

Date	10 February 2026
Item	05.00
Title	Chief Executive's Report
Author	John Barwick, Chief Executive
Purpose	This report updates the Board on key activities and an overview of organisational performance since the last CEO report which was presented to the Board at its December 2025 meeting. The report also gives an update on progress against the Independence and Sustainability strategic objective
Recommendation	To NOTE the report.
Timing	N/A
Impact assessment	None
Impact on Regulatory Objectives	<ul style="list-style-type: none"> Section One provides an update on activities carried out by the CEO and senior managers and a summary of other areas of the business of which the Board should be aware. These affect all the regulatory objectives. More detail will be found in other reports presented at the meeting. Section Two covers strategic performance and risk. Monitoring performance of the organisation ensures that CRL is able to meet the regulatory objectives, in particular: protection of the public and consumer interest, access to justice, promoting competition and encouraging an independent, strong, diverse and effective legal profession.
Implications for Resources	<ul style="list-style-type: none"> This report covers staffing, operations and resource implications affecting CRL since the last Board meeting. CRL has contingency and operating reserves which comply with the CRL and LSB reserves policies.
Impact on Consumer Empowerment	This report covers some high-level meetings linked to consumer empowerment. The consumer facing projects and issues can be found in the Director of Policy and Governance report.
Impact on Ongoing Competence	None
Publication Status	For publication
Appendices	05.01 2026 Corporate Plan Deliverables Report 05.02 Strategic Risk Register 05.03 2025 Regulatory Performance Assessment Action Plan 05.04 Operations Data including the Balance Scorecard Q4 05.05 Board KPI Data Q4 05.06 Draft Risk Appetite 2026 [NOT FOR PUBLICATION]

Section 2

Mazur

1. Responding to the impact of the judgement in the case of *Mazur v Charles Russell Speechlys LLP* 2025 continues to be CRL's primary focus. Since the December Board meeting increasing numbers of litigation practice rights applications have been approved. This includes the first cohort to complete the ULaw assessment route post *Mazur*.
2. The Board has been provided with progress updates at its telecon meetings held in October, November and January 2026 and at the December 2025 Board meeting. A summary of actions CRL has taken is as follows:
 - a. Establish a dedicated *Mazur* Information Hub on the CRL website.
 - b. Interim guidance and FAQs was issued on 2 October. The guidance and FAQs have been updated on a regular basis to respond to queries received. This includes providing clarification in relation to Employment Tribunals and Appeals Tribunals.
 - c. Provided additional guidance for those involved in Court of Protection work.
 - d. CRL's application to the LSB for approval to authorise standalone litigation practice rights was approved on 3 November. Created a dedicated landing page on the CRL website for individuals interested in standalone litigation practice rights.
 - e. Additional resource has been recruited to the Practitioner Authorisation and Supervision Team. Extra External Assessors for the portfolio route have been recruited and trained. The number of External Assessors now available has increased from four to circa 20.
 - f. Streamlined and enhanced the portfolio application process. This includes providing an online portal through which applicants can submit the required documentation and including an initial screening stage whereby an assessor checks an application is complete and provides quick initial feedback to the applicant should any aspects of their application require attention before it is progressed to the final assessment stage.
 - g. Worked closely with The University of Law (ULaw) to increase capacity and reduce the length of time for the Assessment only and assessment and training routes which they offer. This includes:
 - i. Shortening the time taken between enrolment and assessment from 13 weeks to 6 weeks for the assessment only route
 - ii. Providing additional assessment opportunities during 2026 which means assessments are available in most months
 - iii. Commence developing an assessment only route for criminal litigation.
 - h. Held webinars for CILEX practitioners and entities on 10 and 17 November. The webinars had over 1300 attendees.
 - i. Engaged with the CILEX Support Group (CSG) to identify amendments to the portfolio evidence requirements. The amendments include extending the time period in which previous litigation experience will be considered from two to five years.

- j. Working closely with CILEX to:
 - i. Understand the issues of concern to members and respond where appropriate. This resulted in the development of bespoke guidance on litigation practice rights for those working in the Court of Protection sphere.
 - ii. Forecast the likely demand for litigation practice rights through a member survey
 - iii. Identify employers who have multiple employees requiring practice rights and liaising with them directly to explore possible bespoke solutions to enable their employees to obtain practice rights as quickly as possible,
3. CRL is working closely with stakeholders including the Ministry of Justice (MoJ) and the LSB to provide assurance and updates on what CRL is doing to respond to the Mazur challenge.
4. Published progress updates in December 2025 and January 2026
5. At the time of writing:
 - a. 613 expressions of interest received for the portfolio route
 - b. 405 applications for the portfolio route have been uploaded
 - c. 30 applicants have passed the December ULaw assessment
 - d. 113 litigation practice rights authorisations have been confirmed.
 - e. 417 applicants have sat or are sitting the ULaw assessment in January 2026.
6. Communications
7. CRL has adopted a proactive approach in recognition of the uncertainty and distress the Mazur judgement has caused some CILEX members. The focus has been on supporting members who are seeking practice rights. We have moved to a regular cadence of communications to reinforce the message that obtaining litigation practice rights is the best option for being able to conduct litigation without supervision. CRL's communication approach includes:
 - a. Establishing a dedicated standalone litigation rights home page on the website
 - b. Regular progress updates summarising the number of applications received and the average end to end response times.
 - c. Guidance and top tips for successfully completing portfolio applications
 - d. CILEX Journal article and CRL Newsletter
 - e. Learner journey information
 - f. Regular updates to FAQs
 - g. Promotion via CRL's social media channels.
8. The January 2026 progress update resulted in negative reaction on social media which was picked up by the Law Society Gazette. Applicants' frustration appeared to focus on the dissonance between their lived experience of the Practice Rights application process and the processing times being quoted. Working with CRL's retained PR agency, the Executive has reviewed the approach to providing updates in particular through social media. At the time of writing, the average end to end time to authorisation is 10 weeks. Further analysis is being undertaken to establish the age of cases at different stages of the process.
9. As outlined at paragraph 2(i), following engagement with the CSG CRL announced temporary changes to the portfolio evidence requirements. This was included as part of a published package of support material which included new exemplar case

studies and updated guidance.

Legal Services Board

10. On 13 January 2026 the LSB announced that Richard Orpin has been appointed its Chief Executive Officer. Richard was previously Interim CEO. The process for appointing a new Chair is ongoing. Catherine Brown remains Interim Chair until the end of March 2026.
11. The CRL CEO has met with the LSB CEO on regular basis to discuss the impact of Mazur and CRL's response, including formal meetings on 12 December and 20 January 2026.
12. The CRL Chair and CEO met the LSB Chair and CEO on 3 February 2026. The agenda focussed on Mazur but also included EDI, the PCF and Board effectiveness.
13. On 13 October 2025 the LSB announced its review how approved regulators and regulatory bodies ensured that the information and guidance provided to the profession on conducting litigation was accurate and reliable. A request for the provision of information and documents pursuant to Section 55 of the Legal Services Act 2007 was sent to CILEX on 28 October. CRL provided a response by the 28 November submission deadline. The LSB published an [interim report](#) on 29 January 2026. The report's interim findings are:
 - a. differences in the clarity and consistency of advice and guidance available to the profession across parts of the regulated sector
 - b. variation in the extent of engagement between regulators on draft guidance, which may have contributed to differing interpretations of the law
 - c. differences in the information held by regulators about the extent to which authorised and exempt persons within their regulated communities are conducting litigation.
14. The CRL Chair and CEO attended a meeting of the Chairs of the regulatory bodies on 3 February. The focus of discussions was the latest State of Legal Service report which was published just before the Christmas break and EDI.

Regulatory Performance Assessment

15. An update on progress against the 2025 Regulatory Performance Assessment (RPA) Action Plan is provided at Appendix 05.03 to this report.
16. The LSB is currently reviewing its approach to the annual RPA, informed by feedback provided by the regulators on their experience of the 2024/25 assessment. The LSB has confirmed that the annual assurance information request will not be issued until early 2026 at the earliest subject to Board approval.

CILEX

17. The CRL and CILEX CEOs continue to meet on a fortnightly basis. Whilst, understandably, the focus has been on Mazur agreement has been reached to establish more formal arrangements to consider issues of mutual strategic interest such as the PCF and the current financial position, EDI and professional development.

18. The CRL and CILEX Executive teams have been meeting on a weekly basis to liaise on the response to Mazur.

Consultations

19. CRL has responded to the following consultations:

- a. Office of Legal Complaints Budget and Business Plan 2026/27 – deadline 16 December 2025
- b. HM Treasury consultation on Anti-Money Laundering and Counter Terrorist Financing Supervision Reform – deadline 24 December 2025

20. A draft response to the LSB's draft business plan and budget for 2026/27 is before the Board for consideration. In addition, an outline response to the LSB's draft policy statement on 'Encouraging a diverse legal progression' is presented to the Board.

Staffing and Operations

21. The focus has been on ensuring sufficient resource is in place to support the timely processing of practice rights applications. This is reflected in the recent recruitment outlined below.

22. The Practitioner Authorisation and Supervision (PAS) Officer and PAS Administrator joined in November 2025. An additional PAS Administrator has been started in December. These roles increase the capacity of the PAS team to support the processing of practice rights applications.

23. A new Information Analyst, replacing the Research and Performance Analyst that resigned started in late November

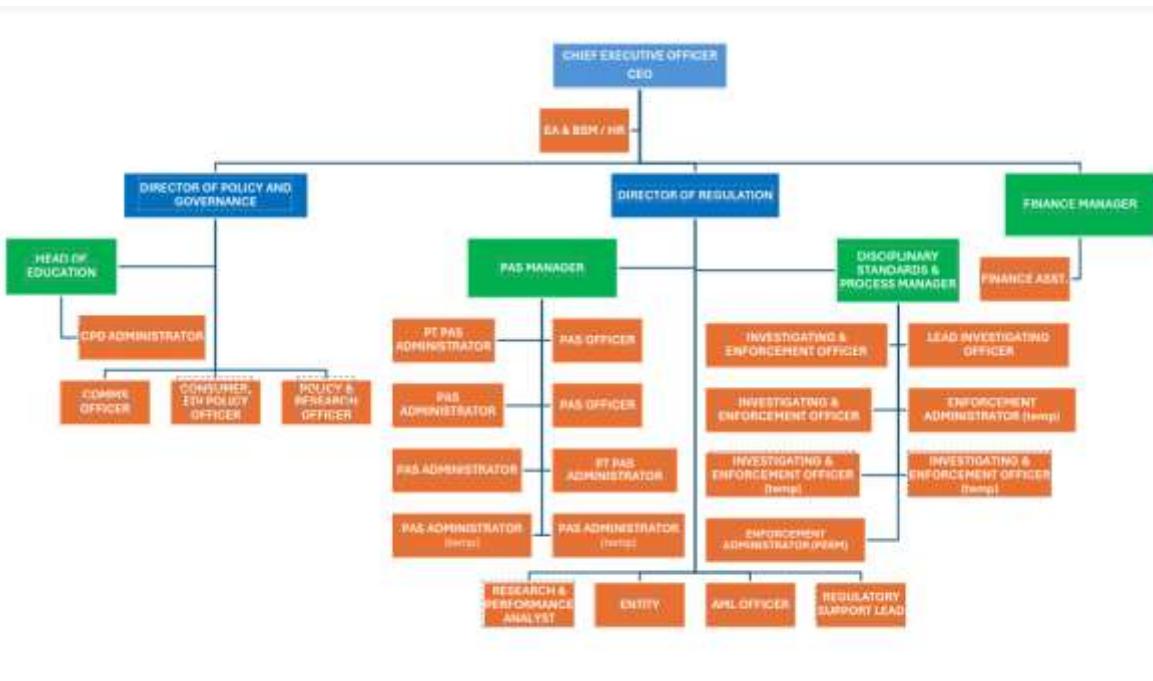
24. The Regulatory Support Lead is started on 1 December 2025. The postholder will take the lead on the enforcement review project.

25. Two Investigations and Enforcement Officer joined in November and December on a fixed term contact basis to support the timely progression and disposal of prior conduct and misconduct cases.

26. A permanent Enforcement Administrator started on 12 January. This role was previously covered by a temp employed through an agency.

27. The Entity and Authorisation Supervision Officer has resigned and will be leaving at the end of March. Recruitment for a replacement is underway.

28. The latest organisational chart is provided below.



External meetings

29. The CRL CEO attend the Legal Ombudsman Regulator Forum on 5 February.
30. The CRL CEO met the Chair of LSCP on 6 February.
31. The CRL is due to attend a Home Office roundtable on 12 February.

Section 2

Corporate Plan, Risk and Performance

Balanced Scorecard

32. The CRL balanced scorecard is an assessment of the performance of CRL extracted from the various reports and tables presented to the Board at each Board meeting. The amber ratings reflect the continuing focus on reducing the length of time to progress and conclude prior conduct and misconduct cases. Additional resource is being put in place to support this, including capacity to progress the enforcement review project. The variance to budget is now assessed as amber due to the projected end of 2025 year overspend and the concerns raised by the LSB in the 2026 PCF decision notice.
33. With regards CRL's authorisation activities, the assessment is that we are still operating within our KPIs and the mitigation measures put in place in response to Mazur should ensure performance is maintained. However, stakeholder relations with the regulated community has moved to amber to reflect complaints and social media traffic. Shared services remains amber due to the backlog of CRM improvements.

Finance (Information from Finance Paper)		Stakeholder	
PCF v other sources of income	●	External stakeholder relationships	●
Reserves within target range	●	Regulated community	●
Variance to budget	●	CILEX (including shared services)	●

Internal Processes (Information from regulatory objectives update)		Staffing	
Practitioner		Vacancies	
Entity		Sickness	
Enforcement		Learning and Development	
Governance			
General Management			

34. CRL's Corporate Plan for 2026 was published on 17 December. An updated Deliverables Progress Report (DPR) for 2026 is provided at **Appendix 0.5.01**. The progress update reflects the proximity to start of the year. .

35. Areas of note for mid-December – January 2026 are highlighted below:

- a. LSB approval of changes to CRL's requirements for first-tier complaints
- b. LSB approval of 2026 Practising Certificate Fee and Compensation Fund exemption applications.
- c. Publication of the 2025-2028 EDI strategy and biennial diversity report
- d. Publication of the 2026 Corporate Plan
- e. Recruitment, including resourcing for the PAS team as part of the Mazur response.

Risk

Strategic Risk Register

36. This can be found at **Appendix 05.03** Each of the strategic risks have been reviewed to reflect: the impact and risks associated with the Mazur ruling and the mitigations that have been put in place and the 2026 PCF decision notice. Most of the Mazur impacts have been reflected in Strategic Risk 1.
37. CRL's risk appetite statement will be reviewed by the Strategic Risk Committee (SRC) at its meeting on 3 February. **See Appendix 05.06**. Due to the timing between the SRC and Board meetings feedback from the SRC will be presented orally.

Performance

Strategic KPI data for Q4 2025

38. CRL's financial performance for the year up to the end of 31 December 2025 showed an operational deficit of £119,518. The overall deficit for the year is £231,196 which reflects the exceptional legal costs associated with the Part 8 work but does not reflect the end of year PCF reconciliation exercise undertaken with CILEX. This is expected to be positive in CRL's favour due to the growth in the number of authorised persons during 2025.

39. CRL's reserves position up to 31 December 2025 was as follows:

Description	Total £	Committed £	Uncommitted £
Total Reserves Working & Contingency	£1,052,184	£506,603	£545,581

40. The Board has been provided with regular performance dashboard for the litigation practice rights applications. The KPI data in the Board pack does not include litigation practice rights authorisations but will do for future meetings. The Practitioner team performance has maintained performance year on year for Q4 but the data has yet to reflect the process improvements introduced in response to Mazur which will benefit all practice rights applicants. The average decision time for QE and WBL applications has increased slightly between Q4 2024 and Q4 2025. The recently appointed Information Analyst is reviewing the performance dashboards for PAS activity, with a focus on data quality.
41. Regulated firms have stabilised, with 21 CRL firms (including one ABS) and 35 ACCA firms regulated at the end of Q4 2025 which is a reduction on the same period last year when there were 38 CILEX-ACCA firms.
42. With regards enforcement activity, there has been a significant increase in the number of live prior conduct cases. This may in part due to renewals and declarations made by CLEs applying for litigation practice rights.
43. For misconduct cases, the number of live cases has increased from 101 to 138 between Q4 2024 and Q4 2025 which has partly been driven by an increase in new conduct referrals compared to previous years. The age of the oldest case continues to remain too high. On a positive note has been the increase in initial assessments being completed within 1 month. This reflects the additional resource that is now in place in the enforcement team to support the timely assessment, progression and disposal of misconduct cases.

Independence and sustainability strategic objective

44. This strategic objective is about promoting the value and importance of independent, specialist regulation, ensuring CRL is able to work without fear or favour and its independence is protected.
45. CRL continues to work with CILEX on important issues of mutual interest including responding to the Mazur judgment. We have begun dialogue with CILEX to explore how the current regulatory approach can be improved without redelegation. CRL's position remains that we consider CILEX's original plans for regulatory redelegation to be unlawful and we remain prepared to challenge through the courts.
46. Following Board approval of CRL's Resource strategy in February, we have strengthened our capacity and capability in Policy, AML supervision and our operational functions.
47. In October, we prepared for the expected increase in litigation practice rights applications by recruiting additional resource to our Practitioner Authorisation and Supervision team as well as streamlining our processes.

Recommendation

2. The Board is asked to:
 - **NOTE** the update.