

**Memorandum of Understanding**

**between**

**CILEx Regulation**

**and**

**Solicitors Regulation Authority**

## **PARTIES**

1. The parties to this Memorandum of Understanding are:
  - a. CILEx Regulation and
  - b. the Solicitors Regulation Authority (SRA)

## **PURPOSE**

2. The purpose of this Memorandum of Understanding (MoU) is to provide a framework for co-operation, co-ordination and the sharing of information between CILEx Regulation and the Solicitors Regulation Authority ("SRA"). The operation of this MoU will:
  - Assist with regulatory work in the public interest
  - Ensure consumers fully understand the regulatory environment
  - Enable CILEx Regulation and the SRA to co-operate to help prevent and/or take action against dishonesty and/or serious misconduct

## **LEGAL STATUS AND EFFECT**

3. Neither CILEx Regulation nor the SRA will incur any legal liability arising solely from non-compliance with this MoU and nothing in this MoU shall be construed as requiring CILEx Regulation or the SRA to take any action which would otherwise be prohibited by law. The MoU does not create any legal right or obligation by any third party against either party and nor does it fetter the discretion of either party in its exercise of its work. Nevertheless, both the SRA and CILEx Regulation are genuinely committed to pursuing the aims and purposes of this MoU in good faith and intend to act in accordance with its terms.

## **ROLES AND RESPONSIBILITIES**

4. The SRA is the independent regulatory body established by the Law Society for the regulation of legal services by law firms and solicitors in England & Wales. The SRA's powers arise from various statutes and regulations including the Solicitors Act 1974, the Administration of Justice Act 1985, the Courts and Legal Services Act 1990, the Legal Services Act 2007 and the SRA's Handbook: <http://www.sra.org.uk/solicitors/handbook/welcome.page>
5. The SRA has statutory and rule-based powers to require the production of documents or information, such as section 44B of the Solicitors Act 1974 and section 93 of the Legal Services Act 2007.
6. The SRA may inspect material that is subject to a law firm's client's legal professional privilege (LPP) or confidentiality but may only use such material for its regulatory purposes. The SRA also protects the LPP and confidentiality of clients. LPP material will not be disclosed by the SRA to any other person other than where necessary for its regulatory purposes. Material that is not subject to LPP may be disclosable in the public interest, in the absolute discretion of the SRA, including material comprising communications in furtherance of crime or fraud.

7. The Chartered Institute of Legal Executives (CILEx) is the professional body representing Chartered Legal Executives (also known as Fellows) and individuals in other grades of CILEx membership. CILEx is an Approved Regulator under the Legal Services Act 2007 and has delegated its regulatory functions to CILEx Regulation in accordance with the Royal Charter and Bye-Laws 30 January 2012.
8. CILEx Regulation regulates on a contractual basis whereby its regulated community (Chartered Legal Executives (Fellows), CILEx Practitioners, CILEx Authorised Entities, Associate Prosecutors and individuals in other grades of CILEx membership) signs up to adhere to the CILEx Code of Conduct, and other CILEx rules and regulations.
9. CILEx Regulation may inspect material that is subject to a law firm's client's legal professional privilege (LPP) or confidentiality but may only use such material for its regulatory purposes. CILEx Regulation also protects the LPP and confidentiality of clients. LPP material will not be disclosed by CILEx Regulation to any other person other than where necessary for its regulatory purposes. Material that is not subject to LPP may be disclosable in the public interest, in the absolute discretion of CILEx Regulation, including material comprising communications in furtherance of crime or fraud.

## **AIMS**

10. The MoU is designed to provide a framework for the co-ordination of regulatory work and as such its aims include:
  - a) Provision of a framework for lawful information sharing about the regulated community of each of the parties to this MoU, and which includes any persons or bodies applying to either party for authorisation to become a regulated body or person.
  - b) Consumer protection and redress through increased collaboration and coordination between the parties.
  - c) A coordinated approach to oversight which aims to reduce regulatory cost through the minimisation of duplication of effort.
  - d) Taking into account that absolute protection is not available at reasonable cost, where there is uncertainty and, where possible, working together to clarify which approved regulator will deal with an application for a grant out of a Compensation Fund.
  - e) Provide a framework for the co-ordination of regulatory work to help protect the financial interests of consumers in relation to PII and compensation arrangements.

## **PRINCIPLES**