

## Adjudication Panel Chair's Annual Report to Council

**Purpose:** For Noting

**Author:** Adjudication Panel Chair

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### Summary

The Adjudication Panel makes disciplinary determinations and hears appeals against regulatory decisions of the CLC. The Adjudication Panel comprises of Lay and Professional Members who are independent of the CLC.

The Adjudication Panel Chair's Annual Report to Council is attached at Appendix A.

The Adjudication Panel Chair will be attending the Council's meeting on 26 October 2023.

The Council is invited to review the Chair's Annual Report and consider whether it would like to explore or discuss particular matters with Victoria Goodfellow, Chair of the independent Adjudication Panel in advance of her attendance at its next meeting.

### Recommendations

The Council is invited to note the report and identify any particular areas for discussion with the Adjudication Panel Chair at its meeting on 26 October 2023

### Regulatory Objectives

The Adjudication Panel, which is independent of the CLC Council, supports the following regulatory objectives:

1. protect and promote the public interest
2. support the constitutional principle of the rule of law
3. improve access to justice
4. protect and promote the interests of consumers
5. increase public understanding of the citizen's legal rights and duties
6. promote and maintain adherence to the professional principles

### Communications requirements

The report of the Chair of the Adjudication Panel is not for publication.

Forthcoming hearings of the Adjudication Panel and decisions are published [here](#) on the CLC website.

# **ADJUDICATION PANEL CHAIR'S REPORT TO COUNCIL**

**2022/2023**

## 1. Introduction

- 1.1 This report provides an overview of the work of the independent Adjudication Panel from August 2022 to July 2023 and its effectiveness in upholding the regulatory standards of the profession.

## 2. Cases referred to the Adjudication Panel

- 2.1 The last year has been a busy and eventful one for the Adjudication Panel. Over the preceding year, the Adjudication Panel ("the Panel") has heard nine substantive cases, including two hearings which lasted at least five days.
- 2.2 Where appropriate, decisions of the Panel are published [here](#). Cases considered by the Panel have comprised:
- (a) Mellen & Co – The allegations, which were admitted related to breaches of the Accounts Code, Professional Indemnity Insurance Code and the Code of Conduct. The Respondent admitted the allegations and the Panel imposed a reprimand, as well as a fine of £8,000 against the Respondent and a fine of £10,000 against the practice.
  - (b) Mr. Philip Harris – The allegations related to breaches of the Code of Conduct and the Accounts Code. The decision of the Panel was that the Respondent had acted dishonestly, including financial dishonesty and the Panel imposed a four-year disqualification and ordered a contribution towards costs of £3,000.
  - (c) PCS Legal – The allegations, which were admitted related to breaches of the Code of Conduct, the Accounts Code, failure to comply with the Complaints Code and not responding sufficiently promptly to the Legal Ombudsman. The Panel imposed reprimands and fines on practice Directors Stuart Forsdike and Kate Forsdike and a fine on the practice as a Recognised Body of £23,000. In addition, an order for the payment of the full amount of The CLC's costs was made against the practice.
  - (d) Mr James Marshall and Mr Jeremy Kotze – The Panel heard allegations against two directors of Stratega which related to breaches of the Code of Conduct, Conflict of Interest Code, Complaints Code, Estimates and Terms of Engagement Code, Anti-Money Laundering and Combating Terrorist Financing Code, Accounts Code, Supervision and Management Code. Subsequent to a Panel hearing of 5 days' duration, those matters which the Panel found proven included misconduct against a client, lying to the CLC, dishonesty in relation to assurance about client money and serious breaches of the Anti-Money Laundering Code and Code of Conduct. The Panel imposed permanent disqualifications on both Respondents, revoked their existing licences and imposed fines of £10,000 on each of the two directors. No separate penalty was imposed on the practice, as it had already been dissolved. Each of the two directors was ordered to pay contributions towards the CLC's costs in the sum of £44,000 inclusive of VAT
  - (e) Quality Conveyancing – The Panel heard allegations against two directors and an employee of the practice which included breaches of the Code of Conduct, the Accounts Code and Anti-Money Laundering Code. Subsequent to a Panel hearing of 5 days' duration, the Panel imposed a reprimand on the two directors of Quality Conveyancing and a condition on the Recognised Body licence of the practice requiring them to provide an independent audit of the practice's compliance with anti-money laundering requirements which is to be undertaken in October 2024. In addition, the Panel imposed fines of £5,000 on one of the

directors individually, and £10,000 on the practice. The two directors jointly and severally were also ordered to pay £106,342.50 towards the CLC's costs.

Allegations against an employee of the practice were not found proven.

- (f) Nicki Fuller – the CLC sought to revoke the licence granted after the necessary qualification award was withdrawn by the awarding body, thus rendering the individual ineligible for a licence. The Panel found no wrongdoing on the part of the licensee, but that the licence had been granted in error because without the requisite qualification the Respondent was ineligible for a licence.
- (g) Licence Appeal – The Panel heard an appeal against a decision of the CLC to refuse to grant a practicing licence as an individual and a Recognised Body. The Panel rejected the appeal.

2.3 In addition to the above cases, the Panel has considered one Compensation Fund Review case. This was the last of such reviews to be conducted by the Adjudication Panel, as they no longer fall under its jurisdiction.

### 3. Adjudication Panel Hearings

- 3.1 Adjudication Panel hearings are held remotely, unless there is a reason why a hearing cannot be held fairly or effectively by video link. Parties are invited to make a request for an in-person hearing if they believe there is such a reason, and decisions are made on a case by case basis.
- 3.2 Three hearings have been held in person, with the remainder being held remotely either by Microsoft Teams or Zoom. Both methods have been effective.

### 4. Adjudication Panel Membership

4.1 Membership of the Adjudication Panel comprises Lay and Professional Members. Hearings and meetings of the Panel that are convened to take decisions always consist of a Lay Chair and a Lay majority.

4.2 Following a successful application to the Legal Services Board to extend the number of lay panellists, four new lay members were appointed and took up office during Quarter 2 and Quarter 3 of 2022.

4.2 The new members attended an induction with me at the CLC office premises and were able to meet with our Panel Administrator and the CLC's Director of Finance and Operations during their induction. They have all adapted well to the role, and bring experience from other regulators and professional bodies which is useful to the Panel generally.

4.3 The Panel's membership during 2022/2023 has been as follows:

Victoria Goodfellow (Lay Chair)

Paul Brooks (Lay member)

Catherine Fewings (Professional member)

Rachel Forster MBE (Lay member)

Andrew Hudson (Lay member)  
John Jones (Professional member)  
Isobel Leaviss (Lay member)  
Robert McKellar (Professional member)  
Helen Riley (Lay member)  
Gillian Seager (Lay member)

## 5. Plans for the coming year

5.1 Forthcoming Adjudication Panel hearings are listed [here](#).

5.2 At present, there is one case listed for hearing from 4-6 October 2023, but it is anticipated that further cases will be referred to the Panel shortly.

5.3 We are working with the CLC to improve the information about the independent Adjudication Panel that is accessible on the website, including brief biographies of each panel member.

5.4 Following a detailed review which will conclude with the submission of an application to the Legal Services Board, we hope to see new Adjudication Panel Rules coming into force, which will significantly improve the scope and procedures of the Panel's work.

## 6. Conclusion

6.1 As you will see, this has been a very busy and effective year for the Panel, where the importance of upholding the professional standards set by the CLC has been paramount and underlined by the decisions reached by the Panel. The imposition of sanctions and costs has been significant, and has drawn attention from the profession generally, which is an important part of continuing to uphold and enforce standards. As a Panel, we are keen to continue with this work and to continue to make fair and balanced decisions.

**VICTORIA GOODFELLOW**  
**ADJUDICATION PANEL CHAIR**