

CILEX Regulation Ltd Strategic Risks

Strategic Objective	Strategic Risks – High level	Risk description	Current Risk	Target Risk
High standards We will uphold standards whilst pursuing innovative models to improve access and minimise the regulatory burden.	1. Our regulatory performance does not meet the expectations of our stakeholders and as a result stakeholders have negative experiences of our regulation. CRL's regulatory expectations are not appropriate or understood by the regulatory community.	This includes the inability to deliver the 9 regulatory objectives and meet the LSB's performance expectations as reflected in the annual Regulatory Performance Review. This includes the appropriateness of our performance measures, and requires awareness of new developments in the sector underpinned by strong stakeholder engagement to ensure expectations are met. This also includes the existential threat posed by the CILEX re-delegation proposals.	12	9
Consumer empowerment We will enhance the information available to consumers to improve accessibility to legal services.	2. We do not understand consumer needs and so are unable to be as effective a regulator as we can be.	This includes the ability to respond and influence external drivers for change for example, technological developments, the unregulated/unauthorised legal services sector, consumer empowerment and the development of entities.	9	9
Equality, diversity & inclusion We will champion fair access for all in the legal services market	3. We do not have the data and/or harness the benefits of our data to understand the barriers to access and translate this into positive action.	This risk includes the management of stakeholder engagement and key relationships as well as reputation management.	9	6
Build a resilient, healthy, capable and sustainable organisation	4. The resources we require to achieve our strategy and deliver BAU activity are not in place or are not financially sustainable.	This risk includes not having the resources we need to be effective and/or not being efficient in our use of resources (resources include financial, knowledge, skills, culture and infrastructure). It includes the development of our culture, people and physical assets, our continued financial viability and the significant failure of key business process.	9	9

Mitigation key

	Preventative
	Monitoring
	Detective
	Remedial
	Horizon scanning
	Best practice development
	Communication

Strategic Risk 1 – Our regulatory performance does not meet the expectations of our stakeholders

Risk Summary

This includes the inability to deliver the 9 regulatory objectives and meet the LSB's performance expectations as reflected in the annual Regulatory Performance Review. This includes the appropriateness of our performance measures, and requires awareness of new developments in the sector underpinned by strong stakeholder engagement to ensure expectations are met. This also includes the existential threat posed by the CILEX re-delegation proposals.

Current Risk Influencers

+/-	LSB Performance report 2023 and action plan. Response to 2024 RPA submitted. LSB signal to increase oversight
-	OPBAS Audit and ability of CRL to satisfy AML expectations
-	LSB proposed workplan and potential impact on resources
+	Higher rights gone live in association with ULaw. Increased advocacy training capacity.
+	Technology/market changes lead to greater unregulated legal services market – opportunity to provide regulation to a wider area
-	CILEX continue to progress with regulatory redelegation proposals which creates uncertainty
-	Technology/ market changes, lead to greater unregulated legal services market - potential lower demand for paralegals leading to fewer CILEX members
-	Provision of advocacy training by 3 rd parties

Mitigations in place

	Legal advice obtained in respect of CILEX's proposed changes and Part 8 lawfulness test being progressed
	Balance scorecard and KPI monitoring. Board review of Strategic and BAU implementation plans
	Observer at CILEX External Relations Working Group. Watching brief on LSB/MoJ decisions. Monitor LSB impact on resourcing.
	Additional capacity in place for litigation and advocacy courses. Explore uncoupling litigation and advocacy course as this appears to be a hurdle
	Ongoing monitoring of CILEX membership numbers
	Review LSB RPA for best practice and reflect in action plan. Action plan from LSB Axiom Ince report
	Bi-monthly calls with CILEX and regular engagement with LSB, TLS and other key stakeholders. Publication of Corporate Plan

Review Date

February -2025

Risk Owner

CEO

	Impact	Likelihood	Risk Score
Inherent Risk	5	4	20
Current Risk	4	3	12
Target Risk (planned migrations in place)	3	3	9

No Change

Risk Appetite

Regulatory - Minimal
Communications and Profile – Seeks

Planned Migrations 2025

	Planned Migrations 2025	Progress
	Review of Advocacy qualification scheme Introduction of internal and external Quality Assurance strategy.	Design and implementation of 2024/2025 CPD strategy
	Review of enforcement performance measurement data and KPIs	Updated Corporate Plan progress template
	Strategic review of unregulated sector.	IRN report to be published in November. Report shared with LSB and LSCP. Roundtable in Feb.
	Feasibility study into offering standalone Litigation practice rights. Additional resource to support AML compliance	Improved availability of family advocacy courses. Preparation for OPBAS inspection Publication of AML sectoral risk assessment.
	Corporate Plan – Roundtable to examine growth of unregulated sector	Roundtable planned for early 2025 subject to LSCP and LSB engagement
	Analysis of 2024 LSB RPA and action plan	LSB Axion Ince lessons learnt review and action plan
	Publication of 2025 Corporate Plan including 2024 achievements.	Corporate Plan published in January.