

## ADJUDICATOR GUIDANCE NOTE

### **GUIDANCE FOR ADJUDICATORS ON DEPOSIT OF RECOGNIZANCES**

Over the years a practice has grown up whereby recognizance money is deposited with the applicant's solicitors, subject to an undertaking from those solicitors not to part with it without the express authority of the IAA.

Adjudicators in England, Wales and Northern Ireland are reminded that they have no jurisdiction to require such a deposit or undertaking.

The deposit of recognizance money with solicitors raises potentially serious money-laundering concerns which could involve both solicitors and the IAA. In criminal cases, where a similar system has operated, the Court Service as a result of money laundering concerns has recently directed Magistrates Court Chief Executives that the practice of solicitors holding bail securities must cease. This is equally relevant in our jurisdiction.

The practice of taking undertakings of this sort from solicitors should no longer be followed in England, Wales and Northern Ireland. If you are informed by an applicant's representative that recognizance money has been deposited with solicitors it would be wise to remind the representative that such a deposit may raise money laundering concerns.

In Scotland adjudicators have power to require a bail bond to be entered into and this guidance note does not apply there.

Generally it remains of the first importance that the guidance in the surety check list annexed to the Chief Adjudicator's Guidance Notes on Bail is carefully followed when adjudicators are assessing the suitability of any surety offered.

**HHJ Henry Hodge OBE  
Chief Adjudicator  
June 2003**