

2019 PRACTISING CERTIFICATE FEE CONSULTATION

INTRODUCTION

Each year we calculate the likely costs of regulation for the following practising year and consult with those individuals and entities which pay the practising fee.

We consult with affected regulated individuals where there is a proposal to increase the fee payable and we consult periodically with regulated individuals where there is no proposed increase in the fee payable.

For the 2019 practising certificate fee we are consulting on the following proposals:

- The practising certificate fee paid by Fellows/Chartered Legal Executives
- The practising certificate fee paid by Chartered Legal Executive Advocates
- The practising certificate fee paid by CILEx Practitioners
- The practising certificate fee paid by CILEx Entities

We are seeking your views on the proposed regulatory fees for the 2019 practising year, as they affect you. Therefore, you will only be asked to comment on the fees which relate to your own regulatory status.

ENTITY OWNERS - FEES FOR 2019

We have undertaken a review of the fees charged to entities and have made a number of proposals for change as follows:

- CILEx Regulation has applied for designation to become a licensing authority, enabling us to authorise ABS entities. For the 2019 year, we intend to charge different fees to applicant ABS to reflect the additional requirements of this type of entity
- Entity fees are calculated by turnover and whether or not the entity holds client money. The existing fee structure also includes an escrow option, as this is not currently in use, this has been removed from the proposed fees. We have reviewed the fee bands to consolidate bands at the lower turnover levels and create additional bands at higher turnover levels
- We have proposed more proportionate fees for these new bands
- We have reviewed the contributions made by entities to the compensation using the revised fee bands to reflect the changes to entity fees set out above. Compensation contributions are also differentiated on the basis of area of practice. This remains unchanged.

The existing fees and the proposed changes are set out below (there is no proposal to change the inspection fees):

Entity Fees (proposed)

Turnover	Non-ABS Entity		ABS Entity		Renewal	
	CRL (Client money)	CRL (No client money)	CRL (Client money)	CRL (No client money)	CRL (Client money)	CRL (No client money)
£0 – £100,000	£1,250	£761	£2,100	£1,611	£1,100	£611
£100,001 – £250,000	£1,500	£1,066	£2,350	£1,916	£1,350	£916
£250,001 – £500,000	£1,750	£1,350	£2,600	£2,200	£1,600	£1,200
£500,001 – £1m	£3,350	£2,550	£4,200	£3,400	£3,200	£2,400
£1m – £3m	£4,950	£3,550	£5,800	£4,400	£4,800	£3,400
£3m +	£6,560	£4,560	£7,410	£5,410	£6,410	£4,410

Compensation fund contributions (proposed)

Turnover	Client Money	No Client Money
Litigation and Immigration		
£0 - £250,000	£700	£500
£250,001 - £500,000	£1,400	£1,000
£500,001 - £1m	£2,100	£1,500
£1m - £3m	£3,500	£2,500
£3m +	£5,075	£2,538
Probate and Conveyancing		
£0 - £250,000	£750	£500
£250,001 - £500,000	£1,500	£1,000
£500,001 – 1m	£2,500	£1,500
£1m – £3m	£4,000	£2,500
3m +	£6,090	£2,538

EXISTING FEE STRUCTURE: ENTITY AND COMPENSATION FUND CONTRIBUTIONS

Current fees (entity):

Turnover	ENTITY STRUCTURE			FEES AND COSTS		
	Client Money	Escrow	No Client Money	Application Fees	Inspection Fees	Renewal Fees
Up to £100,000	✓			£1,370	£787	£1,040
		✓		£964	£660	£842
			✓	£761	£457	£680
£100,001 to £200,000	✓			£1,929	£964	£1,446
		✓		£1,370	£711	£1,248
			✓	£1,066	£558	£1,040
£200,001 to £300,000	✓			£2,284	£1,269	£1,649
		✓		£1,573	£888	£1,451
			✓	£1,320	£711	£1,142
£300,001 to £400,000	✓			£2,588	£1,421	£1,852
		✓		£1,776	£1,117	£1,553
			✓	£1,523	£863	£1,243
£400,001 to £500,000	✓			£2,994	£1,573	£2,055
		✓		£2,385	£1,269	£1,654
			✓	£1,675	£964	£1,243
£500,001 +	✓			£4,314	£2,030	£2,867
		✓		£3,451	£1,624	£2,365
			✓	£2,385	£1,218	£1,852

Current compensation fund contributions:

Turnover	ENTITY STRUCTURE			Litigation and Immigration	Conveyancing and Probate
	Client Money	Escrow	No Client Money		
Up to £100,000	✓			£609	£812
		✓		£457	£609
			✓	£305	£406
£100,001 to £200,000	✓			£812	£1,015
		✓		£660	£761
			✓	£406	£508
£200,001 to £300,000	✓			£1,015	£1218
		✓		£761	£964
			✓	£508	£609
£300,001 to £400,000	✓			£1,218	£1,421
		✓		£812	£1,066
			✓	£609	£711
£400,001 to £500,000	✓			£1,421	£1,624
		✓		£1,066	£1218
			✓	£812	£812
£500,001 to £750,000	✓			£1,726	£2,030
		✓		£1,320	£1,523
			✓	£863	£1,015
£750,001 to £1m	✓			£2,538	£3,045
		✓		£1,776	£2,233
			✓	£1,269	£1,523
£1m +	✓			£5,075	£6,090
		✓		3,553	£4,466
			✓	2,538	£3,045

The proposals for the 2019 practising certificate fee for CILEx Entities is to:

- hold the fees and compensation contributions at the 2018 fee level, or
- apply the new fee bands and rates, AND
- in either case, introduce fees for ABS entities

Please give your view using the Survey Monkey link.