

Regulatory Performance Action Plan 2025

Board	CRL Board
Exec	Executive Team
CEO	Chief Executive Officer
DoR	Director of Regulation
DoG	Director of Policy and Governance
HoF	Head of Finance
HoE	Head of Education
Mol	Manager of Investigations Team

	RPA Finding	Action	Responsibility	Timing/Status
	Summary			
1	Quality of Applications to the LSB CRL has not demonstrated that it has a robust process that considers impacts and evidence thoroughly for applications to change its regulatory arrangements (para 3).	<ul style="list-style-type: none"> Establish an internal quality assurance process to review applications before submission Ensure the development timetable allows for engagement with the LSB prior to submission. 	DoG/Policy Officer	Q3 – in place for 2026 PCF application and standalone litigation rights application.
2	There have been quality issues with each of the three applications for approval of changes to regulatory arrangements submitted by CRL, raising concerns about CRL's understanding of the legislative and policy context to make effective applications – including, for example, consistency of definitions with those used under the Legal Services Act 2007 (para 58).	CRL continues to work to meet the LSB's expectations	Exec	CONTINUING Positive feedback on probate standards application Standalone litigation rights

				application approved within 28 days.
3	Very little information was provided in that application regarding management of training and ongoing competence for regulated individuals who gain higher rights of audience (para 59)	Additional detail will be provided in relevant applications to the LSB	DoG/HoE	CONTINUING
4	Over the next 12 months, we expect CRL to improve the quality of any applications it submits to the LSB, particularly in relation to providing robust evidence and impact analysis (para 60).	Additional detail will be provided in relevant applications to the LSB	Exec	CONTINUING
	STANDARDS			
	<u>Well-led</u>			
5	To date, CILEX has not actioned CRL's requests to transfer the reserves (para 14).	CRL renew request for reserves regularly and keep LSB advised	CEO	CONTINUING
6	External Board Effectiveness Review We question the rationale for postponing the [external] board effectiveness review but acknowledge the decision to do so is a matter for CRL (para 28).	Terms of reference have been agreed. External board effectiveness review has been initiated.	Board	COMPLETE
7	We expect CRL to carefully consider its work programme, its ability to deliver on activities and be transparent when it is no longer able to do so (para 33).	Discontinuance of activities to be included in Corporate Plan Deliverables Progress Report, Annual Reports and Corporate Plan	Exec/Board	CONTINUING
8	We will consider CRL's 2025 PCF application in our next assessment and expect to be provided with more substantial	CRL's 2025 PCF application drafted so it meets LSB expectations Ensure early engagement with LSB before final submission	CEO/HoF	COMPLETE

	evidence on how CRL clearly shows the allocation of PCF income to regulatory activities (para 36).			
9	Carry over from RPA Action Plan 2023	Confirm effectiveness of current performance metrics for core regulatory processes.	DoR	Q4 2025
	<u>Effective approach to regulation (10)</u>			
10	CRL intends in 2025 to carry out supervisory onsite inspections of CRL firms, to inform a review of the AML statement that will consider if further targeted questions are needed and to refine risk scores (para 46).	CRL prepare programme for onsite inspections	DoR	ON TRACK
11	Stakeholder survey and engagement with consumers CRL could do more to seek direct engagement with consumers. Last year, CRL said it would commission a stakeholder and regulated community perception survey. We said in response that we would expect such a survey to consider consumer views (para 53).	<ul style="list-style-type: none"> • CRL to circulate draft questionnaire to all CRL firms and unregulated AML supervised firms with 2 week response time • CRL commission a stakeholder (to include consumers) and regulated community perception survey • Establish a consumer engagement group 	DoR/Entity Officer DoR/Entity Officer DoG	ON TRACK
12	Given the new strategy focus, we expect CRL to improve its efforts to directly engage with consumers to inform its activities over the next 12 months (para 54).	See 11 above	DoG	Q4 2025

13	Enforcement CRL has committed to monitoring the procedure and will also publish additional guidance on the fairness criteria for transparency reasons. We also note that the Enforcement Annual Report (EAR) set out future plans, including a public consultation on its approach to enforcement, including focusing on complaints that cause the greatest risk to the public. We note CRL's commitment to transparency, improving its disciplinary and enforcement processes and look forward to seeing its proposed further work on this matter (para 63)	Update to be provided in Enforcement Annual Report September Board discussion with the DT Chairs Action Plan to be presented to Board to implement the outcomes of CRL's own review of enforcement practice and address the effectiveness of its enforcement tools in tackling AML breaches of administrative nature	Mol Board & DT Chairs	COMPLETE COMPLETE Q1 2026
14	EDI Development and consultation on a refreshed EDI strategy to align with the new corporate strategy has also been proposed for 2025. We will continue to observe CRL developing and implementing their next EDI strategy for the next assessment (para 66)	Draft EDI Strategy reviewed at CRL Board Strategy Day	DoG/Policy Officer	ON TRACK
15	CRL did not link [the consumer digital exclusion research] to its response to the characteristic of reducing inequalities in services for the consumer and public. We anticipate that this research will be concluded in time for the assessment next year and encourage CRL to consider how the research may be used in its activities to meet that characteristic (para 67)	Mapping document updated	DoR	ON TRACK FOR Q4 2025
16	Compensation Fund • It would be prudent for CRL to consider how it intends maintain and collect contributions from its regulated community longer term.	Terms of Reference be drafted for the Strategic Risk Committee to assess the relative merits of the	DoR	Q2 2026

	<ul style="list-style-type: none"> • We note that there are difficulties across the insurance market, which increase risks to the consumer, and it is in CRL's interests to ensure that the compensation fund is viable and sustainable for the future. 	various options and recommend a preferred option to the Board		
17	<ul style="list-style-type: none"> • We also expect CRL to make an application for approval of each collection of the compensation funds, regardless of whether the amount proposed to be collected remains unchanged from the previous year (para 70). 	Application to LSB for approval of compensation fund collection to be made each year	DoR	COMPLETE
17	We will continue to monitor this next year and expect CRL to make a proper application for fund collection, as well as developing an approach to ensure the longevity of the compensation fund (para 71)	See 16 above	DoR	Q4 2025
	<u>Operational delivery (7)</u>			
18	<p>Evaluation of Transparency Rules</p> <p>We expect to see evidence regarding compliance with, and the monitoring, evaluation and impact of, these new transparency rules in future years as they bed in. This should include CRL using the results of its formal evaluation, research inputs (such as the ongoing digital exclusion research) and other evaluation methods as appropriate, to monitor the effectiveness of their approach and its impact on consumers, adapting their approach going forward if necessary (para 78)</p>	<ul style="list-style-type: none"> • Compliance with transparency rules has been incorporated into the annual review process for each CRL entity. • The evaluation process will be run in 2026. It will also draw on research (such as the digital exclusion research) 	DoR DoG	CONTINUING Q4 2026
19	CRL stated it was aware of instances where there were limited availability for courses, due to the availability of tutors delivering the specialism. CRL sought to remedy the limited availability by working with course providers to schedule additional courses and seek alternative training providers (para 84)	CRL Board is regularly notified of improvements in training provision achieved following discussions with providers	DoG/HoE	CONTINUING

20	The website includes links to Enforcement Rules on its website dated 2018, 2019, 2020, 2021 and 2023, but it is difficult to discern which are current. CRL may wish to clarify which rules are currently in force (para 94)	Amendments made to website to clarify status of rules	DoR	COMPLETED
21	<p>Conduct Investigations</p> <p>We are aware from our information request that CRL is continuing work to improve the quality and timeliness of investigations by developing guidance for investigation planning, parallel investigations, and applying for interim orders. Guidance on applying for interim orders is currently being trialled by CRL. We look forward to hearing further about this work in next year's enforcement report, as well as the outcomes from the trial interim order guidance (para 98)</p>	<p>Update to be included in Enforcement Annual Report</p> <p>Action Plan to be presented to Board to implement the outcomes of CRL's own review of enforcement practice and address the effectiveness of its enforcement tools in tackling AML breaches of administrative nature</p>	DoR/MoI	<p>Q3 2025</p> <p>Q1 2026</p>
22	<p>Risk Matrix</p> <p>CRL noted that the information provided for the purposes of the risk matrices is self-reported by members. CRL noted that in 2025 it will undertake a validity data check with any member who is assessed as high risk. CRL will then develop a proposal for further action, for consideration and approval by the CRL Board. CRL notes that this may include introducing further training requirements, imposition of conditions on practice or referral to the Enforcement team (para 100)</p>	<p>A report has been submitted to the Board at its meeting in July 2025</p>	DoG/HoE	COMPLETE
23	<p>Thematic Reviews</p> <p>CRL did not provide us with sufficient evidence in its mapping document to consider its approach to maintaining appropriate standards of conduct and responding to thematic issues arising from operational activity. This resulted in a further follow up request for information. CRL</p>	<p>Review mapping document to ensure that CRLs' responses to thematic issues from operational activity is appropriately recorded.</p>	DoR	Q4 2025 – Q1 2026

	<p>provided us with draft guidance which has not been published and is not in the public domain. On this basis, we do not have sufficient assurance of CRL's approach to responding to thematic issues arising from operational activity. We expect next year for CRL to provide evidence for all the characteristics in a systematic and consistent fashion (para 101)</p>	<p>Draft guidance to be reviewed and published.</p>		
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