

The House of Lords Industry and Regulators Committee

Via Online Submission

23 July 2025

To whom it may concern,

RE: Building Safety Regulator Inquiry

The Chartered Institute of Legal Executives (CILEX) is the professional association and governing body for Chartered Legal Executive lawyers (commonly known as 'CILEX Lawyers'), other legal practitioners and paralegals. Under the Legal Services Act 2007, CILEX acts as the Approved Regulator (AR) and delegates these regulatory powers to the independent regulator, CILEx Regulation Ltd (CRL).

CILEX represents over 17,000 members of which 76% of the membership are female, 16% of members are from an ethnic minority background, 4% are LGBTQA+ and 7% have a disability. Additionally, in terms of social mobility, 65% of CILEX members attended a non-selective state-run or state-funded school and 41% have an undergraduate university degree. 15% of members come from households which received free school meals.

This letter is in response to the recent inquiry into the current effectiveness of building safety regulations and the role of the Building Safety Regulator. CILEX represents a substantial number of members working in property, conveyancing and residential development matters and we welcome the opportunity to submit a letter of evidence.

CILEX acknowledges and supports the overarching goals of the Building Safety Act 2022 and related reforms to enhance the safety of residential and mixed-use developments. However, CILEX is concerned that in its current form, building safety regulations are not only inadequate, but risk undermining the government's target of delivering 1.5 million homes.

Meeting the Housing Delivery Goals

In its current form, CILEX believes that the regulatory framework lacks the necessary clarity, flexibility and integration to support large-scale residential developments. CILEX is aware that delays and uncertainty in implementation and interpretation of the building safety regulations, as well as delays from the Regulator itself, have led to significant practical barriers for those working in conveyancing, legal compliance and other property related services.

<u>Practical Concerns: Professional Indemnity Insurance Barriers</u>

CILEX is aware that an ongoing practical barrier for members working in conveyancing is the inability to secure adequate professional indemnity insurance (PII) for work involving buildings affected by safety regulations. Members engaged in conveyancing are unable to advise on or certify compliance for affected buildings, due to explicit exclusions in their PII coverage. CILEX is deeply concerned that this presents a systemic risk for the market, as:

- 1. Professionals are forced to decline instructions, restricting consumer access to legal support.
- 2. The sales and development of affected properties are delayed or halted; this is particularly the case in multi-unit dwellings.
- 3. Developers and homeowners are left in regulatory ambiguity, with diminished access to legal recourse or guidance.

CILEX remains concerned that unless suitable legislative reforms are made, there will remain on-going barriers to the legal profession's capacity to provide safe homebuilding, contrary to public interest.

Legislative Reform and Regulatory Alignment

In order to meet the government's 1.5 million homes target, CILEX strongly recommends a review and realignment of the building safety regime. In particular, CILEX proposes:

- 1. Clearer, more practical and definitive guidance on the legal responsibilities under the Building Safety Act 2022 and related instruments
- 2. The government to formally endorse and express confidence in any guidance produced in point 1 to reassure stakeholders, particularly the insurance market, to support meaningful discussions around the availability of PII for conveyancing firms.
- 3. Any accompanying regulatory adjustments must be proportionate and risk-based for developments and transactions to be carried out safely, without unnecessary barriers.

Without suitable reforms, CILEX notes that there is a risk that building safety regulation inadvertently suppresses housing delivery and erodes trust in the legal sector to uphold public safety.

Yours Sincerely,

Simon Garrod, Director of Policy & Public Affairs

CILEX (The Chartered Institute of Legal Executives)
Registered Address: Manor Drive, Kempston, Bedford, MK42 7AB +44 (0)1234 841000
CILEX.org.uk

