

The Legal Quality Standard of Ireland



JULY 2026 - ARTICLES & ITEMS OF INTEREST

LAW SOCIETY OF IRELAND IS CARRYING OUT A REVIEW OF BUSINESS RISK ASSESSMENTS

On the 2 July 2026 the Law Society of Ireland published in its Top Stories, an article titled 'Law Society Launches Thematic AML Review' stating the Law Society Regulation Department's AML unit, in accordance with its duties as the competent authority to monitor compliance with AML in the solicitors' profession, will be launching an AML thematic review of business risk assessments during July.

Thematic reviews are reviews conducted on supervisory topics to analyse compliance levels and identify trends that assist in the provision of guidance.

All law firms will receive formal notification shortly and will have until 30 September to submit an up-to-date business risk assessment for the firm to the Law Society for review.

A report outlining key findings will be issued following the review.

On the 29 July 2026, a follow on article was published stating, the AML (anti-money-laundering) unit of the Law Society's Regulation Department is carrying out a thematic review of business-risk assessments.

All law firms have received or will receive formal notification of the review and will have until 30 September to submit an up-to-date business-risk assessment for the firm to the Law Society for review.

To view these two top stories, see [Law Society launches AML thematic review](https://www.lawsociety.ie/gazette/top-stories/2026/july/law-society-looks-at-aml-risk-assessments/) and also <https://www.lawsociety.ie/gazette/top-stories/2026/july/law-society-looks-at-aml-risk-assessments/>

IRELANDS NATIONAL RISK ASSESSMENT UPDATED

Ireland has recently updated its Money Laundering, Terrorist Financing and Proliferation Financing National Risk Assessment (NRA).

The 2026 NRA provides a comprehensive, system-wide evaluation of the threats and vulnerabilities facing Ireland. It is intended to strengthen understanding of these risks across both the public and private sectors, supporting the development of targeted and effective mitigation measures. The assessment follows a structured, evidence-based methodology aligned with international standards.

The report has a chapter on 'Legal Service Providers' page 278. The report states this chapter should be read in conjunction with the Real Estate (page 193) and TCSP (page 252) chapters, which contain information on risks for Legal Services Providers ("LSPs") conducting conveyancing and TCSP related activity.

To view a pdf of the National Risk Assessment Ireland 2026 - Money Laundering, Terrorist Financing and Proliferation Financing and Priority Action Implementation Plan 2026 see [National Risk Assessments - Money Laundering, Terrorist Financing and Proliferation Financing](#)

KEY RECURRING ISSUES IDENTIFIED DURING LAW SOCIETY INSPECTIONS

On the 7 July 2026 the Law Society of Ireland published in its Top Stories, an article titled 'Keeping proper books key to good compliance'.

This article discusses the key points from the recent LSPT webinar '*Top Ten Tips for Compliance with Solicitors' Accounts*' (30 June).

The article states: -

'AML compliance now accounts for more than 30% of Law Society inspection activity'.

'In their presentations, Law Society investigative accountants Stephanie Furey and Michael O'Connor focused on recurring issues identified during inspections under the Solicitors Accounts Regulation 2023 and highlighted the practical steps firms can take to ensure compliance in day-to-day practice'.

'Furey states firms should ensure accounting records were maintained contemporaneously, supported by regular reconciliations, and overseen by a competent bookkeeper working closely with solicitors.'

'Each client matter, she added, must be recorded separately to ensure funds were clearly identifiable and properly tracked.'

'Michael O'Connor stated in conveyancing transactions, firms are expected to retain contracts, loan-discharge evidence, stamp-duty documentation, and title-registration

records. In probate matters, wills, grants of probate, beneficiary receipts, and bank confirmations are expected to be retained on file.'

The article discusses numerous key issues including: - missing documents, regulatory timeframes, accounting for client interest, simplified due diligence, thought process.

This informative article sets out the key recurring issues identified during inspections and the practical steps firms' can take. To view this article, see [Keeping proper books key to good compliance](#)

LSRA PUBLISHES ANNUAL REPORT

LSRA publishes its annual report for the year ended 31 December 2025.

The LSRA received 1788 complaints, this is up 21% from last year, 1,699 relate to solicitors and 89 relate to barristers.

The LSRA closed 1,933 complaints, 496 resolved, 177 upheld and 815 found inadmissible.

The independent regulator also increased its enforcement activity, making 27 applications to the High Court to enforce directions issued following complaints investigations and 101 applications to the Legal Practitioners Disciplinary Tribunal.

Pages 23 – 27 of the report sets out the categories of complaints received and sets out the number of complaints under each category. It also sets out the number of complaints received by county.

The annual report states 'the LSRA is required under section 73 of the Act to report on the performance of its complaints function every six months. In 2025, two complaints reports were published as these reports deal exclusively with complaints, they provide a more detailed analysis of the statistics than can be provided in this report. All complaints reports are available on the LSRA website.'

The Annual Report highlights progress across the LSRA's wider regulatory work, including:

- The establishment of the Legal Education and Training Committee and continued implementation of recommendations arising from the *Breaking Down Barriers* report, including the establishment of an Implementation Working Group.
- Continued growth in solicitor Limited Liability Partnerships (LLPs), with 34 authorised during 2025, bringing the total to 541.
- 2 legal partnerships commenced.
- Continued research and reporting to support evidence-based regulation and inform policy discussions across the legal services sector.

The report states the Authority met on six occasions during the year (four ordinary meetings and two meetings relating to the recruitment of a new CEO), bringing through a significant body of work to continue to build and execute the functions of the Legal Services Regulatory Authority. The minutes of all Authority meetings are published on the LSRA website.

To view this annual report in full, see [FINAL-LSRA-Annual-Report 2025-single-page-view.pdf](#)

MINISTER MOVES TO INTRODUCE STATUTORY LEAVE FOR PREGNANCE LOSS

On the 14 July 2026 the Government approved a proposal from the Minister for Enterprise, Tourism and Employment, Peter Burke TD, to draft a Leave for Pregnancy Loss Bill. The Bill will introduce statutory leave for pregnancy loss prior to 23 weeks gestation for the first time under Irish law. Under existing legislation, maternity leave is available for those who experience a loss from 23 weeks gestation and onwards.

The proposed Pregnancy Loss Leave Bill aims to provide for five days of paid leave per year for individuals who experience a pregnancy loss prior to 23 weeks gestation.

To view this proposal, see [Minister Burke moves to introduce statutory leave for pregnancy loss - DETE](#)

SOLE PRACTITIONER HIT FOR COSTS OVER FAILED APPEAL AGAINST AML FINE

On the 31 July 2026, the Law Society of England and Wales, published an article titled 'Sole practitioner hit for costs over failed appeal against AML fine'.

Sole practitioner fined £3,500 by the Solicitors Regulation Authority over AML failings has lost his challenge against the decision – and been hit for £12,300 in costs. The SRA assessed the nature of the conduct as 'more serious' and set the sanction at 2.8% of the firm's £125,000 annual domestic turnover.

Max Wiley of Max Wiley & Co, based in North Norfolk, told the Solicitors Disciplinary Tribunal that the adjudication panel's decision was based on a flawed investigation.

Wiley, representing himself at the tribunal, said the investigator who identified the firm's non-compliance was not independent or experienced enough to make such a judgement call. He further argued that the SRA had failed to apply the discretion that should be afforded to a sole practitioner in terms of how money laundering policies and procedures are applied.

The tribunal rejected his appeal, saying the firm was under an obligation to regularly assess risk factors and carry out client due diligence, irrespective of its size or profile. The tribunal noted the SRA's assertion that Wiley's good faith and honesty were never in doubt, but instead the case against him was that the firm 'got it wrong'.

The tribunal heard that the panel found four allegations proved against the practice: failing to have in place a firm-wide risk assessment, failing to establish and maintain compliant policies, failing to conduct client and matter risk assessment, and failing to obtain client identification documents. The first three breaches covered the period between 2017 and 2025.

To view this article in full, see [Sole practitioner from Norfolk hit for costs by tribunal after failed appeal against SRA AML fine | Law Gazette](#)

LQSI RUNS WEBINAR ON CYBER THREATS

On the 29 July 2026, the Legal Quality Standard of Ireland (LQSI) hosted a webinar on 'Cyber Threats and How to Meet Them'.

Julie Brennan, Managing Director was joined by Andrew Harbison, Director of investigations in the Corporate Enforcement Authority, who also spoke last year and was back by popular demand.

If you missed this webinar, it is now available in the LQSI members area.

WELLBEING – PSYCHOLOGICAL SAFETY

On the 13 July 2026, the Law Society of Scotland published an article by Lynn Pilkington, an inclusion and engagement consultant, who explores psychological safety, why it's so important in the legal profession and how to measure and embed it.

What exactly is psychological safety?

Psychological safety is defined as “a belief that one will not be punished or humiliated for speaking up with ideas, questions, concerns or mistakes”.

It is about creating the conditions where people can contribute fully. This is not about lowering standards and letting everyone say and do what they want. It is looking to create conditions of both high performance and high psychological safety as this is the learning zone.

Why psychological safety matters in law.

This has particular relevance in the legal profession. Recent LawCare data highlights a profession under pressure:

- 56.2% could see themselves leaving their workplace within five years
- 32.3% would not recommend law as a career
- 59.1% report poor mental wellbeing
- 50% experienced frequent anxiety in the last 12 months
- 78.7% regularly work beyond contracted hours.

In this context, psychological safety is not simply a “nice to have.” It creates the conditions where people can share their struggles, get support and sustain high performance over time.

Psychologically safe teams lean into the hard conversations and know how to embrace discomfort for long-term gain. Leaders role model accountability and gain return on investment through better retention of staff.

One of the challenges organisations face is that psychological safety is often assumed, rather than measured.

To view this article in full, see [Psychological safety in the law | Law Society of Scotland](#)