



Consumer Needs

Principles

Specialist

Technology

Outcomes

Driving innovation through regulation

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To request a Welsh translation of this document please email clc@clc-uk.org.

Foreword

We are delighted to present this year's business plan which is the first year of the implementation of our new corporate strategy for 2011 to 2013. This year promises to be a significant milestone in the history of the CLC as we aim to be successful in both applications to Legal Services Board to become a licensing authority and a regulator of litigation and advocacy services.

We have developed an ambitious program of work this year to deliver our new strategic priorities and we are confident the work programme is both realistic and achievable.

A key work stream for us this year is implementing a new approach to licensing Alternative Business Structures (ABS). Our approach is focused on ensuring that those we regulate deliver positive outcomes to consumers. We will ensure that our new licensing requirements, to be introduced later this year, will be sufficient to give consumers an appropriate level of protection, but not so burdensome as to create a disproportionate barrier for prospective competent new entrants.

We aim to achieve the delicate balance between adequate consumer protection and allowing consumer focused providers to have the necessary freedom and flexibility to deliver services innovatively. We will be focusing this year on further developing our risk assessment approach to ensure the appropriateness of our regulatory response to the risk profile of the entities that we regulate. Development has already commenced and the new approach to risk based regulation will be implemented later this year, to underpin the implementation of principles based regulation.

A new and exciting work stream for us this year is focused on enhancing and broadening our market intelligence. We will be exploring a range of options to determine our approach to obtaining a better and current understanding of the markets where our regulated entities operate and to use this intelligence to inform policy thinking in future years.

This year, we will also complete the development of an integrated qualification and credit framework for the CLC professional training programmes in probate and conveyancing. We expect the new framework to provide additional benefits to students including a progressive

qualification structure that builds on existing knowledge at each level, credit-accumulation system allowing progress at different speeds, recognition of prior learning and formal recognition on completion of the academic qualification.

We are committed to ensuring that we have sufficient resources to deliver our ambitious plans this year and for the future. We are therefore planning an initial increase in staff resource of 20%, complimented by working with a wider range of specialist providers to support the discharge of our regulatory functions.

We are also committing additional resource to the development of existing staff, to ensure that they are ready and able to carry the responsibilities of a licensing authority and regulator of litigation and advocacy services.

We recognise that the environment in which we operate is moving rapidly and we are committed not only to adapting effectively to changes, but also continuing to work with our key stakeholders to shape the future.



Victor Olowe Chief Executive



Anna Bradley Chair



Council for
**Licensed
Conveyancers**

WHO WE ARE

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:

- 1 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.

4 www.conveyancer.org.uk/about_us

WHAT WE DO

Our role is to safeguard the public interest and consumers by regulating providers to deliver high quality and accessible legal services. The CLC fulfils its responsibilities by undertaking the following range of activities:

- Set educational and training standards for entry to the profession;
- Issue licences to practise to those qualified to provide conveyancing and probate services to consumers;
- Maintain a register of all Licensed Conveyancers and approved Regulated Entities;
- Set standards to regulate the professional practice, conduct and discipline of Licensed Conveyancers and Regulated Entities;
- Set standards to maintain adequate professional indemnity insurance and a compensation fund to protect consumers;
- Monitor the work and conduct of Regulated Entities and to determine whether they are meeting the required standards;
- Provide guidance and advice to Regulated Entities to maintain compliance with the standards and those regulations relevant to our duty of consumer protection;
- Investigate allegations of misconduct against a Licensed Conveyancer, Manager and/or Regulated Entity and where appropriate take disciplinary proceedings before the Discipline and Appeals Committee;
- Investigate allegations of misconduct against a licensed conveyancer and where appropriate take disciplinary proceedings before the Discipline and Appeals Committee
- Collaborate with key stakeholders in the legal services market to monitor and shape the impact of proposed regulations on the conduct of Licensed Conveyancers and Regulated Entities in order to maintain adequate consumer protection.

THE WAY WE DO IT

The following operating principles guide the way we perform our regulatory activities. We will:

- Use the least intrusive methods of achieving our regulatory objectives;
- Ensure that our regulatory interventions are based on reliable evidence and are targeted, proportionate, consistent, accountable and transparent;
- Ensure that our work reflects consumer priorities;
- Consult effectively with key stakeholders;
- Use our resources effectively and efficiently to deliver our strategic priorities.

OUR VISION

Our vision is to be seen as:

The innovative legal regulator

OUR VALUES

The following values are an intrinsic part of how we work, underpinning all our decisions and actions in delivering our purpose and strategic priorities;

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 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 PRIORITIES

In order to fulfill our statutory objectives and move toward our vision, we have agreed the following strategic priorities for 2011-2013:

- 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

Our Programme of Work for 2011

Our programme of work for 2011 is both challenging and exciting as we take steps this year to expand our regulatory remit and acquire additional responsibilities.

The priorities for this year are framed by our new three year corporate strategy and the activities in 2011 are designed to support delivery of the strategic objectives.

The key activities under each strategic objective map out the main areas of work for the CLC during 2011. As in previous years, our programme of work includes a continuation of many activities outlined in the 2010 business plan. Furthermore, the plan assumes that the activities outlined in the plan are in addition to our business as usual activities as a regulator.



Strategic Objective **1** - Developing and delivering innovative and excellent regulatory services

Introduction

1.1 We are committed to delivering excellent regulatory services and we will constantly seek out ways to improve the way we operate for the benefit of all our stakeholders.

1.2 We will therefore be focusing on making necessary improvements to our regulatory framework to support the shift to outcomes focused regulation later this year.

What will we do?

1.3 We will develop and deliver innovative and excellent regulatory services by focusing on business as usual and the following key activities:

Key Activities	Key Milestones
Develop updated standards in a new CLC Handbook to ensure that the regulated community maintains standards of competence and professional conduct that meets the needs of consumers of legal services and other key stakeholders	Q3
Provide proactive advice and clear, comprehensive and helpful guidance to the regulated community to enable them to deliver positive outcomes to consumers as outlined in the new CLC Handbook including enhancing the programme of seminars and workshops to support new licensed bodies	Q3
Collect reliable, relevant, accurate and timely information from the regulated community and prospective licensed bodies to inform our ongoing risk based regulatory approach particularly with regard to licensing determinations	Q4
Develop an effective and dynamic risk assessment methodology to identify quickly those members of the regulated community unwilling to abide by the professional principles and taking swift appropriate action	Q4
Develop and implement a proactive approach to monitoring of the performance of regulated entities to secure compliance with the professional principles in a timely and proportionate way	Q4
Develop and implement new licensing processes as a licensing authority, including the transitional arrangements for existing recognised bodies and the approach to be adopted for special bodies	Q3
Develop and publish our policy for the publication of regulatory decisions, including the licensing determinations	Q4
Develop and implement a new qualifications framework	Q3

Strategic Objective 2 - Deepening our understanding of the markets that we regulate

Introduction

2.1 Deepening our understanding of the markets we regulate involves greater reliance on research based evidence as well as enhanced sharing of intelligence and ideas with relevant partners. We will also develop a better understanding of the systemic risks inherent in markets where we regulate.

2.2 Our main strand of work under this objective is developing stronger stakeholder relationships to facilitate intelligence sharing.

What will we do?

2.3 We will deepen our understanding of the markets we regulate by focusing on business as usual and the following key activities:

Key Activities	Key Milestones
Develop appropriate methodologies to obtain reliable evidence on potential gaps in our regulatory framework and knowledge about our licensees including information on diversity and access to justice	Q4
Identify, collate, analyse and utilise secondary data sources to increase our market intelligence	Q4
Develop a stakeholder strategy including adopting more user friendly and innovative methods to engage with our diverse range of stakeholders	Q3
Obtain feedback from our licensees and students to improve the delivery of regulatory services	Q4

Strategic Objective **3** - Strengthening and growing our regulated community

Introduction

3.1 The main focus of our work this year to support the strengthening of our regulated community is the submitting of successful applications in order that the CLC will become a licensing authority and regulator of litigation and advocacy services later this year.

What will we do?

3.2 We will strengthen our regulatory community by focusing on business as usual and the following key activities:

Key Activities	Key Milestones
Submit a successful application and secure LSB approval as a licensing authority for ABS	Q3
Submit a successful application and secure LSB approval to extend regulatory scope to regulate litigation and advocacy services	Q3
Develop a communications and marketing strategy that facilitates the growth of the regulated community and students undertaking CLC qualifications	Q4
Develop and implement an effective communications plan to make prospective licensed bodies aware of the CLC's imminent status as a licensing authority	Q2
Develop a detailed educational programme for litigation and advocacy with approved providers	Q4

Strategic Objective **4** - Building our capability and capacity

Introduction

4.1 Our primary focus of activity this year is putting in place the additional necessary resources to enable us to effectively handle the new responsibilities that we will assume later this year as a licensing authority and a regulator of litigation and advocacy services.

What will we do?

4.2 We will build our capacity and capability by focusing on business as usual and the following key activities.

Key Activities	Key Milestones
Develop and implement training across the organisation to ensure that staff are competent to licence and monitor ABS and support effective outcomes focused regulation	Q2
Invest in our staff to enhance expertise, particularly to effectively manage those external suppliers that support us in the direct delivery of our regulatory function	Q3
Implement a new management information system to support the delivery of outcome focused and principles based regulation, particularly to enable the processing of online applications from prospective licensed bodies	Q2
Develop an internal review process to ensure that our regulatory activities are in line with the principles of good regulation as well as learning from best regulatory practice across a range of sectors/activities, particularly ensuring that licence determinations are consistent	Q3
Recruit new staff and external advisers to compliment existing capacity to support the CLC to discharge its additional responsibilities as a licensing authority and regulator of litigation and advocacy services	Q2
Further review our requirements to determine whether additional resources are required to support our new regulatory responsibilities	Q4
Develop customer service standards on key aspects of service delivery	Q4

OPERATING ASSUMPTIONS

Our operating assumptions for the next three years are based on the premise that the CLC will become a licensing authority and regulate litigation and advocacy services later this year. Based on that assumption, we estimate that our workload across the regulatory value chain will increase about 10% year on year for the next three years.

Our current assumption is that the key influence on workload over the next three years is the number of applications we receive as a licensing authority from prospective licensed bodies. The following table shows the estimated increase in workload which forms the basis of our resource requirements and budgets for the next three years.

	2011	2012	2013
No ABS Applications	100	110	120

BUDGET ASSUMPTIONS

In this section, we outline our estimated resource requirements for the next three years. Our proposed budget reflects the strategic objectives in our corporate strategy. Regulatory fees collected from licensees annually fund the CLC's budget. The outline budgets are based on our key operating assumptions and the likely impact of economic conditions on the turnover of the licensees that we regulate.

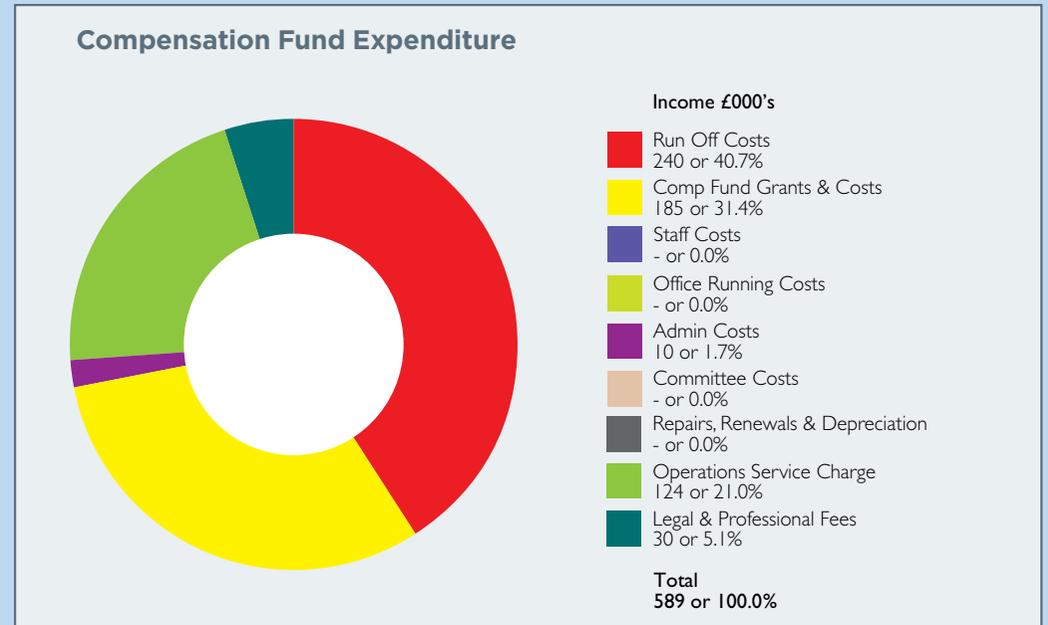
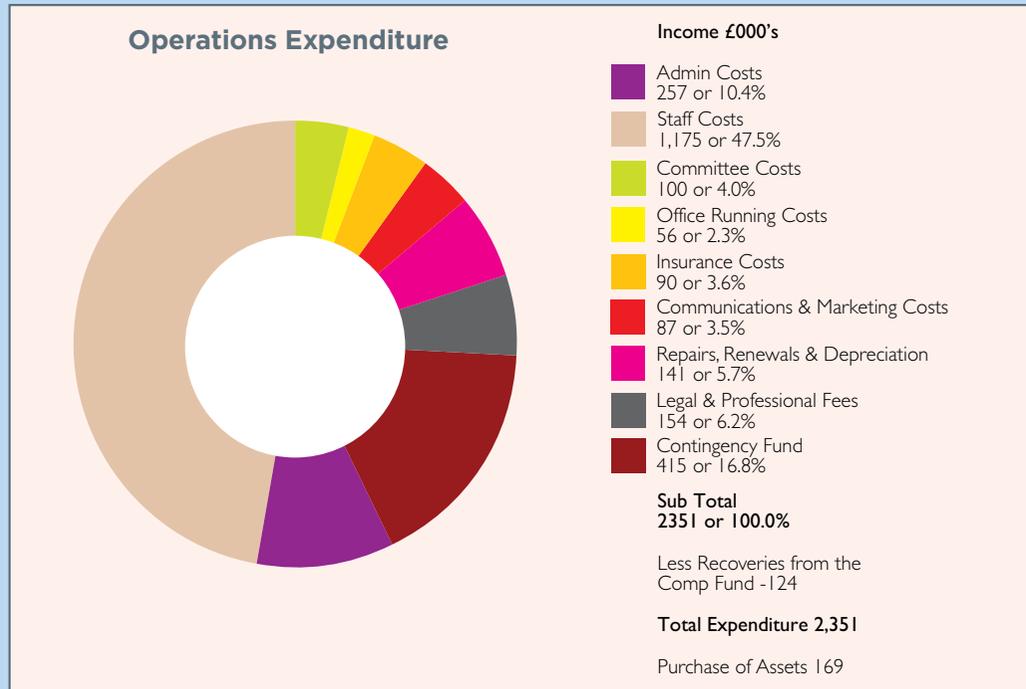
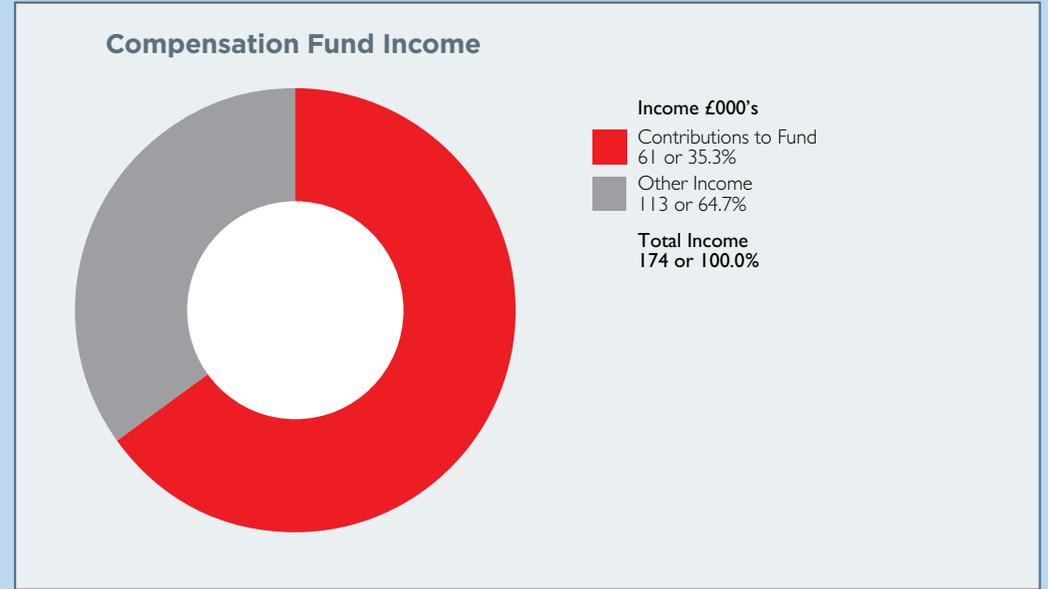
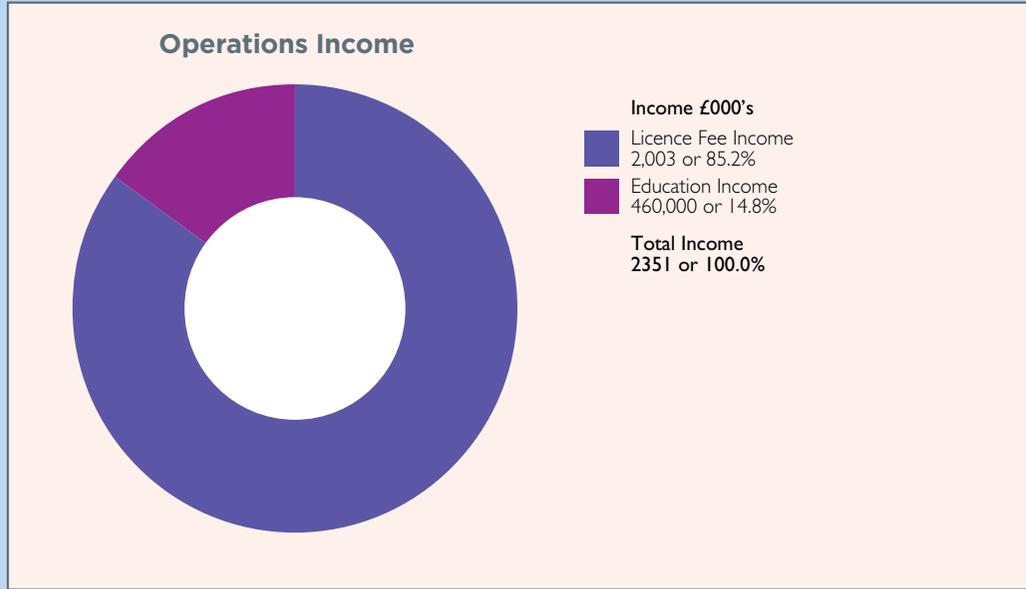
In addition, we have planned for a 15% increase in expenditure to support the resource requirements to regulate litigation and advocacy over the next three years. However, in real terms we expect the impact on overall expenditure to be less because we are planning for a 5% efficiency saving, arising from the implementation of new systems and processes.

Our operating assumptions have taken into account the scenarios where we receive higher than anticipated volumes of licensing applications. As part of our contingency arrangements, we would reallocate our multi- skilled staff to focus on supporting the licensing

process and a bank of temporary staff has been identified to provide backfill support.

Where necessary we will also rely on our external providers to ensure that operational targets are met irrespective of the level of workloads. We will fund the cost of any such additional support initially through existing reserves. The reserves will be brought back to current levels through subsequent rounds of fees collection. This ensures that there is no funding constraint on operational performance.

Budget Summary for 2011



The CLC announced a compensation fund holiday to existing licensed entities as part of the transition to the new fees and charges structure. This has resulted in a planned shortfall of £415K which will be funded from reserves.

Outline Budget for 2011 - 2013

Operations Budget 2011 - 2013 Comparison

Income	2011 £000's	2012 £000's	2012 £000's
Licence Fee Income	2,003	2,142	2,285
Other Income	348	374	412
	2,351	2,516	2,697

Expenditure			
Admin Costs	257	266	279
Staff Costs	1,175	1,225	1,283
Committee Costs	100	104	105
Office Running Costs	56	58	60
Insurance Costs	90	95	100
Communications & Marketing Costs	87	90	90
Repairs, Renewals & Depreciation	141	151	152
Legal & Professional Fees	154	204	230
Contingency Fund	415	456	540
	2,351	2,649	2,839
Less: Recoveries from the Comp Fund	-124	-133	-142
	2,351	2,516	2,697
Net Income/ (Expenditure)	0	0	0
Purchase of Assets	169	100	100

Compensation Fund Budget 2011 - 2013 Comparison

Income	2011 £000's	2012 £000's	2012 £000's
Contributions to Fund	61	474	540
Other Income	113	123	133
	174	597	673

Expenditure			
Run Off Costs	240	193	193
Comp Fund Grants and Costs	185	210	250
Staff Costs	-	-	-
Office Running Costs	-	-	-
Admin Costs	10	11	13
Committee Costs	-	-	-
Repairs, Renewals & Depreciation	-	-	-
Operations Service Charge		133	142
Legal & Professional Fees	30	50	75
	589	597	673
Net Income/ (Expenditure)	-415	0	0

We welcome feedback on our Business Plan. Please e-mail us at clc@clc-uk.org

