

May 2014

Dear Chartered Legal Executive Colleague

YOUR 2015 PRACTISING CERTIFICATE FEE CONSULTATION: Responses received by Friday, 20 June will be entered into a prize draw. One lucky winner will receive £100 M&S vouchers.

CILEx would like your views on how much next year's Practising Certificate (PC) should cost. Please tell us which of the following options you prefer:

- | | |
|----------|---|
| Option A | £341.00 – the full cost of regulatory and permitted purposes activity |
| Option B | £318.50 – break even |
| Option C | £306.50 – inflation at 2.5%. |

To comment and vote online on one of the above options please use the following link and type it into your preferred web browser:

www.surveymonkey.com/s/pcfconsultation

Alternatively you can respond in writing to Jill Durham, Regulatory Affairs Manager at the address below by **Friday, 20 June 2014**.

The Chartered Institute of Legal Executives
Kempston Manor, Kempston, Bedford MK42 7AB
DX 124780 Kempston 2

Here is how we do the sums:

As an Approved Regulator, CILEx and IPS follow a prescribed fee setting process governed by the Legal Services Act 2007 and by LSB Rules. This makes us accountable to you for what the revenue raised from PC fees is spent on.

CILEx can only use PC fee income to fund the direct cost of regulation carried out by IPS and certain other 'permitted purposes'. Permitted purposes include activities such as:

- maintaining the member database,
- legal, professional and regulatory updates in the CILEx Journal, and
- engagement with law reform and lobbying.

CILEx delegates its regulatory function to its regulatory body ILEX Professional Standards (IPS). Rules on how CILEx can spend PC fee income guarantee the independence of the regulatory body by making sure it is properly funded, and that the fee represents fair value.

IPS has been working on your behalf to secure independent practice rights and maintain professional standards amongst members. The LSB has approved applications:

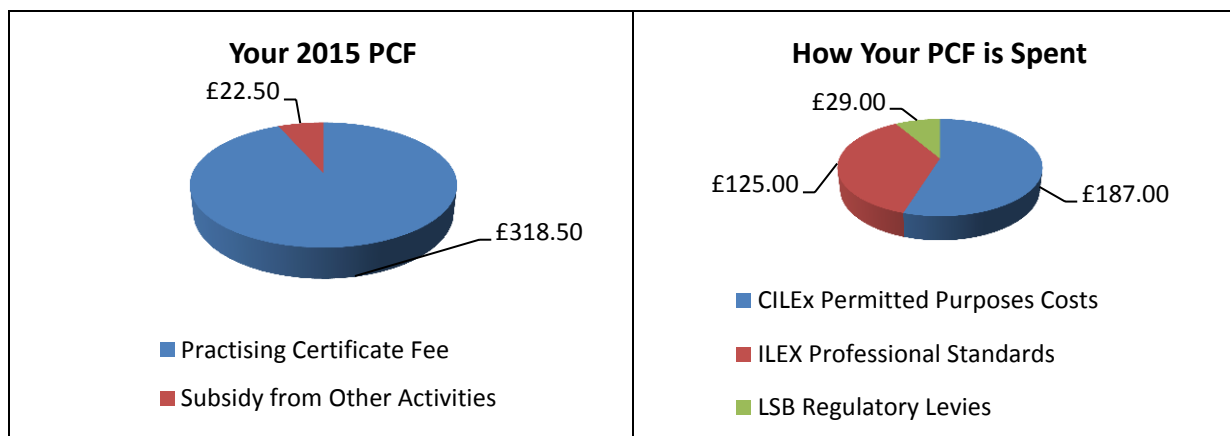
- to authorise members independently to carry out conveyancing and probate,
- to authorise members independently to provide immigration and litigation services (civil, family and criminal) with associated rights of audience; and
- to regulate entities.

The conveyancing and probate applications needed Lord Chancellor approval which we now have. We are waiting for parliamentary approval. For litigation and immigration practice rights the LSB decision was the final approval. IPS expects to start authorising independent practitioners from September and regulating entities from January 2015.

Members now have a real opportunity to establish themselves as independent practitioners in their own right. We think this is the biggest step forward for CILEx in terms of recognition in our 50 year history as a professional body.

The overall cost per Fellow of regulation and permitted purposes activity for 2015 looks like this:

Breakdown of budgets showing Practising Certificate Fee (PCF) Expenditure:



Your Council believes that one of the benefits to Fellows of being regulated by CILEx is that other activities can and should be used to subsidise the cost of regulation. Your Council is also committed to balancing the budget and expects to break-even in 2015. We believe we can achieve both aims by increasing your current PC fee (£299) by £19.50 rather than the £42 increase that would be needed to fully recover the cost of regulation.

This consultation closes on **Friday, 20 June 2014**. CILEx Council will take into account your votes and comments when it sets the fees at its July meeting.

Your help is much appreciated and will assist CILEx and IPS in our dealings with the LSB. The information gathered in this membership survey will be treated as strictly confidential and will not be attributed to you as an individual.

We comply with the Market Research Society (MRS) code of conduct. Nothing you say will be attributed to you personally. Your responses will be amalgamated with others for market research reporting purposes only.

As a thank-you for your participation, all responses will be entered in a prize draw to win £100 of M&S gift vouchers. Employees, Council members or Board members of CILEx, IPS or CLS (or their families) are not eligible to enter the prize draw. The winner will be randomly selected by the market research software.

Kind regards



Diane Burleigh OBE
Chief Executive
CILEx



Ian Watson
Chief Executive
IPS