



2023 Business Plan – Updated July 2023

Key

CEO – Chief Executive

DFO – Director of Finance and Operations

DSER – Director of Strategy and External Relations

DDL – Deputy Director of Licensing

The Regulatory Objectives (Legal Services Act 2007)

1. Protecting and promoting the public interest
2. Supporting the constitutional principle of the rule of law
3. Improving access to justice
4. Protecting and promoting the interests of consumers
5. Promoting competition in the provision of services
6. Encouraging an independent, strong, diverse and effective legal profession
7. Increasing public understanding of the citizen’s legal rights and duties
8. Promoting and maintaining adherence (by authorised persons) to the professional principles

Strategic Objectives

1. Promote quality in legal services
 - a. The CLC should promote all aspects of improvement in the practice of conveyancing and probate, whether legislative, process change or it-driven to improve client outcomes.
 - b. Revised ethical standards should underpin work to drive quality and compliance and assist in the disciplinary process.
2. Exploit the CLC’s unique approach, insight and relationship with the regulated community to further improve consumer protection
3. Benefit clients by reducing the unit cost of regulation by the CLC and bringing the CLC’s specialist regulation of conveyancing and probate to bear on a larger part of the market

CLC Principal Risks

1. Loss of significant practice fee income caused by depressed market conditions, practice churn or practice closure
2. Unplanned increase in the cost of regulation to the point where expenditure exceeds income
3. Loss of any or multiple SMT members
4. The CLC is unable to attract and retain capable and competent employees.
5. A major incident, either physical or cyber threatens the continuity of the CLC through loss of staff or infrastructure
6. Not delivering on the CLC Strategy
7. Practices are not able to secure Professional indemnity insurance or terms are unaffordable or unacceptable to the CLC
8. Increases in the cost of recharges reduces funding available to the CLC to a point where we are unable to deliver our regulatory responsibilities effectively

2023 Business Plan

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1	CM	Code of Conduct Review – based on revised Ethical Principles and informed by monitoring, inspection and enforcement work	1, 2, 4, 6, 8	1a, 1b, 2, 3	2, 6, 7	Consult on changes – Q3 – Check alignment with day one outcomes and entry requirements Secure LSB Approval – Follow on from consultation Promulgate revised Rules - Following LSB approval Come into force - Dependent on LSB approval	The consultation is now scheduled for Q3 2023 and all other actions will follow on from the conclusion of the consultation
2	CR	Licensing Framework Review – to secure as much alignment and simplification as possible	1, 2, 4, 5, 8	2, 3	2, 6, 7	Critical review of progress – Q2 Explore extending to a three-year licence period – Q2 Consultation - Follow on from implementation of the Ongoing Competence reforms Consider whether LSB approval is needed for any change – Following on from consultation Wider alignment potential for RBS and ABS to be reviewed in consultation	The critical review of progress has been completed and the principle of a three-year licence period has been explored with Council. This element of reform will be carried out when the new arrangements for maintaining ongoing competence of individual lawyers has been implemented.
3	SW	Growth: Ensure we have compelling promotional materials	1, 4, 5, 6	2, 3	1, 2, 4, 6	Finalise and distribute promotional brochure – Q3 Implement new engagement approach to firms interested in CLC regulation – Q3	This has been rescheduled due to resource constraints in the first half of the year.
4	CR	Growth: Market CLC qualifications to employers	4, 5, 6	2, 3	1, 2, 6, 7	Develop and promote marketing material for conveyancing and probate firms, estate agents, managing agents - Q1 onwards	In train and ongoing

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5	SW	Promote lessons of the Quality Indicators Pilot	1, 4, 5, 6, 7	1a, 2	1, 6	Develop and promulgate guidance for CLC firms based on the findings of the 2022 pilot following adoption by Council – Q3	The Pilot report was published at the end of Q2 and so Council consideration of it could not take place until Q3. The CRG reviewed the report at its meeting of 12 th July and the Council will review the pilot report and the insight of the CRG at its meeting on 27 th July.
6	CM	Support development of a single digital register for the legal sector	1, 3, 4, 5,	1a	-	Contribute to LSB task and finish group - Assist implementation of agreed approach	There is an update for Council in this agenda pack. Ongoing action at meetings throughout the year.
7	SK	Implement revised Compensation Fund	1, 3, 4,	2, 3	1, 2, 4, 6	Council approval of changes for consultation – Q2 Consult on changes – Q3 Secure LSB approval of changes if needed – Q4 Ensure accessibility of consumer-facing content – Q4	This work is on track. The draft new Compensation Fund rules were reviewed at the June 2023 Council Workshop. A timetable for consultation on the new rules will be finalised in September.
8	SK	Finalise and implement revised Adjudication Panel Rules	1, 2, 3, 4, 7, 8	1b, 2	2, 6	Critical review of progress – Q2 Finalise AP rules submission – Q3 Secure LSB approval – Q4 Independent AP will begin to use the new rules (with transitional arrangements) – Consequent on approval	We undertook a review of the full pack of new rules to assure progress and identify any final gaps. There will be a rule change submission to the LSB in the second half of 2023. This Business Plan item is closely related to Items 19a (Proportionate Approach) and 20 (Sanctions). The three items will progress together.
9	AH	Seek to reduce referrals to LeO	1, 4, 6	1a, 1b, 2	2, 6, 7	Review Regulatory Return data on complaints handling –Q2 Develop and deliver training with LeO for practices with disproportionate levels of LeO cases – Q2 onwards	New data will not be available until the autumn. LeO have in recent weeks provided some data about cases over the last year. Thus far LeO have not been able to work on developing complaints handling training with

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						Ensure training is in place – Q3 & 4 Monitor poor performing firms closely - Annual	the CLC, but the CLC intends to run training on complaints at roadshows in Q4. The LSB has announced that it will be looking at first tier complaints handling with the frontline regulators in 2023. The CLC will review its plans for addressing cases of poor performance when that process is further advanced.
9a	JH	Review polluter pays approach to OLC fee				Consider amending split between base payment and per-case charge - Q2/Q3	This is part of the review of regulatory fees that Council will undertake at the meeting on 27 th July.
10	AH	Reassess risk profile of all regulated entities	1, 4, 8	1a, 1b, 2	1, 2, 4, 6, 7	Apply analysis of Regulatory Return data to update entity risk assessments – Q3 Review additional information that is available to broaden risk assessments – Q3 Consider communicating risk score and provide incentives – Q4	This rolling programme of work is underway and will continue year-round.
10a	SH	Refresh AML risk assessments				Maintain AML risk register for all firms – Q2	The register is in place and is being maintained through monitoring.
11	CR	Ensure arrangements for the oversight and delivery of CLC qualifications are effective	1, 4, 5, 6, 8	1a, 2, 3	1, 2, 6, 7	Complete review provision of education – Q1 Promotional work with providers – Q1 onwards Confirm new model internally – Q2 Develop new model – Q3 Council approve new model – Q4	Direct contact with education providers ongoing to ensure promotion of the CLC qualifications. Currently finalising review as part of our oversight arrangements

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12	SW	Promote Consumer Charter	1, 4, 5, 6, 7, 8	1a, 1b, 2	1, 6	Enhance Secure Badge content with Consumer Charter content – Q4 Refresh wording of charter to encapsulate messaging on CLC quality and standards – Q4 Promote Charter to firms and consumers – Q4	This work was reprioritised in a Q1 review of the business plan.
13	SW	Improve conveyancing services Contribute to the transformation of conveyancing processes	1, 3, 4, 5, 6, 7, 8	1a, 1b, 2, 3	1, 2, 6, 7,	Work Drive and facilitate innovation in policies, procedures tools and their adoption – Ongoing engagement with key stakeholders will establish interim targets during the year Work through HMLR group to define agenda for action – Q1 Review whether HMLR group will be effective – Q2 Consider further CLC actions – Q3 Deliver agreed actions. – These will emerge from the work of the group	The HMLR-led group is making progress. It is not clear whether the approach will gain traction across the industry, but the CLC is committed to taking every step that it can to support the transformation of conveyancing in the consumer interest. A conference is now planned for 12 th September for the sector. There will be an update on all workstreams at the conference.
13a	SK	Deliver agreed actions to transform conveyancing				Deliver the agenda set by the HMLR group	Replaced by the rewritten item above.
13	CM	Improve probate services				State of Probate Survey in field Q2 and Q3 There was a strong focus on critical, developing issues – Powers of Attorney and lender recognition of CLC lawyers in Q2	Review of the Handbook will be determined following the outcome of the State of Probate survey.

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14	SW	Promote inclusion and diversity in the regulated community and the provision of legal services	1, 2, 4, 6, 8	1a, 1b, 2	1, 2, 3, 6, 8	Submit changes to LSB – Q3 Implement revised Equality Code – Following LSB approval Analyse and report on the profile of the regulated community – Q3 Consider development of qualitative research – Following analysis of quantitative survey findings Develop enhanced guidance for practices and individuals to support the development of inclusive workplaces – Q4 and the inclusive delivery of legal services – Q4	A detailed report on the CLC's EDI work was submitted to the LSB in May 2023.
15	SH	Ensure effective contribution to combating economic crime	1, 4, 8	1a, 1b, 2	1, 2, 6, 7	Continue to develop support for AML, Sanctions work by the regulated community Sanctions information update – As required Source of Funds and Source of Wealth guidance updated - Q2 TCSP – conclude thematic review – Q3 Staff development and training – Q2 AML training – Q2 and Q3 OPBAS reporting and annual HMT Report – Q3 Ensure compliance with developing requirements – As needed	Sanctions information on the CLC's website has been updated as necessary and promoted through the newsletter. OPBAS inspection of the CLC confirmed for September and all the actions listed in the Business Plan item are to be completed prior to this. Source of Wealth and Source of Funds guidance issued to timetable. TCSP research is complete and the report is being finalised. Staff development and training and AML training have all been completed to timetable. HMT report will be submitted by the deadline of 24 th July.
15b NEW	SW	Prepare CLC responses to developing policy				Respond to consultation on new regulatory objective relating to economic crime – Q3 or Q4 – dependent on LSB	

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16	JH	Set fee rates for the year beginning November 2023	1, 4, 5, 6,	2, 3	1, 2, 3, 4, 6	<p>Review health of the regulated community and CLC's needs – Q2</p> <p>Council workshop on fees and fee rates - Q2</p> <p>Clear communication of drivers of cost – Q2</p> <p>Survey of regulated community on key points – Q2</p> <p>Council decision on all fees and fee rates - Q3</p> <p>Formal Consultation – Q3</p> <p>Secure LSB approval for rates – Q3</p>	This annual work is on track. The level of change proposed is limited and so consultation will be in the formal process following the Council decisions in July.
17	SW	Continue to extend the transparency of CLC operations	1, 7, 8	1b, 2	1, 2, 6	<p>Publish Annual Report on 2022 – Q3</p> <p>Preparation for Annual Report 2023 – Q4 for publication in Q1 2024</p> <p>Deliver Council's agreed steps from the review of the Publication Policy and Transparency – Q1</p> <p>Deliver changes agreed at February Council – Q3 and Q4</p> <p>Maintain high open and click rates for e-newsletters - Monthly</p> <p>Continue to enhance engagement with CLC consultations - Ongoing</p> <p>Ensure CLC secures a good profile at third party events - Ongoing</p> <p>Deliver communications plans – year-round</p>	<p>The Annual Report has now been published.</p> <p>Largely complete. The proposed AGM will take place for the first time in Q1 2024.</p> <p>Newsletters and consultations continue to engage effectively. The Chair's blog of Council meetings is routinely the most clicked item in newsletters.</p>

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18	CR	Monitor operation of PII market and effectiveness of actual provision	1, 4, 5, 6	1a, 1b, 2, 3	1, 2, 6, 7	<p>Ensure brokers and insurers are removing non-compliance terms in all but the most exceptional cases – Q1</p> <p>Engage with non-compliant practices to move them to compliant insurance in 2023 – Q1-Q2</p> <p>Monitor 2023 renewal process closely to ensure new requirements are implemented effectively - Q2</p> <p>Maintain close contact with brokers and insurers during the year – Q1 and Q2</p>	Claire Richardson undertook monitoring of the PII renewal process. Changes agreed by the Council in 2022 contributed to an improved renewal round in 2023.
19	AH	Deliver effective monitoring and inspection processes	1, 4, 8	1b, 2	1, 2, 6, 7	<p>Evolve the risk-based approach to inspections and monitoring – Q1</p> <p>Complete update of inspection documentation – Q1</p> <p>Develop targeted inspections and use general inspections less</p> <p>Thematic reviews – based on risks identified through Regulatory Return Reconciliations review – Q2 - 4</p> <p>TCSP – desk-based monitoring – Q2</p> <p>Training for external inspectors – Q1</p>	<p>This work was completed in Q2.</p> <p>Thematic reviews will largely be shaped by Regulatory return data which is being analysed in Q3 and will be used in reviews.</p> <p>The TCSP research is complete and the report is being finalised.</p> <p>The annual inspection programme is on track and training for external inspectors was also completed.</p>
19a	AH	Defining proportional approach – setting thresholds for action				<p>Review thresholds – Q3</p> <p>Set out proportionate, risk-based approach – Q3</p> <p>Prepare a disciplinary report for publication.</p>	A report on disciplinary action in Q1 and Q2 of 2023 will be published in Q3.

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20	AH	Review sanctions to ensure they meet the regulatory objectives of the CLC	1, 4, 8	1b, 2	2, 6	Review financial sanctions – Q3 Council review of proposals – Q4 Implementation – Q4 Begin wider review – Q4	The timetable has moved to allow this work to benefit from the Q3 report from the Chair of the Adjudication Panel.
21	CR	Ongoing Competence	1, 2, 4, 5, 6, 8	1a, 1b, 2	1, 2, 6, 7	Model new CPD approaches following Council approval – Q2 Seek LSB approval for proposed changes – following further research work Dependent on application outcome, implement new approach – follows LSB approval	The proposed operationalisation of the new approach is being reported to the Council in July with next steps.
22	SW	Extend probate-focused activity	1, 4, 5, 8	1a, 1b	1, 2, 6, 7	Scope targeted content on probate for specialist lawyers and for consumers of legal services – Q4 Develop and promote new content – Q4	This will follow the findings of the State of Probate survey.
23	SW	Enhance employer brand to support recruitment and retention in a competitive market	All	1a, 3	4, 6, 8	Ensure reward and working practices remains competitive – Q1 Create content aimed at potential joiners to help them understand what it is like to work at the CLC – Review organisational design to mitigate risk further and inform fee-setting by Council - Q2	The CLC undertakes regular benchmarking and reviews policies and benefits for competitiveness. The Council and Remuneration Committee will be setting reward for 2023/24 in Q3. Organisational Design is kept under review, most recently by the SMT in July.
24	AH	Face to face events with the regulated community	All	1a, 1b, 2, 3	1, 2, 6, 7	Series of six roadshows on practical compliance issues – Q3 and Q4	Roadshows have been rescheduled to take advantage of the production of the 2023 Risk Agenda.
24a	SW	Consider holding a conference				Consider in 2024	The initial intention is to hold the first AGM in Q1 2024 and follow on from that.

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							The CLC is part of the HMLR-led conference in September and will present at the SLC Conference in November, so the Autumn period is already committed.
25	JH	Review accommodation provision	-	3	1, 3, 4, 5, 6, 8	Prepare options for more suitable workspace - Q2	Completed at the end of June 2023. New premises are proving to be better suited to the CLC's needs as well as delivering economies.
26	SW	Website maintenance and review	1, 3, 4, 5, 7, 8	2, 3	2, 6, 8	Complete review of pandemic-specific material, retiring material or folding into existing content, as appropriate – Q4 Extend and improve visibility of Adjudication Panel content – Q3 Consider what website reshaping might be needed for 2024 – Q4	This has been reprioritised as part of the Q1 review, but elements of improvement have already been delivered. Day to day maintenance is ongoing.
27	AC	Data hygiene and security	All	2, 3	2, 5, 6,	Review data and data security measures, GDPR compliance – Q2 and Q4	Data security has been improved by the steps reported in 28, below. All-staff training will take place in Q4. The Data Protection Officer (DPO) and Deputy DPO will be undertaking ongoing competence in October 2023, and will incorporate current issues and best practice within the staff training in Q4
28	JH	Enhanced IT security	All	2, 3	2, 5, 6, 8	Implement multi-factor authentication and laptop encryption – Q2/Q3	The CLC has made a more significant change by moving to Microsoft Sharepoint and Azure (cloud platform).
29	SH	Managing conflicts of interest <u>when acting for both sides in a transaction</u>	4, 8	1a, 1b, 2	2, 6, 7	Issue revised guidance on conflicts of interest developed with PRG in 2022 – Q2	This was completed to timetable.

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30	SW	Consumer Reference Group (CRG)	1, 4, 7, 8	1b, 2	2, 6	Consult CRG on all relevant policy development issues in writing or at meetings – Ongoing Review the operation of the CRG in its first year – Q4	The CRG is proving very valuable as a way to secure consumer perspectives on the CLC's work.
31	JH	Complete database development	1, 4, 5, 7	1, 2, 3	2, 5, 6, 7	Q3	This was reprioritised to deliver items 27 and 28 first.
32	SW	Regulatory Performance Assessment	Reports on actions against all Objectives	Reports on actions against all Objectives	N/A	Prepare for new assessment method Develop evidence base.	Draft RPA submission for consideration at the July Council meeting following workshop session in June.