

Additional questions and answers to HM Treasury's consultation on Reforming anti-money laundering and counter-terrorism financing supervision:

- 1) **How do you use the powers that are available to you?** We would like to know what powers you have, and what they are rooted in. We know that your powers are largely publicly available, but we are interested in your experience using them. Of the powers you have, it would be useful to know which are the ones you use regularly, and which you do not, and why. If you think that there are any limitations in your powers, such as powers you feel it would be useful to have, or restrictions on their use, this would also be helpful.

The Bar Council is an Approved Regulator under the Legal Services Act 2007 (LSA 2007), regulating barristers in England and Wales. The Bar Standards Board (BSB) is an independent body to which the Bar Council delegates its regulatory functions. The BSB exercises regulatory independence. Regulatory powers are used exclusively by the BSB and we will defer to their response to this question.

- 2) **How do you determine your fee structures?** Are your AML/CTF fees separated out from fees for other forms of regulation you offer? Do they change depending on whether or not you provide regulated persons with AML/CTF supervision? How do you think your fee structures, and the fees you charge to your supervised populations, would have to change if you no longer carried out AML/CTF supervision?

Barristers pay an annual fee to the General Council of the Bar when renewing their practising certificate which is calculated based on their earnings in the previous calendar year. Approximately 70% of these fees go to the BSB, the remainder goes to the Bar Council. AML/CTF supervisory fees are not separated from the annual practising certificate fee (PCF) and a barrister does not pay any more if their work does not fall within scope of the 2017 MLRs.

Should AML/CTF supervision no longer be carried out by the BSB, the current fee structure may have to change. We publish annual consultations on our budget and the PCF, we would likely need to issue a consultation before deciding if and how any changes to the calculation of the PCF, for instance by charging a separate fee for AML/CTF supervision, could be made. Our most recent budget/PCF consultation can be found [here](#).

- 3) **Your wider regulatory functions.** We are thinking carefully about the impact of our proposals on the dynamics of legal sector more broadly and its wider regulatory landscape. Therefore we would be interested to know what the main other functions you carry out, other than AML/CTF supervision, and

how you think your ability to carry out this function would be affected by the models included in the consultation.

As with question 1, we will defer in large part to the BSB's response to this question. To add, as with all other legal services regulators, the BSB's objectives are laid down in the LSA 2007. Objectives which overlap with AML/CTF supervision include:

- protecting and promoting the public interest;
- supporting the constitutional principle of the rule of law;
- promoting and maintaining adherence to the professional principles.

A new regulatory objective is due to be added to the LSA 2007 by way of the Economic Crime and Corporate Transparency Bill and currently reads:

“promoting the prevention and detection of economic crime”.

The BSB will continue to further these objectives, including the new one, even if they are no longer AML/CTF supervisor. If the BSB is no longer the Bar's AML/CTF supervisor, they will likely lose expert knowledge which will hinder their ability to regulate and further these objectives. It will likely also lead to unnecessary duplication of work performed by the new AML/CTF supervisor, as well as to regulatory proliferation.