

# Written evidence submitted to the All Party Parliamentary Group (APPG) on Legal and Constitutional Affairs for its inquiry on the effect of Brexit on legal services

A submission from

The Chartered Institute of Legal Executives

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Contents	Page
Introduction	2
Summary	3
Post Brexit competition	3
International reputation	4
Rule of law	5
Continued collaboration	5

# 1. Introduction

- 1.1. The Chartered Institute of Legal Executives (CILEx) is the professional association 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 is the Approved Regulator under the Legal Services Act 2007. These regulatory powers are delegated to the independent regulator CILEx Regulation Ltd.
- 1.3. CILEx is also a nationally recognised Awarding Organisation, regulated by the Office of the Qualifications and Examinations Regulation (Ofqual), Qualifications Wales and CCEA.
- 1.4. CILEx continually engages in the process of policy and law reform. At the heart of this engagement is public interest, as well as that of the profession. Given the unique role played by Chartered Legal Executives, CILEx considers itself uniquely placed to inform policy and law reform.
- 1.5. As it contributes to policy and law reform, CILEx endeavours to ensure relevant regard is given to equality and human rights, and the need to ensure justice is accessible for those who seek it.

# 2. Summary

2.1. CILEx believes the Government should maximise the opportunity for UK legal services post Brexit. This includes the ability to deliver legal services by the full range of firms and professionals so as to foster a healthy and competitive

- market. To this end, Chartered Legal Executives should be categorised as lawyers alongside their solicitor and barrister counterparts in any future agreement, to reflect the domestic arrangements.
- 2.2. CILEx believes that the international reputation the UK has developed in regards to the quality of its legal services industry should be safeguarded to the greatest possible degree.
- 2.3. CILEx hopes that the Government seeks to ensure clarity is provided to those working in legal services around what law is in effect at the point of exit, and that legal certainty is provided to all individuals and businesses through the protection of fundamental human and civil rights, and business and market regulations respectively.
- 2.4. CILEx believes the Government should pursue the preservation of information-sharing on justice and security measures, and the protection and updating of recognised laws, regulations, judgments, and legal practitioners.
- 2.5. CILEx also hopes that the services and expertise offered by Chartered Legal Executives, solicitors, and barristers, are considered in future trade negotiations outside of the EU in order to ensure the continued growth of UK legal services in the post-Brexit international market.

# 3. Post Brexit competition

- 3.1. Chartered Legal Executives and CILEx paralegals have played a vital part in the development of the legal services industry, and we believe that the opportunity to establish a new agreement to mutually recognise the status of English and Welsh lawyers with the EU provides an opportunity to update the current scope of recognition, and improve competition in a post Brexit market by enhancing both consumer choice and access to justice.
  - 3.1.1. Chartered Legal Executives are currently unrecognised under the definition of European Lawyer Condition within EU Directive 98/5/EC enabling the recognition of professionals. As a result, Chartered Legal Executives are restricted in their ability to offer their services to other EU countries, preventing solicitor firms, the largest employers of Chartered Legal Executives, from deploying their staff efficiently.
  - 3.1.2. This omission is outdated, considering that Chartered Legal Executive lawyers carry out the same work and carry the same responsibilities as

solicitors, and that parity has been endorsed by the UK Parliament who approved the expansion of practice rights for Chartered Legal Executives in 2014.

- 3.2. Exiting the EU requires a new agreement to mutually recognise the status of lawyers from the relevant jurisdictions. Forging this new agreement gives the opportunity to update the relevant rules, and cut the red tape that prohibits Chartered Legal Executives from offering their services to the maximum possible market. Importantly, it will also enable firms that employ Chartered Legal Executives, many of whom are solicitors' firms, to more effectively deploy their staff.
- 3.3. CILEx practitioners have the capacity to improve competition in a post Brexit market by enhancing both consumer choice and access to justice. Reports from independent bodies such as the Competition and Markets Authority<sup>1</sup> have highlighted that the legal services market must continue to change and adapt to ensure it can continue to grow to meet the needs of consumers and the UK economy. Brexit only heightens this importance.
- 3.4. Consequently, we would welcome the support of the all-party group in encouraging the Government to take the opportunity to ensure any new agreement on lawyer recognition does not rely on the flawed status quo but recognises Chartered Legal Executive lawyers on a par with other lawyers from our jurisdiction.
- 3.5. Additionally, we ask that proper consideration of CILEx and our members, services and expertise be borne in mind in future negotiations with other countries in order to maximise Chartered Legal Executives' abilities to offer their services to new markets.

# 4. International Reputation

4.1. CILEx believes that the reputation, position, and quality of the UK's legal services industry, recognised around the world, should all be safeguarded to the greatest possible degree. The legal services industry not only provides the UK with £32.1bn in gross value added<sup>2</sup>, but the reputation of the UK as a

4

<sup>&</sup>lt;sup>1</sup> https://assets.publishing.service.gov.uk/media/577f76daed915d622c0000ef/legal-services-market-study-interim-report.pdf

<sup>&</sup>lt;sup>2</sup> UK Legal Services Market Report 2016; IRN

dispute resolution destination, and the international standing of the system of UK law we feel should warrant explicit consideration in future negotiations.

### 5. Rule of Law

- 5.1. At the point of exit, and in the process of any prospective transition period, there should be absolute clarity as to what law is in effect. We seek to ensure legal certainty for individuals and businesses by protecting fundamental human and civil rights, and business and market regulations respectively.
- 5.2. Throughout this process, we ask that Parliament and the Government keep a watchful eye to ensure that access to justice is not inhibited.

### 6. Continued Collaboration

- 6.1. In order to retain important safeguards that the UK currently benefits from, CILEx would like to see information-sharing on justice and security measures maintained including those in relation to intelligence, EU arrest warrants, and law enforcement.
- 6.2. Furthermore, CILEx hopes that the continued recognition of laws, regulations, judgments, and legal practitioners, are suitably protected and updated following the UK's withdrawal.

# For further details

Should you require any further information, please contact; Matthew Leydon Policy Assistant

matthew.leydon@cilex.org.uk 01234 845758