

<b>Date</b>	<b>15 April 2025</b>
<b>Item</b>	<b>07.0</b>
<b>Title</b>	<b>Director of Regulation Report</b>
<b>Author</b>	<b>Simon Blandy, Director of Regulation</b>
<b>Purpose</b>	This paper provides the Board with an update on the work of the Regulation Directorate
<b>Recommendation</b>	The Board is asked to <b>NOTE</b> this report.
<b>Timing</b>	N/A
<b>Impact Assessment</b>	N/A
<b>Impact on Regulatory Objectives</b>	The work covered in this report impacts on the following: <ul style="list-style-type: none"> <li>- encouraging an independent, strong, diverse, and effective legal profession.</li> <li>- protecting and promoting the consumer and public interest; and</li> <li>- promoting and maintaining adherence to the professional principles.</li> <li>- promoting the prevention and detection of economic crime</li> </ul>
<b>Implications for resources</b>	This report covers a period in which there continues to be changes in staffing impacting on the operational areas.
<b>Impact on consumer empowerment</b>	N/A
<b>Impact on ongoing competence</b>	N/A
<b>Publication status</b>	For publication.
<b>Appendices</b>	None

## Introduction

1. This paper provides the Board with an update on the work of the Regulations Directorate including:
  - The work of the Practitioner Team,
  - The work of the Entity Team, and
  - The work of the Enforcement Team.
2. The data in this Report is supplemented by the performance data which is published on a quarterly basis.

## **PRACTITIONER TEAM UPDATE**

### **Operations**

3. The PAS Manager resigned in February and will be leaving CRL in May. Recruitment is underway to find a replacement. A temporary part-time administrator is due to start in early April to provide cover and support the work-based learning Officer.
4. The PAS team met at Wrest Park in March to discuss overall operations and processes for the different authorisation areas and identified developments and improvements. The Head of Education, Director of Regulation and CEO also attended. This was a very useful and productive meeting. A follow-up meeting has been scheduled for mid May.
5. There has been an increase in the number of immigration practice rights applications. Applicants are required to submit portfolios based on current practice. Depending on the rate at which applications are received, an additional external expert with current knowledge of immigration may be required.
6. New standards portfolios have now started to be submitted. These are taking a significantly longer time to be assessed, which could potentially adversely impact the timescales for assessment of all portfolios as the number of the new standards portfolios increases. The PAS Manager and the Head of Education have been working with CILEX to recruit assessors who already assess the portfolios within the apprenticeship scheme.

### Courses

7. A contract has been agreed and signed with Course Provider 1 which will result in delivery of a minimum of 3 courses in each area of law each year. This should decrease waiting times for applicants. Currently, a family and civil course have reached the minimum numbers to run in May.

### Practice Rights training and assessments

8. Course Provider 2 has confirmed that they will reduce the number of courses from September 2025 from 4 to 3 per year in each area, in response to the reduction of demand. If litigation only practice rights are introduced, the demand for the course may see a significant increase.

## **ENTITY TEAM UPDATE**

### **Rule changes**

#### Designated Professional Body (DPB) application.

9. This process continues on hold.

## Operations

### ACCA Performance Update

Current ACCA Firms												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
No. of CILEX-ACCA Probate firms 2025	39	40	40									
No. of CILEX-ACCA Probate firms 2024	37	37	39	38	37	38	37	38	38	38	38	38
No. of CILEX-ACCA Probate firms 2023	42	42	39	39	39	40	39	39	37	38	38	37
No. of CILEX-ACCA Probate firms 2022	21	28	37	39	42	43	43	43	43	42	42	42

10. The number of CILEX ACCA Probate firms increased to 40 in February 2025.
11. The annual renewal of the authorisation of CILEX ACCA Probate firms is in progress, with 12 completing the process so far. The delay in completing the renewals is attributable to a large extent to the further steps required for the firms to be fully compliant with the revised transparency requirements.

### Entity Performance Update

Current Entity applications												
2025												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
No. of CILEX Authorised firms	21	21	21									
No. applications granted full authorisation	1	0	0									
No. Annual Returns assessed.	1	1	1									
No. ABS	1	1	1									
2024												
No. of CILEX Authorised firms	20	18	19	19	20	20	21	20	20	20	20	20
2023												
No. of CILEX Authorised firms	22	20	19	19	19	19	19	19	19	20	20	20
2022												
No. of CILEX Authorised firms	24	24	24	25	25	25	25	24	23	23	22	22

12. No new firms were authorised in February or March. Feedback has been provided on two draft applications, both of which require additional work to bring them up to the required standard.

13. Currently two Annual Returns which have been submitted need to be reviewed. A detailed review of the accounting records of another firm is in progress. A reminder to submit an overdue Annual Return has also been sent.
14. A focus of the current review of Annual Returns has been compliance with the revised Transparency Rules which now apply to all authorised firms. This is also used as an opportunity to pick up on anti-money laundering concerns raised in the last round of AML Statements.

## **ECONOMIC CRIME UPDATE**

### **Anti-Money Laundering (AML) Supervision**

15. The Office for Professional Body Anti-Money Laundering Supervision (OPBAS) has now completed its inspection of CRL's AML supervision activities. A report is expected in the next 12 weeks (mid-June).
16. Recruitment of an AML Officer is continuing.
17. HM Treasury published its [Annual AML Report](#) in March 2025. The report confirms the commitment to reforming the UK's AML/CTF supervision regime. Although it gives no indication what that reform might look like, it emphasises the importance of the AML Supervisors (including CRL), in maintaining and improving the standards of AML supervision in the lead-up to, and implementation of, any reforms.

## **ENFORCEMENT TEAM UPDATE**

### **Operational**

#### **Context**

18. An Investigation Officer resigned in March and is due to leave CRL at the beginning of April. A Lead Investigation Officer joined the Enforcement Team at the beginning of March, and two temporary Investigation Officers have also started in the Enforcement Team.
19. The Lead Investigation Officer will be responsible for ensuring that Prior Conduct cases are progressed in line with the new agreed timescales and procedures. He will also have his own caseload of predominantly misconduct matters and will be overseeing the running of the disciplinary panels. The temporary Investigation Officers' primary focus will be on progressing misconduct cases which have already been allocated to them.
20. As at 27 March 2025 all prior conduct cases have been reviewed and information has been requested from each declarant, including declarations made as part of the 2025 membership renewal process. This includes former members of the Institute of Paralegals (IoP) who are applying to become standard members of CILEX. The oldest three oldest prior conduct case have been closed or are in the process of being closed.
21. The Professional Conduct Panel (PCP) met on 21 February 2025 and again on 20 March 2025 to consider a total of 31 cases comprising a mixture of prior conduct and misconduct cases. It is due to meet again on 28 April 2025.

22. Two misconduct cases were scheduled to be heard by the Disciplinary Tribunal (DT) on 17 January 2025. The first hearing was adjourned prior to the hearing at the Respondent's request and relisted for 26 March 2025. The second hearing took place over one and a half days on 17 January and 27 February 2025. The DT found the majority of charges proved, including charges of dishonesty, and ordered that the member be excluded from CILEX membership for an indefinite period.
23. The 26 March 2025 DT hearing was adjourned, again at the Respondent's request. The DT imposed an interim order for suspension of the Respondent's membership, pending the outcome of the proceedings. The Tribunal is currently finalising its written decision and case management directions.
24. Further DT hearings have been scheduled for October and December 2025. Three appeals (relating to prior conduct matters) are waiting to be heard by the Appeals Panel. One hearing has now been scheduled for late May 2025.
25. An all-panel training session is due to be held on 18 June 2025. This is likely to be in person.

### **Recommendation**

26. The Board is asked to **NOTE** the report.