

Chair's foreword: Jonathan Rees

I am pleased to present CILEx Regulation's (CRL) Annual Report for 2024. We can report on a year of significant policy and operational achievement, continued strong financial performance and a clear programme of action for the future, set out in our new Three-Year Strategy.

This was achieved by a strong and committed Board and associated Committees, dedicated and expert staff, and an outstanding leadership team.



Jonathan Rees, CRL chair

Over the last year, the Board has focused on where we, as a small regulator in a complex framework, can add value. Our priorities have included a strong emphasis on promoting Equality, Diversity and Inclusion. We are proud of the diversity of those we regulate: for instance, three-quarters are women and nearly half did not go to university. We have therefore continued to promote improved entry and progression in the profession, making it possible for CILEX professionals to gain higher rights of audience, publishing new data on the make-up of the profession, and working with other professional bodies on how to promote progression. In the coming year, we will publish a new overarching strategy, with new priorities for action.

We have also been keen to contribute to the growing debate on the future of the legal regulatory framework. To this end, we published new research on unregulated legal services and held a productive roundtable in February 2025. This concluded that consumers would be better served by a regulatory regime which focused on risk not title. We will continue to shape opinions on this in the coming months. My view is clear: after two decades, it is time to overhaul the 2007 Legal Services Act to reflect changing market conditions, promote regulatory independence, and move to a simpler clearer system based on risk and consumer benefit, not one linked to the professional make-up of the last century.

We have also worked hard to help those we regulate deal with new challenges. We organised a very well attended webinar on Artificial Intelligence, have cooperated closely with the Legal Services Board and other regulators on how we can contribute to the Government's growth agenda, set out our views on how best to promote ethical standards across the profession, and championed widespread engagement and consultation with our regulated community on future priorities.

Turning to performance, CRL has remained committed to operate and deliver good regulation in the public and consumer interest. To this end, we have made a step change in the transparency of the way we work, with nearly all Board papers published in advance and an open invitation for the community to question us. The LSB's most recent Regulatory Performance Assessment commended us on this and ranked us higher than the two big regulators (the SRA and BSB), while noting that we still had work to do across the board. We have a clear action plan in hand to respond to this assessment.

As our Annual Accounts show, we continue to deliver a strong financial performance. We have held the Practising Certificate Fee steady for many years thanks to rigorous cost control. In the last year, we felt obliged to raise the fees in line with inflation, and in order to cope with the growth in central fees- the LSB's budget has increased by over 40% in the last 3 years which inevitably has a knock-on impact on our costs. But overall CRL's portion of the PCF has fallen by over 16% in real terms over the last 4 years.

This record of achievement has been delivered notwithstanding the continued uncertainty over our long-term future, caused by CILEX's proposals to redelegate our role to the Solicitors Regulation Authority. As I said last year, these proposals were developed without consultation or engagement with us. We remain very happy to have discussions with CILEX on how we can make the present system- supported by two thirds of CILEX members- work better. We also believe that CILEX's proposals are unlawful and remain prepared to test our view before the Courts if necessary.



Looking to the future, we have set out a new threeyear Corporate Strategy with four strategic objectives:

- Standards and Public trust
- Access to Justice and Consumer Empowerment
- Independence and sustainability
- Being an authoritative, inclusive and capable organisation.

This strategy was built on extensive consultation with over 25,000 views of one of our consultation webinars. We subsequently published a Corporate Plan with clear deliverables which we report on publicly at each of our Board meetings.

Finally I would like to thank my Board colleagues for their support, wisdom and huge commitment, thank the many lay and professional members who help us oversee our licensing, enforcement, risk and disciplinary processes, and above all, thank the hugely knowledgeable and dedicated staff team in CRL, who under the inspirational leadership of John Barwick have contributed to a successful year in often challenging circumstances.



CEO Report: John Barwick

It gives me great pleasure to report on our activity in 2024, my first full year as CEO of CILEx Regulation. There is much to be proud of. Despite the uncertainty surrounding the regulatory landscape and their futures, CRL has continued to deliver fair, efficient and effective regulation that meets the needs and expectations of consumers and our stakeholders.

This year marked the end of our 2022-2024 strategy. Over the last three years, CRL has pursued three strategic objectives: high standards, consumer empowerment and Equality, Diversity and Inclusion. We have made good progress this year against these objectives. For example, we established new Higher Rights of Audience standards for eligible CILEX Practitioners with litigation and advocacy rights and Chartered Legal Executive Advocates, which the Legal Services Board approved in January.



John Barwick, CRL CEO

Consumers are more likely to trust the services they use if they are empowered to do so. In September, the Legal Services Board approved changes to our transparency rules which improve the clarity and amount of information legal services providers must stipulate. This is part of our desire to ensure that consumers are equipped to make informed choices about the services they need. But we do this conscious of the impact and burden regulation can have on the regulated community. Our aim is not to stifle innovation and growth but to enable the market to deliver exceptional legal services that consumers can trust.

As Jonathan set out before me, EDI has remained a core component of our work this year and will continue to do so in years to come. Our goal is to champion fair access for all to legal services by enabling aspiring lawyers to enter and progress in the profession, to use data effectively, and to address barriers to market access for people from diverse backgrounds. Our Beyond Buzzwords research, conducted on behalf of 11 professional membership and regulatory chartered bodies both inside and outside of legal services, found that there is still a disconnect between rhetoric and action on EDI and that scepticism remains.

All of this progress has been underpinned by improvements in the way we operate. We have sought this year to improve the length of time it takes to conclude misconduct cases, resulting in a 25% reduction in the number of open cases. We also reduced the average time it takes for a practising rights authorisation from 38 weeks to 32.

One of my personal priorities has been to ensure CRL is a supportive and stable place to work. While staff turnover remained higher than hoped, 2024 has been a period of relative stability. Our 2024 staff survey demonstrates that, generally speaking, our team enjoy

working at CRL. 95% of colleagues reported that CRL has a positive culture, 90% feel proud to work here and 75% would recommend CRL as a great place to work. I am also delighted that we have been able to invest in our capacity, appointing an AML Officer and Policy and Research Officer roles to the team. I am pleased that the Legal Services Board recognised the efforts to improve the stability and capability in their most recent Regulatory Performance Assessment.

Lastly, we also invested in how we engage with our stakeholders. We genuinely aim to be a consultative regulator that engages with stakeholders constructively to design and implement proportionate regulation that meets stakeholder needs and circumstances. In 2024, our webinars on Al and our strategy, were watched more than 46,000 times.

We will, of course, not rest on our laurels. Looking forward to 2025 and beyond, we embark on a new strategy and have an ambitious corporate plan that sets out our priorities for the year. We will continue to deliver our core authorisation, supervision and enforcement regulatory activities alongside an extensive strategic policy agenda around four themes: standards and public trust, access to justice and consumer empowerment, independence and sustainability, and being an authoritative, inclusive and capable organisation.

We have already made significant progress against these priorities. I want to pick up on three. In February, we were joined by representatives from across the legal sector for





a roundtable jointly hosted by CRL, the Legal Servies Board and Legal Services Consumer Panel to consider the challenges posed by unregulated legal services.

In March, we consulted stakeholders to gauge interest in creating routes for Chartered Legal Executives to gain stand-alone litigation rights. The response has been overwhelming: over 95% of the 138 responses we received were in favour. Given the clear demand from stakeholders, we are now prioritising this workstream and aim to consult on amended standards as soon as possible.

And in June, we consulted on new first-tier complaints rules. While there are many areas of good practice in the market, we have proposed new

rules that set clearer expectations for firms. When things go wrong, consumers should feel confident that their complaint should be taken seriously.

Ultimately, all we do is intended to protect the interests of consumers, promote high professional standards and encourage a diverse and effective profession. We believe strongly that all of our recent activity and our ambitious agenda, demonstrates how we do this and the benefits of dedicated, independent regulation.





Who we are

CILEx Regulation Limited (CRL) provides independent regulation of CILEX's 7,600 authorised members, as well as around 9000 paralegals and other non-authorised members.

We are proud of the high standard of specialist regulatory services that we deliver to CILEX and its members. We are also proud of our robust governance, independent and cost-effective operational structure, and productive engagement with our regulated community.

Our mission is to be a high performing and responsive regulator that protects and promotes consumers' interests through strong evidence-based regulation.

Our purpose is to ensure high standards of professional conduct and competence, protecting and promoting the public and consumer interests, enhancing respect and understanding for CRL qualifications and maintaining the integrity and trust of the legal profession.

CRL achieves this by:

- Regulating CILEx Members (including non-authorised members e.g. paralegals) and Firms: CRL oversees the professional conduct of CILEX members, ensuring they adhere to established standards and ethical guidelines. This includes setting and enforcing rules, handling complaints, and taking disciplinary actions when necessary.
- Protecting the Public: CRL aims to protect consumers of legal services by ensuring that CILEX
 professionals and firms operate with integrity and competence. This involves ensuring that legal
 services are delivered competently, ethically, and in a manner that upholds public trust.
- Promoting High Standards: CRL sets and maintains rigorous standards for education, training, and
 ongoing professional development for CILEX members. These standards are overseen by the LSB to
 be at the same level as those of other legal professionals such as Solicitors and Barristers. This
 helps ensure that members are well-qualified and up to date with the latest legal practices and
 regulations.
- Enhancing Accessibility to Legal Services: CRL works to make legal services more accessible to the
 public, advocating for practices and policies that reduce barriers to obtaining legal assistance, and
 working with others to promote access to justice.
- Supporting Regulatory Objectives: CRL supports broader regulatory objectives such as promoting
 competition in the legal market, encouraging an independent, strong, diverse, and effective legal
 profession, and increasing public understanding of the citizen's legal rights and duties





2024 in review

Our 2022-24 Strategy

2024 saw the completion of CRL's 2022-24 strategy. The strategy is underpinned by three key strategic objectives:

- 1. High standards
- 2. Consumer empowerment
- 3. Equality, Diversity and Inclusion (EDI)

Our 2024 Achievements

1. High Standards

At the outset of our 2022-24 strategy, we sought to uphold standards whilst pursuing innovative models to improve access and minimise regulatory burden. Our work this year has continued to drive up standards by supporting CILEX members to gain new rights of audience, clarifying expectations and standards and ensuring Anti-Money Laundering obligations are being met. This year we:

Enabled Chartered Legel Executives to obtain Higher Rights of audience by implementing a progression route for eligible CILEX Practitioners and Chartered Legal Executive Advocates. Following LSB approval to introduce this route, we approved the University of Law's application to be provide the required training and assessment. This not only meets our objective to ensure high standards among Chartered Legal Executives but also establishes further opportunities to access a diverse and inclusive profession.

Updated probate education standards to ensure they provide the requisite clarity for both training providers and applicants.

Updated our education standards handbooks. The handbooks support the nine Specialist Pathways of – Civil Litigation, Criminal Litigation, Family Litigation, Probate, Immigration, Conveyancing, Employment, Business and General. The handbooks are intended to assist applicants to gain authorisation as a Chartered Legal Executive with additional practice rights. They also provide detailed information for applicants on the evidence required in their portfolio to demonstrate competence against the defined criteria.

Led the way in considering the risks and opportunities of Al adoption. Legal technology is and will continue to transform the legal sector. Thomson Reuters estimate that 50% of lawyers already use Al. With this in mind, CRL convened a webinar in July to consider the adoption of Al in legal services, the opportunities and risks it poses to lawyers and therefore to consumers of services. The webinar was attended by 200 participants and the YouTube recording has now been watched over 21,000 times.

Embedded the prevention and detection of economic crime into our supervision programme. CRL is an approved Anti-Money Laundering supervisory authority. In 2024, we agreed with the Office for Professional Body Anti-Money Laundering Supervision (OPBAS) that the scope of our role extends to CILEx Authorised Entities. We incorporated our AML responsibilities into our supervision and monitoring programme to ensure we could fulfil our duties in the most proportionate manner. We reported on our 2023/24 AML supervision activity in October this year.

Demonstrated our commitment to transparency. In 2024, we underlined our commitment to transparent governance by enhancing our publication scheme. We now publish appropriate Board papers in advance of meetings. In our view, CRL is now among the most transparent regulators.





2. Consumer empowerment

We aim to enhance the information available to consumers to improve accessibility to legal services. Our focus this year has been to ensure consumers have access to accurate and clear information, and considering the implications for consumers of unregulated legal services. This year we:

Extended our transparency rules. Our consumer empowerment objective focused on improving the information available to consumers to empower them to make informed choices about their legal representation. In 2024, we consulted on and then introduced updated transparency rules. By extending and clarifying our transparency rules, we were among the first regulators to require all legal service providers to publish price and service information. Consumers should now feel more confident accessing legal services.

Considered the unregulated legal sector and its impact on consumers. In 2024, CRL commissioned IRN Legal Reports to consider the risks posed by unregulated legal services providers. The research found that while unregulated providers take a relatively small share of the total legal services market, the research found that the unregulated sector is growing, with more Litigants in Person taking on legal issues, particularly via digital legal portals and Al legal content. The research also found that some consumers of legal services do not understand the distinction between regulated and unregulated providers, putting them at risk. We later discussed the report's findings with the Legal Services Board and the Legal Services Consumer Panel and held a roundtable discussion with interested stakeholders in early 2025.

Contributed to the development of Legal Choices, a website run by the 8 legal regulators to provide consumers with factual information about legal services.

Worked towards the launch of the Regulatory Information Service. We are working jointly with the other legal regulators on the Regulatory Information Service (RIS). To be hosted on Legal Choices, the ambition is to develop a single portal for consumers to access information about all legal regulated legal service providers. Individual consumers and small businesses will be able to check regulatory information and be better informed about regulated legal professionals and firms before engaging a legal services provider. We participated in the projects' discovery phase working group between February and May 2024. The design phase took place during the last two quarters of 2024 with the build and test phase scheduled for the first half of 2025.

Integrated Welsh language functionality on our website. In 2024, we launched Welsh language pages on our website to cater for Welsh consumers. Our Welsh pages explain who are and our role to Welsh speakers.

3. Equality, Diversity and Inclusion

Our strategic objective to champion fair access for all in the legal services market. This year we sought to further our understanding of EDI. This year, we:

Published Beyond Buzzwords research in collaboration with 11 other professional membership and regulatory chartered bodies. Conducted by the Young Foundation, the research looked at how recent efforts to promote EDI have been experienced across and between a range of professions. 631 CILEX members contributed to the research, which found that while improvements had been made in diversity, the legal profession continues to be dominated by males of white ethnicity from middle or upper class backgrounds.

Commissioned digital exclusion research. Following the Competition and Markets Authority's market study in 2016, CRL have been working to make legal market more transparent and accessible for consumers. This included the joint regulator pilot in 2021 to encourage greater use of online information within the legal sector including digital comparison tools. One recommendation from the evaluation report is a commitment to carry out further work on Digital Exclusion. In collaboration with the Bar Standards





Board and Council for Licensed Conveyancers, we commissioned MEL research to understand the experiences of digitally excluded consumers using or looking to use legal and probate accountancy services, the challenges they face, the limitations in service delivery they receive, and what actions legal service providers and/or legal regulators can take to address these challenges. The research aims to shed light on the people who experience digital exclusion and the types of digital exclusion experienced.

Commissioned Bridge Group to help us assess career progression and opportunity. The Bridge Group are supporting the development of our approach to building an evidence-based understanding of how our regulated members progress their careers. The Bridge Group has developed a typology bringing together CILEX grades, authorisation and work performed at advancing career levels. The Bridge Goup are advising us how to analyse the new data to identify trends and possible barriers to career progression for individuals with different diversity characteristics, including some intersectionality of diversity characteristics

2024 Regulatory operations

Our strategic agenda is underpinned by our core authorisation, supervision and enforcement regulatory activities.

Authorisation

In 2024, we authorised:

576 CILEx members to have demonstrated their competency through work-b	ased learning
166 CILEx members to achieve practice rights	
11 CILEx members to achieve advocacy rights	

Supervision and Enforcement

In 2024, we:

Supervision	Enforcement	
Renewed 21 entities	Resolved 123 prior conduct cases	
	Resolved 59 misconduct cases	





Our 2025-27 Strategy

In 2024, we embarked on developing a new strategy in consultation with our stakeholders. Published in November, our 2025-2027 strategy seeks to build on the achievements of the 2022-2024 previous three-year strategy. To deliver CRL's core work of protecting consumers' interests, we have developed four key strategic objectives for the next three years, our aims for these areas of work and where we expect to be at the end of the three-year period.

- 1. Standards and public trust: We will promote high quality professional practice that enables the individuals and entities that we regulate to meet our standards, so they are able to adapt to changes in the delivery of legal services and utilise the benefits of innovation and law tech which meet the needs of consumers. Where we expect to be in 2027:
- Our regulatory standards, policies and guidance help the individuals and entities we regulate to adapt to the changing legal services market, so they meet the needs of consumers.
- Our approach to continuing professional development improves professionalism, champions high standards and reduces incidents of poor conduct and unethical behaviour. CRL's approach is recognised as a beacon of good practice.
- Developed and enhanced innovative approaches to service in legal regulation and enabled the adoption of new technology, including AI, to improve legal services delivery and our internal processes.
- CRL is recognised for its innovative approach to the delivery of legal services regulation
- 2. **Access to justice and consumer empowerment:** We will champion fair access to all in the legal services market. We will continue to improve the information available to consumers to improve accessibility to legal services, so they are able to make informed choices and have confidence in the legal professionals they engage with. Where we expect to be in 2027:
- Through the development of the Legal Choices website and establishing the Regulatory Information Service (Single Digital Register) and further development of Quality indicators, consumers have the high-quality information they need to choose good legal representation.
- Subject to the outcome of the CILEX proposals, have supported CILEX members to make it easier
 and more cost-effective to start up a law firm ('Law Firm in a Box'), providing greater choice to
 consumers within diverse communities.
- Consumers have an increased understanding of the consumer protections available in the legal services sector and gaps that exist with the unregulated sector are highlighted.
- 3. **Independence and sustainability:** We promote the value and importance of independent, specialist regulation, ensuring CRL is able to work without fear or favour and its independence is protected. Where we expect to be in 2027:
- Through our contribution to the LSB's review of the Internal Governance Rules (IGRs), CRL is able to exercise its powers freely and independently, without interference from the approved regulator.
- The organisation continues to be financially sustainable and achieves full financial independence, enabling us to invest in those areas of our operation which are most important to consumers and regulated members and entities.
- Developed and begun to implement an internal Corporate Social Responsibility programme, working with stakeholders on reducing our environmental impact.





- 4. **Be an authoritative, inclusive and capable organisation:** The organisation is resilient and has the capacity and capability quickly to adapt to changes in the external environment. Continue to champion fair access for all in the legal services market. Where we expect to be in 2027:
- Reviewed and improved our operational performance monitoring resulting in a reduction of the length of time to conclude conduct complaints.
- Further improved the transparency and accessibility of our services so we respond quickly and effectively to requests.
- Continued to work collaboratively on research to expand CRL's evidence base, including collecting more consumer data.
- Used Data effectively to set goals to measure impact, chart progress and track the effectiveness of
 equality actions so we can understand the outcomes for consumers and the regulated community.
- Understood and sought to address barriers to career progression within the CILEX regulated community.
- Invested in our people, providing a caring environment with equal opportunities for colleagues to develop.
- Built capability to ensure we have the right skills and competencies to drive our current and future performance



Board & Governance

Board membership

Position	Name	Tenure
Chair	Jonathan Rees	Until 31.08.2027
Professional member	Helen Astle	Until 31.08.2027
Professional member	Patricia White	Until 01.05.2026
Lay member	Prof. Alice Belcher	Until 31.08.2025 ¹
Lay member	Douglas Blackstock	Until 31.08.2027

Strategic Risk Committee

In 2024, the Board extended the remit of the Strategic Risk Committee. The Strategic Risk Committee's Terms of Reference now include:

- Review and provide advice on changes to CRL's risk appetite statement.
- Review any changes to CRL's Strategic Risk Register and advise on the adequacy of mitigation measures.
- Provide 'horizon scanning' advice to the CRL Board on potential sectoral risks to inform CRL's annual business planning cycle.





¹ Recruitment for Professor Alice Belcher's replacement and a member of the Strategic Risk Committee commenced in the first half of 2025.