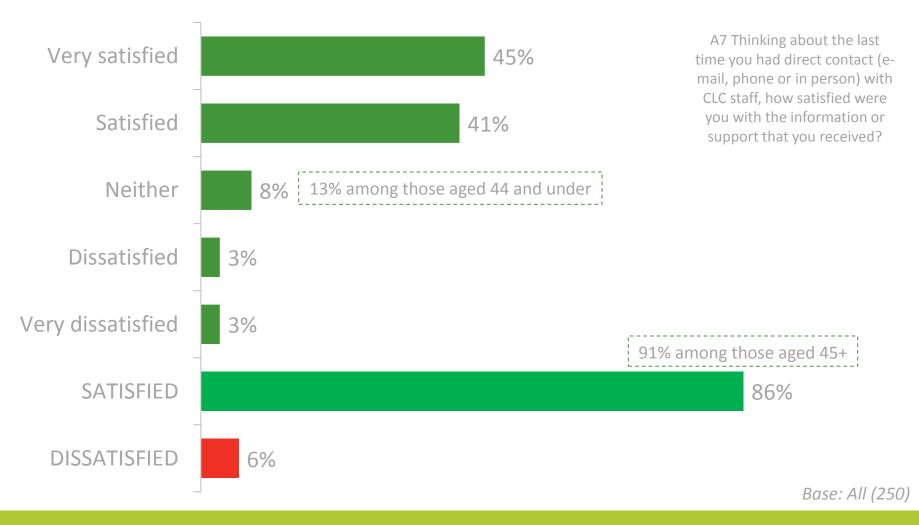






The vast majority were satisfied with the information or support they received from CLC staff, especially among those aged 45+

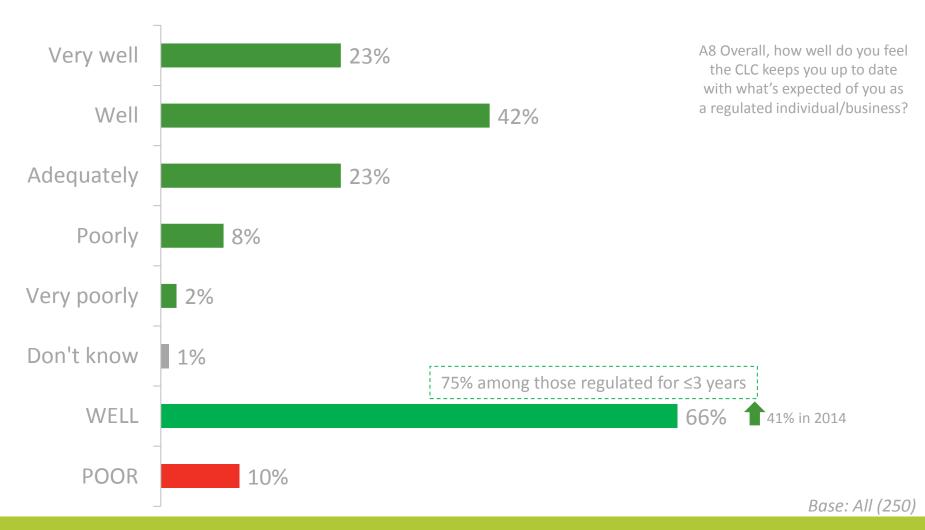






There has been a substantial increase in lawyers who feel the CLC keeps them up to date. Three-quarters of those regulated for less than 3 years felt this way

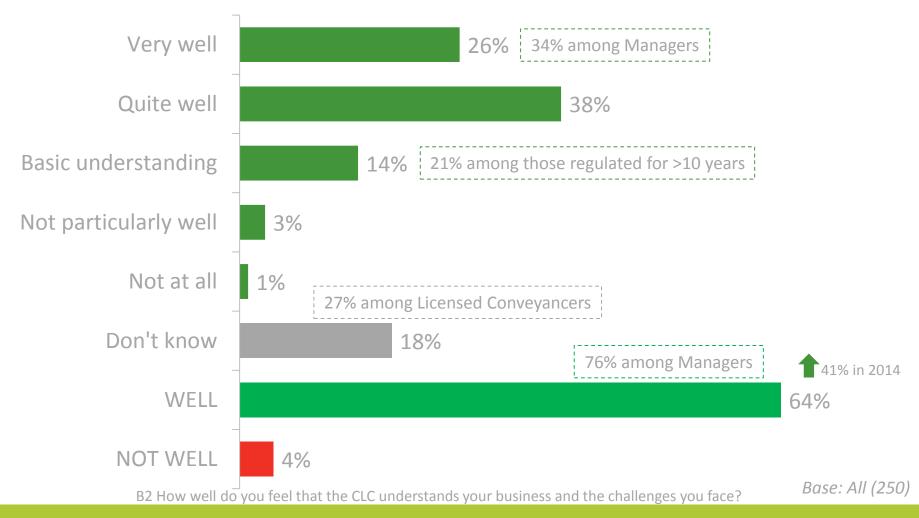




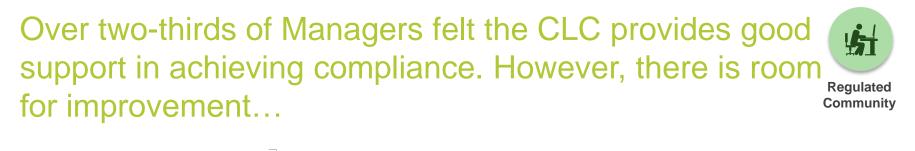


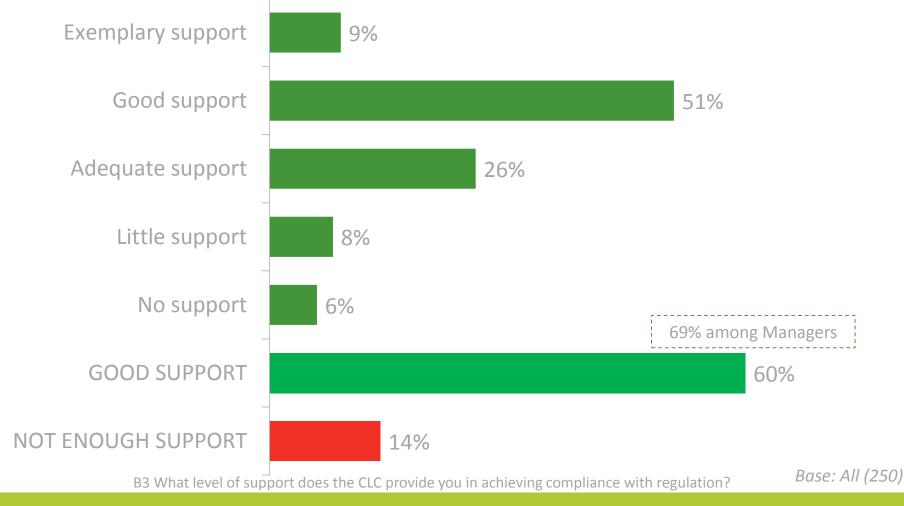
There has been a substantial increase in lawyers who feel the CLC understands their business. Three-quarters of Managers felt this way







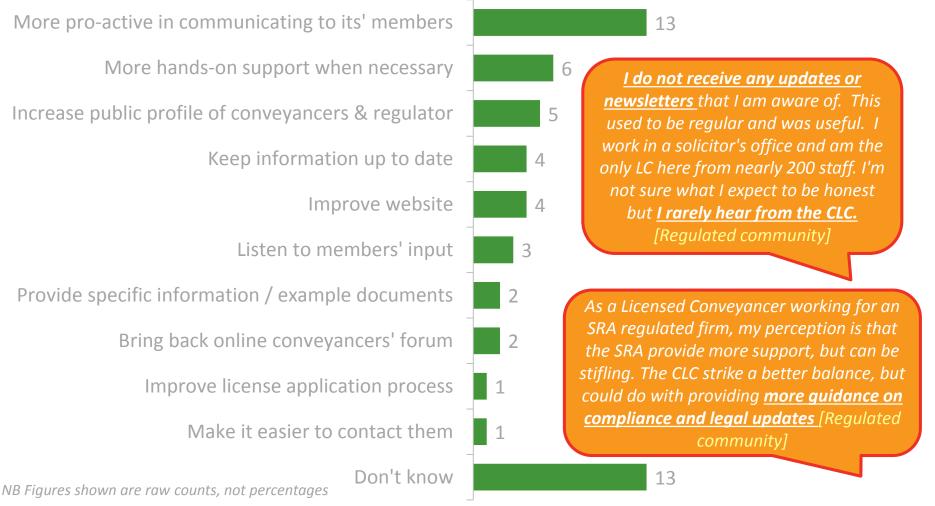






...such as being more pro-active with communications and providing more hands-on support





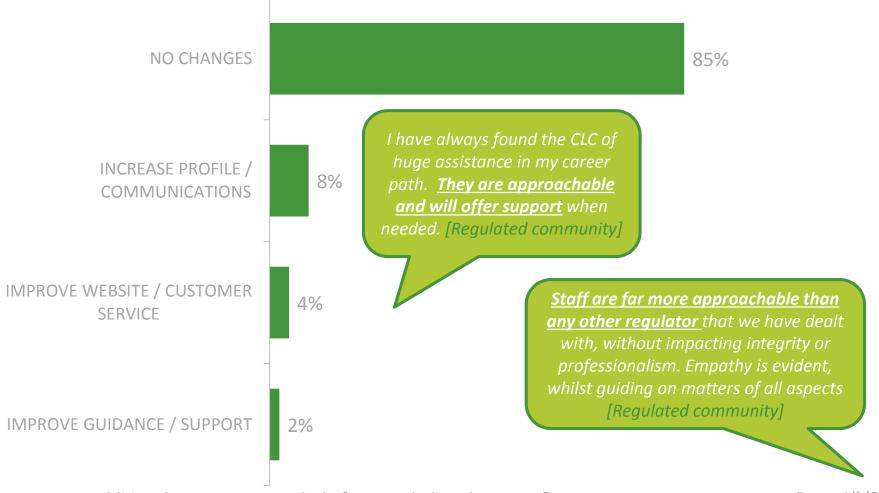


B4 What could the CLC do to support you better?

Base: All who feel the CLC does not provide enough support (35)

The majority of lawyers were happy with the CLC and cited no changes/suggestions – comments mentioned the approachability of the CLC in particular



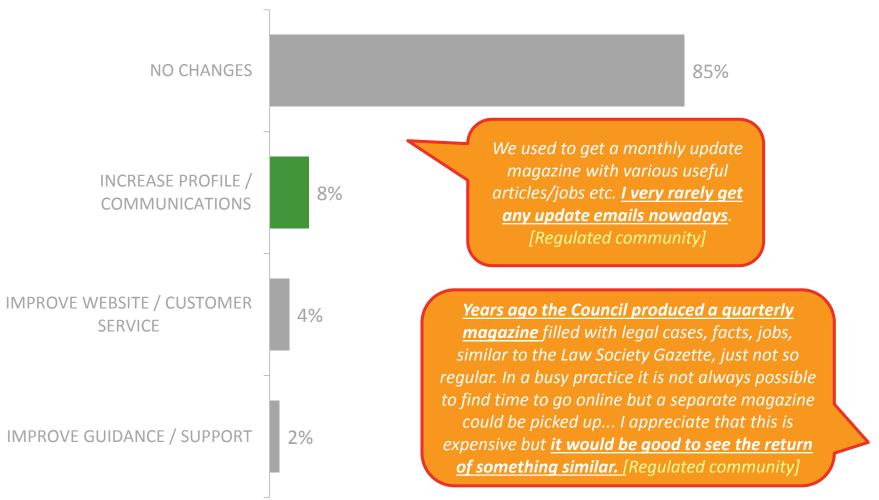






However, some lawyers felt that a higher profile or increased communications would be an improvement...



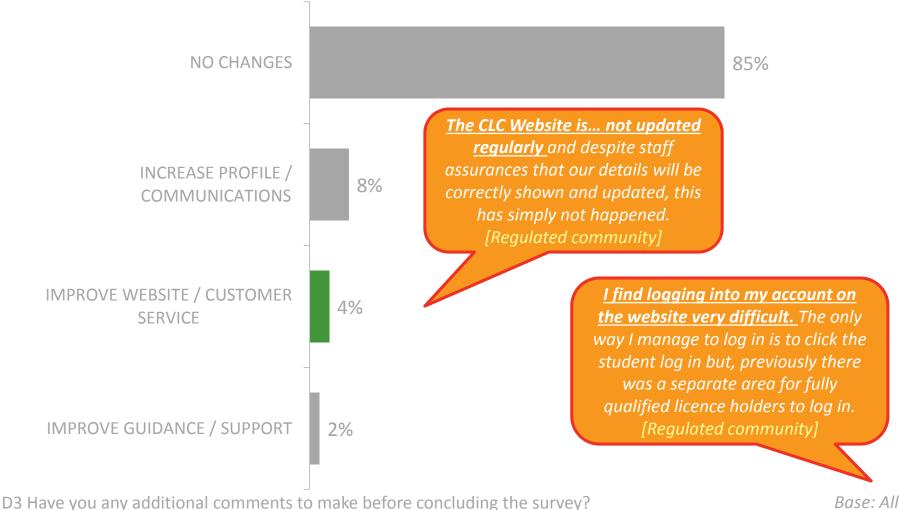


D3 Have you any additional comments to make before concluding the survey?



A small number mentioned potential improvements to the website or customer service in general...

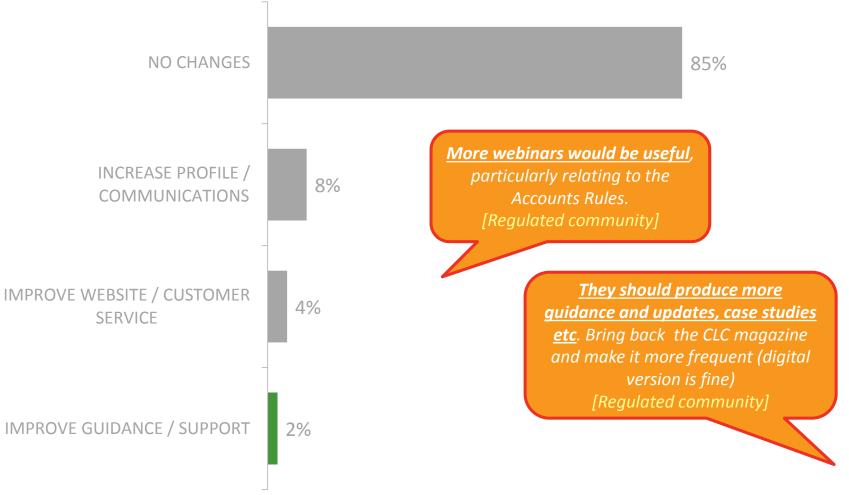






And a handful felt that the guidance and support available could be improved (continuing the theme of improvements to communications generally)





D3 Have you any additional comments to make before concluding the survey?



Stakeholders also felt the CLC could be more pro-active in its communications



- As with the Regulated Community survey, most Stakeholders felt the there were no areas where the CLC could do better.
- However, like the Regulated Community survey, increasing their profile and communications was the main area cited for improvement for the CLC, as well as being a bit 'tougher' as a regulator:

I think we would like them to be a bit
more aggressive around Mortgage Lending
and Lender Panels and also in promoting
the profession as an alternative for
solicitors... I like the fact that they regularly
consult – though there is almost too much
consultation actually sometimes! They
could be more confident in portraying
themselves & the good job they do.
[Representative body #1]

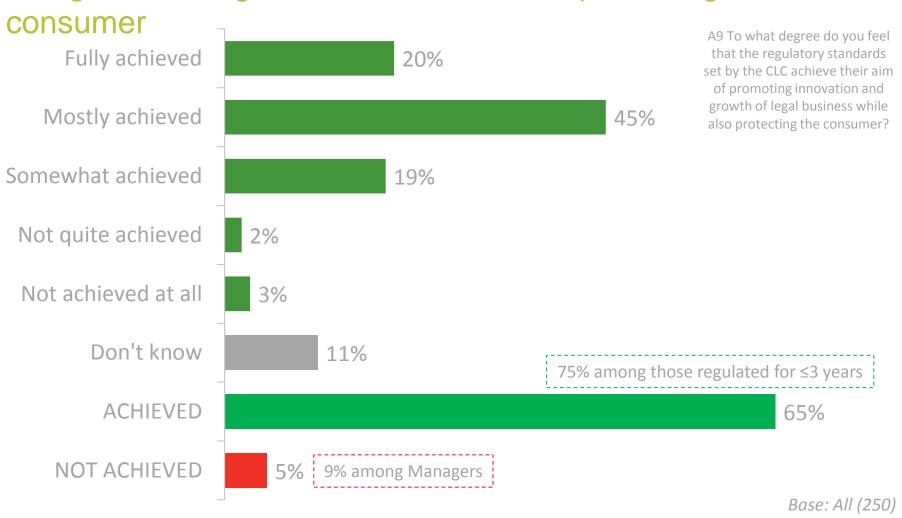
It might be helpful if they publicised any disciplinary issues or trends that they have observed, especially in regard to enforcement and risk issues. They may do it and I have missed it but I am not so aware of it. It would be helpful for our members to be kept aware of any issues [Lender body]

The CLC feels as though you are being regulated by your mum — it is paternal & they are nice people but I am not sure they have the edge a regulator should have. Familiarity is not always helpful for a regulator.

[Publication #1]



Two-thirds of lawyers agree that the regulatory standards set by the CLC achieve their aim of promoting innovation Regulated and growth of legal business, while also protecting the Community



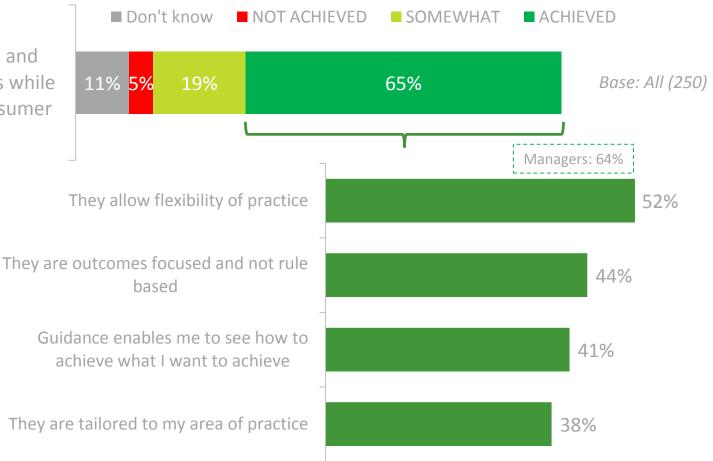


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Most felt the flexibility of practice and an outcomes focused approach promotes innovation and growth while protecting the consumer.



Promoting innovation and growth of legal business while also protecting the consumer



A9A Why do you feel that that the regulatory standards set by the CLC achieve their aim of promoting innovation and growth of legal business while also protecting the consumer?

Base: All who feel aim is at least mostly achieved (163)



A small minority would rather a rules approach, however.

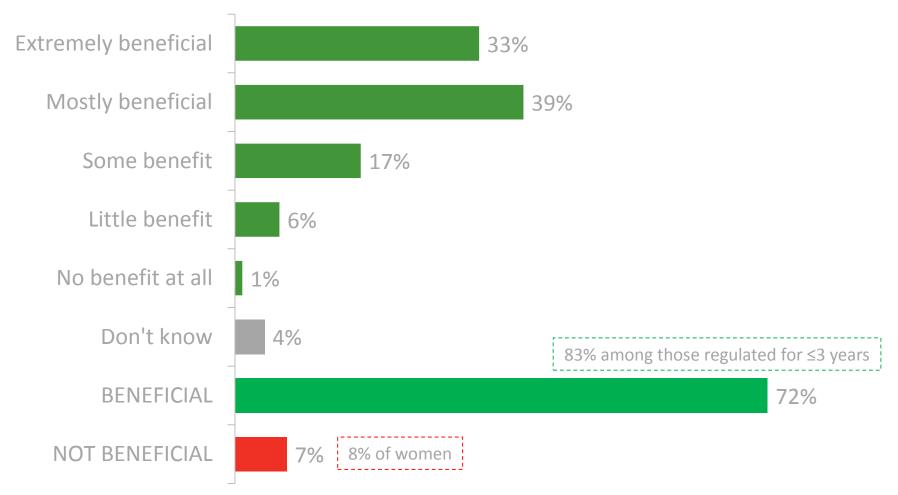


■ Don't know ■ NOT ACHIEVED SOMEWHAT ACHIEVED Promoting innovation and growth of legal business while 11% 5% 19% 65% Base: All (250) also protecting the consumer Guidance does not make clear what I need to achieve Rules would make compliance less time 4 consuming A9B Why do you feel that that the regulatory The standards do not support Conveyancers standards set by the CLC do not achieve their aim of promoting innovation and The Handbook stifles innovation growth of legal business while also protecting the The Handbook is not tailored to my area of consumer? 1 practice Base: All who feel aim is not achieved (12) NB Figures shown are raw counts, not percentages



The majority of lawyers feel being regulated by the CLC is beneficial to their business





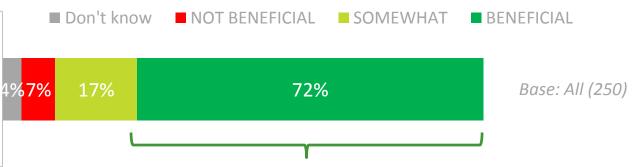
A10 Overall, how beneficial do you feel that being regulated by the CLC is to you/your business?



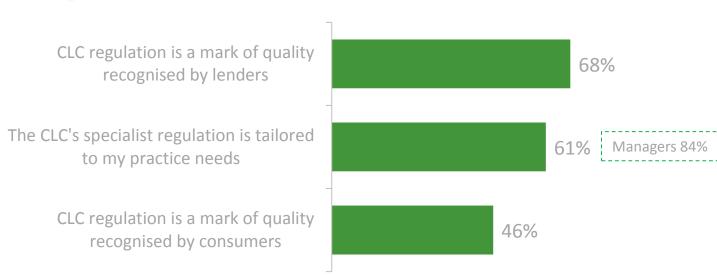
A large majority of Managers feel that the chief benefit of regulation by the CLC brings to their business is that it is tailored to their practices' needs



How beneficial do you feel that being regulated by the CLC is to the business?



A10A Why do you feel that that being regulated by the CLC is of benefit to you/your business?

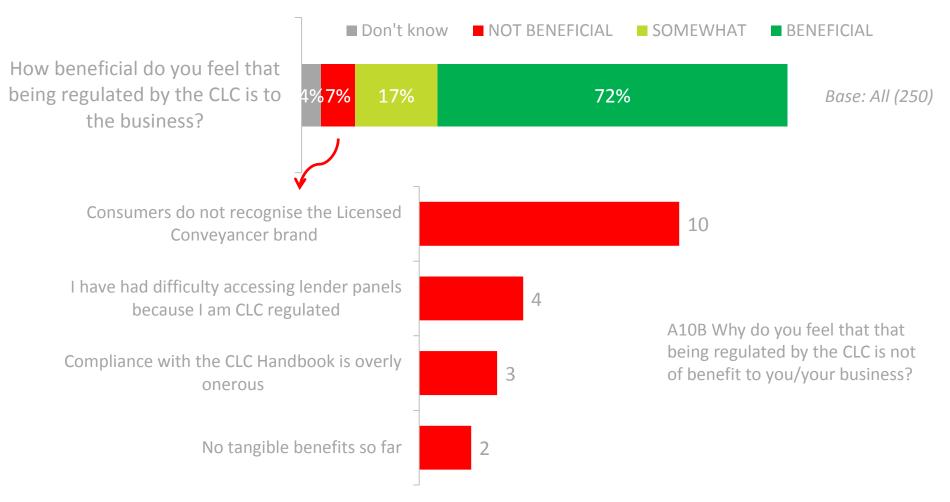


Base: All who feel regulation by the CLC is beneficial (180)



A small minority do not think consumers recognise the Licensed Conveyancer brand







Base: All who feel regulation by the CLC is not beneficial (18)

NB Figures shown are raw counts, not percentages



Performance of the CLC

Key findings:

- The proportion of lawyers who feel the CLC performs well in the areas of regulation and admin has increased significantly since 2014
- However, there was less awareness among lawyers regarding the CLC's performance in it's consumer-facing and compliance functions and more niche regulatory functions
- Half of Managers feel the CLC could be more effective at working with lenders to ensure Licensed Conveyancers can access the market on an equal footing

There have been marked improvements in performance in the areas of regulation and administration compared



Issuing licences to practice 7% 82% 67% in 2014 3% 88% among men Regulation of Licensed 78% 69% in 2014 Conveyancers* 1% ← 4% among Managers Managers: 84% Setting standards for professional 63% in 2014 10% 75% practice 1% Setting standards for training and 8% 74% 61% in 2014 education 2% Providing practical guidance to the 8% 9% 65% 41% in 2014 regulated community ■ Don't know POORLY AVERAGE ■ WFII Base: All (250)



*Base: All Licensed Conveyancers and Managers (249)



B1 How well do you feel the CLC performs at these functions?

to 2014

Stakeholders also feel that the CLC performs well setting standards for professional practice.



Setting standards for professional practice (Quant)



Yes. On the face of it, there have been no big failures where they have failed the public so you can assume they are doing a good job.

They operate a more light touch compared with the SRA but it seems to work in that there are very few cases of customer failure.

[Publication #1]

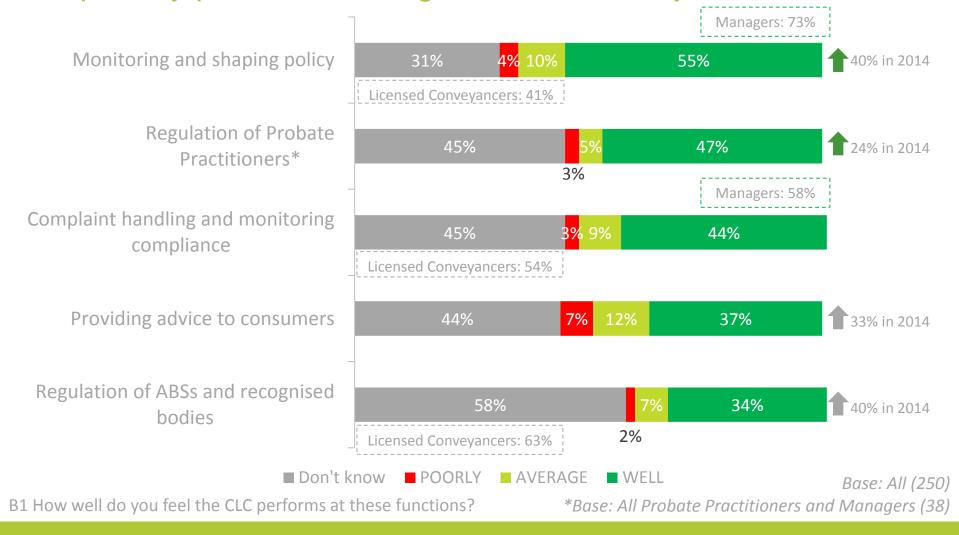
We don't really get involved in that side of things but they do seem really keen to work with us on defective applications which is one of our issues and they are very good at working with us and promoting best practice. They are much more proactive than some organisations in taking things forward so it makes you feel they are doing a good job. [Government #1]

Yes – based on outcomes - which speak volumes. Licenced Conveyancers pay half the professional indemnity premiums that solicitors do which does suggest that they are setting the right standards & that the standards they are setting are more fit for purpose. The CLC has the benefit of being a single (or limited) focus regulator. They are a specialist regulator and know their marketplace. [Representative body #1]



Large proportions of lawyers did not know how the CLC was performing in several of its functions – this was especially prevalent among Licensed Conveyancers







Half of Managers feel the CLC could be more effective at working with lenders to ensure Licensed Conveyancers can access the market on an equal footing. There is a lack of awareness regarding developing new routes to qualification and moving from direct

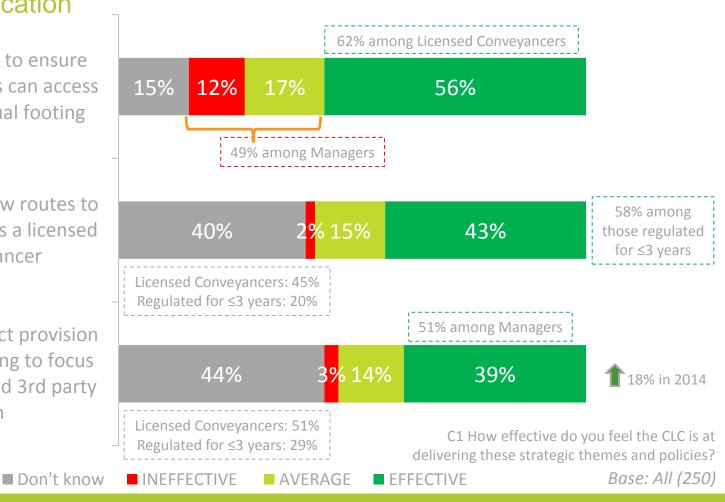


Working with lenders to ensure Licensed Conveyancers can access the market on an equal footing

provision of education

Developing new routes to qualification as a licensed conveyancer

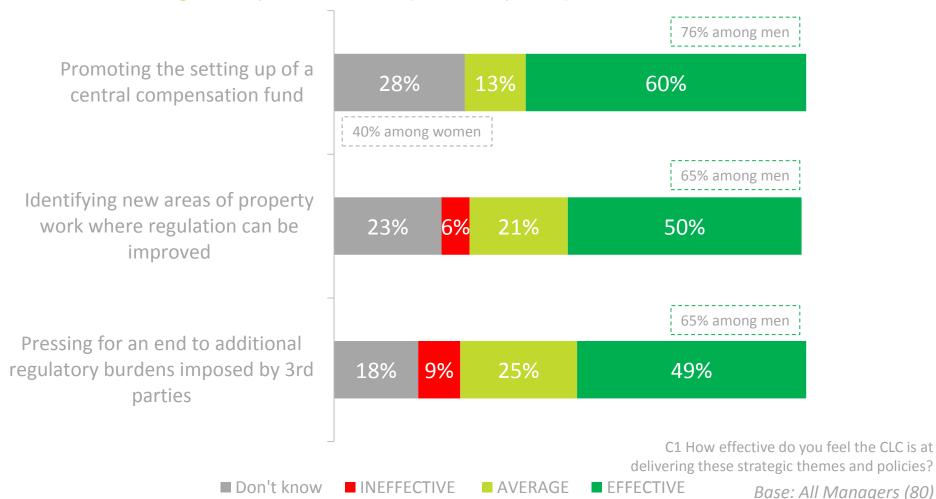
Moving away from direct provision of education and training to focus on setting standards and 3rd party accreditation





Male Managers were more likely to rate the CLC as effective at promoting the set up of a central compensation fund, identifying new areas where regulation can be improved, and pressing for an end to additional regulatory burdens imposed by 3rd parties









Perceptions of the CLC

Key findings:

- Most stakeholders feel the CLC compares favourably to other organisations in the legal community
 - The CLC is viewed as being trusted, well respected, knowledgeable and personal
 - However, more could be done to make itself better known
- The majority of lawyers think that regulation by the CLC provides value for money
 - Significant increases in the proportion of lawyers who feel the CLC is professional, accountable and influential

Stakeholders view the CLC as well respected, personable and knowledgeable, but feel it could do more to make itself more widely known

 On the whole Stakeholders thought the CLC was well respected as a regulator, albeit some viewed them a "small player" and not well known:

They have <u>a positive</u>

<u>reputation</u> in regulation but
are regarded as <u>one of the</u>

<u>smaller players</u> in the legal
services field. [Government #2]

I don't think they are particularly wellknown. Most home buyers would think that they need a solicitor - there are not so many conveyancers so I suspect most consumers would not know the CLC. [Bank #1]

 However, its small size was also cited as a positive; it is felt by some that its knows its market well and looks after its community

> My perception is that they take a personal approach to their community... unlike the SRA. [Representative body #2]

Within our organisation, they have a very good reputation. We have high level interaction with them and they make us feel that we are high up on their agenda which not all do. [Government #1]

They have a good reputation as a regulator and are more proactive than the other regulators. We have a closer and stronger relationship with them and we have done some work with them to share processes. They appear to have an in depth knowledge of their own members and can spot risk, so we have a lot of confidence in them.

[Bank #2]



Three words to describe the CLC



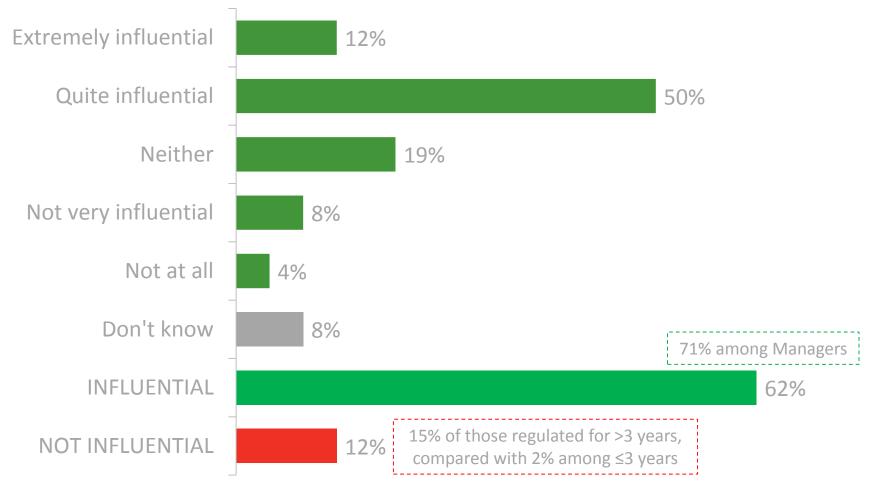
- Stakeholders were asked to choose **three words** they would use to describe the CLC.
- Although the words chosen were almost entirely positive, there was no clear consensus among the stakeholders.
- Examples of words which were mentioned more than once include:
 - Trusted*
 - Approachable
 - Forward looking
 - Helpful
 - Open
 - Proactive
 - Professional

*Please note the question that preceded this one in the topic guide was 'Would you say the CLC is trusted?'



Seven in ten Managers think the CLC is influential in the development of the legal sector





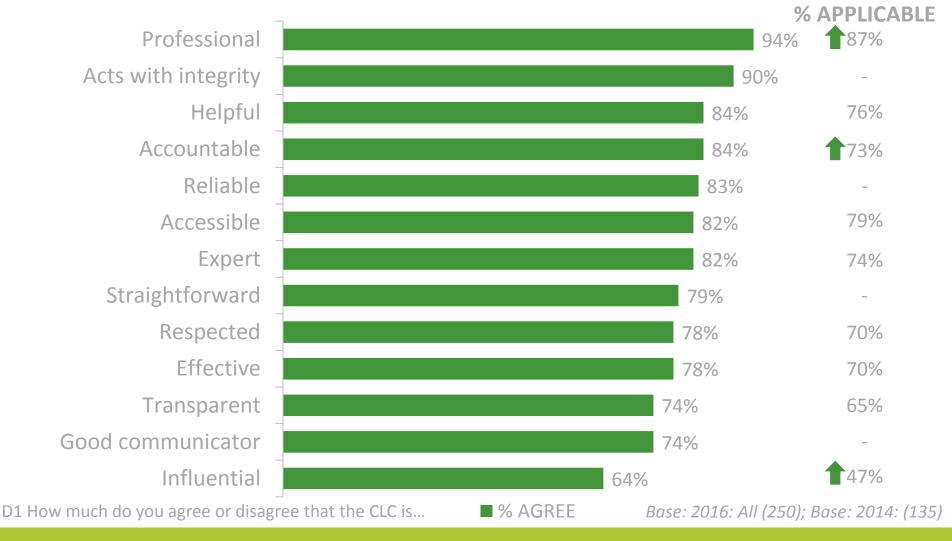
C2 How influential do you think the CLC is in the development of the legal sector?



Base: All (250)

Virtually all lawyers felt the CLC is professional, an increase since 2014. They were least likely to agree that the CLC is influential, although this had also increased since 2014.



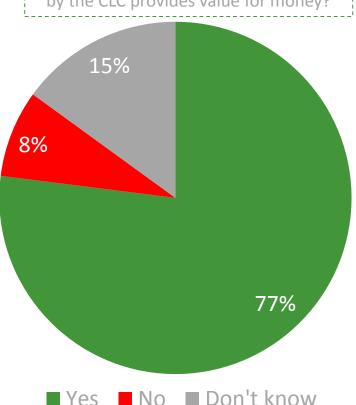




The majority of lawyers think that regulation by the CLC provides value for money. Stakeholders were unanimous regulated in stating that the CLC is trusted

Stakeholder

D2 Overall, do you think that regulation by the CLC provides value for money?



Would you say the CLC is trusted?

Yes – again because of outcomes. You do not hear a lot of negativity in the professional media unlike with the SRA who are frequently derided or the Law Society many of whose members don't like them.

Our members now trust and respect the CLC. It was not always so but certainly over the last 10 years things have changed to a much better position.

[Representative body #1]

Yes — because based on the engagement I have had with them, they have been open, honest and quite willing to discuss things.

[Lender body]

Base: All (250)



Most Stakeholders feel the CLC compares favourably to other organisations in the legal community, with several citing a closer relationship and more personal touch.

Stakeholder

It is difficult to compare
when they have such a
narrow brief... but I think
they are quite effective at
what they do in their area.

They have the benefit of size in that they are by far the smallest of the regulators.

This allows for a more personal touch — they know their regulated community. They play to their strengths and that comes over — they are more hands on than the SRA.

[Representative body #2]

They have demonstrated a <u>willingness</u>
<u>to engage and discuss and they have</u>
<u>a positive attitude</u>. Sometimes our
dealings with the Law Society and SRA
can get fraught. The CLC is a lot easier
to deal with in general. [Lender body]

We have dealings with them all but the CLC are the most proactive and we view them favourably. We have key contacts — my senior would deal with Sheila and I would deal with Stephen. We probably have a better closer relationship with CLC than the others... [Bank #2]

It is difficult [to compare to other organisations] because they are so niche — I just see them as a niche property regulator with a core focus on property law. [Regulator]

In terms of their role as a regulator and oversight and control, they compare favourably with the SRA.

They are a smaller regulator and have a specialised focus on conveyancing and probate. [Bank #1]

They compare reasonably well <u>but</u> there is room for improvement in terms of raising their profile and in terms of engagement. One would help the other.

[Property specialist]



Summary

- On the whole the CLC is doing a good job in its main roles as a regulator:
 - Lawyers feel the CLC is **performing well in regulation and administration**, with significant improvements on 2014's performance
 - Lawyers feel well supported by CLC staff and the information they provide
 - The majority of lawyers think that regulation by the CLC provides value for money
 - Stakeholders understand the basic roles of the CLC
 - Most Stakeholders feel the CLC compares favourably to other organisations in the legal community



Summary

- However, more could be done to improve the CLC's communications and profile:
 - There is room for improvement in supporting lawyers to achieve compliance
 - More proactive communications and hands-on support were cited as ways to improve
 - Lawyers felt the website could be more accessible, and that the CLC should consider bringing back the conveyancers forum
 - Lawyers had a low awareness of the CLC's performance in some of its more niche functions
 - Similarly, Stakeholders had a low awareness of the CLC's stance on key issues in regulation
 - More regular and timely e-communications and a periodic newsletter were suggested ways of improving awareness



Conclusions

- The Regulated Community survey has highlighted significant improvements across several key measures since 2014, including regulatory performance and guidance & support.
- The Stakeholder interviews also highlighted that the CLC has improved in getting its message across on current issues in regulation, with the current CEO being mentioned by some as a key driving force in this. However, many Stakeholders felt that more could be done to improve communications.
- More generally, both the Regulated Community and Stakeholders feel that the more specific or niche areas of the CLC's remit could be better communicated, and that this – along with an increased public and sector profile in general – would be welcomed.