

Consultation Response Report
Costs Lawyer Standards Board (CLSB)

Consultation commenced: Monday 25 July 2016
 Consultation closed: Friday 9 September 2016 (midnight)
 Subject of consultation: Costs Lawyer Practising Certificate Fee 2017
 Consultees: Costs Lawyers on current register & ACL

Note: Responses from Costs Lawyers holding other positions at ACL/ACLT have been stated.

Received	Q1: Do you agree with the proposed 2017 PCF in the sum of £250.00?
25/7/16	Yes
26/7/16	Yes
26/7/16	I confirm that I agree with the proposed 2017 PCF.
26/7/16	Yes
26/7/16	Yes
26/7/16	Yes
26/7/16	Yes
26/7/16	Yes
26/7/16	I agree with the proposed practising certificate fee of £250 for 2017
26/7/16	I agree the proposed 2017 PCF at £250.
26/7/16	Yes
27/7/16	Yes I agree maintaining the £250 fee
27/7/16	The fee of £250.00 should be kept at this amount and no higher.
27/7/16	Yes
27/7/16	Yes
28/7/16	Yes
28/7/16	Yes
28/7/16	Yes
28/7/16	Yes
29/7/16	Yes
2/8/16	Yes
2/8/16	Yes
8/8/16	Yes, I agree.
11/8/16	Yes
12/8/16	Yes
7/9/16	Yes
9/9/16	Yes

Received	Q2: Do you have any other comments to make on anything in this consultation paper?
25/7/16	No
26/7/16	No comment
26/7/16	I have no other comments to make on the consultation paper.

26/7/16	No
26/7/16	No
26/7/16	No
26/7/16	No
26/7/16	No
26/7/16	I don't have any other comments to make.
26/7/16	No
26/7/16	I agree the proposed 2017 PCF in the sum of £250.00.
27/7/16	No, no other comments
27/7/16	I have no further comments to make
27/7/16	No
27/7/16	No
28/7/16	No comments to be made
28/7/16	No
28/7/16	No
28/7/16	No
29/7/16	No
2/8/16	No
2/8/16	I have no other comments.
8/8/16	No comments, all set out clearly.
11/8/16	No other comment.
12/8/16	No
7/9/16	I was aware that the CLSB faced criticism under the LSB assessment, and I can quite see how the action plan prepared to address the issues raised by the assessment has put the CLSB to additional work and additional cost. I note that the CLSB has - very fairly - decided to adjust the practising certificate fee, if necessary and as needed, for the practising year 2018, once the additional cost has been quantified.
9/9/16	No

Received	General Response
26/7/16	Happy for the fees to be kept the same
26/7/16	I agree & have no other comments to make.
26/7/16 ACL Council Member & ACLT	<p>a. Why has the LSB action plan not been published in line with other regulated professions?</p> <p><i>CLSB response: The LSB has published all the action plans. Please can you set out where the "other regulated professions" have published theirs as stated.</i></p>

Chair	<p>b. Presumably the costs of implementing the LSB action plan have been forecast to some extent (although you state that the final cost is not known). How much is anticipated and what if the reserves are not sufficient? <i>CLSB response: We have made savings by employing a non-practising solicitor who charges £35 an hour as opposed to instructing a law firm at £285 an hour to assist me with project work.</i></p> <p>c. Is it currently anticipated that the entire cost of implementing the LSB action plan is passed on to Costs Lawyers via the 2018 PCF or is part or all of the cost to come out of reserves held or spread across a number of years? <i>CLSB response: We are not expecting there to be a major cost increase, what we have saved under (b) above will be used to fund the new risk specialist.</i></p> <p>d. Budgeted salaries have increased from £54,000 in 2016 to £77,000. Can you give reasons for the 40%+ increase in the current regulatory and economic climate? <i>CLSB response: A salary benchmarking exercise was undertaken in 2016, it was considered appropriate for many reasons:</i></p> <ul style="list-style-type: none"> • <i>CLSB CEO had not taken a salary increase, not even a cost of living rise, for 3 out of the 6 years.</i> • <i>CLSB Chair had not taken a salary increase, not even a cost of living rise, for 4 years out of the 6 years.</i> • <i>CLSB NEDs did not take a remuneration increase, not even a cost of living rise, for 4 years out of the 6 years.</i> • <i>CLSB panel members have had no remuneration increase for 5 years of the 6 years.</i> <p><i>Further, it was noted that, for example, the ACL were remunerating their CEO at a higher rate than the CLSB was remunerating theirs. All in all, this identified the need for a benchmarking exercise. Despite this review, the CLSB CEO is still being remunerated at significantly less than one of the other smaller ARs for example.</i></p> <p>e. Why was it considered prudent to include £0 against contingencies in the budget? <i>CLSB response: As explained in the paper, we consider we have adequate reserves for the present.</i></p> <p>f. How much of the 'services' provision in the 2017 budget is for training purposes? <i>CLSB response: Not sure what you are asking here ... training whom, CLSB staff?</i></p> <p>g. There is only a £400 difference between income and budgeted expenditure with no contingency. Has any forecasting been done into the numbers of costs lawyers expected to apply for a Practising Certificate in 2017? A reduction of only 2 applications would result in a budget deficit if expenditure figures remain accurate.</p>
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	<p><i>CLSB response: As we have stated, we have used regulated numbers as at 1 April 2016 as notified to the LSB under the levy process. We actually regulate at the present date 650 Costs Lawyers. In your role as Chair of the Education Committee, you will be aware that CLSB was only advised of new qualifiers during April this year, and of two new qualifiers under resists in May. Also, we are advised there are over 250 Trainees still on the current qualification that would mean a potential increase on the number of 650 for 2017. Based on our recent survey outcome (impact of automated bills and fixed fees) we would however expect to see an impact on Costs Lawyer numbers for practising year 2018 and onwards.</i></p> <p>h. Is there a superfluous word in paragraph 4 of the consultation paper or is there intended to be a double negative? <i>CLSB response: You are correct, the word “no” should not appear.</i></p>
27/7/16	Agreed.
27/7/16	I agree with the proposed 2017 PCF and have no other comments to make.
27/7/16	I confirm that I approve the proposals for next year and have no other comments. I wish you and your team well in the continuing work that you all do for us.
18/8/16	Agree that fee be maintained at £250 for 2017.
2/9/16	I agree with the proposed 2017 PCF in the sum of £250.00 and have no further comments.