

BY EMAIL

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8 October 2014

Dear Lynn,

Application by Costs Lawyer Standards Board (CLSB) under section 51 of the Legal Services Act 2007 for the approval of the level of the practising fee 2015

Thank you for the application under section 51 of the Legal Services Act 2007 (the Act) and the Legal Services Board's (LSB) Practising Fee Rules 2009 (the Rules) which we received on 22 September 2014.

I am pleased to inform you that the 2015 practising fee has been approved. We are content that the information that you have provided indicated that the criteria within the LSB's Practising Fee Rules 2009 have been met. This decision has been made under the authority delegated to me as Chief Executive by the LSB.

We note the level of the fee for the year commencing 2015 remains the same for the fourth consecutive year. I welcome the CLSB's intentions on transparency, with the continued printing of explanatory notes on the reverse of the Practising Certificate Fee (PCF) Note showing a breakdown of how the PCF income is allocated. I was also grateful for the CLSB's commitments on presentation of the budget in the application to enable comparison of budgeted and actual spend and provide more information on permitted purposes.

There is just one matter from this year's application I felt I should comment on. The presentation of the LSB/Legal Ombudsman levy in the CLSB's consultation was perhaps not as clear as it could have been and therefore posed a risk that fee payers could have misinterpreted how the levy was allocated. While there was indeed a large percentage increase in the Legal Ombudsman element of the levy (increased from £1,043 to £5,000

following the LSB's decision that there should be a £5,000 minimum levy), there is a decrease in the amount the CLSB must pay in the 2015 budget for the LSB levy. The combined LSB/Legal Ombudsman levy increase is therefore much less than the £5,000 Legal Ombudsman element highlighted in isolation. In the interest of transparency, we consider that in future years the allocation of the levy between the LSB and the Legal Ombudsman should be made more explicit. Equally we hope the allocation position for 2015 will be expressed explicitly in the PCF explanatory notes this time.

Please contact Paul Greening, Regulatory Associate,
(paul.greening@legalservicesboard.org.uk or 020 7271 0075) if you have any questions.

I am copying this letter to Sue Nash at the Association of Cost Lawyers, as the Chairman of the approved regulator, for information.

Yours sincerely



Chris Kenny
Chief Executive

