

Strategic Risk 4 – The resources we require to achieve our strategy and deliver BAU activity are not in place or are not financially sustainable.

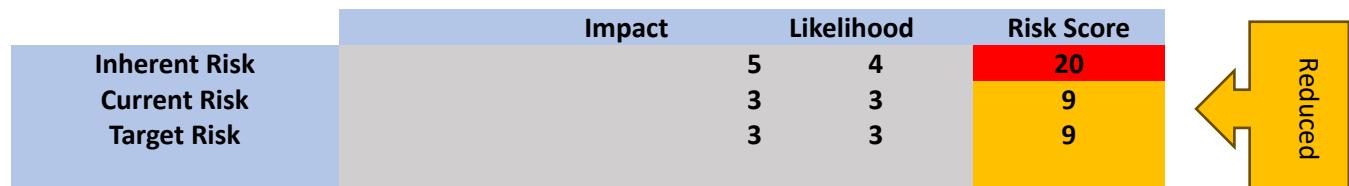
Risk Summary
This risk includes not having the resources we need to be effective and/or not being efficient in our use of resources (resources include financial, knowledge, skills, culture and infrastructure). It includes the development of our culture, people and physical assets, our continued financial viability and the significant failure of key business process.

Current Risk Influencers	
	SQE impacts future Fellow numbers and leads to reduced PCF income to CRL
	Reduced staff turnover and continued ability to recruit.
	Lack of access to reserves leads to financial instability
	Approval of 2025 PCF application. 14% proposed increase to LSB budget for 2025/26 adds after the PCF has been set may impact available funds
	Limited funding restricts CRL's ability to regulate effectively
	Reliance on shared services for delivery of IT results in poor service for CRL
	Ability to recruit and retain sufficient PCP and DT panel members and Clerks to run hearings effectively
	Operational surplus and transfer of inter-company balance by CILEX
	CRL currently meeting CILEX Group and LSB reserves policy requirements

Mitigations in place	
	Reconciliations prepared for all accounting entries, assets and liabilities. Conversion of FTC to Perms contracts. Updated staff handbook. Update process documentation and key tasks, esp Finance and HR.
	Balance scorecard. Monthly management accounts and reserves position regularly reviewed by Executive and Board.
	Seek new regulatory areas for expansion. Research into unmet legal need and unregulated markets
	New panel members and Clerks recruited. Some availability challenges remain.
	Ongoing monitoring of CILEX membership numbers
	Ensure reserves position continues to meet reserves policy requirements
	Monthly all staff meetings and meetings with managers with a focus on successes and challenges

Review Date
February 2025

Risk Owner
CEO



Risk Appetite	
Financial (investment) – Measured/Open Financial (control/compliance) - Minimal People – Open	

Planned Migrations 2025		Progress
	Resource plan and pay and grading review.	Temp PAS Administrators being recruited. Lead Investigator recruited. Posts to support AML and Policy & Research identified.
	Staff survey action plan	Action plan approved at September Board. Objective setting session at All staff meeting
	Strategic review of unregulated sector. Enhance monitoring of	Roundtable in February. Chair of LSCP to attend Board in February. Improved engagement and involvement at Board meetings of Committee chairs
	Request transfer of inter-company balance and inter-company reserves.	£85k transferred from CILEX via inter-company balance. 2024 PCF reconciliation Reserves in healthy position. Projected end of year surplus.
	Review approach to 2026 PCF application in light of LSB feedback	Application submitted.
	Explore investment options for reserves and cash balance that maintain liquidity.	Interest yielding accounts identified although likely return will be less than anticipated due to low interest rates
	Publication of Corporate Plan and cost transparency statement	2025-2027 strategy to be published in November. Corporate Plan published in January.