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08 October 2010

Dear Helen,

Approval of the application made by the Institute of Legal Executives (ILEX) to the Legal Services Board under s.51 of the Legal Service Act 2007 for the level of practising fees

I am pleased to inform you that the 2011 practising fee levels payable by Fellows as set out in your application of 20 September 2010 and the supporting documents have been approved by the Legal Services Board. This decision has been made under the authority delegated to me as Chief Executive by the LSB Board.

We are content that the information that you have provided indicates that the criteria within the Board's Practising Fee Rules have been met. I am grateful to the ILEX representatives that have worked with my staff during the approval process to reach this position. The way is now clear for you to formally communicate the fee level to your membership. In doing so, I would strongly encourage you to follow the approach suggested by Sonya Gedson in her mail to you of 7 October, which we consider would materially improve transparency and understanding of your decision.

We acknowledge that this year's practising fee approval process is in a transitional year for many of the Approved Regulators and we will be conducting a lessons learned exercise to determine how to improve the process further in the context of next year's round. We look forward to maintaining dialogue going forward to ensure that we continue to improve the process for next year.

There are two specific areas where we feel there are improvements to be made in the practising fee process adopted by ILEX for this year and where we would therefore expect to see changes made in time for submission of next year's practising fee application.

Firstly, we will expect both ILEX and ILEX Professional Standards (IPS) to be able to demonstrate how they have consulted those charged with paying a practising fee so that

fee payers can see how their practising fee money is being allocated to the permitted purposes and also to indicate to what extent the feedback from those fee payers has influenced the setting of the final fee levels.

Second, while acknowledging the strong collaborative arrangements in place between ILEX and ILEX PS, we are clear that the lead responsibility in taking forward the process in submitting next year's application and in managing allocation of practicing fee income rightly sits with the regulatory arm. This is an area where we are likely to seek greater assurance in next year's exercise.

Please contact Sonya Gedson, Regulatory Associate, sonya.gedson@legalservicesboard.org.uk or 020 7271 0073 if you have any questions.

I have written in identical terms to Ian Watson, Chief Executive, ILEX PS.

Yours sincerely



Chris Kenny
Chief Executive

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