News release

SRA consults on regulating CILEX members

31 August 2023

We are consulting on potential changes to its regulatory arrangements to include authorised members of the Chartered Institute of Legal Executives (CILEX). This follows a CILEX consultation launched earlier this month on proposals to re-delegate the regulation of its members to us.

CILEX approached us about this potential change in 2022. Our Board agreed that taking on the regulation of authorised CILEX members has potential to deliver tangible benefits to consumers of legal services and the wider public.

The proposed change would simplify the complex regulatory landscape, making it easier for consumers to navigate. It would also bring more consistent levels of protection and information. For example, firms owned and managed by CILEX members will have the same level of indemnity insurance as solicitors' practices, and will publish the same range of information about their costs and services.

The consultation [https://indemnity.sra.org.uk/sra/consultations/consultationlisting/regulation-cilex-members/] sets out its proposed approach to the regulation of authorised CILEX members. This includes maintaining distinct identities for authorised CILEX lawyers and solicitors. To support this, a separate Code of Conduct for CILEX lawyers - which is aligned with the standards and regulations for solicitors but mindful of differences in role and context - would be introduced.

A distinct CILEX route to authorisation would also be retained, while we also explain how we would handle investigations and enforcement activity.

The consultation also confirms that the costs of regulating authorised CILEX lawyers would be fully recovered from the practising certificate fees of CILEX members, and that there would be no cross subsidy between solicitors and CILEX lawyers.

Paul Philip, SRA Chief Executive, said: 'Bringing together the regulation of solicitors and authorised CILEX lawyers has obvious benefits in terms of simplification and consistency of regulatory processes and procedures and more consistent protection to the public. We believe the changes outlined in our consultation will enable this to happen, while also allowing for a smooth transfer of responsibilities.'

<u>The consultation [https://indemnity.sra.org.uk/sra/consultations/consultation-</u> <u>listing/regulation-cilex-members/]</u> will run until 22 November, with views invited



on the rule changes outlined within.

A separate consultation run by CILEX addresses their case for redelegating the regulation of its members to us, alongside other proposed changes. This consultation is already open and runs until 5 November.

If we and CILEX agree to proceed with re-delegation after the current consultations, the Legal Services Board would need to agree to the relevant changes to both organisations' regulatory arrangements.