



CILEx Regulation
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Sent by email only to consultations@cilexregulation.org.uk

20 September 2024

Dear Policy Team,

RE: Consultation on 2025 – 2027 Corporate Strategy

The Legal Services Consumer Panel (Panel) welcomes the opportunity to comment on CILEx Regulation's proposed 2025–2027 corporate strategy. The Panel is pleased that CILEx Regulation has strived to consult a wide range of stakeholders on this strategy, going further than it has in the past. The Panel is also pleased that CILEx Regulation sees the Panel as a key strategic influencer, as referenced in CILEx Regulation's consultation webinar, and hopes that the comments below are helpful.

While the Panel agrees that CILEx Regulation requires a strategy regardless of the current proposals being put forward for the Solicitors Regulation Authority (SRA) to become the new regulator of professionals currently regulated by CILEx Regulation, it does not want to comment on those proposals here. Nevertheless, as CILEx Regulation's webinar did cite the Panel's statement that there is insufficient evidence of the consumer benefits of these proposals, it is wise to put this statement into the context of the Panel's published position that it agrees with simplification of the regulatory landscape in legal services in principle but that individual proposals must be supported by clear and specific evidence of how consumers will benefit.

Reflection on Consultation Questions

1. Do you agree that CRL should continue to provide specialist independent regulation for all CILEX professionals serving the public?

Beyond what is stated above, the Panel does not have any further comment.

2. Do you agree with our proposed mission statement?

The Panel agrees that the proposed mission is suitable and is pleased that consumers are mentioned. In particular, it is good that CILEx Regulation aims to be a 'high performing and

responsive' regulator with emphasis on being evidence-led. It is worth noting, however, that the statutory regulatory objective covers both protecting and *promoting* the interests of consumers which does arguably go further than just protecting them. The Panel believes adopting the fuller wording of the statutory regulatory objective will help put things in perspective for CILEx Regulation, especially with regards to working towards empowering consumers with the information they need to choose an appropriate provider and to using regulation to improve access to justice.

3. Do you agree with our proposed purpose statement?

Again, the purpose is suitable. Ideally, the Panel would also like to see consumer interests mentioned here as well as they do not always align neatly with the public interest.

4. In our draft Strategy we have identified three core activities – regulation, learning and innovation. Do you think these are the right activities?

Again, the Panel agrees with these three core activities because they capture the day-to-day job that regulators do, including actually regulating professionals and entities, learning and working to better themselves, regulation and the delivery of legal services as well as the constant need to apply this learning to innovating better ways of doing things. Most importantly, the strategy should apply the learning and improvement cycle to trying to achieve better consumer outcomes; both this aim and improved diversity, equity and inclusion requires robust data collection and analysis. This data does not always have to mean CILEx Regulation commissions new research and could include collaborating with partners on studies, ensuring all useful data is already collected from current systems and looking to use relevant external sources of data.

In addition, innovation should be interpreted to include, but is by no means limited to, new technologies. CILEx Regulation plans to foster innovation to improve service delivery including access to justice. While improved and new methods of service delivery can increase access to justice, innovative and creative policies and the use of regulatory levers should also be explored as independent efforts to find as many ways as possible to contribute to access to justice. As one third of legal needs are currently unmet in England and Wales,¹ every avenue of potential improvement must be pursued. Accordingly, the Panel's research on how regulation can improve access to justice, due to be published later this financial year, will be of interest to CILEx Regulation.

5. We have proposed four strategic priorities to be the focus of CRL's efforts over the next three years – do you consider these are clear, understandable and appropriate?

Generally, the four strategic priorities are helpful, subject to the comments below. In order to make the standards and public trust goal of helping individual professionals and entities adapt to changes in service delivery to meet consumer needs, specific attention needs to be paid to creating standards which truly do meet consumer needs. This is not easy and requires research, proper market surveillance and in-depth policy work. It should also be remembered that innovative ways of improving service delivery do not have to include technology though they may do so. But it is important to also keep the needs of those who are digitally excluded or limited and their needs in focus as well. Finally, the risks associated with technology should also be clearly identified and managed appropriately.

¹ LSB and Law Society, Individual Legal Needs Survey (2024)
<<https://reshapinglegalservices.org.uk/2024/06/21/key-findings-from-the-largest-survey-examining-the-legal-needs-and-experiences-of-consumers-in-england-and-wales-in-2023/>>.

The Panel is pleased to see access to justice and consumer empowerment as a strategic priority. However, it notes that providing consumers with quality information is important but unlikely to make a big difference to the large amounts of people who cannot access justice. Even though the price transparency plans CILEx Regulation consulted on recently could help those consumers who think engaging legal service providers is too expensive², real commitment and targeted action on access to justice is needed given the high levels of unmet legal need. The Panel encourages CILEx Regulation to plan for this work and look out for the research on how regulation can improve access to justice that the Panel is working on and which will be published later this financial year.

The Panel does not have any comment on the independence and sustainability strategic objective.

Finally, the strategic objective of being an authoritative, inclusive and capable organisation should include using data to track equality actions and specifically how equality actions are affecting consumers. Such thinking about monitoring and evaluation should help ensure that DEI initiatives also improve consumers' experience. This strategic objective should also include how to collect more consumer data and explain how CILEx Regulation will champion fair access for all in the legal services market, a stated aim under this heading.

6. If you had to choose just one, what would be the most important priority that you would want CRL to focus on for the next three years?

Though measurable gains for consumers from CILEx Regulation's work on consumer empowerment are still some time away, at least some efforts have been focussed on this goal here. Therefore, the most important priority is access to justice because the Panel feels it has not received adequate attention or action from regulators. Rather than seeing access to justice as something that improves along with other aims such as ensuring the legal profession is diverse, the time has come for regulators to look for direct ways to contribute to access to justice.

7. Do you think CRL's current values are fit for purpose and underpin CRL's proposed strategic priorities?

The Panel believes that that the organisational values - being efficient, firm, fair, flexible and focussed - are positive underpinnings of the proposed strategic objectives. We do note that the explanation of being focussed could be improved because it states that "the needs of our regulated community, colleagues and stakeholders guide everything we do". The Panel feels strongly that consumers should be the first and guiding principle for CILEx Regulation to focus itself on and this is elaborated on in the answer to the next question.

8. What values do you think should underpin CRL's work?

Unsurprisingly, the Panel would like to see consumer focused regulation and all the expectations that encompasses underpin CILEx Regulation's work. Consumer focused regulation requires strong governance, a strategy targeting the improvement of consumer outcomes, enough data and ongoing engagement to create a robust evidence base, solid policy development – implementation – monitoring and evaluating and applying learning insight cycles, a consistent approach to consumer protection and responsive regulation.³ Being consumer focused affects everything the regulator does and helps ensure regulation

² See Individual Legal Needs Survey, *ibid*.

³ See LSCP, Consumer Focused Regulation in Legal Services (2023) at <<https://www.legalservicesconsumerpanel.org.uk/wp-content/uploads/2023/06/Consumer-focused-regulation-report-FINAL.pdf>>.

is suited to the needs of consumers and not just those of the regulated community. It will also drive everyone in the regulator to be concerned with consumer outcomes.

9. What further steps can we take to improve our openness and responsiveness?

CILEx Regulation could improve its openness and responsiveness as a regulator if it tries to expand its evidence base even if it means doing so in creative ways. These may include collaborating with research partners, analysing exiting data sets such as the Tracker Survey or committing to trying to better understand different consumer segments.

10. Do you consider there are any aspects of our proposals that could result in equality or diversity implications for groups or individuals based on one of more of the following protected characteristics as defined by the Equality Act 2010?

Unfortunately, the Panel does not have any information on potential equality effects on the consumers of CILEx lawyers because the Tracker Survey does not specifically track the use of CILEx lawyers, something to be looked at in the next iteration.

11. Do you have any other comments about the draft Corporate Strategy for 2025-2027?

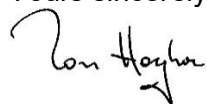
After the purpose, there is a section that explains that CILEx Regulation achieves this (mission and purpose) by setting out the things it does. Many of the statutory regulatory objectives are listed in the last catch-all subheading “supporting regulatory objectives”. While the intention may be that “enhancing the accessibility of legal services” covers off access to justice, it could provide clarity to ensure that access to justice, rule of law and protecting and promoting the consumer interest are also explicitly included.

In addition, supporting regulatory objectives is also different from treating them as an aim of regulation itself and revising the language to reflect this could encourage all CILEx Regulation employees and Board members to take ownership of these objectives and strive to make a difference in each.

Finally, in delivering the strategy, the Panel would like to see more on measuring outcomes achieved and tracking progress, specifically on consumer outcomes.

We hope the CILEx Regulation finds the Panel’s comments useful. Should you have any questions pertaining to this consultation response, please contact Heidi Evelyn, Consumer Panel Associate at [REDACTED] with any enquiries.

Yours sincerely,



Tom Hayhoe
Chair
Legal Services Consumer Panel