

**Council for Licensed Conveyancers  
Minutes of the Council meeting held on  
Thursday 26 October 2023  
By Video Conference  
11.00 a.m. – 1.35 p.m.**

**Council Present**

Dame Janet Paraskeva (Chair)	Sarah Debney
Alan Cogbill	Jenny Quirke
Colin Wilby	Sally Szarka
Victoria MacGregor	Sheila Kumar, Chief Executive

**In attendance**

Ms. A. Cosens	Head of Executive Office ( <i>minutes</i> )
Mr. J. Hinrichsen	Director of Finance and Operations
Mr. S.Ward	

**Also present**

Victoria Goodfellow, Chair, Independent Adjudication Panel	(for item 3)
Teresa Perchard, Convenor, CLC Consumer Reference Group	(for items 4 and 5)

**Apologies for absence**

Milton James  
Sarah Ryan

**1. Welcome and Introductions**

The Chair welcomed members to the Council meeting.

Apologies for absence were received from Milton James and Sarah Ryan.

No requests to discuss information items at 16-18 had been received.

**2. Declarations of Interest**

There were no declarations of interest.

**3. Independent Adjudication Panel – Chair’s Annual Update**

Victoria Goodfellow, Chair of the independent Adjudication Panel, whose [Annual Report](#) was presented to the Council’s meeting on 27 July 2023 attended the meeting to provide an overview of the Panel’s work during 2022/23. The Adjudication Panel’s findings on individual cases are published [here](#).

The Council was informed that since presentation of the Chair's Annual Report, the Adjudication Panel had considered a further two Cases to Answer referred to the Panel by the CLC, the allegations in connection with both of which had been determined as requiring Adjudication Panel Hearings.

Hearings of the Adjudication Panel take place remotely unless there is a reason why a hearing cannot be held fairly or effectively by videolink, with requests for in person hearings being determined on a case by case basis. The Council was informed that both methods have been working effectively.

The Council heard that cases heard by the Adjudication Panel during the previous year had included two complex and lengthy cases of over 5 days' where Respondents had instructed legal counsel and which had taken place in person. The support of the CLC in sourcing an alternative, suitable location for one of the hearings had been appreciated and the Panel had found the alternative location most suitable.

The Adjudication Panel Chair had been interviewed by Office for Professional Body Anti-Money Laundering Supervision ([OPBAS](#)) as part of the CLC's annual inspection, the focus of which had been on enforcement of [Anti Money Laundering \(AML\) Regulations](#). The Chair had been able to confirm that the CLC takes its obligations for the prevention of AML and the protection of consumers seriously and had referred AML breaches to the Adjudication Panel in 3 cases that had been scheduled in the current year. It was also confirmed that the CLC follows up on AML issues, provides guidance and addresses identified matters from an early stage.

The Adjudication Panel Chair had provided feedback to the CLC's Chief Executive on the information that would facilitate determination of whether there is a prima facie case to answer in matters that are referred to the Adjudication Panel for initial assessment and of clear alignment of draft allegations to the [CLC's Code of Conduct](#).

Annual Training for members of the Adjudication Panel had not yet taken place in 2023, pending the outcome of a review of the Adjudication Panel Rules, which have been subject to a recent [consultation](#), the responses to which are currently being reviewed prior to submission of an application for amendment of the Rules to the Legal Services Board. Training focussed on Case to Answer assessments and Anti-Money Laundering Regulations and legislation is being scheduled for Panel members January 2024.

The Council explored the Adjudication Panel's approach to cost awards and was informed that while it can award costs, the enforcement process in the event of non-payment would be taking a civil proceeding through the County Court. It was confirmed that the Panel takes a proportionate view on the imposition of sanctions, fines and the affordability of cost awards that are made.

Administrative support for Adjudication Panel scheduling and proceedings is provided by an Administrative Assistant, who takes instructions from the

Adjudication Panel Chair on empanelment, circulates papers for consideration and issues the decisions taken by the Panel and which are prepared by the Adjudication Panel Chair, who is legally qualified. The Chair informed the Council that further pro-active assistance with Adjudication Panel business with reviewing the relevant documents presented to the Panel for consideration and initial drafting of its decisions would be of assistance, particularly as cases referred to the Panel for determination vary in their degrees of complexity.

Responding to a question about the breadth of expertise that is represented on the Adjudication Panel, it was noted that, in addition to a legally qualified lay Chair, its membership includes two qualified solicitors who have experience of the Solicitors Disciplinary Tribunal and Law Society and who are accustomed to dealing with a range of cases.

With reference to the robustness of the CLC's regulatory approach, it was noted that officers from the CLC would be speaking about the forthcoming Society for Licensed Conveyancers' [conference](#) about its supervisory arrangements and that the CLC's autumn programme of [Compliance Roadshows](#) in four locations would include its approach to monitoring and enforcement as well as AML and Sanctions.

The Council thanked Victoria Goodfellow for providing an annual update on the Adjudication Panel.

The Council:

- (1) **NOTED** the annual update of the Chair of the Adjudication Panel; and
- (2) **AGREED** to consider the Adjudication Panel's support requirements.

**Action Oct/23/01: CLC to consider the Adjudication Panel's support requirements.**

#### 4. OLC Challenge Group – Update

Teresa Perchard, the CLC's appointed representative on the Office for Legal Complaints' (OLC) Challenge Group, which is comprised of legal regulators, attended the meeting to provide an update on the OLC's progress.

The Council was informed that the OLC's management has been tackling some of the problems with its case backlog and since increased staffing and changes to its complaints handling, there have been some improvements to its customer service experience. However, the OLC remains a high cost provider of Ombudsman services in comparison to other public Ombudsman schemes which have not been recognised within its successive Business Plans and Annual Budgets. The current cost per case was 4 x the cost of an FOS case, and reporting on the cost varied from £2.5k to 4.5k approximately. There was also no sight yet of a plan to exit from this high cost base as had been envisioned some OLC business plans ago. The scope and influence of the OLC Challenge and Advisory Group, which was established to comment

on the OLC's provision of service and customer experience has been somewhat limited.

In observing that there have been some improvements to the OLC's services, the Council explored whether the benefits of revised systems and processes have not yet been fully realised, for example it was noted that it can take up to 7 months for cases that are referred to the OLC to be reviewed and opened. The lengthy customer journey time was noted in particular, with there being no OLC cases of less than 12 months to reduce the incoming workload of case handlers.

The OLC had implemented an early resolution process approximately 18 months ago to reduce its backlog, and it was noted that 40% of OLC complaints are not recorded following assessment as non-meritorious cases and that cases awaiting assessment are now reviewed to identify those that may be amenable to a negotiated settlement and which do therefore not result in an OLC determination or potential award. As real time data, including data on conveyancing and probate complaints, is unavailable, the information that is currently published precedes the introduction by the OLC of an early resolution model, and it is therefore difficult to assess whether the changes within its processes that have been implemented have been successful.

The Council noted that the staffing resource of the OLC has a high turnover with an attrition rate of 21% having been reported to its Board and was informed that the Challenge Group has raised the possibility of considering rightsizing with the OLC as its backlog of cases decreases in anticipation of it having a reduced workload for formal investigations. However, it was not clear that the staffing and organisational issues would be an area of focus for the OLC's next business plan and future strategy.

It was suggested that as its oversight regulator, it may be helpful for the Legal Services Board to discuss the work of the OLC's Challenge Group with it as part of the OLC's Business Plan and Strategy Development.

The Council **NOTED** the report and agreed to reflect some of this in the CLC's response to the OLC business plan. It was also suggested that the CRG may wish to respond independently to the consultation.

**Action Oct/23/02: CLC's response to the OLC business plan to incorporate appropriate information from this report to Council**

## 5. CLC Consumer Reference Group - Report to CLC

Teresa Perchard, Chair of the [CLC Consumer Reference Group](#) (CRG) presented a report on the Group's first year of operation.

The CRG, which comprises individuals from diverse backgrounds in consumer affairs was established to provide informal advice, insight and

challenge to the CLC on the consumer perspective within its policy development and consultations.

The CRG has been convened three times in the past year to discuss the following CLC activities including:

- Potential revisions to the [CLC's Ethical Principles and Strategic Development](#)
- Review of potential revisions to the [Code of Conduct](#) in the light of changes to the Ethical Principles
- Review of research on [Quality Indicators](#) and how the CLC and other regulators might move forward to develop comparable information and choice tools for consumers
- Review and challenge of the CLC's revised [Guidance for Lawyers on Acting for Both Sides](#)

Ms. Perchard reported that Stephen Ward also shared matters on line that were then sent to the wider Group and fed back. Whether or not the membership of the Group needed to be augmented at any time to reflect the work that was coming to the CRG would be kept under review by the CRG Chair.

The Council identified that the CRG's views and comments may be useful on a number of Business Plan activities on the CLC's forward programme of work, including:

- How the CLC can demonstrate the benefits of its specialist regulation and oversight to consumers and stakeholders
- Identification of potential business plan activities that consumers of CLC regulated practices would particularly value
- Challenges for the CLC on consumer protection issues.

It was noted that the work of the CRG would be included within the CLC's Annual Report which would be featured at its forthcoming Annual General Meeting in 2024.

The Council thanked Teresa Perchard for convening the CRG and for providing an update on the Group's work.

*At this point in the proceedings, Teresa Perchard left the meeting.*

The Council:

- (1) **NOTED** the report of the Consumer Reference Group
- (2) **AGREED** to appoint Teresa Perchard as Chair of the Consumer Reference Group for a further two years.

**Action Oct/23/03: to appoint Teresa Perchard as Chair of the Consumer Reference Group for a further two years.**



## 5. Minutes and Matters Arising

### 5(a) *Minutes of the meeting held on 27 July 2023*

The Council **AGREED** that the minutes of the meeting held on 27 July 2023 be approved as a correct record.

### 5(b) *Actions arising from previous meetings*

The Council reviewed actions arising from previous meetings, most of which had either been completed or featured on the current agenda or forward programme of work.

A summary of HMLR's Annual Report and Accounts had been circulated in advance of the meeting.

Members were reminded of the CLC's Compliance Roadshows, places for which could be reserved [here](#).

The Council **NOTED** actions arising from previous meetings

## 6. Chief Executive's Report

The Chief Executive introduced the report, which included updates on the following:

- Practice Fee Certificate submission to the LSB, the outcome of which is awaited
- The LSB Regulatory Performance Assessment, the draft report of which is expected for comment shortly
- OPBAS inspection, the outcome of which is awaited
- CLC intervention into Alexander Grace Law
- Update on Licence renewals
- CLC State of Probate survey
- The Ongoing Competency Working Group
- Code of Conduct Review
- Preparations for the first CLC AGM being held on 1 February 2024
- Consultation responses
- AML activities, including the creation of a dedicated AML Risk Register

In addition to the above, the Council was informed:

- that the Chief Executive had been invited to meet with the Chief Executive of the LSB to discuss unregulated probate practices
- The CLC is preparing for next year's Professional Indemnity Insurance round and legal advisors will be checking that the CLC's minimum terms and conditions are satisfactory
- The Annual Review of the CLC's Procurement Policy has been deferred to enable it to take account of a current benchmarking activity and would be reported to the next meetings of the Audit and Risk Committee and the Council

- An AML Risk Register has been created and additional AML targets are being developed to strengthen and improve compliance
- Work on a review of Compensation Fund Rule changes would resume in this quarter

The Council was assured that the CLC has a zero tolerance to AML breaches all of which are identified at inspection and followed up with practices, taking disciplinary action where necessary. A faster track procedure for referrals of AML breaches to the Adjudication Panel is also being worked on. Particular AML concerns that are identified are specifically targeted and addressed. Compliance with AML Regulations is one of the topics at the CLC's forthcoming Roadshows.

It was noted that the State of Probate Survey responses indicate concerns about with the performance of HMCTS Probate Registry and services by unregulated will writing and probate providers. Officers would provide a report to a future meeting on the extent of regulation and legislation applicable to these services.

It was noted that some CLC firms had exited CLC regulation due to mergers and/or consolidation with practices regulated by other providers. The CLC continues to receive enquiries from practices, however smaller practices can find meeting the CLC's Professional Indemnity Insurance requirements challenging.

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

**Action Oct/23/04: to report to a future meeting on the legislative and regulatory requirements that apply to will writing and probate.**

## 7. Principal Risk Register

The Principal Risk Register had been discussed and reviewed by the Senior Management Team (SMT) and then by the Audit and Risk Committee at its meeting on 17 October 2023, who was recommending the proposed amendments for adoption.

Since reporting to the Audit and Risk Committee, the Senior Management had proposed an additional mitigating action to Risk 7 to enhance the control in the event that a PII insurer exits the market.

It was suggested that Risk 1 be further developed at next review to address the consolidation of legal practices.

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

**Action Oct/23/05: to include consolidation of legal practices within the next review of the Register**

## 8. Watchlist and Interventions

The Director of Finance and Operations introduced the report, which provided an update on the practices that have been assigned to the watchlist and ongoing intervention activity.

The Council **NOTED** the report.

## 9. 2023 Business Plan – Q3 Update

The Council reviewed progress against the current [Business Plan](#), and agreed to the following amendments:

- Commencement of [Consultation on Code of Conduct](#) to commence in October 2023, and which had now gone live
- Amendment of the timetable for consultation on Compensation Fund revisions to enable it to take account of legal advice that has been commissioned
- Submission of proposed Adjudication Panel Rule changes to the LSB by the end of 2023
- Revisions to the programme for developing OLC complaints handling training with the CLC as the OLC has not been able to work on this with the CLC
- A future Council Workshop on Probate
- Review of the CLC's Publication Policy has been rescheduled to allow it to take account of an Internal Audit review that will be undertaken at the end of this month

It was confirmed that a review of Sanctions would take place following finalisation of the review of the Adjudication Panel Rules

The Council **APPROVED** amendments to the current Business Plan, which is published [here](#).

## 10. Performance Indicators

The Council considered the indicators and metrics for Quarter 3 of 2023 for publication.

It was observed that there had been four staff exits during 2023. The ensuing vacancies had been filled and the onboarding of new recruits had allowed for a handover with the incumbent where appropriate.

It was noted that a review of Key Performance Indicators would be reported to the Council's next meeting

The Council **AGREED** to publish the indicators and metrics detailed at Appendix A of the report.

**Action Oct/23/06: to publish the indicators and metrics for Q3.**



**Action Oct/23/07: to report on review of the KPIs to the Council's next meeting**

**11. Business Continuity Plan**

The Director of Finance and Operations invited the Council to review and approve updates to the CLC's Business Continuity Plan, which had been significantly revised to take account of changes to the ways of working driven by hybrid working, including a focus on the mitigation of risks relating to failure of any part of the CLC's infrastructure. The amended plan included detailed scenarios for potential IT incidents which would be further tested following its approval.

The proposed revisions, which had been reviewed by the Audit and Risk Committee at its meeting on 17 October 2023, and whose comments had been incorporated.

The Council was informed that in the absence of the Director of Strategy and External Relations, any requisite updating of the CLC's website would be undertaken by its service provider.

The Council **AGREED** the revised Business Continuity Plan.

**14. Any Other Business**

There were no other items of business.

**15. Audit and Risk Committee Chair's report**

The Council received the report of the Chair of the Audit and Risk Committee of the business conducted at its meeting on 17 October 2023.

It was in particular highlighted that the Committee had agreed the following programme of Internal Audit Reviews in 2024:

- Cyber security – CLC Website
- Equality, Diversity and Inclusion
- Financial Controls – Creditors
- Anti-Money Laundering
- Follow Up on recommendations arising from 2023 audit reviews

The Council **NOTED** The draft minutes of the Audit and Risk Committee meeting held on 17 October 2023 and summary report of the Committee's meeting.



## **16. Dates of Council meetings**

Forthcoming meetings of the Council have been scheduled as follows:

- Thursday 1 February 2024 (Annual General Meeting)
- Wednesday 27 March 2024 (Annual Financial Statements)
- Thursday 16 May 2024
- Thursday 25 July 2024
- Thursday 7 November 2024.

With the exception of the Annual General Meeting, which would be held at a venue in central London, meetings of the Council would take place online.

It was noted that meetings of Council Workshops would take place in person.

## **INFORMATION ITEMS**

### **17. Q3 Performance Outturn**

The Council **NOTED** the performance outturn for Q3, which had been reviewed by the Audit and Risk Committee at its meeting on 17 October 2023.

### **18. Property and Law Round Up**

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

### **19. Council Workplan 2024**

The Council **NOTED** its forthcoming Workplan.