

From:
To:
Subject: Specialist Regulation for the Future of an Independent Profession
Date: 29 June 2023 12:00:20

Dear CRL

I am writing on behalf of the Strategic Risk Committee of CRL. I apologise for this response coming to you late but we were advised that we would be informed of the consultation when it was launched so that we could respond. Unfortunately this did not happen and, as some of the committee are lay members and not necessarily aware of alerts and notices, we only became aware of the consultation after its closure. However, the issues raised in the consultation are central to our work in assessing risk to the profession and CRL. As a result, we apologise for these late comments but we were not informed of the launch of the consultation as promised.

It may help if we provide a brief summary of our position in relation to key sections and in response to the questions posed in the consultation.

We believe that CRL provides a robust and evidence based approach to regulation that is highly regarded when compared to other regulatory frameworks in the sector. There is no apparent need to consider another regulatory framework based on the current performance of CRL, especially when compared to sister regulators. The profession specific regulator is highly valuable as it understands professional differences and contexts, and ensures confidence in the standards of practice and conduct as the regulator is totally focussed on the profession. Other regulatory bodies do encompass multiple professions but, in those case, political and public interest drivers seek to ensure that ALL professions in that sector are included (e.g. HCPC) but these are comparatively rare. If there is to be a drive to move to an umbrella or alternative regulator then this can only be done across the whole of the legal professions. A 'super regulator' for the legal professions has been mooted but there is no sign that this is going to happen soon, if at all. If that were to happen then it would be more equitable. Otherwise, assuming only Legal Executives would be subsumed into another structure, there would be inequity and a high risk that the standing and standards association with Legal Executives could be undermined.

In brief it is hard to understand the rationale presented by CILEX that drives any discussion as to changing the regulatory framework or structure. Such a strategy should be underpinned by, for example: business viability concerns; public protection concerns; consistency with sister regulator approaches; evidence of external political pressure affecting the legal sector, etc. We have not been presented with any such risks or concerns.

However, we would agree with the general proposition that CRL should work towards complete independence and viability, ensuring that it is able to have operational separability from CILEX. This not only ensures long term viability but demonstrates regulatory independence which is what other regulatory bodies are able to provide the public with.

The ability for Legal Executives to establish law firms is one that this Committee has been involved with and we are satisfied that procedures for entity regulation strongly support this ability: especially when our understanding is that CRL's procedures for entity regulation are more robust than comparable regulators. This would satisfy the need to assure the public of CRL's ability to ensure robust standards and processes apply to entities as well as individuals.

In relation to consultation on fees, operational options, etc. we express no view and will be happy to support CRL within the remit we have as a Committee.

We hope that this assists you. We apologise for the late reply, which has been beyond our control.

Yours sincerely

Andy Burman

Chair, Strategic Risk Committee, CRL

