

By email only (under s203 of the Legal Services Act 2007)



Helen Brand
ACCA UK
The Adelphi
1-11 John Adam Street
London
WC2N 6AU

The Chief Executive's Office
Legal Services Board
One Kemble Street
London WC2B 4AN

T 020 7271 0050
F 020 7271 0051

www.legalservicesboard.org.uk

8 March 2018

Dear Helen,

Approval of the application made by the Association of Chartered Certified Accountants (the ACCA) to the Legal Services Board (LSB) under section 51 of the Legal Services Act 2007 for the level of the practising fee 2018/2019

I am pleased to inform you that the ACCA 2018/19 practising fee for probate activities, as set out in your application of 13 February 2018, has been approved by the LSB. This decision has been made under the authority delegated to me as Chief Executive by the LSB Board.

The ACCA Probate Fee is a “practising fee” within section 51 of the Act since payment is a condition which must be satisfied for the regulated person and firms to be authorised by the ACCA, and to hold a Legal Activities Certificate. The LSB has taken an appropriate and proportionate approach to its assessment of the application. In doing so I have taken into account the expected number of ACCA members undertaking probate, which will be a low proportion of the overall ACCA membership.

In assessing the application I would like to make three key comments.

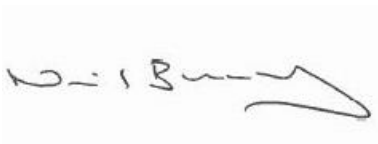
First, the LSB noted that the budgeted expenditure in the application did not include any element of central overheads (for example, office, utility and IT costs) or time spent by the Executive Directors on legal activities regulation. If in the future, the ACCA includes a proportion of the costs of such central overheads/shared services in its budget to be recovered by the PCF, it would be helpful it were able to devise a transparent and consistent way of allocating such central costs between its legal regulatory activities and other activities, and to share that apportionment methodology in its PCF application.

Second, with regards to the methodology for the calculation of firm fees, I note that this is based on number of approved persons in the firm. As referred to above, with the probable low number of firms involved, the LSB considers this a proportionate means of calculation at this time. However, the LSB will expect the ACCA to keep under review the appropriateness of this methodology as its regulated community grows.

Finally, I see the ACCA's current arrangement on consulting on fees is that it will only consult on future increases if this is more than 5%. This is at odds with LSB guidance on PCF that approved regulators should consult its effected regulated community if there is any level of increase. Again, I appreciate that the ACCA probate regulated community will be a small proportion of the total ICAEW membership, and therefore that the level of consultation will need to be calibrated accordingly.

If you or colleagues have any questions regarding this decision, please contact Paul Greening (paul.greening@legalservicesboard.org.uk) 020 7271 0075.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Neil Buckley', with a stylized flourish at the end.

Neil Buckley
Chief Executive

E neil.buckley@legalservicesboard.org.uk