



CILEx Regulation Annual Report 2023

Chair's foreword

I am pleased to present CILEX Regulation's (CRL) Annual Report for 2023, where we can look back on a year of real progress and achievement, strategically and operationally, as well as an excellent financial performance.

Although the CILEX proposals for the redelegation of regulation to the Solicitors Regulation Authority have inevitably continued to cause uncertainty and be an unnecessary distraction, our approach has been very much one of getting on with the important job of delivering our core regulatory objectives in the public interest. This report sets out some significant achievements which we look forward to building on in the coming months and years.



Jonathan Rees, CRL Chair

Let me comment briefly on CILEX's proposals for redelegation. These were developed in secret without proper consultation or engagement either with us or the regulated community. Our own consultation last year showed that two thirds of CILEX members did not see regulatory change, with its attendant costs and disruption, as a priority and three quarters stated a preference to continue with a specialist regulator. We continue to have concerns regarding the legality and legitimacy of CILEX's overarching proposals. We do not believe the public interest will be served and remain of the view that regulation by a specialist regulator, best serves the public interest and that of regulated professionals.

We were encouraged over the last 12 months by the number and range of organisations supporting this view. The Law Society firmly opposes the proposals, the Legal Services Consumer Panel does not believe that evidence of consumer benefit has been provided. And following our evidence to the House of Commons Justice Committee in December, the Committee reported to the Secretary of State for Justice that the proposed redelegation raised "serious concerns about the model of the 2007 Act", and that such a move threatened stable and efficient regulation.

During 2023 the uncertainty generated by the CILEX proposals did result in a higher-than-normal turnover of staff, particularly at the CEO and senior level. However, I am delighted that CRL now has a stable workforce, which we have strengthened to provide additional capacity to enhance our regulation, undertake more research and improve the guidance and service that we can provide to the regulated community. We have made some key staff appointments, including John Barwick, as Chief Executive, who has brought with him genuine leadership and direction. We have published a new corporate plan and made enhancements to our governance arrangements including our transparency.

Turning now to our operational performance, specific achievements this year include:

- Approval by the LSB of CRL's application to enable us to authorise eligible CILEX Practitioners with litigation and advocacy rights and Chartered Legal Executive Advocates for Higher Rights of Audience;
- Overseeing a significant improvement in Continuing Professional Development compliance, reducing non-compliance to less than 5% of fellows, as well as making good progress with the Ongoing Competence Action Plan as submitted to the Legal Services Board. CRL is now fully compliant with the LSB Statement of Policy on Ongoing Competence.
- Embedding the assessment routes offered by the University of Law for Fellows to gain practice rights, with 140 Fellows applying.

- Joining the newly formed Digital Property Market Steering Group (DPMSG), a new coalition of industry partners working to find ways to help support the property market by accelerating the adoption of digital technology, through collaboration and innovation across the sector.
- Contributing to the development of the Legal Choices website (a comprehensive online resource for consumers) leading to a 23% increase to 1.6 million visits during the 12 months to 31 October 2023, substantially exceeding the target of 1.25 million visits.
- Collaborating with other regulators to progress the development of a Regulatory Information Service in line with the LSB's Statement of Policy on Empowering Consumers. This includes recently approving a discovery phase to create a single digital portal through which consumers can access multiple data sets for each front-line regulator.
- Continuing to improve the consumer experience on CRL's website, including a new landing page 'I am a member of the public' which links to consumer information and advice pages
- Publishing CRL's biennial Diversity Data Survey Report, drawing on data from 16,757 members - nearly four times the data available compared to the 2017 survey.
- Publishing an expanded diversity report related specifically to Enforcement activities
- Participated in the development and successful launch of the Level 6 Chartered Legal Executive Apprenticeship Standard (Version 2) and the Level 7 Chartered Legal Executive Litigator and Advocate Apprenticeship Standard (Version 1) in June 2023. CRL is the External Quality Assurer for both standards, accredited by the Institute for Apprenticeships and Technical Education (IfATE).

It is important to note that we have done all of this without increasing our fees, which have remained stable since 2017 representing an £80 reduction in real terms thanks to significant productivity improvements, and at a time when others within the sector have been making significant increase to theirs.

But we have no intention of resting on our laurels, and have therefore started work on our next three-year strategy for 2025-27. We will be engaging with stakeholders and consulting widely over the Summer to ensure that we can continue to deliver forward-looking legal regulation for the benefit of all. Our new strategy plan will be published in November 2024.

Finally, I must pay huge tribute to the hard work of CRL staff and their dedication to high standards of operational performance.

CEO statement

I was delighted to be appointed as Chief Executive of CILEx Regulation Ltd in November 2023. Having worked in regulation across a range of sectors for a significant part of my career I am a committed advocate of the value of strong independent regulation in protecting the public and consumers' interests.

Despite the challenges and uncertainty generated by CILEX's proposals to redelegate regulation to the SRA, the CRL team has remained dedicated to delivering fair, efficient and effective regulation. My immediate focus has been on ensuring a stable workforce which has a clear understanding of CRL's priorities going forward, and that the organisation has the necessary skills and resources to deliver our strategic ambitions.

Much has been achieved over the past 12 months and I have been struck by the power of collaboration and partnership working in making meaningful progress against many of our key strategic priorities. Although CRL remains of the view that the regulatory changes proposed by CILEX are neither necessary, wanted nor underpinned by a reliable evidence base, stakeholders should be reassured that CRL and CILEX have developed cordial and professional relationships which has resulted in positive progress being made against many of the undertakings resulting from the LSB investigation report. Looking forward, CRL and CILEX continue to seek opportunities for effective collaboration operationally for the benefit of the regulatory community.

CRL continues to have an important role to play delivering high quality specialist regulation in the public interest, and this remains our central focus.



John Barwick, CRL CEO

Who we are

We are the independent regulator of the Chartered Institute of Legal Executives – the professional association that represents chartered legal executives, paralegals, and other legal practitioners. CRL offers a forward-thinking, constructive approach to regulation. We regulate members of CILEx, law firms, including probate firms run by ACCA members, and the legal professionals we have authorised with practice rights in specialist areas of law.

We are responsible for regulatory matters affecting all those in our regulated community. In addition, we oversee the education, qualification, and practice standards of CILEx members. We are the External Quality Assurer (EQA) for the Chartered Legal Executive Apprenticeship authorised by the Institute for Apprenticeships and Technical Education to provide external quality assurance for the Chartered Legal Executive Apprenticeship. Reports on these functions are published with this report.

CILEX delegates to us the regulatory aspects of its role as a Money Laundering Supervisory Authority.

Our Strategy

The delivery of CILEx Regulation Limited's current strategy for 2022-24 is entering its final year. The strategy is underpinned by three key strategic objectives:

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

Progress against these strategic objectives is on track. We remain ambitious for further change and innovation in the way we regulate CILEX members and have set out a progressive programme for 2024, as we work towards full financial and operational independence, pursue innovative models to minimise the regulatory burden, champion fair access and enhance the information available to consumers to improve accessibility to legal services.

This document reviews and reflects on the progress we have made during 2023 and sets out our priorities for 2024 against each of the strategic objectives. It also provides the context for the development of a new strategy, to guide CRL's development from 2025.

Our 2022-24 Strategic Objectives

In summary the Strategic Objectives which took effect from the beginning of 2022 are:

High standards

We will uphold standards whilst pursuing innovative models to improve access and minimise the regulatory burden.

Consumer empowerment

We will enhance the information available to consumers to improve accessibility to legal services.

Equality, diversity & inclusion

We will champion fair access for all in the legal services market.

Achievements in 2023

In the first two years of the strategy, much has already been achieved to deliver benefits to consumers and the regulated community. This is particularly positive given the amount of resource required to engage with and respond to CILEX's proposals to redelegate regulatory responsibility to the Solicitors Regulation Authority.

Key achievements in 2023 include:

High standards

- Overseeing a significant improvement in Continuing Professional Development compliance, reducing non-compliance to less than 1% of fellows, as well as making good progress with the Ongoing Competence Action Plan as submitted to the Legal Services Board.
- Obtaining Legal Services Board approval to amend practitioner authorisation rules and rights of audience certificate rules to authorise CILEx practitioners with litigation and advocacy rights and chartered legal executive advocates for Higher Rights of Audience.
- Responding to the HM Treasury call for evidence on a review of the UK's AML/CFT regulatory and supervisory regime.
- Contributing to the Solicitors Regulation Authority's (SRA) research into 'unbundling of legal services' to see how it can help potential clients and law firms, and if there were any regulatory barriers.
- Embedding the assessment routes offered by the University of Law for Fellows to gain practice rights, with 140 Fellows applying.
- Securing approval for and implementing rule changes related to Qualifying Experience and remote hearings.
- Giving evidence to the Justice Select Committee's inquiry into the regulation of legal professionals.
- Joining the newly formed Digital Property Market Steering Group (DPMSG), a new coalition of industry partners working to find ways to help support the property market by accelerating the adoption of digital technology, through collaboration and innovation across the sector.

Consumer empowerment

- Contributing to the development of the Legal Choices website (a comprehensive online resource for consumers) leading to a 23% increase to 1.6 million visits during the 12 months to 31 October 2023, substantially exceeding the target of 1.25 million visits.
- Collaborating with other regulators to progress the development of a Regulatory Information Service in line with the LSB's Statement of Policy on Empowering Consumers. This includes recently approving a discovery phase to create a single digital portal through which consumers can access multiple data sets for each front-line regulator.
- Continuing to improve the consumer experience on CRL's website, including a new landing page 'I am a member of the public' which links to consumer information and advice pages.

Equality, Diversity and Inclusion

- Publishing CRL's biennial Diversity Data Survey Report, drawing on data from 16,757 members - nearly four times the data available compared to the 2017 survey.
- Publishing an expanded diversity report related specifically to Enforcement activities.

Organisational Capacity and Capability

During 2023, we also made continued efficiency improvements, enabling us to hold the Practising Certificate Fee constant for a further year, representing a real term saving to those we regulate of over £80 in the last eight years.

Operational processes were also reviewed, leading to the improved triaging of new misconduct cases and reducing the processing time of prior conduct cases.

Working Together

CRL is a small organisation, and to deliver effective and responsive regulation we are committed to working with others, especially those in the regulated community who know the sector best. As shown below, 2 of our 5 Board members are long-standing CILEX Fellows, one of whom is also an entity owner.

Their work is underpinned by many other CILEX professionals, helping for instance to deal with Strategic Risk, Disciplinary cases and appeals. We are hugely grateful for their input and expertise which enables us to provide specialist regulation for an independent and valued profession. More information on their hugely important contribution can be found in separate reports published on the website.

Board Membership 2023

Name	Term
Jonathan Rees (chair)	Current term until 31 August 2027
Helen Astle (professional)	Current term until 31 August 2027
Patricia White (professional)	Current term until 1 May 2026
Douglas Blackstock (lay)	Current term until 31 August 2027
Alice Belcher (lay)	Current term until 30 September 2025

CILEx Regulation Values

Our Values guide everything we do



Efficient We keep things simple, timely and cost effective



Firm We uphold high standards to protect consumers. We take responsibility for our decisions and have the courage of our convictions



Fair We deal with people fairly, considering how what we say and do could be perceived



Flexible We're positive, proactive and we look for solutions. We aim to innovate and offer a personal service, not a one-size-fits-all



Focused The needs of our regulated community, colleagues and stakeholders guide everything we do

