



# Enforcement

ANNUAL

# REPORT

2024



## Foreword: Helen Astle, Enforcement Lead

As I have said previously, consumers rightly expect honesty, integrity, and high standards of conduct from regulated individuals and firms, and they are entitled to have trust and confidence in the legal profession and services they receive.

This report provides a very useful review of the inter-relationship of the independent disciplinary panels established to consider the conduct of individuals and firms regulated by CILEx Regulation (CRL) and with CRL's Enforcement Team established with that aim in mind. It also gives a useful analysis of the workload, how it was managed and resolved, sources of reports and the issues.



Helen Astle, Enforcement Lead

During the course of 2024 there have been a number of discrete initiatives which together have provided the tools for the more efficient and cost effective resolution of cases which are fair to the complainant and to the respondent. As ever, the report rightly acknowledges that there is more work to be done in 2025.

I would like to take this opportunity to thank all the enforcement team staff, our panellists and their independent Clerks for their hard work and dedication during the last year. The CILEx Regulation Board is indebted to them for their commitment, flexibility and expertise, and for their contribution to our effectiveness as a regulator.

## Introduction

- CRL is designated to authorise both individuals and firms and sets the standards of professional and ethical conduct expected of its regulated community.
- The Code of Conduct sets out the principles to which CILEX members, CILEX practitioners and CILEX authorised firms must adhere in their conduct, practise, professional performance, and the outcomes they must meet.
- CILEX ACCA firms and practitioners have their own Code of Conduct.
- This report outlines the work undertaken by the Enforcement Team and the independent decision-makers in 2024 and identifies areas for development of CRL's approach to enforcement.

## Review of activity in 2024

### CRL Disciplinary panels

Many enforcement cases require consideration by one or more independent disciplinary panel. In other cases, enforcement staff may make delegated decisions.

CRL has three independent disciplinary panels that consider the conduct of those it regulates, namely the:

- **Professional Conduct Panel (PCP)**
- **Disciplinary Tribunal (DT)**
- **Appeals Panel (AP)**

All three panels are comprised of two lay members and one professional member who must be a Fellow of CILEX. Each panel is supported by an independent clerk who provides procedural and administrative advice and assistance, but does not take part in any decision making.

The PCP considers prior conduct matters, that is conduct that has been self-declared by both regulated persons and applicants for CILEX membership or authorisation, where that conduct has the potential to impact on their suitability for CILEX membership or authorisation. The PCP also considers allegations of professional misconduct against regulated persons to determine whether there is a case of professional misconduct for them to answer, or to approve a sanction agreed under a Determination by Consent (DBC) where misconduct is admitted. The PCP deals with a larger volume of cases, many of which are low to medium complexity, compared to the DT and AP. PCP meetings are held in private and, in contrast with the DT and AP, there is no automatic right of attendance.

The DT hears charges of professional misconduct against regulated persons in both contested and uncontested cases. It also reviews disqualification decisions made against licenced bodies and their staff and tends to deal with the most serious and complex cases overall. The AP hears appeals from CRL, applicants and regulated persons against decisions made by the PCP and DT. It also hears appeals against decisions relating to admissions, authorisation, licensing and supervision matters.

The PCP continued to deal with the majority of cases that were referred to a panel in 2024. Two DT hearings that were scheduled for November 2024 were both adjourned to 2025. The AP did not hear any cases in 2024.

A shortage of panel clerks and lay members led to PCP meetings that were scheduled for May and July being postponed and challenges in convening quorate meetings across all three panels. PCP meetings resumed in August 2024 following the successful recruitment of three panel clerks to clerk each panel and six lay panel members to sit on the DT and AP.

The newly appointed panel clerks and lay members attended an induction workshop in November 2024. An all-panel training session is due to be held in Spring 2025 to cover wider regulatory topics and key legal updates.

## Review of the implementation of remote hearings

CRL's disciplinary panels have been operating on a presumption of remote hearings since November 2020. The position was made permanent in December 2022 following the Legal Services Board's approval of CRL's application to alter the Enforcement Rules.

The Enforcement Rules provide a right for either CRL, or the person subject to proceedings, to request an in-person hearing.

A two-stage process has been adopted by CRL to check whether it is appropriate to proceed remotely, regardless of any objection or application to hold the hearing in person. Once a case is referred to a panel, a questionnaire that incorporates specific criteria for assessing whether it is fair to proceed remotely is sent to any applicant or regulated person who has a right to attend the hearing or is asked to do so by the panel, together with guidance on how CRL's remote hearings operate. A test call is also arranged, where requested by attendees, to ensure that they can access the hearing link. Practical matters such as the attendees' ability to access the hearing, the sound and video quality of the equipment being used and the reliability of their internet connection is also checked. The findings are reported to the relevant panel and the final decision as to how to proceed rests with each panel, subject to the overriding objective of fairness.

CRL collates and evaluates responses to remote hearing questionnaires and test call checklists as part of its ongoing monitoring and review of remote hearings. CRL also seeks feedback from each panel after a hearing and discusses any learnings points on a regular basis at team meetings and management level.

A detailed review of the operation of remote hearings across all three panels since the implementation of the permanent rule change was previously carried out and reported in the 2023 Enforcement Annual Report. In 2024, all PCP meetings were held remotely. Only one person was required to attend a meeting in November 2024. They did not object to attending remotely, nor did they ask for a test call.



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CRL's assessment of its use of remote hearings to date continues to be positive. There has been a general acceptance and willingness of parties to participate remotely, and the remote mechanism has provided an efficient, effective and accessible means of disposing of cases, particularly at the PCP, without adversely impacting on the quality and fairness of hearings.

Given the widespread use of remote meeting and conferencing platforms, CRL will publish additional guidance on the fairness criteria so that those subject to proceedings can take a more proactive role in assessing for themselves, whether to proceed remotely or whether an in-person hearing would be more appropriate.

## Prior Conduct Cases

The tables below set out the overall prior conduct caseload in 2024, including the number of declarations received and dealt with by the Enforcement Team.

Cancelled cases are those that involve incorrect declarations, such as protected cautions or convictions, or multiple, duplicate declarations.

On hold prior conduct cases are declarations relating to ongoing investigations and proceedings by other bodies that have not yet received a final determination. As at the end of 2024, CRL no longer places such cases on hold. Instead, applicants are encouraged to defer re-applying until they have received a final determination. If that is not agreed, the case is referred to the PCP for a decision or referred for further investigation under the misconduct procedure.

Prior conduct declarations from practitioners and those seeking to hold approved roles in authorised entities, including ACCA-Probate CILEX Practitioners, are included in the figures below. Declarations made on behalf of CRL entities are excluded from the figures.

	2022	2023	2024
Total declarations received	258	255	231
Total live cases (excluding cancelled)	-	366	308
Total cases resolved	303	280	227
Total live declarations on hold at end of year	-	23	6
Total cancelled cases	-	10	71

At the beginning of January 2024 there were 77 live prior conduct cases (cases opened before the start of 2024), a 31% decrease compared to the 111 that were open at the start of 2023.

During 2024 the Enforcement Team received an additional 231 cases, resulting in a total of 308 prior conduct cases that were live during the year, of which approximately 74% (227) were resolved. CRL finished the year with 81 prior conduct cases, including those on hold.

At least 41 out of the 81 live prior conduct cases will require a PCP decision. Work has been carried out to prioritize and determine all cases received before 2024.

## Resolved Prior Conduct Cases

The table below sets out how the 227 prior conduct cases that were resolved in 2024 were determined, compared with the previous two years.

Rejected cases are those relating to applications for membership or authorisation only. Approved cases also include declarations that either received a sanction or were escalated to be dealt with as misconduct.

	2022	2023	2024
Total resolved prior conduct cases	303	280	227
Delegated	238	222	178
Rejected (committee)	-	9	17
Approved (committee)	-	49	32

Of the 227 prior conduct cases that were resolved, 178 were delegated decisions (approved by an Investigation Officer without reference to the PCP). The remaining 49 cases were referred to the PCP for determination, of which 17 were rejected and 32 approved.

## Declarations dealt with by the Professional Conduct Panel

Of the 49 cases that received a PCP decision, 33 related to declarations received before 2024, and 16 to declarations received during 2024. 34 of the 49 cases (69.4%) related to investigations and proceedings taken by other regulators.

## Declarations dealt with by Delegated Decision

Of the 178 cases dealt with by delegated decision, 33 related to declarations received before 2024, and 145 during 2024. The main types of declaration dealt with by a delegated decision were as follows:

2023			2024		
[Data taken from 2023 Annual report]	No	%		No	%
Civil judgements	71	32	Civil judgements	72	43
Cautions and convictions	40	18	Cautions and convictions	15	9
IVAs and other compositions with creditors	30	13.5	IVAs and other compositions with creditors	21	13
Bankruptcies	27	12.1	Bankruptcies	11	7
			Investigations and proceedings by regulatory or professional bodies	42	25



Declarations of financial matters such as CCJs, IVAs and Bankruptcies made up 56% of declarations that were approved. The majority of the financial matters declared related to personal circumstances and did not involve any related criminal conduct or breach of the CILEX Code of Conduct.

Under the Enforcement Rules, the determination of prior conduct declarations relating to investigations and proceedings by other regulators falls within the PCP’s remit. However, CRL can approve and resolve declarations relating to investigations and proceedings that have already been considered and determined by the PCP and conduct that is (or has previously been) the subject of an ongoing CRL misconduct investigation.

Delegated authority can also be obtained from the PCP on a case-by-case basis to take no further action in respect of declarations relating to investigations and proceedings by other bodies that resulted in no further action. Where an investigation or proceedings by another body raises regulatory concerns, delegated authority is obtained to resolve (and close) the prior conduct case and open a misconduct investigation.

In 2025, CRL will explore the possibility of obtaining additional delegated powers from the PCP to determine certain types of prior conduct without reference to the PCP.

**Prior Conduct Timescales**

The average time it took for an investigator to make a delegated decision in 2024 was 9 weeks, a decrease on the 2023 average of 11 weeks. In comparison, the average time taken from receipt of a declaration until determination by the PCP was 50 weeks, up from 38 weeks in 2023.

The PCP tends to deal with the more serious and/or complex declarations compared with those dealt with under delegated authority. As a result, they take substantially longer to determine, particularly when the matter is referred to the PCP after the other body had completed its investigation.

There were a number of internal projects to improve progression of prior conduct cases, including the development of internal guidance documents, a mapping end-to-end process and the production of template information requests and PCP reports, highlighting key considerations. Their key outcome has been to reduce the workload and resources required for preparing reports, particularly in more straightforward cases.

**Misconduct Complaints and Allegations**

The triage procedure for new complaints continued to operate well with initial reviews completed on receipt of complaints, prior to allocation to an investigation officer.

This triage procedure allows for better risk assessment and identification of the most serious cases that may require an interim order to suspend or restrict a regulated person’s practice, as well as cases that may need to be placed ‘on hold’ pending the outcome of an investigation or proceedings by another regulator, the police or other prosecuting authority. Further, the initial reviews help prevent newer cases from being added to the backlog as it allows an investigator decision to be made at the outset where the matter reported does not warrant a misconduct investigation.

The following table shows the number of misconduct complaints in 2024.

Misconduct Cases 2024	
Cases open at the start of 2024	136
Reports received in 2024	74
Total live cases in 2024	210 (175 individuals)
No of cases determined in 2024	104 (closed cases, 93 individuals)
Investigator decisions made in 2024	102
PCP decisions in 2024	22
On hold misconduct cases at the end of 2024	39

There were 210 live misconduct cases during the course of 2024, relating to 175 individuals. Out of these, 74 related to reports of misconduct that were received during the course of the year. A total of 104 misconduct cases were determined in 2024, leaving 106 live cases, excluding those on hold.

The majority of the 74 reports of misconduct received in 2024 related to Authorised Persons, namely Fellows (48) and Entities (2). The remaining reports were against non-authorised paralegal members (24).

Most of the reports were made by clients and third-party members of the public. The table below sets out the source of complaints in all 74 reports of misconduct, compared with the previous 2 years. The reports from CILEX all related to allegations of academic malpractice.

Source of report	2022	2023	2024
Client	9	16	22
Third Party (member of public)	18	13	17
Third Party (legal opponent – individual)	12	17	9
Third Party (legal opponent – firm)	2	6	6
Employer (regulated)	10	10	5
Other Regulator/ Professional Body	5	4	5
Employer (unregulated)	-	-	2
Police/ other prosecuting authority	1	-	2
CILEX Member/ Regulated Person (Prior Conduct)	1	-	2
Unknown / unrecorded	2	-	2
PCP (Prior Conduct)	-	-	1
CILEx Regulation	1	2	1
CILEX	11	6	-



Reports of misconduct to CRL do not always result in formal allegations or charges. Initial concerns may either be modified or rejected after a preliminary investigation where:

- CRL has no jurisdiction to investigate
- there is no associated breach of the Code that is capable of amounting to professional misconduct, or
- the matters reported fall outside the one-year limitation period set out in the Enforcement Rules for reporting concerns.

The complaint from CRL was a referral from the entity authorisation and supervision team and related to a failure to submit an AML statement on time.

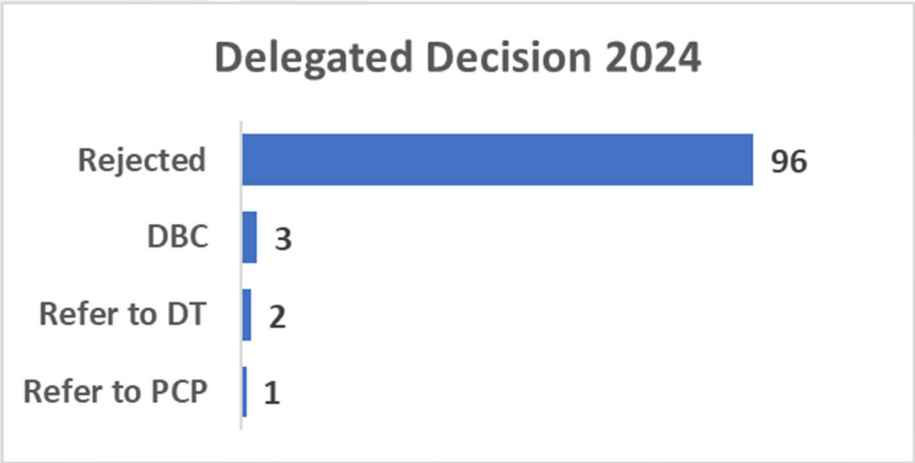
Many of the allegations made by clients (including service-related complaints) were outside CRL’s jurisdiction to investigate and determine. The most serious types of conduct that CRL investigated and/or which resulted in a finding or admission of misconduct in 2024 included:

- dishonesty
- misleading clients and the public
- holding out and acting outside authorisation
- academic malpractice.

There was no evidence of misconduct relating to financial sanctions breaches. Further work is needed to identify and capture trends in the nature of conduct reported that lead to formal allegations/charges and findings of misconduct.

Delegated decisions for misconduct cases

In 2024, there were 102 delegated decisions taken by officers. The breakdown of decisions is shown in the chart below.



Complaints are rejected where there is: no evidence available to substantiate an allegation; the facts alleged do not disclose misconduct; CRL has no jurisdiction; or where more than a year has elapsed since the conduct complained of took place.

Once a complaint has been rejected by an investigator, complainants currently have an absolute entitlement to ask the PCP to review the investigator’s decision to reject an allegation. In 2024, the Investigators’ decision was upheld in all complaints that were subject to a PCP review.



## Professional Conduct Panel decisions - Misconduct Cases

In 2024, the PCP considered 25 misconduct cases relating to 23 Individuals as follows:

PCP Decision/Outcome	No of cases
Rejection upheld	13
DBC approved	7
DBC refused	1
Case to answer	1

The PCP approved 7 recommendations for a determination by consent (DBC) and refused one recommendation as it considered the proposed sanction too lenient.

The PCP upheld 13 officer decisions to reject a complaint following the complainant's request for a review of the officers' decisions.

The Enforcement Rules currently provide complainants with a right to request a review of an investigator's decision to take no further action in respect of a report of misconduct, regardless of the stage at which the case is rejected, or the basis on which it is rejected. This additional oversight remains an important option for complainants, but CRL is mindful that this should not be treated as a default approach by complainants.

Reviews are often requested without any grounds presented, even where the complaint is rejected because CRL has no jurisdiction to consider the matter, where no formal allegations have been raised due to a lack of evidence and sometimes where the complaint is vexatious. Investigators at times, spend a disproportionate amount of time preparing lengthy reports for the PCP to review the complaints, which reduces their capacity to progress other potentially serious investigations.

In the last four years, the investigators' decisions have been upheld by the PCP in 100% of cases. Only one case resulted in a referral back to the investigator because the PCP required additional information. The overall decision to take no further action was subsequently upheld.

To redress the balance, CRL reviewed the mechanism by which complainants request a review of an officer's decision, to ensure that the key issues being challenged are more clearly identified. A review request form is now available for complainants which requires the grounds for review to be clearly set out. A more streamlined template PCP report was also introduced to assist investigators and provide more consistency and clarity around complaints' grounds for review and whether there are genuine concerns to be addressed.

## Misconduct Timescales

In 2024, the average time it took officers to reach a decision was 51 weeks, whereas the average time from receipt to a PCP decision was 72 weeks.

CRL held regular, documented team-wide case reviews as well as regular case discussions with individual case officers to identify key issues, risks and any barriers to progressing cases in a proportionate, fair and timely manner. All misconduct cases, including those on hold, are now required to be reviewed at least once in the last two months, instead of the previous time frame of every three months.

The timescales for misconduct can often be lengthy because of the nature of allegations raised, they often involve investigations and proceedings taken by the police and other regulatory bodies. One of the key challenges to progressing such cases, is the limited availability of operational guidance to assist investigators with the proactive management of cases, particularly around parallel investigations. Further work is required to ensure a better understanding of CRL's ability to legitimately progress such cases.

## Staffing

The Investigation and Enforcement Manager left CRL in February 2024, as did their replacement in July 2024. A review of the Enforcement Teams structure was undertaken, and a recruitment campaign was launched at the end of November for a Lead Investigation Officer and Professional Support Lawyer. One Investigation Officer left CRL in December 2024.

At the end of 2024, the Enforcement Team comprised:

- Disciplinary Standards Manager
- 1 Full-time Investigation Officer
- 1 part-time Investigation Officer
- 1 full time Investigation Assistant.

CRL will seek to recruit additional staff to join the Enforcement Team in 2025.

In 2024, opportunities for external training and the acquisition of qualifications relevant to the role were taken by investigation officers during the year.

The enforcement team received training on its documented end-to-end processes for prior conduct and misconduct cases. Two training sessions were held to develop a shared understanding of the processes and identify improvements to the quality and efficiency of investigations, file management and quality assurance mechanisms.

The team continued to develop its internal case law library and knowledge hub, which contains guidance on key regulatory matters to assist with the investigation and determination of matters. The developments included guidance on CRL's ability to lawfully interfere with its regulated community's rights under the ECHR, guidance on applying for interim orders, and caselaw summaries on dishonesty, integrity, insight, remorse, and reinstatement.

## Communications

The Enforcement Team ensures the availability of guidance and material to the regulated community, the public and other stakeholders who may rely on CRL's enforcement work.

In 2024 additional resources were developed around professional conduct and ethics, including guidance on communications and the use of social media and the misuse of non-disclosure agreements. A webpage dedicated to professional conduct and ethics was created to pull together relevant guidance for the regulated community. CRL is working to update this area with more detailed guidance on the operation of the CILEX Code of Conduct and examples of the types of behaviours that could be caught under each principle of the Code.

## Intelligence Sharing

CRL remained committed to continuing co-operation with other regulators and law enforcement agencies and sharing information to protect the interest of consumers.

In April 2024, CRL met with HM Land Registry to explore the possibility of arranging a memorandum of understanding to share data to assist in preventing and detecting registered title fraud.

## Data analysis

CRL identified that a review of its KPIs is required to enhance case management and the analysis of outcomes.

Further work is needed to develop CRL's case monitoring and reporting structure. The ability to more clearly categorise the types of conduct reported to CRL and capture trends in the cases dealt with by CRL, would assist CRL to identify where additional training and resources for decision makers and the regulated community would be useful.

## Conclusion

In 2025 CRL will:

- focus on those complaints causing greatest risk to the public
- continue its work on improving timescales for the resolution of misconduct complaints and prior conduct declarations
- develop its monitoring and reporting of misconduct cases
- seek to implement new KPIs and timescales for the resolution of prior conduct declarations.
- build on the information and guidance it provides to its regulated community, particularly around professional conduct and ethics.