

DRAFT APPROVED BY THE CHAIR FOR PUBLICATION
Subject to approval by the full board at its next scheduled meeting

MINUTES
Costs Lawyer Standards Board Ltd
Wednesday 18 June 2025 at 9:30 am
In person at Woburn House, London

Board:	Rt Hon David Heath CBE	Lay NED (Chair)
	Andrew Harvey	Lay NED
	Andrew McAulay	Non-Lay NED
	Paul McCarthy	Non-Lay NED
In attendance:	Paul Mosson	CEO
	Jacqui Connelly	Director of Operations
	Lori Frecker	Director of Policy
Apologies:	Stephanie McIntosh	Lay NED (Vice-Chair)

1. OPENING MATTERS

- 1.1** The Chair declared the meeting quorate and noted apologies from Stephanie McIntosh. The Chair welcomed Paul Mosson to his first meeting in post as CEO of the CLSB.
- 1.2** There were no declarations of interest on any agenda item.

2. MINUTES

2.1 Minutes dated 26 March 2025

The Board considered the minutes of its last scheduled quarterly meeting on 26 March 2025. The Board agreed the minutes as being a true record for signing.

Actions: Publish approved minutes on CLSB website.

2.2 Matters arising

There were no matters arising that had not been scheduled as agenda items or otherwise dealt with.

3. STRATEGY

3.1 Feedback from strategy day (17 June 2025)

The Board discussed the strategy day on 17 June 2025. The Board noted that discussions had been focused and energised, with concrete suggestions for how

various workstreams should be taken forward. The Board noted that the ideas generated would need to be staged and prioritised, taking into account available resources and capacity.

3.2 Progress against business plan: Q2 2025

The Board was provided with an update against the Business Plan to Q2 2025. Paul Mosson noted that it had been an extremely busy period, and that remarkable progress had achieved despite the interregnum between CEOs. Three more Business Plan priorities have been delivered (workstreams 8, 11 and 14) since the last Board meeting. with more in train.

Paul Mosson highlighted the workstream relating to implementing the communications strategy, and expressed that he was keen to progress this swiftly now that he was in post.

Regarding workstream 9 (deepening understanding of the legal market in Wales), the Board was updated on recent discussions with ReciteMe, including the data security considerations related to using the ReciteMe toolbar on the main CLSB site. The Board was content to proceed with trialling the ReciteMe toolbar on the main CLSB website, subject to the Executive confirming to what extent this would align with its Welsh Language Act obligations. The Board noted that using the ReciteMe toolbar would also enable a wider range of accessibility options beyond Welsh language translation.

Action: Executive to consider Welsh Language Act obligations and progress with adoption.

In relation to item 3 (judicial appointments), the Board was informed that Paul Mosson and Lori Frecker will meet MoJ colleagues to discuss this in July. The Board noted the positive interaction that the Executive team had had with MoJ colleagues to date. Andrew Harvey informed the Board that an updated Judicial Skills Framework has been published.

3.3 2026 Business Plan

Paul Mosson presented the 2026 Business Plan for consideration and approval, explaining how the priorities were linked to the mid-term strategy, and that some priorities from the 2025 Business Plan had been incorporated into business-as-usual.

The Board highlighted some minor amendments that would need to be made following the strategy day on 17 June. The Board was content to approve the Business Plan, subject to those minor amendments.

Action: PM to update 2026 Business Plan.

4. BOARD MATTERS

4.1 2026 Board dates

The Board agreed to schedule its next four quarterly meetings on the following dates:

Q4 2025 meeting: Thursday 29 January 2026 (in person TBC)

Q1 2026 meeting: Thursday 23 April 2026 (remote)

Q2 2026 meeting: Thursday 9 July 2026, with a strategy day on 8 July (in person)

Q3 2026 meeting: Thursday 22 October 2026 (remote)

Following a suggestion from Andrew Harvey, the Board agreed that the January 2026 meeting may be held in person if possible to enable new Board members to meet their colleagues.

Action: Publish Board meeting dates on website.

4.2 Verify identity for Companies House

The Board was reminded that all company directors and people with significant control ('PSC') need to verify their identity with Companies House, in line with new requirements under the Economic Crime and Corporate Transparency Act 2023. The Board noted that the ACL will also need to do this as a PSC.

5. FINANCE

5.1 Quarterly report: Q2 2025

Jacqui introduced the quarterly finance report. The Board noted the financial position at the end of Q2, namely a small projected surplus for the year.

5.2 2024 accounts, including audit report

The Board noted that the 2024 accounts include the Independent Auditor's Report. This audit is not required by law, but was undertaken at the LSB's request in line with best practice. The audit confirms that the accounts give a true and fair view and have been properly prepared.

Jacqui Connelly informed the Board that the audit process ran smoothly and was not as much of an administrative burden as originally anticipated. The auditors were content with the CLSB's systems as being in line with good practice.

The Board noted that auditors' suggestions regarding segregation of financial duties, and confirmed they are content that the CLSB's arrangements are appropriate for an organisation of its budget and size.

The Board approved the auditor's report and authorised David Heath to sign the accounts and letter of representation accordingly.

In line with the LSB direction, the next set of accounts to be audited will be 2029.

Action: Chair to sign accounts and letter of representation.

5.3 2026 budget and PCF consultation

Paul Mosson introduced this item and explained how the proposed practising fee had been developed. Based on consideration of the resources that the CLSB is likely to need in 2026, and a calculated estimate of the number of Costs Lawyers the CLSB is likely to regulate, the consultation proposes an increase in the practising fee to £312 (from £305) in 2026. This is an increase of 2.3%, following an increase of 5% last year and 3% the year before.

The Board noted that the proposed figure for payroll is subject to approval by the Remuneration Committee.

The Board considered the proposed budget and practising fee and approved both. The Board considered the practising fee consultation and approved it for publication.
Action: Publish practising fee consultation.

5.4 Revised reserves policy

Paul Mosson introduced this item. He explained that the CLSB's target level of practising fee reserves is six months' operating expenditure plus a 10% contingency to account for annual fluctuations in expenditure. When this policy was last reviewed in 2021, the reserves target was £100,000. However, six months' operating expenditure is now calculated as £113,000. The proposed new Reserves Policy is based on that plus a 10% contingency bringing it to £124,000. Paul Mosson further explained that the CLSB's committed reserves for planned future IT development work is proposed to increase from £30,000 to £36,500. The Board approved the revised policy.

Action: JC to include new Reserves Policy in the Internal Handbook, and PM to share this with the LSB as part of the PCF application.

6. RISK MANAGEMENT

6.1 Annual Risk Outlook

The Board considered the 2025 Annual Risk Outlook, which built on and updated the risks identified in the 2024 version. The Board discussed the challenges of ensuring that the Risk Outlook remained relevant and up to date, given the extremely fast-moving geopolitical, technological and economical landscape. The Board agreed that a caveat reflecting the fast-changing landscape should be added, and highlighted some minor typographical amendments that needed to be made. The Board approved the 2025 Annual Risk Outlook for publication, subject to those amendments.

Action: Incorporate changes and publish Annual Risk Outlook 2025.

6.2 Review of risk register

The Board carried out its quarterly review of the risk register and agreed that no further amendments were required this quarter. The Board confirmed that it was content with the format of the risk register and that no format changes were necessary.

7. REGULATORY MATTERS

7.1 CPD audit outcome report

Jacqui Connelly provided an overview of the audit of 2024 CPD which was undertaken in February to March 2025. This year, the audit included an evaluation of the Ongoing Competency Framework, in line with priority 10 of the 2025 Business Plan.

The Board noted that:

- Most Costs Lawyers passed the audit, but two failed and were asked to submit their 2026 CPD objectives and will be reaudited next year.
- The disciplinary outcome associated with the audit.
- The difficulty of assessing engagement with the Ongoing Competency Framework through the audit. The template for planning and recording CPD is not mandatory (unlike, for example, the template for providing information on Qualifying Experience). The executive suggested that the suggested template for planning and recording CPD should be made mandatory to

encourage greater awareness and engagement. The Board supported this approach, and the non-lay NEDs thought it would be a simpler and workable requirement.

Action: JC implement agreed changes to the planning and recording of CPD.

7.2 Conditions on return to practising

Paul Mosson introduced a proposal to introduce a new process whereby any practitioner returning after a period of two years or longer must show either:

- a) They have undertaken relevant 12 CPD points in the immediate 12 months prior, or
- b) They have a qualified Costs Lawyer willing to supervise them for a year while they obtain 12 CPD points.

The maximum length of time that this arrangement would be in place is one practising year, after which ordinary renewal procedures would apply.

This proposal addresses a gap whereby Costs Lawyers renewing their practising certificate for the following year, and Costs Lawyers reinstating after only a short break in regulation have to meet stricter CPD standards than someone who has been absent from the profession for a longer period. This proposal will therefore tighten up consumer protection and improve fairness for all practitioners, by ensuring ongoing competency checks are in place for all practitioners regardless of any gap in practising.

The Board approved the proposal, subject to confirmation that the proposed changes would not be inconsistent with the obligations and requirements for returning to the profession after a period of suspension, as set out in Practising Rule 3.4 . The Board asked the Executive to review whether Rule 3.4 adequately addresses the CPD requirements on Costs Lawyers returning to regulation after suspension.

Actions: Executive to provide requested clarification; Publish the updated process and related Guidance Note.

8. LEGAL SERVICES BOARD (LSB)

8.1 Work updates

The Board received updates in relation to:

- The LSB's publication of its final business plan and budget, and its response to its consultation on those documents.
- The CLSB's response to the LSB's consultation on upholding professional ethical duties.
- The May meeting of the EDI Regulators Forum.
- An LSB roundtable discussion on EDI held in May.
- The LSB's Technology and Innovation Forum meeting that took place in May.

David Heath informed the Board that he had recently attended a meeting of the LSB's group on Professional Ethics and the Rule of Law.

9 STAKEHOLDER UPDATES

9.1 ACL Council meeting minutes

The Board noted the minutes of the ACL Council meetings held in February, March and April 2025.

Paul Mosson informed the Board that he had a friendly and constructive introductory meeting with David Bailey-Vella of ACL, and that he will be joining the ACL Council meeting in June, and has been invited to give a presentation at the November conference in London.

9.2 Work updates

The Board received updates in relation to the following:

- Cost Lawyer Apprenticeships;
- CILEx Royal Charter;
- Ongoing discussions with LeO regarding a model complaints procedure;
- The Regulatory Information Service; and
- Welsh Legal Regulators Forum.

9.3 Annual review of MoU and OP with ACL

The Board was informed that the annual review of the MoU and Operating Protocol ('MOU') between ACL and the CLSB had taken place. It was agreed that no material changes to the document was needed, but that the date was updated.

Action: Publish updated MoU on website.

10 OPERATIONS

10.1 Cyber security improvements

The Board was updated on the CLSB's current cybersecurity arrangements and recent enhancements.

11 PUBLICATION

11.1 Confirmation that papers can be published

The Board agreed that all board papers for the meeting should be published, other than those noted on the agenda for the reasons stated.

Action: Publish Board papers on website in accordance with agenda notations.

12 AOB

There was no other business.

13 NEXT SCHEDULED QUARTERLY MEETING

The next meeting was scheduled for 17 September 2025 and would be held remotely via videocall.

There being no further business, the Chair declared the meeting closed at 11:27am.

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Chair

Related documents

Item	Document	Publication location (CLSB website)
2.1	Board minutes	About ⇒ Our board
3.1	2025 Business Plan	About ⇒ Strategy and governance
6.1	Risk register	About ⇒ Strategy and governance
6.2	Annual Risk Outlook	For Costs Lawyers ⇒ Annual risk outlook
11.1	Board papers	About ⇒ Our board