



The Faculty Office of the Archbishop of Canterbury

Registrar's Annual Report 2023 for the year ending 31 March 2023

Size of the profession

In the practising year ended 31 October 2022, 725 notaries had a current practising certificate (down from 731 in the year to 31 October 2021). We were formally advised of 14 notaries retiring from practice and a further 4 were taking a career break. Sadly we were also advised that one notary had passed away.

However, in the current practising year to 31 October 2023, 743* notaries took out a practising certificate; we were notified of just six notaries retiring from practice and a further two were taking either sabbatical, parental or other leave for all or part of the year. A number of notaries who advised they were taking a sabbatical in the previous year have not yet returned to practise. We were also advised that two notaries had died.

During the course of the calendar year 2022 the Master admitted 41 new notaries – up from 37 in 2021, so for the first time in many years the profession is now growing again with the number of retirements reducing and a healthy number of newly qualified notaries entering the profession.

*We have also been advised that 49 students have successfully completed the notarial practice course at UCL this summer and a good number of these have already been admitted and started practising; these are in addition to the 743 practising notaries referred to above.

Regulatory work

The Faculty Office's priorities are included in our Business Plan (2022-2025) and the up to date Action Plan is published on the Faculty Office website. They have been grouped into the regulatory objectives. We review progress against our plan at the Master's Quarterly Council meetings. We are pleased that two of the priorities have already been achieved.

Firstly, as part of the Faculty Office's commitment to education we held a high-profile lecture on the Rule of Law. Sir Keith Lindblom (Senior President of Tribunals) spoke powerfully on the topic. Secondly we had as a priority building up the Faculty Office's reserves to the equivalent of six months' expenditure. With prudent budgeting and controlled expenditure we have achieved this. The operating reserve currently stands at £272,716 which is a little over six months of the budgeted expenditure for the current year.

Complaints

The Faculty Office received seven complaints against notaries public in the 2022-2023 period, of which three were against the same notary who has since been struck off. Two complaints were closed on the basis that there was no case to answer. Of the two remaining cases, one was referred under the first-tier complaints process to the Notaries Society and the other has been referred to the Court of Faculties and a hearing date is likely to be set for Q3/4.

In addition, three existing complaints were concluded through the Court of Faculties where one notary was struck off and the other received an admonishment. Details of these cases, including performance data can be found on the Faculty Office website.

Advisory Board

The Advisory Board met on four occasions in the period covered by this report under its acting Chair, Michael Heap. The major items on the agenda were the LSB's *ongoing competence - new statutory statement of policy*; the Faculty Office's Action Plan to the LSB's governance review; the Faculty Office's consumer survey; the LSB's proposed regulatory performance framework consultation and the Faculty Office's response; The Faculty Office's Business Plan and delivery action plan; Law-tech/AI developments; LSB's *Statement of Policy – empowering consumers*; guidance on remote notarisation; sanctions; criminal record checks; review of governance policies; digital comparison tools; Legal Ombudsman – Change in Scheme Rules and AML/OPBAS matters.

Qualifications Board

The Qualifications Board met on five occasions in the period covered by this report. During the period the Board considered **95** applications for Certificates of Exemption. Of these, **28** were issued with Certificates of Exemption immediately following the meeting at which they were considered. The grant of Certificates to the remaining **67** was conditional upon further study or the provision of further information, as a result of which **9** further Certificates were issued over the year. In total **37** Certificates of Exemption were issued in the period. In addition to scrutinising applications for Certificates of Exemption the Board also considered the report by Law Training Centre Kent for the provision of level 6 Modules to replace that offered previously by CILEx.

Audit Committee

The Audit Committee met on three occasions in the period covered by this report under the chairmanship of Nicholas Hatzis. It particular it focussed on: risk, reviewing the risk register, on reviewing the findings of the audit report; the LBMW value for money review; cyber security; Faculty

Office budgets and the draft business plan. It refreshed its membership during the period following an advert for new members and an interview process.

New/Revised Rules

None during the period.

Financial

This report covers the year from 1 April 2022 to 31 March 2023, our accounting year.

The accounts for the regulatory arm of the Faculty Office are attached and show a surplus on the year of £182,643. In line with good practice and the costs transparency requirements of the LSB, budgets for the years ending 31 March 2024, 2025 and 2026 have been prepared and are also attached; these budgets anticipate an anticipated inflation figure of 5% for 2024/25 and 3% for 2025/26.

We have recently published a consultation on the practising certificate fees for the practising certificate year commencing in the autumn. This consultation is currently ongoing.

There is, as ever, significant pressure on the budget including significant extra spend on an AML consultant, a governance expert and the obvious inflationary pressures.

The 2022/2023 accounts for the Faculty Office Contingency Fund are also attached and I am pleased to report the balance is £160,239. This fund exists to provide cover for costs arising from disciplinary cases which are otherwise not recoverable from the notaries concerned. However, with one Nominated Notary currently appointed there is likely to be at least some call on the Fund in the coming year.

Inspections

The inspections of notaries' records and practices under the Inspections Regulations continued in 2022 and a further 18 notaries had their practices inspected by the four inspectors. As in previous years, a number of those also carry out Conveyancing and/or Probate in their capacity as notaries and those areas of their practices were included in the inspections.

The last inspection for this period was rearranged unexpectedly and delayed until June 2023. Consequently, the inspectors' report has not yet been finalised but will be available to view on the Faculty Office website in due course.

Tony Martin, Nigel Harding, Janet Goode and Sanjay Gogia carried out the inspections in 2022. Sanjay Gogia was appointed by the Master as an additional inspector in July 2021 and we will be advertising for additional inspectors later in the year. We would like additional inspectors who can inspect a notary's practice in wills and probate. Thank you to Tony Martin who retires as an inspector this year after many years of dedicated service to the Faculty Office's inspection regime.

In conclusion

Once again the Faculty Office has had a busy period in 2022/23, not only dealing with the day to day regulation of the notarial profession but also in addressing issues raised both by the two 'oversight' bodies, the LSB and OPBAS, and the various Government departments with whom we engage including the MoJ, the Home Office and HM Treasury. The Faculty Office continues to be extremely grateful for both professional Societies' support of its work and for the support which they provide to the profession.

HOWARD DELLAR | REGISTRAR

THE FACULTY OFFICE

25 July 2023

]