

**Consultation paper issued by Costs Lawyer Standards Board**

**Proposed Practising Certificate Fee for Costs Lawyers  
(1 January 2014 to 31 December 2014 inclusive)**

**Definitions herein:**

ACL	Association of Costs Lawyers
CLSB	Costs Lawyer Standards Board
LSA	Legal Services Act 2007
LSB	Legal Services Board
PCF	2014 Costs Lawyer Practicing Certificate Fee

**1. Attachments**

- (i) CLSB Budget for 2014
- (ii) CLSB Accounts for year ended 31 December 2012

**2. Introduction**

CLSB acts as Approved Regulator pursuant to the LSA under delegated authority of the ACL. In brief, the remit of the CLSB is to set and maintain standards within the Costs Lawyer profession. Its remit is wider than purely complaints management with regulatory objectives set out under Part 1 of the LSA which include, inter alia:

- Protecting and promoting the consumer/public interest.
- Improving access to justice.
- Encouraging an independent, diverse and effective profession.

**3. Proposed 2014 PCF**

CLSB raises monies to fund its permitted purpose activities by way of the PCF. Through continued sound financial management CLSB is pleased to be able to provide that regulatory service at the same cost for 2014 as it charged for both 2013 & 2012:

£200.00	CLSB
£50.00	Set aside to pay compulsory annual LSB & Legal Ombudsman levy
<b>£250.00</b>	<b>Total required by CLSB for individual regulation</b>

ACL will invoice separately for ACL membership. Please note payment of the PCF does not afford membership of the ACL and further, that it is not a requirement that you are an ACL member to hold a Costs Lawyer practising certificate.

#### **4. Benefits of holding a Costs Lawyer Practising Certificate issued by CLSB**

- (i) The right to conduct all the following reserved legal activities:
  - The exercise of a right of audience.
  - The conduct of litigation.
  - The administration of oaths.
  
- (ii) It identifies the Costs Lawyer to the courts, clients and fellow practitioners as:
  - being a qualified legal professional; and
  - being a regulated legal professional adhering to a code of conduct; and
  - offering clients a complaints handling process; and
  - reassuring clients that insurance cover is in place; and
  - being a legal professional who undertakes Continued Professional Development.
- (iii) The Costs Lawyers names will appear on the CLSB public domain register.
- (iv) CLSB issues the register to all Costs Judges annually.
- (v) Use of the new Mark of Regulation.
- (vi) The services of Law Care for those in the profession needing support with health and emotional issues that can result from a stressful career in the law.

#### **5. Permitted purposes: Activities/objectives of CLSB for 2014**

All activities in the budget of CLSB are for permitted purposes in its role as Approved Regulator under delegated authority. During 2014 these will include:

- Continuing to set and maintain standards within the Costs Lawyer profession.
- Continuing to set and maintain standards within education e.g. review of the Costs Lawyer qualification and annual audit on standards.
- Continuing to set and maintain the standard of CPD via Accredited Costs Lawyers.
- Issuing 2014 practising certificates.
- Addressing complaints/disciplinary issues.
- Managing risks both to the consumer and profession.
- Consulting with ACL on key issues and attending their two annual National Conferences.
- Gathering and analysis of statistical information within the profession.
- Responding to consultation processes.
- Working with the LSB, their consumer panel, the Ministry of Justice and other Approved Regulators to ensure the best interest of the profession are served on regulatory matters.
- Working with outside bodies on studies and initiatives.
- Issuing and revising guidance notes as required.
- Managing use of the Mark of Regulation.
- Random CPD record auditing.

- Establishing feasibility of entity regulation and effect of Alternative Business Structure (ABS) requirements.
- Increasing awareness on the difference between Costs Lawyers with a current practising certificate/Law Costs Draftsmen and lobbying the LSB on that issue.
- Providing best possible service at lowest possible cost.

## **6. Tax Relief**

A Statutory Instrument numbered 1126/2013 titled The Income Tax (Professional Fees) Order 2013 came into effect on 10 May 2013 which adds "*fees payable to the Costs Lawyer Standards Board on applying for a costs layer practicing certificate*" to the table of those fees qualifying for relief under S.343 Income Tax (Earnings & Pensions) Act 2003. This means that where a Costs Lawyer pays a fee to the CLSB for their practising certificate they will be able to claim tax relief against their taxable income. Further, there will be no tax and national insurance liability where an employer pays the fee on behalf of their employee.

## **7. Questions**

1. Do you agree with the proposed level of fee to be charged by CLSB for a 2014 practising certificate i.e. £250.00 including the compulsory per head levy payable?
2. Do you have any comments on the proposed permitted purposes activities/objectives of CLSB for 2014 and should anything else be included?

## **8. How to respond to this consultation paper**

A summary of responses to the above questions will be submitted to the LSB when CLSB files, following close of consultation, an application for the 2014 PCF to be approved.

Any responses or questions should be sent by email or post to be received by CLSB by midnight on **12 September 2013**.

Email: [enquiries@clsb.info](mailto:enquiries@clsb.info)

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