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27 August 2013

Dear Ian,

Application by ILEX Professional Standards (IPS) and the Chartered Institute of Legal Executives (CILEx) under section 51 of the Legal Services Act 2007 for the approval of the level of the practising fee 2014

On 5 August 2013, we received your application under Section 51 of the legal Services Act 2007 seeking approval of the 2014 practising certificate fees for Fellows and Associate Prosecutors.

I am pleased to inform you that the 2014 practising fee has been approved. This decision has been made under the authority delegated to me as Chief Executive by the LSB.

In reaching our decision, we had several observations, which I set out below and which you may wish to consider for future applications.

Fee levels

Thank you for the additional information provided on 21 August which confirmed that the practising fees to be collected from the Crown Prosecution Service for Associate Prosecutors are expected to cover the cost of regulating that group of individuals. This query was raised in light of the fact that the fee levels for Associate Prosecutors will remain at 2013 levels, which differs to the approach adopted for Fellows which has resulted in a small increase in fee levels for 2014. We would appreciate a similar assurance to be included in next year's application when the Associate Prosecutor fees are up for review for 2015.

Budget

The LSB's guidance on practising fee applications states that all budget figures should be shown with current year figures, including the figures for PCF income and expenditure, permitted purposes and regulatory functions. We were therefore grateful to receive this additional information on 20 August and will publish it alongside the application. Thank you also for the clarification on some of the budget figures and information on shared services. It would be helpful if this information could be provided with the application documents when first submitted to the LSB, as this information will be requested for all future applications.

We also noted that the expected income from the level of PCF sought falls short of the expected level of regulatory expenditure. We do not consider this small shortfall to be a major issue at this stage although we would be concerned were similar deficits to become part of normal practice and/or were the figure to be significantly larger in future years, as this would raise questions about both the sustainability and transparency of regulatory effort.

Consultation

We note a low response rate received in relation to this year's consultation on practising fee levels. CILEx/IPS may wish to consider how best to increase this response rate which could include consulting for a longer period and at a time and when Fellows are more likely to be able to respond.

We will be publishing a copy of this letter on our website in the next few working days. Please contact Sonya Gedson, Regulatory Associate, (Sonya.Gedson@legalservicesboard.org.uk or 020 7271 0073) if you have any questions.

I have written in identical terms to Diane Burleigh, Chief Executive, CILEx.

Yours sincerely,



Chris Kenny
Chief Executive

