Mr Malcolm Cree Chief Executive The Bar Council 289-293 High Holborn London WC1V 7HZ

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

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23 January 2019

Dear Malcolm and Vanessa

Approval of 2019 Practising Certificate Fee (PCF) application made by The Bar Council to the Legal Services Board (LSB) under section 51 of the Legal Services Act 2007

Thank you for your application under Section 51 of the Legal Services Act 2007 seeking approval of the 2019 Practising Certificate Fees (PCF) which we received on 20 December 2018.

I confirm that the levels of the 2019 PCF, as set out in your application have been approved by the LSB. This decision has been made under the authority delegated to me as the Chief Executive.

I note that the proposed PCF is projected to increase overall PCF income from £13.5m in 2018 to £14.9m for 2019. The application identifies the costs of securing a new office lease during 2019 as a factor in the need to increase overall income.

Within this overall increase, I welcome the reduction in fees for Band 1(£0-£30k) from £123 to £100, and that for Bands 2-6 the fee will remain the same. I note the creation of two new higher bands, which will mean an increase for the minority of fee payers in those bands. I also note the rationale set out in the application that this is in recognition of the increasing pay gap in earnings across the Bar and the pressures on those at the publicly funded Bar.

The LSB will continue to maintain a focus on regulatory costs and our expectation continues to be that approved regulators should be taking steps to deliver reductions in

fees while maintaining high regulatory standards. Where opportunities for savings and efficiencies are identified, and realised, we expect to see these reflected in fee levels going forward.

It is reassuring that the proposed fees were consulted upon and it was helpful that the application included an appendix of consultation responses by theme. The application also included a helpful breakdown of representative activity by function included in permitted activities. The issue of PCF funding for permitted purposes by approved regulators is a matter which the LSB is taking an increasing interest in, so we were grateful to the Bar Council for providing this level of detail.

A copy of this letter will be published on our website in the next two business days.

Please contact Puja Vadgama (<u>puja.vadgama@legalservicesboard.org.uk</u>) if you have any questions.

Yours sincerely,

Neil Buckley Chief Executive

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