

<b>Date</b>	<b>9 December 2025</b>
<b>Item</b>	<b>11.00</b>
<b>Title</b>	<b>Consultation Updates</b>
<b>Author</b>	<b>Jonathan Levack, Director of Policy and Governance</b>
<b>Purpose</b>	<p>The paper also provides a first draft response to two consultations:</p> <ul style="list-style-type: none"> <li>- Office for Legal Complaints, draft Business Plan and Budget 2026/27</li> <li>- HMT Consultation on Anti-Money Laundering and Counter-Terrorist Financing Supervision Reform</li> </ul>
<b>Recommendation</b>	To <b>DISCUSS</b> and <b>APPROVE</b> the draft consultation responses.
<b>Timing</b>	<p>Deadline for consultation responses are:</p> <ul style="list-style-type: none"> <li>- 16 December 2025</li> <li>- 24 December 2025</li> </ul>
<b>Impact assessment</b>	None
<b>Impact on Regulatory Objectives</b>	N/A
<b>Implications for Resources</b>	Beyond the immediate resource impact of responding to the consultations, the transfer of AML supervision to the FCA will have resource implications both during and after that transition.
<b>Impact on Consumer Empowerment</b>	N/A
<b>Impact on Ongoing Competence</b>	N/A
<b>Publication Status</b>	Final Approved consultation response only
<b>Appendices</b>	<p><b>11.01</b> CRL Response to OLC Business Plan and Budget 2026/27</p> <p><b>11.02</b> CRL Response to HMT Consultation on Anti-Money Laundering and Counter-Terrorist Financing Supervision Reform</p>

## Introduction

1. The Executive have drafted two consultation responses for Board consideration.

### **Office of Legal Complaints, Draft Business Plan and Budget 2026/27**

2. This sets out CRL's response to the [OLC's consultation](#) on LeO's business plan and budget.
3. While we are supportive of the LeO and its role, the draft response sets out CRL's concerns that the 12% increase in LeO's budget sought on is not justified. This is based on:
  - Feedback from the regulated community
  - The proposal being the second significant increase in costs in two years
  - The draft not accounting for new first tier complaint handling regulations coming into force
  - The forecast increase in complaints being too speculative.
4. The deadline for responding is 16 December 2025.

### **HM Treasury: Anti-Money Laundering and Counter-Terrorist Supervision Reform – Duties, Powers and Accountability**

5. HMT are [consulting](#) to enact the Government's decision to consolidate AML regulation under the FCA. CRL's draft response is attached.
6. Our response is generally supportive of the change but advocates for a proportionate, risk-based approach that takes account of the legal sector's specificities.
7. The deadline for responding is 24 December 2025.

## **Recommendation**

8. The Board is asked to review the two draft consultation responses. We welcome comments and seek approval from the Board to submit these responses, subject to comment.