



**CILEx is Changing – your views will help shape how**

**Reforming the Governance Structure of the  
Chartered Institute of Legal Executives**

**A consultation from  
The Chartered Institute of Legal Executives**

**April 2018**



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## 1. Introduction

- 1.1. The Chartered Institute of Legal Executives (CILEx) is the professional association and governing body for Chartered Legal Executive lawyers, other legal practitioners and paralegals. CILEx represents around 20,000 members, which includes approximately 7,500 fully qualified Chartered Legal Executive lawyers.
- 1.2. CILEx currently discharges a number of specific roles:
  - i. It acts in the interest of its members as a professional member association;
  - ii. It acts in the regulatory interest as the Approved Regulator under the Legal Service Act 2007. These regulatory powers are delegated to the independent regulator, CILEx Regulation Ltd;
  - iii. It acts in the public interest upholding the principles applicable to all holders of Royal Charters;
  - iv. It acts as a Supervisory Authority listed in the Money Laundering Regulations 2007 for Chartered Legal Executives in England and Wales. Again, these responsibilities for the application of money laundering-related rules have been delegated to the independent regulator, CILEx Regulation Ltd;
  - v. It is a qualification awarding body, regulated by Ofqual, Qualifications Wales and CCEA (Northern Ireland);
  - vi. It undertakes charitable work, both for members and for others in need, primarily through participation in the Pro Bono and Benevolent Fund Trusts;
  - vii. It is a commercial provider of legal training by distance learning through its law school.
- 1.3. Both in respect of these roles and as a group of companies, CILEx has evolved over time. Evidence shows that it is well regarded within the legal sector, its membership and the main employers of its members.<sup>1</sup> CILEx has been an innovator leading the way in both how it operates, and the training, products and services it offers.
- 1.4. CILEx Council has kept the structure and operation of the organisation under constant review and in 2016 decided that it was time to review the governance structure. The need for change is to ensure CILEx continues to discharge its duties and responsibilities in accordance with best practice and so it can continue to achieve its objectives and aspirations in a changing environment.

### The Context

- 1.5. This consultation paper sets out the main aims of the review, its initial results and the work yet to do in what, for CILEx in 2018, will be a year of change.
- 1.6. Our 'CILEx is Changing' campaign is running throughout 2018 and is part of a greater programme of reform which will result in transforming CILEx into a streamlined, agile organisation, fit to face the challenges of the future. This

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<sup>1</sup> Independent research conducted for CILEx by Ipsos MORI, 2017-18.

consultation is the first formal engagement in relation to those reforms. Further consultations will follow reviews of our qualifications structure and associated membership grading arrangements.

- 1.7. CILEx's priority in all this work is to put its members front and centre. We need to know what you think and what you want. A lot of progress has been made over the past 18 months; now, however is the point that CILEx needs your views and input.

## **2. Governance Review – Main aims and achievements so far**

- 2.1. It was time to review our governance structure. We had to look at it in the context of the Royal Charter, which was awarded more than four years ago, while good governance practice has also developed considerably in recent times, particularly for public bodies. The Legal Services Board requires that we keep a constant eye on governance, so as to ensure there are no conflicts or inefficiencies caused by our structural arrangements. And finally, with the legal services market continuing to develop so swiftly, CILEx had to assure itself that it was in the right shape to support members.

### Independent Review: identifying the drivers for change

- 2.2. As a first step, we commissioned an independent, objective review of CILEx's current governance arrangements. It is important for CILEx that its governance can be benchmarked and assessed against good practice generally (for example, against the Institute of Directors' good practice for unlisted companies) and in the legal sector specifically.
- 2.3. It included a gap analysis to expose where the current arrangements did not measure up to good practice and/or contained within them considerable organisational risk and suggested remedial action. It also specifically considered for comparison against good practice, the structure and efficacy of:
  - i. The Council, as the governing body of CILEx, as a board of directors, its composition and representation, as it relates to its various roles and responsibilities<sup>2</sup>, and its optimum size;
  - ii. Representation within the structure, the manner in which members are elected/appointed, and the way in which performance is managed;
  - iii. The use of independent/lay members compared to other similar institutions and public expectations;
  - iv. The role of the officers, how they relate to the management of CILEx operations generally, how the interface with the role of the Executive should be defined, and comparison with the role of independent chairs/members in other organisations;
  - v. The optimum group structure, the hierarchy of companies, main and subsidiary, the provision of infrastructure support across the group, the

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<sup>2</sup> As set out at paragraph 1.2 above.

facilitation of effective and agile group strategy and business planning.

- 2.4. Following a tender, independent consultants Hook Tangaza<sup>3</sup> were appointed and undertook the review, concluding in November 2016.

### Issues identified

- 2.5. A critical challenge for CILEx as a group of companies was the degree of actual or perceived independence of its component parts, levels of conflicts of interest that may result, and the related operational inefficiencies and risks.
- 2.6. This is in the context of the group discharging a variety of functions and facing regulatory and compliance obligations. For example, we need to properly manage (through the right structural framework) the roles of CILEx as a provider of training through its law school, and as a qualification-awarding body regulated by Ofqual, Qualifications Wales and CCEA. Failing to manage the any conflict, perceived or actual, between these two functions carries with it both regulatory risk<sup>4</sup> and commercial risk.<sup>5</sup>
- 2.7. As an Approved Regulator under the Legal Services Act, CILEx must also comply with the Internal Governance Rules and Statutory Guidance laid out by the Legal Services Board.
- 2.8. Corporately, CILEx must also meet obligations under Charity Commission rules governing its charitable work, data protection (including GDPR), and employment legislation, among various others.
- 2.9. Good governance in this context means meeting these obligations and reducing the risk posed by out-dated, inconsistent or disproportionate approaches across the CILEx group.
- 2.10. There was also the question of the extent to which the current governance structure met the key elements of CILEx's overarching roles to act in the member, public and regulatory interests.
- 2.11. The independent report benchmarked the then current CILEx governance arrangements against good practice in some detail<sup>6</sup> and concluded:
- i. Current governance arrangements between functional areas were unbalanced, leading to operational tensions;
  - ii. Council was both too large and wholly constituted by elected members of the profession. It lacked independent members, a key ingredient for public trust and confidence to be considered an effective public interest decision-maker, and held what could be conflicting duties of member interest, public interest and regulatory oversight;
  - iii. The fact that Council (indeed all representation within the governance structure) was limited to CILEx Fellows only was seen as too restricted to properly fulfil the public interest derived from holding the Royal Charter

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<sup>3</sup> Hook Tangaza - <http://www.hooktangaza.com/>

<sup>4</sup> Through potential breach of Ofqual's General Conditions of Recognition.

<sup>5</sup> Undermining CILEx Law School's reputation and commercial value.

<sup>6</sup> Summarised at Table 3, page 17 of the Hook Tangaza Report, [https://www.cilex.org.uk/about\\_cilex/governance\\_review](https://www.cilex.org.uk/about_cilex/governance_review)

- and unlikely to retain public confidence due to perceptions of self-regulation and an insular association;
- iv. The roles and responsibilities of those managing CILEx's operations were blurred and lacked definition between professional staff and members involved in governance;
  - v. The structure lacked a system of checks and balances to ensure ongoing good governance.
- 2.12. Other recommendations included:
- i. Moving from an 'election' to a 'selection and appointment' process for members, using a transparent public appointments-style process to ensure that the right expertise was in place;
  - ii. Introducing formal processes to manage the performance of the members of the governance structure.
- 2.13. The full report can be seen on the CILEx website at [https://www.cilex.org.uk/about\\_cilex/Consultations/CILEx\\_is\\_Changing\\_consultation/](https://www.cilex.org.uk/about_cilex/Consultations/CILEx_is_Changing_consultation/)
- 2.14. Council recognised that:
- i. with operational tensions came risk and potential commercial and reputational loss;
  - ii. not meeting the role of public interest decision-maker could, over time, threaten the retention of the Royal Charter and therefore chartered status for members;
  - iii. having a lack of clear delineation between professional employed staff team and members involved in governance could lead to conflict, lack of certainty and stifle effective development of a proper strategic and business plan for the organisation; and
  - iv. having insufficient checks and balances would further erode CILEx's future efficiency and effectiveness.
- 2.15. Following consideration of the independent review, Council agreed:
- i. To adopt a new group structure that allocated the duties and responsibilities for CILEx's three roles – public interest, professional interest, and regulation – to separate Boards with distinct responsibilities, thereby removing any potential conflicts of interest or compromise in delivering all its objectives;
  - ii. To create a new CILEx Group Board, which should be smaller and more strategically focused than the original Council;
  - iii. The new governance structure should, in line with good governance practice, contain independent members in order to bring specific required expertise above that provided by its professional members, as well as supporting its public interest duty;
  - iv. Members of the governance structure should, in line with good governance practice, be recruited and appointed based on transparent and proper competence criteria, rather than be elected;

- v. Management of appointments and performance should be subject to defined (subordinate) regulations and oversight by a specific panel or committee;
  - vi. Appropriate amendments to the Bye-Laws were needed in order to better maintain and update rules and procedures by making them 'enabling provisions' and placing the detail in a set of 'subordinate regulations'.<sup>7</sup>
- 2.16. Council also adopted the recommendation that the governance changes be turned into a formal project<sup>8</sup> and management of the agreed changes has been ongoing throughout 2017. During that time, members will have seen various announcements and articles in relation to the progress made:
- i. From January 2018, the first elements of the revised governance structure (see Annexes 1 and 2) went live. For example, standing committees concerned with governance, nominations and finance were made independent of the governing body;
  - ii. Details of the new independent Chair and Group Board were announced (see Annex 3). Recruitment and achieving the right blend of professional and independent members with the expertise to deliver CILEx's strategic objectives will continue throughout 2018.

### Why Consult Now?

- 2.17. While much has already been achieved, members should rightly expect their professional body to review and maintain organisational health.
- 2.18. However, this is the time to consult for two main reasons:
- i. As we move beyond structural changes to a level of granularity that affects both what members see of their institute and/or the way in which the institute interacts with them and others, it is right that CILEx members and stakeholders should offer their expert views, insights and experiences to inform the next stage of development;
  - ii. To facilitate this next stage, the Bye-Laws that sit beneath the Royal Charter will require amendment and it is good practice that this should be shared with members.
- 2.19. What follows are specific proposals that CILEx wishes to take forward in order to continue to deliver a reformed CILEx governance structure that is fit for the future.

## **3. Proposals: seeking views on options for change**

### The New Structure

- 3.1. As referred to above, Council has already been able to make many of the recommended improvements to its governance structure without the need to amend the Royal Charter or the Bye-Laws. In fact, none of the intended

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<sup>7</sup> See <https://www.cilex.org.uk/pdf/Royal%20Charter%20and%20Bye-Laws%20Oct%202015.pdf>

<sup>8</sup> Hook Tangaza report, page 37

- changes require any amendment of the Charter at all. They do, however, require amendment to the Bye-Laws.
- 3.2. Council was focused on (a) the need to ensure the new entities in the governance structure were engaged in the right activities, (b) ensuring the right expertise and experience was brought into the CILEx structure, and (c) undertaking that recruitment in line with good governance practice and will command public trust and confidence.
  - 3.3. The component parts of the new structure all have Terms of Reference<sup>9</sup> which reflect the clearer distribution of duties relating to member interest, public interest and regulation. Recruitment of both professional and independent members has commenced against specific 'competences' identified as essential attributes to have. These include both general essential criteria that all members of the governance structure are expected to meet and 'specialist competences' that relate to the specific part of CILEx into which they are recruited.<sup>10</sup>
  - 3.4. In addition, Council is sensitive to the increasing level of public scrutiny experienced by holders of office in public or charitable institutions, and the potential for harm or reputational damage if the appointment process fails and/or there are no processes for performance review/management. Council is to adopt the approach recommended by the independent review to embed good governance practice that can be benchmarked against the Nolan Principles and those of the Office of the Commissioner for Public Appointments.<sup>11</sup>
  - 3.5. Council's commitment to this new approach resulted in agreement that Council members themselves should be assessed against these new specific competences rather than simply transfer across to the new model. This exercise took place in Autumn 2017.
  - 3.6. Putting these changes in place offers an opportunity to explore additional changes to further enhance our model. These changes are captured in the following discrete threads:
    - i. Geographical representation;
    - ii. The inclusion of non-Fellows;
    - iii. Moving from election to competency-based appointment;
    - iv. Amendments to the current Bye-Laws.

### Geographical Representation

- 3.7. Previously, the constitution of Council was heavily influenced by geographical representation through constituency seats.<sup>12</sup> Any Fellow<sup>13</sup> could stand for election to a constituency seat provided that their nomination was supported by

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<sup>9</sup> See [https://www.cilex.org.uk/about\\_cilex/governance\\_review](https://www.cilex.org.uk/about_cilex/governance_review)

<sup>10</sup> As above.

<sup>11</sup> Office of the Commissioner for Public Appointments, <https://publicappointmentscommissioner.independent.gov.uk/>

<sup>12</sup> See Annex 4

<sup>13</sup> Subject to Bye-Law 64



- two other Fellows. Only where seats were contested was a ballot held.<sup>14</sup> All Fellows in the relevant constituency were asked to vote.
- 3.8. On the face of it, this creates a direct link from the ‘central governing structures’ to the regions in which CILEx members live and work, and enable local issues to receive central attention and debate. An election also indicates a degree of democracy.
- 3.9. The reality, however, is that there have been hardly any contested elections for the best part of 20 years.<sup>15</sup> Members of the Governance Standing Committee and Council also noted that there seems to be a lack of either member awareness of how to, or the need to, raise local issues with constituency members for debate at Council. This may also be because it is in fact national or practice-wide issues which need the Council’s attention.
- 3.10. It is Council’s judgement that our membership would be best served by securing the right people with the right skills and competences within the CILEx governance structure, rather than trusting to chance that locally nominated members will have those skills and competences. Their contributions could be further enhanced by exploring alternative ways for the centre to connect to, and be informed by, ‘grass roots’ issues affecting members and their practice areas beyond the traditional branch network.
- 3.11. It is therefore proposed that the Bye-Laws be amended<sup>16</sup> to replace the nominations and election process for Fellows to sit on the governing board with competency-based appointments accompanied by a process of performance review.

***Question 1: To what extent do you agree that it is important that, given the increasing complexity and challenges of the legal services market and heightened public scrutiny, CILEx must ensure that its governance structure is populated with individuals who have demonstrated they have the right skills and competences (i.e. a system of selection and appointment against competences, in line with good governance practice)?***

#### Maintaining local networks

- 3.12. Notwithstanding all of the above, CILEx recognises that any membership body must maintain proper functioning networks of, and connections with, the geographical spread of its membership. There are various ways to do this:

#### Branches

- 3.13. The current primary local network arrangement within CILEx is that of the branches. However, data suggests that most members are not engaging with them. CILEx currently has 31 branches and of a total membership of more than

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<sup>14</sup> Bye-Law 69

<sup>15</sup> Only 2 years in the last 18.

<sup>16</sup> See para 3.34

20,000 only c.850 members, across England and Wales, are active members of their branch.

- 3.14. However, branches do undertake a number of valuable activities: CPD and training events, local networking for members across the profession, social events and profile-raising for CILEx and Chartered Legal Executives.
- 3.15. CILEx is reviewing the structure and nature of branches to ensure that they meet the needs of members. We would therefore be grateful for views on the branches.

**Question 2: To what extent do you agree that the regional branch network should be a formal part of CILEx's governance structure?**

*Yes – member voice (to capture member views and feedback)*

*Yes – geographical representation (raising of regional specific issues with representative board)*

*Yes – both member voice & geographical representation*

*No – branches should not form a part of CILEx's governance structure*

*Other (please explain)*

**Question 3: If branches are made a formal part of CILEx's governance structure, to what extent do you agree that branches should:**

*(a) Have terms of reference that reflect the key strategic and business objectives of CILEx?*

*(b) Explicitly support CILEx's charitable objectives?*

*(c) Include a formal mechanism for providing members views and feedback to the Board?*

**Question 4: If branches are made a formal part of CILEx's governance structure, to what extent do you agree that the structure and membership of branches be changed to:**

*(a) Align geographically with other Government or organisational structures such as judicial areas?*

*(b) Offer option of virtual membership to those who don't wish to physically attend meetings?*

*(c) Include membership options for other local professionals who aren't CILEx members (e.g. solicitors, barristers, judges etc)?*

*(d) Have appointed Chairs who bring the required competencies and experience and can meet the time commitment to develop and manage the branch?*

*[Please select as many as apply.]*

**Question 5: How important are the following services to you?**

*(a) Continuous Professional Development (CPD)*

*(b) Other training*

*(c) Support in becoming qualified as a Chartered Legal Executive*

*(d) Support in obtaining independent Practice Rights*

*(e) Support in setting up your own entity*

*(f) Networking*

*(g) Career development support and advice*

- (h) Socialising with CILEx members**
- (i) Profile raising for Chartered Legal Executives**

**Question 6: How would you prefer these services to be provided:**

- (a) Locally through the existing branch network?**
- (b) Regionally through networking hubs (bringing together employers, training providers & members in each region)?**
- (c) Online through virtual networks including myCILEx, career portal & social media networks (LinkedIn, Facebook etc)?**
- (d) Through other networks such as local law societies?**

#### Specialist Reference Groups (SRGs)

- 3.16. One of the other ways to help support member representation is CILEx's network of specialist reference groups, which are focused on members' practice areas and other special interests.
- 3.17. The first of these groups was the Conveyancing Specialist Reference Group, set up in September 2015, which was a pilot for a new style of virtual and informal group to support membership engagement and develop member-led policy. This proved a success and so 11 subsequent groups were launched on a phased basis:
- i. Criminal Practitioners
  - ii. Civil Practitioners
  - iii. Family Practitioners
  - iv. Personal Injury Practitioners
  - v. BAME (Black Asian Minority Ethnic) Practitioners
  - vi. Disability
  - vii. Court Users
  - viii. LGBT (Lesbian Gay Bisexual and Transgender)
  - ix. Private Client
  - x. Regulatory Affairs
  - xi. Wales.
- 3.18. The next groups to launch will cover Local Authority Practitioners, Partners and Employers.<sup>17</sup>
- 3.19. The SRGs have proved to be an effective way to engage members, to seek their help in developing CILEx's policy positions, and to provide a direct and more immediate route for members to have their views heard.
- 3.20. The next phase in the SRG development plan is to recruit 'CILEx Advisers' from each group. They will be a smaller sub-set of members who are prepared to be the 'go-to' set of specialists within each specialism (should expert views be required urgently or evolving policy positions need to be objectively validated) and also to act in the role of expert CILEx representatives at meetings of external stakeholders (for example, the Professional Engagement Groups set up by HMCTS as part of the ongoing Court Modernisation Reform Programme). From the members' perspective, involvement in such work provides potential

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<sup>17</sup> See [https://www.cilex.org.uk/membership/specialist\\_reference\\_groups](https://www.cilex.org.uk/membership/specialist_reference_groups)

development or related CPD opportunities which could be useful in the context of their career aspirations and professional interests.

- 3.21. In addition to advisers already in place, further recruitment is planned for other SRGs. Opportunities are promoted within the relevant SRGs, and nominations are accepted from all member grades.

**Question 7: Beyond what has been set out above, what else would you like to see in the Specialist Reference Groups to improve member engagement?**

#### Task & Finish Groups

- 3.22. As well as the SRGs, Council has agreed that in order for CILEx to be nimble, in particular when dealing with large issues that it cannot plan for, we could create ad hoc Task & Finish Groups. These would be issue-specific working groups, convened for that sole purpose and disbanded thereafter, and comprised of hand-picked experts.
- 3.23. The approach also aligns effectively with the increasingly project-based approach to CILEx business adopted by the Executive, and Task & Finish Groups could play a role in those projects.

**Question 8: To what extent do you agree with the concept of ad hoc issue-specific project groups in order to direct resource, both internal and external, at particularly significant issues that emerge?**

**Question 9: To what extent do you agree that such 'occasional' contribution/engagement better suit members with busy practices than committing to membership of a CILEx Group measured in years?**

#### Online/digital options

- 3.24. Both CILEx's customer relationship management (CRM) system and website are currently being redeveloped, to offer more opportunities to enhance engagement with members and other stakeholders.
- 3.25. The new CRM system will offer much more than the current one. For example, we will be able to provide bespoke membership service offers based upon the specific requirements members have told us they need. The new CRM is planned to go live in the first quarter of 2019.

**Question 10: What member services would you (members) wish to be able to order/access online?**

- (a) CPD provision**
- (b) Journal**
- (c) Compliance training (e.g. GDPR, Anti-Money Laundering)**
- (d) Course & qualification sales**
- (e) Practice support / Guidance materials**

- (f) Debt advice / Money management services**
- (g) Career development**
- (h) Not applicable**
- (i) Other (please specify)**

3.26. The website refresh is also a separate project but it is already linked to the governance changes. For example, the SRGs already have dedicated webpages where useful information, relevant guidance, as well as requests for views on related policies or external consultations are posted.<sup>18</sup>

**Question 11: To what extent would you wish to join CILEx facilitated online networks, discussion groups and other fora?**

**Question 12: What would you like to see/receive as part of membership of any such online networks?**

- (a) Publications relevant to specific interests**
- (b) Policy messages**
- (c) Consultations / feedback surveys**
- (d) Discussion forum**
- (e) Job adverts**
- (f) Not applicable**
- (g) Other (please specify)**

#### Wider representation – the inclusion of non-Fellows

- 3.27. As referred to above<sup>19</sup>, the independent review said only including Fellows in the governance structure was restrictive when considered alongside CILEx's public interest duties.
- 3.28. Fellows make up less than 40% of the membership, which means the majority of members are not currently able to fully participate in the governance of the Institute.<sup>20</sup>
- 3.29. Research undertaken by IPSOS Mori on behalf of CILEx<sup>21</sup> suggests that an increasing proportion of members are not joining CILEx to become a Chartered Legal Executive and gain a practising certificate/authorised person status. This group does, however, see value in, and therefore still wishes to attain the membership grade of 'Fellow'.
- 3.30. Members are increasingly looking to specialise, reflecting the wider legal market, and are interested in qualifications and a membership structure which enables and adds value to their aspirations. These findings, and CILEx's response to them, will be the subject of a separate consultation exercise<sup>22</sup> but they are material to the Governance Review too: the make-up of our

<sup>18</sup> See [https://www.cilex.org.uk/membership/specialist\\_reference\\_groups](https://www.cilex.org.uk/membership/specialist_reference_groups)

<sup>19</sup> Paragraph 2.11(iii).

<sup>20</sup> 8254 Fellows from a total membership of 20,296.

<sup>21</sup> Independent research conducted for CILEx by Ipsos MORI, 2017-18.

<sup>22</sup> As part of the 'CILEx is Changing' programme.

membership and members' aspirations are changing, mirroring the changes to the legal services market, the needs of employers in that market and CILEx members' desire to continue to provide a distinct offering in their roles.

- 3.31. In this context, the absence of any members other than Fellows in the CILEx governance structure looks increasingly anomalous. There is, therefore, strong force behind the argument that CILEx should harness the experience, views and needs of its wider membership within the governance structure. This would be entirely consistent with what happens with similar organisations that ensure governance involvement for their entire memberships.<sup>23</sup>
- 3.32. The terms of our Charter currently reserve certain rights to Fellows only. These include voting rights, the ability to be a member of Council and to hold the office of President. However, the new structure provides other opportunities for non-Fellow members to be involved in our work and to have a formal voice.
- 3.33. This would benefit both the Institute and members themselves, who would be able gain valuable experience that will help enhance their career development, potential for judicial appointment and create a future pool of Presidents if they go on to become Fellows.

**Question 13: *Are there any reasons not to broaden the representation within CILEx's governance structure to include members who are not Fellows?***

**Question 14: *If you are a Fellow, to what extent do you agree with extending the enfranchisement afforded to you to other grades of CILEx member?***

- (a) *Voting rights (Agree / Disagree)***
- (b) *Appointment as a professional representative member on subsidiary Boards (Agree / Disagree)***
- (c) *Appointment as a Committee member (Agree / Disagree)***
- (d) *Appointment as a Branch Chair (Agree / Disagree)***

**Question 15: *If you are a non-Fellow CILEx member, to what extent would you wish or be prepared to get more formally involved in CILEx's governance structure? (Select all that apply)***

- (a) *As a professional representative on a subsidiary Board***
- (b) *As a Committee member***
- (c) *As a Branch Chair***

***Please explain your motivation:***

- (a) *Personal development***
- (b) *Career enhancement***
- (c) *Status***
- (d) *To contribute to development of profession***
- (e) *Employer encouraged***
- (f) *Not applicable***

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<sup>23</sup> Such as the governance structures of the Law Society, Bar Council, and others such as the Institution of Engineering & Technology and the Institution of Mechanical Engineers.

**(g) Other (please specify)**

Bye-Laws

- 3.34. Proposed amendments to the current Bye-Laws may be viewed on the Governance Review web pages on the CILEx website.<sup>24</sup> Broadly, the changes are designed to enable all of the foregoing recommendations of the independent review of CILEx's governance structure that Council is committed to and/or which may be progressed following this consultation.
- 3.35. There is also a further element that will streamline the Bye-Laws, making them more flexible to support future needs.
- 3.36. The current Bye-Laws are very detailed. This is rightly so, in the sense that they underpin the principles in the Royal Charter which should be protected and not changed lightly. However, there are many procedural-type provisions which go beyond protection of the Charter terms and might more usefully be transferred out into Subsidiary Regulations.
- 3.37. The other driver for this is the overall process for changing the Bye-Laws. As CILEx holds a Royal Charter, it is the Privy Council that determines how the Charter and Bye-Laws may be amended.<sup>25</sup> There is a process which has to be followed to ensure their content is protected and not changed frivolously. CILEx Council has taken the view that this is a disproportionate approach for those Bye-Laws that are predominantly procedural, such as how meetings are conducted. Their prescriptive and detailed nature also encumbers CILEx's ability to respond to changes in the market or emerging opportunities in a timely fashion, for example, the ability to create new membership categories<sup>26</sup> and this could both disadvantage members and cause commercial loss to the Institute.
- 3.38. The proposed amendments have not, however, been arrived at lightly. Mindful of the Privy Council process, the fact that they liaise with the Ministry of Justice (MoJ) and the need to ensure the Charter terms are not undermined, CILEx has taken extensive legal advice, liaised with the MoJ and other stakeholders and, as their process recommends, have had ongoing discussions and updates with the Privy Council itself. Of course, any changes prompted by this consultation will also have to be included.

***Question 16: Please offer any observations, suggestions, views in relation to the Bye-Law amendments, not previously covered by responses to the related issues above, here.***

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<sup>24</sup> See footnote 9

<sup>25</sup> See <https://privycouncil.independent.gov.uk/royal-charters/amending-a-royal-charter/>

<sup>26</sup> To which Chartered status does not attach.

## 4. How to Respond

- 4.1. This consultation runs from 18 April and closes at midday on 11 July 2018.
- 4.2. Please complete your response online at <https://www.surveymonkey.co.uk/r/CILEx-is-changing>
- 4.3. Alternatively you can email your response to the attached questions to [corporateaffairs@cilex.org.uk](mailto:corporateaffairs@cilex.org.uk) or post to:
- Policy & Governance
  - Chartered Institute of Legal Executives
  - Kempston Manor
  - Kempston
  - Bedford
  - MK42 7 AB
- 4.4.1 Please also direct any related queries to [corporateaffairs@cilex.org.uk](mailto:corporateaffairs@cilex.org.uk) .

### Annexes – available from

[https://www.cilex.org.uk/about\\_cilex/Consultations/CILEx\\_is\\_Changing\\_consultation/](https://www.cilex.org.uk/about_cilex/Consultations/CILEx_is_Changing_consultation/)

1. Summary of Questions
2. New CILEx governance structure (*Separate document*)
3. New Group Board composition (*Separate document*)
4. Constituency Map 2016 (*Separate document*)



## Annex 1 - Summary of Questions

### **Question 1:**

To what extent do you agree that it is important that, given the increasing complexity and challenges of the legal services market and heightened public scrutiny, CILEx must ensure that its governance structure is populated with individuals who have demonstrated they have the right skills and competences (i.e. a system of selection and appointment against competences, in line with good governance practice)?

Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
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Please provide comments

### **Question 2:**

To what extent do you agree that the regional branch network should be a formal part of CILEx's governance structure?

	Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
Yes – member voice (to capture member views and feedback)					
Yes – geographical representation (raising of regional specific issues with representative board)					
Yes – both member voice & geographical representation					
No – branches should not be a formal part of CILEx's governance structure					

Please provide comments

**Question 3:**

If branches are made a formal part of CILEx's governance structure, to what extent do you agree that branches should:					
	Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
Have terms of reference that reflect the key strategic and business objectives of CILEx?					
Explicitly support CILEx's charitable objectives?					
Include a formal mechanism for providing members views and feedback to the Board?					
Please provide comments					

**Question 4:**

If branches are made a formal part of CILEx's governance structure, to what extent do you agree that the structure and membership of branches be changed to:					
	Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
Align geographically with other Government or organisational structures such as judicial areas?					
Offer option of virtual membership to those who don't wish to physically attend meetings?					
Include membership options for other local professionals who aren't CILEx members (e.g. solicitors, barristers, judges etc)?					
Have appointed Chairs who bring the required competencies and experience and can meet the time commitment to develop and manage the branch?					
Please provide comments					

**Question 5:**

How important are the following services to you?					
	Very important	Fairly important	Not very important	Not at all important	Don't know
Continuous Professional Development (CPD)					
Other training					
Support in becoming qualified as a Chartered Legal Executive					
Support in obtaining Practice Rights					
Support in setting up your own entity					
Networking					
Career development support and advice					
Socialising with CILEx members					
Profile raising for Chartered Legal Executives					
Other (please describe)					
Please provide comments					

**Question 6:**

How would you prefer these services to be provided?	
	Select all that apply
Locally through the existing branch network?	
Regionally through networking hubs (bringing together employers, training providers & members in each region)?	
Online through virtual networks including myCILEx, career portal & social media networks (LinkedIn, Facebook etc)?	
Through other networks such as local law societies?	
Other (please describe)	
Please provide comments	

**Question 7:**

Beyond what has been set out above, what else would you like to see in the Specialist Reference Groups to improve member engagement?

Please provide comments

**Question 8:**

To what extent do you agree with the concept of ad hoc issue-specific project groups in order to direct resource, both internal and external, at particularly significant issues that emerge?

Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
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Please provide comments

**Question 9:**

To what extent do you agree that such 'occasional' contribution/engagement better suit members with busy practices than committing to membership of a CILEx Group measured in years?

Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
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Please provide comments

**Question 10:**

What member services would you (members) wish to be able to order/access online?	
	Select all that apply
CPD provision	
Journal	
Compliance training (e.g. GDPR, Anti-Money Laundering)	
Course & qualification sales	
Practice support / Guidance materials	
Debt advice / Money management services	
Career development	
Not applicable	
Other (please specify)	
Please provide comments	

**Question 11:**

To what extent would you wish to join CILEx facilitated online networks, discussion groups and other fora?				
Very interested	Quite interested	Not really interested	Definitely not interested	Don't know
Please provide comments				

**Question 12:**

What would you like to see/receive as part of membership of any such online networks?	
	Select all that apply
Publications relevant to specific interests	
Policy messages	
Consultations / feedback surveys	
Discussion forum	
Job adverts	
Not applicable	
Other (please specify)	
Please provide comments	

**Question 13:**

Are there any reasons not to broaden the representation within CILEx's governance structure to include members who are not Fellows?

Please provide comments

**Question 14:**

If you are a Fellow, to what extent do you agree with extending the enfranchisement afforded to you to other grades of CILEx member?

	Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
Voting rights					
Appointment as a professional representative member on subsidiary Boards					
Appointment as a Committee member					
Appointment as a Branch Chair					

Please provide comments

**Question 15:**

If you are a non-Fellow CILEx member, to what extent would you wish or be prepared to get more formally involved in CILEx's governance structure?

	Very interested	Quite interested	Not really interested	Definitely not interested
As a professional representative on a subsidiary Board				
As a Committee member				
As a Branch Chair				

Please provide comments

Please explain your motivation:	
	Select all that apply
Personal development	
Career enhancement	
Status	
To contribute to development of profession	
Employer encouraged	
Not applicable	
Other (please specify)	
Please provide comments	

**Question 16:**

<p>Please offer any observations, suggestions, views in relation to the Bye-Law amendments, not previously covered by responses to the related issues above, here.</p>
<p>Please provide comments</p>

Thank you for your views. We look forward to reading them.