

REPORT TO: CILEx REGULATION BOARD

FOR: DISCUSSION

DATE: 8 NOVEMBER 2017

REPORT TITLE: CEO REPORT

SUBMITTED BY: Helen Whiteman, Chief Executive Officer

STAKEHOLDERS:

Ministry of Justice:

- 1 Brexit: The MoJ is focused on identifying any legislative work requiring statutory instruments to support regulators post Brexit, based on a number of exit scenarios. Compared with other colleagues, the impact is minimal for CILEx Regulation. We are scheduling a teleconference with the MoJ team to discuss.
- 2 Lord Chancellor: A meeting with the Lord Chancellor and ministerial team for the Chairman and CILEx President is proving difficult.

Legal Services Board (LSB):

- 3 Strategy and Business Plan 2018-21: The LSB has consulted informally with all stakeholders on its draft Strategy and Business Plan specifically in relation to the proposed objectives and presentation. The full public consultation will be launched in December.
- 4 Internal Governance Rules (IGR): consultation proposals are expected to be published within the next fortnight. The consultation is expected to be open for 12 weeks.
- 5 CEO Regulators meeting: Helen attended the meeting on 23 October at which Brexit, IGR consultation and LSB strategy were discussed. The next LSB hosted Chair/CEO meeting is scheduled for 17 January 2018.
- 6 Rule changes: Aside of the ABS Licensing application, there remain two rule change applications outstanding for decision which relate to Admissions and Licensing Committee (ALC) rules and Investigation, Disciplinary and Appeals Rules (IDAR). An oral update will be provided.
- 7 ABS: Questions have been received from the LSB and statutory consultees have been approached by the LSB.
- 8 Chair: The LSB is advertising for a new Chair.

Legal Services Consumer Panel (LSCP):

- 9 Consumer lead officer, Sue Chandler will attend a roundtable hosted by the LSCP scheduled for 15 November to explore the feasibility and practicality of

Consumer Segmentation, as per the LSCP report which was presented by Dr. Jane Martin and discussed at the Board Roundtable event on 12 October.

Competition and Markets Authority (CMA):

- 10 Consumer Roundtable: The next meeting will be held on 5 December where progress will be reported by each regulator, as well as an update from the LSB on its pricing research and an update from the SRA on consumer testing.

Other Regulators:

SRA:

- 11 Regulator Switching: The SRA received approval from the LSB on 28 September 2017, for the rule change application which will enable them to waive the requirement to impose 6 years of PII run-off cover on firms leaving the SRA. This paves the way for firms regulated by the SRA to switch regulators. CILEx Regulation is currently negotiating the information which can be supplied by the SRA to facilitate the assessment of risk that a firm poses when making an application to switch regulator. CILEx Regulation has recently submitted proposed revisions to the MoU and Protocol to the SRA for its consideration.
- 12 Once the MoU and Protocol has been finalised between the SRA and CILEx Regulation, CILEx Regulation will be able to receive applications from firms interested in becoming regulated by CILEx Regulation. When CILEx Regulation was designated as an entity regulator, it received a number of expressions of interest in switching regulator. It is expected that CILEx Regulation will be able to start receiving applications during 2018 and these firms are likely to pay higher fees than start up entities. Once the SRA and CILEx Regulation have agreed the MoU and Protocol, more communications will be sent out to the legal sector to invite applications from SRA regulated firms.

BSB:

- 13 Designated Professional Body (DPB): Following our joint letter with the BSB to the Financial Conduct Authority, a meeting is being scheduled to discuss DPB status and the potential impact on regulatory competition.

Communications:

- 14 Regulation Matters: is approaching its fourth edition. Video interviews with LawCare, CPD compliance and Legal Geek appear in the October edition.
- 15 Legal Diversity Awards: With CILEx and CLS, we are hosting a table at this event on 28 November at which CILEx President, Millicent Grant has been short-listed for Lawyer of the Year award.
- 16 LawCare anniversary: Helen attended this 20th anniversary conference which coincided with World Mental Health Day which included an array of interesting speakers, both from industry, academia and outside the legal sector. We are working with the SRA to host a workshop on 6 December initially with other

interested legal regulators to discuss how we can collaborate and share best practice on:

- encouraging the legal workforce to declare and manage disability or wellbeing issues, overcoming the cultural barriers;
- working with and supporting complainants with disabilities or mental/physical health issues;
- working with disabled or unwell lawyers in our disciplinary processes.

17 CILEx Graduation: We were pleased to exhibit at the 2017 graduation ceremonies in Milton Keynes on 7 October. We are following up on 21 practice rights enquiries and discussing a joint exhibition with the law school for 2018.

18 Legal Futures Innovation Conference: We will attend this event on 21 November.