



Craig Westwood
Chief Executive
Legal Services Board
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30 September 2024

Dear Craig,

Meeting expectations with LSB statement of policy of empowering consumers

I write in response to Richard Orpin's letter of 17 June 2024 which formally requested that the CRL Board provide assurance about how CRL is meeting the expectations as set out in LSB's Statement of Policy on empowering consumers.

The structure of our general overview uses the headings included in Richard's letter, with additional detail provided at **Annex 1**.

The CRL Board met on 25 September and approved this response.

Context

The legal community regulated by CRL is relatively small in having only 59 entities (including ACCA Probate firms), these often being one-person businesses, and operating within specific or niche areas of the legal services market. Accordingly, the part that CRL can play within the overall picture has its limitations, although concerted efforts have been made to implement effectively the Statement and collaborate with other regulators such as the SRA, wherever possible, and align our approach and activity to maximise impact.

In implementing the Statement, CRL has been mindful of research undertaken around customer empowerment and guidance provided by the Legal Services Consumer Panel.

The detailed information provided at **Annex 1** outlines the actions undertaken by CRL to meet the Statement's expectations and the outcomes of these measures.

General Overview

To assist further, an overview is provided below:

Public legal education

CRL provides general explanatory information on its website about the regulation of the legal sector and specific information about the CILEX regulated profession. This is included within a section called '**I am a member of the public**', which is a specific portal through which consumers would access. A link is provided [here](#). Within this portal there is information on:

- Who We Regulate
- Choosing a lawyer
- Finding a lawyer and/or law firm
- Using a lawyer
- Disciplinary Records
- Problems and Complaints
- Upcoming hearings

There is also consumer-friendly, media content such as the short introductory film that can be found [here](#).

CRL is a supporter and funder, collaborating together with other regulators, of the **Legal Choices** project that gives the *public independent, factual information about legal issues and legal advisers*. The key activities and outcomes of the Legal Choices project are as follows:

- A year after the CMA's December 2016 legal services market study was published, frontline legal services regulators and the Legal Ombudsman launched a programme of work that has run for seven years and included a re-design, re-build, and re-launch of the Legal Choices service.
- As a result, the number of people visiting the Legal Choices website rose from 130,000 in the 12-month period ending 31 October 2018 to more than 1.1 million in the 12 months to 31 August 2024. In each of the past four legal years, more than a million people have visited the website.
- Legal Choices web pages have been rated more than 8,000 times by users. On average, 60% of users rate pages as useful.
- Legal Choices has been designed with direct input from consumers which has increased its reach.
- User testing on the new service with individual consumers to maximise usability and ensure consumers are able to find the information they need has been undertaken.
- The expertise of the [Legal Choices Advisory Panel](#) to inform content and provide advice on issues faced by consumers and businesses has been used.

- A catalogue of resources that can be used both directly by individual consumers, but also as a tool for consumer representative groups, charities and law centres has been created. These are focused on demystifying the experience of using legal services, to help people understand their legal issue and how to access professional help.
- This includes over 100 podcast style videos dealing with housing, employment, immigration and asylum, and going to court. In doing so, the different needs of different consumer groups have been recognised by the project.
- Specific content for potentially vulnerable consumers, such as asylum seekers and people with other immigration issues, has been developed to ensure they have a clear path to progress a legal need and mitigate some of the stress involved with being in such a situation.
- The Legal Choices content is kept under regular review through collaboration with the other regulator members of the project, the Legal Ombudsman and Legal Services Consumer Panel.
- We are continuing work to build the Legal Choices brand externally. We are piloting the use of short engaging videos using Instagram reels and curating our YouTube Shorts. We will evaluate this pilot and consider building on this if successful.

In summary, we are confident the Legal Choices project is providing significant benefit to consumers in helping inform them make decisions about using legal services and meets the expectations of the LSB.

CRL recognises that more can be done on a national government level to increase public education and awareness of the law. Accordingly, we are interested in the role that new technologies such as AI might play in answering consumers legal questions and assisting in efficient and effective redress of legal issues, within and outside the Court System. Also, within the school system, children and young people should be educated in the basic principles of the law so that they are personally informed and empowered citizens as part of a healthy democracy.

Information about price

Information about quality

Information about service, redress and regulation

These issues are best addressed with reference to CRL's recently approved application to increase the scope and requirements for Transparency that apply to our regulated firms. The changes aim to increase decision making information firms provide for consumers and bring CRL's regulatory requirements into line with the LSB's Empowering Consumers Statement of Policy. In summary the changes:

- extend the Transparency Rules to the 10 CILEX authorised firms (out of 19) not currently subject to them, and

- revise the current publication requirements and extension to include publication of mix of staff and a link to Legal Ombudsman decision data in both the Transparency Rules and Regulations.

Details of the rule changes, which will now be implemented, can be found in the original application – [link here](#) . The application contains a wealth of information and evidence to support CRL’s activity to improve transparency and underpin consumer empowerment aligned to the LSB’s Statement of Policy, which I will not repeat within this letter.

The changes CRL is making to improve transparency and the information available to consumers to enable them to make informed choices has attracted positive coverage in the legal media. I reference the article in the legal futures publication – [link here](#) – that refers to CRL becoming the first regulator requiring firms to publish price and service information.

Also, CRL received a supportive and constructive response to its consultation from the Legal Service Consumer Panel, which validated our approach and helped clarify our route map as we move forward in making further enhancements of future years. We will consolidate and develop our approach over future years, in collaboration with other legal regulators, and look forward to continuing to work closely with both the LSB and LSCP.

Compliance with the requirements will be enforced and guidance and support will be provided to those firms who need it.

How information is made available to consumers

Information is provided to consumers from the CRL website – see above.

In addition, CRL has been involved in various initiatives including:

- Digital exclusion research with the BSB
- Quality indicators pilot report with SRA - output included additional wording on the CRL website and links to review sites.
- Digital Property Market Steering Group
- Unbundled services pilot report

The Transparency Rules and Regulations have evolved and the recent approved LSB application is the latest iteration. These require the firms to provide information on their websites and/or within information leaflets provided to clients and CRL monitors and ensure compliance. The requirements will be further developed over time and grounded in research and policy direction provided by both the LSB and LSCP.

Generally, we have a consumer focus embedded within everything we do, and this is reflected in processes that we have in place such as all Board Papers including details of impact on the consumer. CRL’s Board papers are published on its [website](#).

In conclusion, CRL has worked hard to ensure that the Statement of Policy has been implemented in respect of regulated firms within our community. We will continue to collaborate

with other regulators to make further enhancements informed by the evaluation of the existing measures that have been implemented.

I hope that this letter provides you with the level of assurance that you require but please do not hesitate to contact me should you require anything further.

Yours sincerely,



John Barwick
Chief Executive
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Encl.

Annex 1

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LSB consumer empowerment statement of policy – CRL Assurance Statement

Statement of Policy aspect	Response
<p>General expectations: The LSB expects regulators to:</p> <p>a. Pursue the following outcomes:</p> <p>i. Consumers have the knowledge and capability to recognise when their problem is a legal issue and know how to get legal assistance where necessary.</p>	<p>CRL is an active participant in Legal Choices, making a proportionate contribution to the maintenance and development of the LC website and engaging in cross-sector initiatives. The CRL website links to LC on several pages and the LC dictionary tool is available in the footer throughout CRL's website.</p> <p>CRL participated in the PLE sub-group of MTCOG and the Immigration Information Working Group which also included OISC, SRA, LeO, BSB and Refugee Action - a project aimed at supporting immigration and asylum seekers to raise complaints leading to publication of information on Legal Choices.</p> <p>Guidance for consumers is accessible in the 'I am a member of the public' area of the CRL website. The landing page has a video explaining the role of CRL and signposts to other consumer information. Focus on how to access professional help is provided by Choosing a lawyer (including reviews) and Using a lawyer (including what to ask at a first meeting with a lawyer).</p> <p>CRL continues to work collaboratively on projects with other legal regulators. We are participating in joint digital exclusion research with BSB, CLC and ICAEW. The project has included wider collaboration with the LSB and LSCP in preparation of the invitation to tender.</p>
<p>ii. Consumers have the knowledge and capability to engage effectively with the legal services market.</p>	<p>Rule 1(2) Transparency Rules and Regulation 16 CILEx Regulation-ACCA Handbook currently require firms to 'publish [regulatory information] on, or via a link from, its website homepage'.</p> <p>The amended Rules/Regulation (see below) have the additional requirement that the information is published prominently and must be clear and accessible. Firms without a website must make the information available in a Consumer Information Leaflet, available on request and supplied to us to be linked to from the</p>

	<p>appropriate firm directory. In this way, consumers can access the information without having to contact the firm.</p> <p>The <u>Transparency Guidance</u> on P11 has a section on Key Points to presenting information including links to <u>Client-Care-Letters-Research-Report-2016</u> and the <u>Plain English Campaign</u>.</p>
<p>iii. When choosing a legal services provider, consumers can access, as a minimum, useful information about a provider's services, price, quality, regulatory status and access to resolution of complaints that enables them to make an informed choice as to the provider most suited to meet their needs.</p>	<p>Price information</p> <p>Rule 2 of our <u>Transparency Rules</u> requires: Price information must include:</p> <ol style="list-style-type: none"> a) The total price of the legal service. b) The basis on which the total price is calculated, for example, fixed fee or hourly rate. c) The services that are included in the published total price, and services that might reasonably be expected to be included in the published total price but are not. d) The price of all disbursements payable, together with an explanation of the disbursement. e) The prices and disbursements on which VAT must be paid and the amount of VAT payable. f) If conditional fee or damages-based agreements are available, then the circumstances in which clients may have to make payments themselves (including from any damages) must be explained <p>Sections 3, 4, 7 & 8 of the <u>Transparency Rules</u> provide:</p> <p>3. Service information must include:</p> <ol style="list-style-type: none"> a) A description of the legal services provided b) The key stages of the legal service c) Typical timescales for each stage of the legal service <p>4. Complaints and redress information</p> <p>An Authorised Entity must publish details of its free complaints handling procedure including how and when a complaint can be referred to the Legal Ombudsman and to CILEx Regulation.</p>

	<p>Regulatory information</p> <p>7. An Authorised Entity must display on the company's letter headed paper, emails and on the home page of its website the wording that it is 'Authorised by CILEx Regulation for....' followed by the area of law in which it has been granted authorisation for and its Authorisation number.</p> <p>8. An Authorised Entity must display on the home page of its website the CILEx Regulation logo(s) relating to the area(s) in which the firm is authorised to conduct legal services.</p> <p>Guidance with examples how this information may be provided to consumers is included in the Transparency Guidance.</p> <p>There are similar requirements for CILEX-ACCA Probate Entities in the CILEx Regulation-ACCA Handbook.</p> <p>We have taken an iterative and evidence-based approach to developing the requirements of our firms to publish information to support consumers when choosing a legal service provider.</p> <p>Our Transparency Rules and Transparency Guidance came into force in January 2019 for CILEX Authorised Entities providing legal services in conveyancing and probate. The Rule (and Guidance) were amended in January 2022 to extend to firms providing immigration legal services.</p> <p>We increased the number of firms publishing transparency information when we assumed regulation of probate activities by ACCA regulated accountants at the end of 2021. Transparency requirements for CILEX-ACCA Probate Entities which provided non-contested probated services, are set out at Regulation 16 of the CILEx Regulation-ACCA Handbook and Transparency Guidance and came into force in November 2021.</p>
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	<p>We carried out a gap analysis against the LSB's Statement of policy on empowering consumers and an evaluation of our Transparency Rules and Regulations. We also considered findings from evaluations (SRA Year 3 and BSB) of transparency rules closely aligned with ours. We assimilated information from legal sector research publications, including LSB and Legal Services Consumer Panel and engaged with other regulators.</p> <p>We identified that amendments to our Rules and Regulations are needed to meet the LSB expectations. We developed changes to our Rules and Regulation and consulted¹ on these Q2/3 2024. The responses to our proposals are generally positive and the response from the Legal Services Consumer Panel is broadly supportive of the changes.</p> <p>The recently approved application to the LSB to amend CRL's transparency rules will:</p> <ul style="list-style-type: none">• Extend the Rules to all legal services CILEX Authorised firms providing legal services to consumers and small businesses. All firms will be required to publish information on price/service, complaints procedure, redress, Professional Indemnity Insurance, compensation arrangements, regulatory information and digital logo.• Revise our publication requirements by being more prescriptive about where and how the transparency information is published. Extend the information to be published to include mix of staff that deliver the services and publication of a link to the Legal Ombudsman decision page. For firms that do not have a website, a requirements of a Consumer Information Leaflet available on request and supplied to CRL to be linked to from the appropriate CRL firm directory.
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¹ The consultation was reported in a [Legal Futures article](#) published on 27 June 2024.

Information about quality

Information about CRL's participation in the Regulatory Information Service project is provided below.

CRL is keen to work in partnership and collaborate with other regulators within the sector. This has included taking an active role in the Quality Indicators Pilot which is currently being evaluated. The [report](#) was published in June 2023. Following on from the high level actions, CRL is currently exploring work with the SRA and CLC relating to the moving the transparency information forwards including presentation of price information and revisiting the voluntary code for DCTs. CRL continues to work collaboratively on projects with other legal regulators. We are participating in joint [digital exclusion research](#) with BSB, CLC and ICAEW. The project has included wider collaboration with the LSB and LSCP while preparing the invitation to tender.

CRL has engaged with other regulators and stakeholders on potential quantitative data, for example, HM Land Registry, regarding measures for avoidable requisitions, and how new systems can be used for future assessments of ongoing competence (and therefore error rates).

Meaningful information is not yet provided about quality of legal services, quality of customer services, nor outcomes of work done beyond that provided by DCTS.

We continue to improve access to decision making information relating to quality that is available to consumers. The amendments to our Rules/Regulation 16 now require firms to publish a link to the [LeO's decision data page](#).

We have added a link to Disciplinary & Regulatory Records on the [Legal Choices website](#) on consumer pages of our website (eg [Find a Lawyer](#)). We have also add links to the [LeO's decision data page](#) on our website and on both our [CILEX Authorised firm](#) and [CILX-ACCA Probate firm](#) directories.

	<p>We are developing changes to the landing page of our smart badge/logo to provide links to the relevant CRL firm directory, LeO's decision data page and CRL website choosing a lawyer.</p>
<p>b. Ensure compliance by those they regulate with the regulatory arrangements they put in place to pursue these outcomes, including through effective measures to address non-compliance;</p>	<p>We provide website resources to support our firms and CILEX-ACCA Probate firms with compliance. We communicate our expectations via a range of channels (eg personalised emails, phone calls and online meetings, website, social media, and newsletters).</p> <p>We have monitored compliance and supported our relatively small number of firms into compliance both on introduction of the Rules and Regulation 16 and following authorisation and facilitated a level of consistency in application of the requirements.</p> <p>Any CRL entities not compliant with the new requirements within 3/6 months after they have become subject to the Rules/Regulation 16 will be issued with a letter of warning. If further action is required, we will take enforcement action under Principle 4 of the CILEX Code of Conduct.</p> <p>We monitor ongoing compliance with the Rules/Regulation 16 with a requirement at annual review to confirm compliance and where necessary provision of the Consumer Information Leaflet. A sample of 25% of firms' websites will be reviewed for compliance annually.</p> <p>In relation to the changes to the Rules and Regulation 16 (application currently with the LSB), CRL will monitor whether the implementation of these changes impacts on the provision of any reserved legal services provided by our entities.</p> <p>After two years of implementation, we will carry out an assessment of whether the amended rules are delivering the changes in behaviour anticipated.</p>

<p>c. Have appropriate mechanisms in place to evaluate and report on the effectiveness of the steps they have taken in pursuit of these outcomes and make changes where these have not been met.</p>	<p>In Q4 2024, we evaluated our Transparency Rules and Regulations (summary at paragraphs 19 – 30 of the Transparency consultation). We also considered findings from evaluations (SRA Year 3 and BSB) of transparency rules closely aligned with ours.</p> <p>In relation to the changes to the Rules and Regulation 16, CRL will monitor whether the implementation of these changes impacts on the provision of any reserved legal services provided by our entities.</p> <p>After two years of implementation, we will carry out an assessment of whether the amended rules are delivering the changes in behaviour anticipated.</p>
<p>How information is made available to consumers.</p>	<p>CRL regulated firms, including sole practitioners, are required to provide the information set out in paragraphs 16-20 of the LSB statement of policy, as follows: Transparency Rules and Transparency Guidance in force January 2019 for CILEX Authorised Entities (last updated January 2022).</p> <p>CILEX Regulation-ACCA Handbook and Transparency Guidance for CILEX-ACCA Probate Entities.</p> <p>The changes to the Rules/Regulation will bring the guidance about presentation of information into the Rules to address the issues over presentation found in CRL's evaluation.</p> <p>The home page of the CRL website has two prominent links:</p> <ul style="list-style-type: none"> • Find a Lawyer • Find a Law Firm <p>INDIVIDUALS CILEX Authorised Practitioners Directory The directory contains details of practising Chartered Legal Executives (Fellows) and CILEX Practitioners authorised by CRL</p>

	<p>It provides:</p> <ul style="list-style-type: none"> • an authorised person's name & date authorised • the name of their firm and work address (in most cases). • if CRL authorises the firm in which they work. • information about disciplinary findings. • any conditions endorsed on their practising certificate. <p>The Practitioners directory does not contain details of individuals who:</p> <ul style="list-style-type: none"> ▪ choose not to be listed or are non-practising. ▪ are members of CILEX but have yet to qualify as Chartered Legal Executives and are in other grades, such as Student, Paralegal and Advanced Paralegal. <p>FIRMS</p> <p><u>CILEX Firm Directory</u></p> <p>The directory contains details of firms authorised by CILEx Regulation.</p> <p>It provides:</p> <ul style="list-style-type: none"> ▪ contact details. ▪ date authorised ▪ approved managers authorised by CRL. ▪ the areas of law that CRL has authorised a firm to provide. ▪ the other legal services a firm offers, which do not require CRL authorisation. ▪ details of the consumer protection the firm provides. ▪ information about individuals' and firms' disciplinary findings. ▪ whether a firm is an ABS (Alternative Business Structure) and has non-lawyer owners. <p><u>CILEX-ACCA Probate Firm Directory</u></p> <p>The directory contains details of firms authorised by CILEx Regulation.</p> <p>It provides:</p> <ul style="list-style-type: none"> ▪ contact details. ▪ date authorised ▪ CILEX Practitioners (ACCA-Probate) authorised by CRL. ▪ details of the consumer protection the firm provides. ▪ information about individuals' and firms' disciplinary findings.
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	<ul style="list-style-type: none"> ▪ linked ACCA Accountancy firm <p>Currently this directory is used to check if a person is a CILEX Practitioner (ACCA-Probate).</p> <p>There is a link to Legal Ombudsman decision data on the website pages and directories.</p> <p>Information about the Regulatory Information Service is provided below.</p>
<p>Regulators are expected to consider how to facilitate the use of tools that could provide useful and comparable information to consumers, such as digital comparison tools, review websites or a centralised database of regulatory information. Regulators should consider the following activities:</p> <ol style="list-style-type: none"> a. Ensuring consumers are made aware of such tools. b. Embedding trust among consumers and providers in such tools. c. Making relevant information freely available to third parties on an open data basis. 	<p>CRL has co-operated with DCT providers to understand access to firms' information. CRL has talked to regulators of other sectors about how they engage with comparison sites and the issues faced, including complaints about DCTS. As part of the QI pilot, voluntary guidelines for DCTs were provided and we are discussing review of these with SRA and CLC.</p> <p><u>Legal Choices</u> and <u>CRL</u> websites have information posted about reviews. Use of reviews has been communicated to CRL firms.</p> <p>CRL is actively participating in the Regulatory Information Service (<u>RIS</u>) project to develop a single portal for consumers to access information about legal service providers. To help users, and potential users, of legal services identify a suitable provider for their needs.</p> <p>We participated in the Data working group which facilitated the discovery activities (including functional and non-functional requirements, data requirements, data catalogue and design proposal) between February and May 2024.</p> <p>The next phase of the RIS project, design, began in August and will be completed by December 2024. Design outputs will include a thoroughly tested user interface design, a solution design and a fully functioning proof of concept.</p>

	<p>While developing the proposed changes to the Transparency Rules and Regulations application submitted to the LSB in August 2024. CRL is currently exploring work with the SRA and CLC relating to the moving the transparency information forwards including presentation of price information and revisiting the voluntary code for DCTs.</p>
First Tier Complaints	<p>CRL took part in the First Tier Complaints coalition event on 15 February 2024. We have started work towards ensuing compliance with the LSB's <u>Statement of policy – first-tier complaints</u> and have engaged with LeO regarding additional information sharing to support this work.</p>