

**Council for Licensed Conveyancers
Minutes of the Council meeting held on
Thursday 25 July 2019
Room LGA WeWork
131 Finsbury Pavement, London EC2A 1NT
11.00 a.m. – 1.30 p.m.**

Council Present

Dame Janet Paraskeva (Chair)	
Mr. A. Cogbill	Mr. Q. Quayle
Ms. S. Debney	Ms. S Szarka
Ms. H. Foster	Mr. C. Wilby
Ms. T. Perchard	

Also present

Ms. Emma Boothroyd	Chair of the Adjudication Panel (for item 12(b))
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CLC in attendance

Ms S. Kumar	Chief Executive
Mr. S. Ward	Director of Strategy and External Relations
Mr. S. Blandy	Director of Regulatory Standards
Mr. J. Hinrichsen	Director of Finance and Operations
Ms. A. Cosens	Head of Executive Office (<i>Minutes</i>)
Ms N. Smith	Executive Assistant (<i>Minutes</i>)
Mr. J. Sacker	Deputy Director of Communications (<i>for item 7</i>)

1. Welcome, Introductions, Apologies and Declarations of Interest

Apologies for absence were received from Andrea Pierce.

The Council agreed to vary the order of business to receive the report of the Chair of the Adjudication Panel (item 12(b)) prior to consideration of other agenda items.

The Council was advised that no requests to discuss information items at 15 to 17 of the agenda had been received.

An update on progress with the Business Plan (item 15) was tabled.

12(b) Adjudication Panel Chair's Annual Report

Emma Boothroyd, Chair of the Adjudication Panel presented an overview of Adjudication Panel's work since the last report made Council on 25 January 2018.

The following matters were referred to in her report:

- The term of office of the current Chair, who has served on the Adjudication Panel since 2011 would be ending on 31 August 2019.
- The term of office of three Adjudication Panel members would be ending on 31 August 2019.
- A new Adjudication Panel Chair and Panel members have been appointed with effect from 1 September 2019.
- No Adjudication Panel hearings had taken place since the Chair's last update to Council
- The Adjudication Panel had undertaken two Compensation Fund appeals since the Chair's last update, of which one was refused and one was upheld
- Challenges presented by the low volume of Adjudication Panel business for consideration

The Chair of the Adjudication Panel expressed her thanks to the serving Adjudication Panel members for their support.

The Council Chair thanked Emma Boothroyd for her extensive service to the CLC's Adjudication Panel.

It was suggested that the Council may wish to designate a member to liaise with the Adjudication Panel Chair.

Action July/19/01: to consider designating a Council member to liaise with the Adjudication Panel Chair in the future

2. Minutes and Matters Arising

a) Minutes of the meeting held on 2 May 2019

The Council **AGREED** that minutes of the meeting of the Council held on 2 May 2019 be approved as a correct record subject to the following amendments:

- (1) To consult on a Practice Fund fee rate reduction of up to 20%;
- (2) To consult on a Compensation Fund fee rate reduction of up to 60%.

b) Actions arising from previous meetings

The Council reviewed actions arising from its previous meetings.

All actions were either completed or were included on the forward programme of work.

Members were advised of the following:

- Following receipt of the letter from the Council Chair, as agreed at its meeting on 2 May 2019, the LSB had invited CLC to submit an exempt

direction application to amend the CLC Council membership to include the Chief Executive. The Director of Regulatory Standards would submit an application in August 2019.

- A skills audit would be launched following completion of the appraisal programme for consideration by the Appointments Committee in the autumn.
- The Partnership in Guildford would host two visits for Lay Members of the Council on 2 and 10 October 2019. Further dates to visit a CLC Probate Practice would be arranged and would be notified to members when confirmed.

The Council:

(1) **NOTED** progress with actions arising from previous meetings;

3. Chief Executive's Report

The Chief Executive introduced the report.

In addition to the updates contained within the report, the Council was advised that:

- The Council Chair and Chief Executive had met with the Chair and Chief Executive of the Office for Legal Complaints (OLC) on 23 July 2019 to discuss the OLC levy.
- The Legal Service Board published its revised Internal Governance Rules (IGR) and statutory requirements on 24 July 2019; requisite amendments to the CLC's governance framework would be reported to a future Council meeting.
- The Chief Executive had met with Matthew Hill who is succeeding Neil Buckley as Chief Executive of the Legal Services Board.
- Helen Whiteman, Chief Executive at CILEx Regulation would be moving to a new role as Chief Executive at the Chartered Institute of Taxation.
- Vanessa Davies would be retiring as Director of the Bar Standards Board at the end of 2019
- Recent ministerial appointments included Robert Buckland QC as Secretary of State for Justice, Geoffrey Cox as Attorney General, Esther McVey as Housing Minister, Andrea Leadsom as Business and Industry Secretary and Jo Johnson as Minister for Universities
- Properties of under £500k would no longer be subject to SDLT
- Autumn roadshows would emphasise the requirement for Money Laundering Reporting Officers to undertake enhanced Anti-Money Laundering (AML) training, which would improve compliance with AML requirements.

It was suggested that the CLC explore the possibility of an on-line video or seminar to cover AML compliance. Whilst on-line material is useful, it was acknowledged that it should not replace dedicated training nor be recognised as continuing professional development (CPD)

The Council **NOTED** the Chief Executive's report.

Action July/19/02: To explore the possibility of an on-line video or seminar to cover AML compliance.

4. Principal Risk Register

The Director of Finance and Operations advised Council that the Principal Risk Register had been discussed and reviewed by the Senior Management Team and the Audit and Risk Committee at its meeting on 16 July 2019, who had agreed that no amendments were required.

The Council considered the Principal Risk Register and discussed the current factors that might impact on it.

The Council **AGREED** to adopt the Principal Risk Register as proposed.

5. Watchlist and Interventions

The Director of Finance and Operations introduced the report.

It was suggested that a case study of the triggers for a recent intervention, including the learning points would be helpful.

Officers were requested to include the dates of practice inspections on future reports.

The Council **NOTED** the Watchlist and Interventions report.

Action July/19/03: to include the date of last practice inspection within future reports.

6. Fee setting 2019-2020

Following consultation with the regulated community, the Council discussed the proposed regulatory fees for 2019-2020 license year. Following consideration, the Council's fee rate application would be submitted to the LSB for determination.

The Council was advised that the Deputy Director of Authorisations and New Business would attend a future meeting to provide an update on pipeline practice applications.

The Council **AGREED** to submit application to the LSB for the following:

- (1) Fee rate cuts of 30% for the Practice Fund and
- (2) Contribution rate cuts of 60% for the Compensation Fund

Action July/19/04: Deputy Director of Authorisations and New Business to attend a future Council meeting to provide an update on pipeline practice applications

Action July/19/05: To make the application to the LSB for the fee rate cuts above.

7. CLC Branding

The Deputy Director of Communications introduced a report which explored options for about CLC Branding.

Officers were requested to seek views from regulated practices and the CLC's stakeholder community on proposed changes, including the perceived status of licensed conveyancers and probate practitioners.

The Council **AGREED** the principles for the basis of consultation with stakeholders and the regulated community on future brand options as detailed in the report.

Action: July/19/06: To consult stakeholders and the regulated community on the future brand options and to report the outcome of consultation to Council

8. LSB Regulatory Standards Action Plan – Half Yearly update

The Director of Regulatory Standards advised that the LSB had confirmed that the CLC is on track with agreed milestones for delivery of the action plan.

The Council **NOTED** the report.

9. Review of the CLC Accounts Code Changes to CLC Regulatory Arrangements

Prior to detailed consideration of revisions to the Accounts Code prior to implementation in January 2020, officers were requested to provide the following:

- Further information on the application of the Accounts Code for probate practitioners
- The availability of guidance for CLC practitioners on the approach to take to Third Party Managed Accounts (TPMA), including indemnity insurance requirements and the requirement for TPMA providers to be FCA regulated

The Council **AGREED** to defer consideration of the report to its next meeting on 31 October 2019

Action: July/19/07 Revised Accounts Code and Guidance to be submitted to Council for consideration on 31 October 2019

10. CLC Publication Policy

The Director of Regulatory Standards introduced the report which advised of proposals to align the CLC's publication policy with the ICO Model Publication Scheme

Members' attention was drawn to the proposal to publish and refresh the register of interests at six monthly intervals.

Prior to publication of agenda and papers in advance of Council meetings (subject to any applicable exemptions in line with the publication scheme), members requested officers to ensure that references within published reports relate to roleholders as opposed to named individuals. The Council requested to review the report format at its next meeting.

The Council **AGREED** the following actions:

- To continue to publish minutes of Council meetings following their approval at the Council subsequent meeting
- Subsequent review of the report format at its next meeting, to publish future Council agenda in advance of a Council meeting, following circulation to Council members and with any applicable exemptions applied as appropriate
- That in principle, agenda information items (which are for discussion by Council on request) should be published
- To publish the CLC Governance Framework once it has been updated in line with the IGR requirements
- To publish and refresh the register of interests at six monthly intervals
- That a summary of members' expenses will be detailed within the Annual Financial Accounts, which are published
- To publish a short summary of the CLC's approach to procurement
- To report data breaches (if any) within the CLC Annual Report
- To submit a tracked change publication scheme to the next Council meeting incorporating the above amendments

Action July/19/08: To take the above steps to align the CLC's publication policy with the ICO Model Publication Scheme

11. Promoting Diversity and Supporting Inclusion – Next Steps

At this point in the proceedings (1.00 p.m.), the Council Chair left the meeting.

The Director of Strategy and External Relations introduced this report, which set out the CLC's proposals for the promotion and improvement of diversity and inclusion, including formal support for LawCare at an annual subscription of £2,000 and a short series of workshops, the projected cost of which is £2,500.

The Council **AGREED** the following actions:

- To run a short series of workshops with women CLC lawyers
- To explore the take-up of parental leave by men in the profession
- To organise outreach sessions for potential CLC lawyers from black and ethnic minority (BAME) backgrounds to promote entry to the profession
- To run a short series of workshops for BAME CLC lawyers
- The annual subscription and support for LawCare
- To publish the findings of the above workshops with recommendations for action by employers
- To require firms to undertake their own diversity profile surveys and report the findings to the CLC through the Annual Regulatory Return to help drive employer engagement with the diversity agenda
- To require firms to publish a Diversity and Inclusion statement setting out how they will treat clients and staff
- To consult on any requisite revisions to the Equality Code to incorporate the requirements at (7) and (8) above
- That all CLC staff and Council members will take part in training on workplace Diversity and Inclusion issues
- That staff and Council members will take part in workshop sessions to explore Diversity and Inclusion in relation to regulatory activity.

Actions: July/19/09 Take the above steps to promote diversity and support inclusion.

12. Committee Reports

a) Audit and Risk Committee

The Committee considered a summary of the Audit and Risk Committee's business at its meeting on 16 July 2019, which had included annual review of the CLC's anti-corruption and whistleblowing policy, the Committee's Terms of Reference and internal audit reports. Some changes to the Committee's Terms of Reference to make explicit that the Chair of Council may not sit on the Audit and Risk Committee and to capture the Committee's responsibility for reviewing and monitoring the external auditor's independence and objectivity were being recommended to Council. The Committee has also identified that the Council may wish to give consideration to the inclusion of Corporate Social Responsibility and Environmental policies in the future.

The Council:

- (1) **AGREED** to amend the Audit and Risk Committee's Terms of Reference as detailed in the submitted report;
- (2) **NOTED** the report of the Chair of the Audit and Risk Committee.

Action July/19/10: to amend the Audit and Risk Committee's Terms of Reference

Action July/19/11: To consider the inclusion of Corporate Social Responsibility and Environmental Policies in the future

b) Adjudication Panel Chair's Annual Report

The Council agreed to vary the order of business to enable Adjudication Panel Chair's Annual Report at the commencement of the meeting. 12(b) above refers.

13. Dates of Forthcoming Council Meetings

- Thursday 19 September 2019, 11am
(*Council Workshop*)
- Wednesday 30 October 2019, 1pm
(*Extraordinary Council Meeting*)
- Thursday 31 October 2019, 9am
(*Council Meeting*)

14. Any Other Business

At this point in the proceedings (1.20 pm.), officers left the meeting.

The Chief Executive held a confidential discussion with the Council.

INFORMATION ITEMS

15. Q2 Performance Outturn and Overview of Regulatory Inspections

The Council **NOTED** the Performance Outturn report for Q2, which had been reviewed and discussed in detail by the Audit and Risk Committee at its meeting on 16 July 2019.

16. Property and Law News Round Up

The Council **NOTED** the round up review of major developments and the economic outlook that will affect the conveyancing market.

17. Council Workplan

The Council **NOTED** the forthcoming Workplan.