

CILEx Regulation Corporate Plan 2024

“Delivering forward-looking legal regulation for all”

1. Our mission and purpose

The mission of CILEx Regulation Limited (CRL) - as the independent regulatory body of 7600 Chartered Legal Executives, 9000 paralegals, around 60 law firms and other legal professionals authorised in specialist areas of law - is to deliver forward-looking legal regulation for all, through protecting the interests of consumers, promoting high professional standards and encouraging a diverse and effective legal profession.

We do this by overseeing the education, qualification, and continuing competence of the people and entities we regulate. We set standards, oversee compliance with those standards and investigate allegations of non-compliance – taking action where we need to.

Our approach to regulation is proportionate and constructive, promoting the eight regulatory objectives set out in the 2007 Legal Services Act. Members of our regulated community can deliver legal services in the way they think best, provided their decisions and actions are in the interests of their clients and the wider public.

2. Our strategy

The delivery of CILEx Regulation Limited’s current strategy for 2022-24 is entering its final year. The strategy is underpinned by three key strategic objectives:

1. High standards;
2. Consumer empowerment; and
3. Equality, Diversity, and Inclusion (EDI).

Progress against these strategic objectives is on track. We remain ambitious for further change and innovation in the way we regulate CILEX members and have set out a progressive programme for 2024, as we work towards full financial and operational independence, pursue innovative models to minimise the regulatory burden, champion fair access and enhance the information available to consumers to improve accessibility to legal services.

This document reviews and reflects on the progress we have made during 2023 and sets out our priorities for 2024 against each of the strategic objectives. It also provides the context for the development of a new strategy, to guide CRL's development from 2025.

3. Achievements in 2023

In the first two years of the strategy, much has already been achieved to deliver benefits to consumers and the regulated community. This is particularly positive given the amount of resource required to engage with and respond to CILEX's proposals to redelegate regulatory responsibility to the Solicitors Regulation Authority.

Key achievements in 2023 include:

High standards

- Overseeing a significant improvement in Continuing Professional Development compliance, reducing non-compliance to less than 1% of fellows, as well as making good progress with the Ongoing Competence Action Plan as submitted to the Legal Services Board.
- Obtaining Legal Services Board approval to amend practitioner authorisation rules and rights of audience certificate rules to authorise CILEX practitioners with litigation and advocacy rights and chartered legal executive advocates for Higher Rights of Audience.
- Responding to the HM Treasury call for evidence on a review of the UK's AML/CFT regulatory and supervisory regime.
- Contributing to the Solicitors Regulation Authority's (SRA) research into 'unbundling of legal services' to see how it can help potential clients and law firms, and if there were any regulatory barriers.
- Embedding the assessment routes offered by the University of Law for Fellows to gain practice rights, with 140 Fellows applying.
- Securing approval for and implementing rule changes related to Qualifying Experience and remote hearings.
- Giving evidence to the Justice Select Committee's inquiry into the regulation of legal professionals.
- Joining the newly formed Digital Property Market Steering Group (DPMSG), a new coalition of industry partners working to find ways to help support the property market by accelerating the adoption of digital technology, through collaboration and innovation across the sector.

Consumer empowerment

- Contributing to the development of the Legal Choices website (a comprehensive online resource for consumers) leading to a 23% increase to 1.6 million visits during the 12 months to 31 October 2023, substantially exceeding the target of 1.25 million visits.
- Collaborating with other regulators to progress the development of a Regulatory Information Service in line with the LSB's Statement of Policy on Empowering Consumers. This includes recently approving a discovery phase to create a single digital portal through which consumers can access multiple data sets for each front-line regulator.
- Continuing to improve the consumer experience on CRL's website, including a new landing page 'I am a member of the public' which links to consumer information and advice pages.

Equality, Diversity, and Inclusion

- Publishing CRL's biennial Diversity Data Survey Report, drawing on data from 16,757 members - nearly four times the data available compared to the 2017 survey.
- Publishing an expanded diversity report related specifically to Enforcement activities.

Organisational Capacity and Capability

During 2023, we also made continued efficiency improvements, enabling us to hold the Practising Certificate Fee constant for a further year, representing a real term saving to those we regulate of over £80 in the last eight years.

Operational processes were also reviewed, leading to the improved triaging of new misconduct cases and reducing the processing time of prior conduct cases.

4. CRL's priorities in 2024

We will continue to deliver our core authorisation, supervision, and enforcement regulatory activities – looking always to refine and improve the way in which we deliver regulatory services in the public and professional interest.

As we progress the delivery of our current strategy towards its conclusion, we will also focus on the following priorities in 2024:

High Standards

Objective: to uphold standards whilst pursuing innovative models to improve access and minimise the regulatory burden

The people we regulate are unique and varied. It is critical that the regulatory system is rooted in their experience and expertise, recognises the distinctive and specialist contribution CILEX professionals make, that any changes to regulation are made openly and based on evidence and that we maintain quality while providing value for money.

In 2024 we will:

- Commission research to explore the legal services landscape to understand gaps in the regulatory market from the perspectives of the regulated community and consumers.
- Convene a roundtable meeting with key stakeholders to examine the growing unregulated sector of the legal market, for example will writers and probate administration to ensure consumer interests are suitably protected.
- Work with the LSB on its review of the Internal Governance Rules to encourage a further strengthening of regulators' independence - good regulation depends on regulators being able to act independently without fear nor favour.
- Target our resources at the highest risk areas. For example, we will do CPD spot checks on those working in higher risk areas.
- Undertake research with the regulated community to identify limitations of regulation by specialism vs generalist authorisation.
- Implement the authorisation of CILEX practitioners with litigation and advocacy rights to hold higher rights of audience. Develop with CILEX a cohesive approach to understanding and encouraging the take up of practice rights.
- Develop our approach to the unbundling of legal services in light of the SRA's research and produce advice and guidance on the use of unbundling to CRL regulated firms.
- Further develop our approach to risk-based supervision and implementation of the LSB's policy statement for ongoing competence in line with our ongoing competence action plan.
- Further our understanding of the opportunities and threats to the delivery of legal services posed by the development of Artificial Intelligence and how the current model of regulation may need to adapt.

- Carry out a review of our Enforcement Rules and arrangements in line with any recommendations following the LSB review in 2024.
- Continue to develop our approach to prevention and detection of Economic Crime in the context of the new regulatory objective.
- Engage constructively from a position of insight and experience with CILEX and the SRA on proposals to change the current regulatory arrangements to ensure the consumer and public protection interest remains paramount.

Consumer empowerment

Objective: to enhance the information available to consumers to improve accessibility to legal services

Consumers' needs continue to evolve. Consumers are more cost conscious, more diverse, more likely to complain, and rightly wanting legal providers to tailor services to their needs. Many consumers are at their most vulnerable when they need legal help. Regulators like CRL need to empower consumers to ensure they can access the right information about the services available to them including the cost.

In 2024 we will:

- Continue to contribute to and engage with the development of the Legal Choices website and press for an impact assessment of its effectiveness to support its future development.
- Participate in cross-regulator research into digitally excluded consumers of legal services to understand better the types and needs of digital exclusion and how these might be met by the professionals we regulate.
- Contribute to the development of the Regulatory Information Service to provide a single point of information access for consumers provided this can be done cost-effectively.
- Raise the profile and standing of the CRL regulated community with consumers and within the legal sector.
- Make key information on our website available in Cymraeg/Welsh to improve accessibility for Welsh speaking consumers, practitioners and firms and ensure that the distinctness and differences between operating in Wales and England is reflected in our service offer.

Equality, diversity, and inclusion

Objective: to champion fair access for all in the legal services market

CRL believes that capable individuals should be able to enter and progress their legal careers, or grow their firm, as far as their ambition and talent will allow. They should not be limited by barriers formed from prejudice, unconscious bias or discrimination and should be recognised, valued, and rewarded for the contributions they make.

In 2024 we will:

- Continue our work to establish a benchmark for the diversity characteristics of our regulated community tracking changes over time.
- Following the agreement by the CRL Board of a working definition of progression, commission analysis of our diversity data to build an evidence-based understanding of how our regulated members progress through their careers.
- Work with other regulators to develop a fuller understanding of what career progression looks like within firms and other work settings.
- Continue to ensure that those in governance positions (Board, Enforcement Panels, Risk Committee etc) fully reflect the diversity of our regulated community.

Organisational Capacity and Capability

During 2024, we will ensure CRL's continued financial sustainability including reviewing financial information and processes relating to the annual Practising Certificate Fee (including the cost of regulating non-authorised CILEX members).

For the CRL staff team, we will develop resource plans, including investing in learning and development activities, so the organisation continues to develop the necessary skills and experience to deliver its core work and strategic priorities. Retention and recruitment of our staff team is also a priority to ensure we remain dedicated to delivering our objectives, promoting public protection and upholding the rule of law.

We will collaborate with others, wherever possible, to ensure joined-up thinking and working, and gain from efficiencies and synergies of joint working.

We will also continue to promote our work through transparent communications including publishing our Board papers, minutes and a Chair's Blog article, using social media and our website to publicise regular news updates, and arranging regular online webinars that are open to not only all members of the current CILEX regulated community – but also those who are working hard to enter the profession.

5. Towards a strategy for 2025 and beyond

CRL has provided independent regulatory services to members of the Chartered Institute of Legal Executives for fifteen years, providing focused, expert, and appropriate regulatory oversight of CILEX's 7,600 authorised members, as well as independent oversight of CILEX's 9,000 non-authorised members (paralegals) too.

We are proud of the high standard of focused regulatory services that we deliver to CILEX and its members. We are also proud of our robust governance, independent and cost-effective operational structure, and productive engagement with our regulated community.

This sustained, positive performance has enabled us to build a reputation for effective regulation with not only CILEX members but also reflected in the performance assessments conducted by the Legal Services Board as oversight regulator.

We want to and can go further. In 2023 we published *Specialist Regulation for the Future of an Independent Profession*. This document put forward proposals to shape the next stage of the evolution of regulatory services for chartered legal executives and their paralegal colleagues, whilst ensuring CRL continues to act in the public and consumer interest. These proposals were informed by consultation responses from more than 1,000 CILEX members on the key issues affecting CRL's regulated community and what the regulated community would like to see, going forward.

These proposals will form the basis for a new strategy to take the organisation from 2025 – 2027 which will focus on:

- Improving access to justice through a diverse legal sector
- Making it easier for CILEX-qualified lawyers to start a law firm
- Ensuring greater respect and parity for CILEX fellows in the legal sector
- Developing the skills of the CRL regulated community through education and training
- Achieving full financial independence.

We will be consulting on our next strategy in Spring 2024.