



CLC Fee Consultation

September 2025

Consultation Responses and CLC Commentary

Introduction:

The CLC consultation for fees for the period 1 November 2025 to 30 October 2026 was launched on 11 July and closed on 12 September 2025.

The proposals made in the consultation document were:

- a) That the turnover **bandings** will remain unchanged
- b) That the **Practice Fee rates** will be increased by a 3% inflationary adjustment.
- c) That the **Compensation Fund Contribution rates** will be increased by 6%.
- d) That the allocation of cost levied to practices through the **OLC Levy to practices** will remain the same, with 50% of the cost being allocated proportionally to all practices (the availability charge) and 50% of the cost allocated to practices based on case numbers (the usage charge).
- e) That the **Individual Licence fee** will remain unchanged at £400 for a conveyancing or probate licence and £475 for a dual licence.
- f) That **Other administration charges** (applicable to the issue and amendment of licenses and permissions) will be increased by a 3% inflationary adjustment.
- g) 3 EDI questions were included in the survey.

The consultation was promoted in newsletters to practices and managers and individually sent to key stakeholders. The survey included an option to respond by post, email or by completing an online survey. 29 respondents to the consultation used the online survey and 2 respondent provided a written response. In total we received 31 responses including a response from the Society of Licensed Conveyancers, which is a representative body for Licensed conveyancers, including practice owners.

Although there was some disagreement to the proposals, the CLC has considered the responses and comments and decided that it is appropriate to proceed with the proposed changes. The reasoning for proceeding is included with the specific question where relevant.

Summary of Responses

The survey, which consisted of ten questions, yielded the following results:

1. 97% of respondents agreed that the fee bandings should remain unchanged.
2. 65% of participants supported a 3% increase in Practice Fee rates.
3. 55% of participants disagreed with the proposal to increase the Compensation Fund contributions by 6%.
4. 84% of the participants agreed that the OLC Levy cost allocation formula should remain unchanged.
5. 97% of respondents were in support of not amending the Individual Licensing Fee.
6. 52% of respondents thought that administrative charges should not be increased by 3%.
7. 84% of respondents agreed with the CLC initial EIA assessment.
8. 32% of respondents thought the proposals would have an equality impact.
9. 42% of respondents indicated that they thought individuals with protected characteristics who manage and own practices would be impacted.

Detailed Responses and CLC Commentary

Question 1: Do you agree that the turnover bandings above should remain unchanged?	
31 responses were received for this question. 30 respondents (97%) agreed with the proposal and 1 respondent disagreed (3%). Of the 29 respondents who responded to the question, 1 provided further commentary.	
Comments Received	CLC Response
Based on last year's data it appears that there has been an increase of profit in firms which is good to see, with the majority still sitting in the £500k to £1m bracket. We agree that the brackets should remain the same.	We have noted that in aggregate, practice turnovers have grown by 19% in the last 12 months, although this growth is not evenly distributed. We will continue to monitor the fee bands and will make amendments when appropriate.
CLC post consultation decision	
One respondent disagreed with the proposal but did not provide any reason for doing so. As there is no material reason, or argument for making a change to the bands the CLC proposes to keep the current bands unchanged.	

Question 2: Do you agree with the CLC proposal to increase the Practice Fee rates by 3% to offset the impact of inflation?	
31 responses were received for this question. 20 respondents (65%) agreed with the proposal and 11 respondents disagreed (35%). Of the 31 respondents who responded to the question, 5 provided further commentary.	
Comments Received	CLC Response
# We believe that this is a much better proposal than last year when it was 9%. In fact	We do not agree that practice fees should be based on income after commission. This model

<p>a proposal of 3% is what we at the SLC proposed in our consultation reply last year. Again, we think its important to reiterate here that we believe that this should be based on actual fees retained (i.e. after payment of commission).</p> <p>We note that the increase will provide you with an additional £331,052, which for a 3% increase does seem to be a large increase for yourselves. It appears that even with this increase that you think that there will only be a surplus of £21,081.</p> <p># clearly any increase in costs of running is not welcomed</p> <p># Increase is too high</p> <p># However, this should be based on actual fees retained after payment of any commission. That being said even at 3% this would provide the CLC with a large increase</p> <p># I do not feel that the CLC offers anything to employed licence holders.</p>	<p>would mean that the CLC would need to adjust its fee rates to offset the lost revenue. This would mean that fee rates would increase to offset the reduced collections.</p> <p>This approach would also be detrimental to those practices that do not pay commission and incentivise the payment of commissions. We suspect that this approach would negatively impact smaller practices more than larger practices</p> <p>Gross turnover is a clear and simple metric that is the standard that has been in use throughout and aligns with insurance turnover declarations.</p> <p>The increase in fee revenue is driven by organic growth in turnovers (19%) and the inflation adjustment of 3%.</p> <p>The CLC is a not-for-profit organisation - any surplus generated is held on reserve for regulatory purposes. Ordinarily the CLC aims to run a balanced budget, which means that a small surplus or deficit is generated.</p> <p>The increase in cost is driven by inflationary increases and the appointment of additional staff in 2024 and 2025 to ensure the CLC has sufficient capacity to deliver on its regulatory objectives.</p>
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CLC post consultation decision

Although we try to minimise increases to fee rates, there is a regulatory need and basis for increasing the fee rates (to ensure sufficient resources to ensure the regulatory objectives are met). Stakeholder expectations continue to increase resulting in the need for additional staff. Inflation both on costs and employment have also resulted in the need for the increase. the CLC is proposing to proceed with the 3% inflationary adjustment to the Practice Fee rates based on the regulatory requirement and majority support.

Question 3: Do you agree that the Compensation Fund Contribution rates should be increased by 6%?

31 responses were received for this question. 14 respondents (45%) agreed with the proposal and 17 respondents disagreed (55%).
4 respondents provided further commentary. Note that some comments have been split to group similar themes.

Comments Received	CLC Response
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<p># We note that part of the reason for wanting to increase the rates is to replenish reserve levels, perhaps, if you have not “successfully used reserve funds” in previous years then this would have not been required.</p> <p># Without seeing actuals and only working with budgets and forecasts this is difficult to consider. It would appear that reserve funds have not been adequately managed and therefore the increase is aimed at increasing the reserve levels</p> <p># We raised this last year as well, but can you please provide actuals in order that we can provide an adequate reply. You only provide budget and forecasts.</p> <p># We also note that you have no fee amount estimated for professional fee recoveries, this seems very shortsighted when you spent £180,000 on this last year. Especially when your surplus is then only £21,081.</p> <p># Increase is too high</p>	<p>The Compensation Fund Is separate from the Practice Fund. The comment refers to the reduction of Practice Fund reserves. The reduction in Practice Fund reserves was undertaken to reduce excessively high reserve levels and to support practices through Covid and the economic downturn by offsetting what would otherwise have been PCF fee increases. The reserves were released through the reduction in fee rates, which resulted in practices paying lower fees while the CLC operated a deficit budget.</p> <p>The Compensation Fund is a ring-fenced fund which holds reserves to compensate consumers for losses incurred as a result of negligence, dishonesty or failure to account on the part of conveyancing practices. The CLC also intervenes into practices when there is or is likely to be harm to current and former clients of a practice. The Income and reserves of the Compensation Fund are utilised when there are regulatory failures at practices. Over the last 24 months there has been an increase in claims and interventions that have generated significant costs resulting in a reduction in reserves that need to be replenished.</p> <p>We updated the consultation document to include actual figures following the receipt of this request. These figures will also be included in the next years consultation.</p> <p>The £180,000 referred to is NOT related to the Compensation Fund. It is a recovery of legal costs following the conclusion of disciplinary action, resulting in the offsetting of costs spent in taking the case to disciplinary action.</p> <p>The surplus referred to is the Surplus for the Practice Fund and not the Compensation Fund. The Surplus on the Compensation Fund is expected to be £15,449 before receipt of aged balances which is likely to increase the surplus (not budgeted due to uncertainty of receipts).</p>
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I do not feel that the CLC offers anything to employed licence holders.

3% would be a more reasonable increase. The investment property action are limited to 6 firms so should not be ongoing and you state that costs for 2026 should decrease.

Although only 6 firms generated claims there are more that 400 individual claimants, which may result in significant number of grants if they meet the criteria for payment. In addition to this the CLC has had to intervene into 7 practices, some of which have resulted in significant cost to the Fund. The impact of both of these events is that the available reserve levels have reduced. Although ongoing cost is likely to reduce, we need to replenish the reserves for future claims and interventions.

CLC post consultation decision

A majority of the respondents disagreed with the proposal to increase the Compensation Fund contribution rates.

Although the majority disagreed with the proposal, the CLC is of the view that the increase is required for the following reasons:

- 1) Cost of the Fund have increased materially due to intervention costs which has reduced available reserves.
- 2) Work is actively ongoing on interventions and thereby generating costs. The quantum of cost is uncertain as it is dependent on issues identified by the intervention agents and the cost to remediate and or compensate.
- 3) Significant numbers of claims relating to the interventions and investment property have been received. This is likely to put further pressure on reserves

The CLC has a responsibility to ensure the Fund is adequately funded and reserved. Increasing the fee rates will help return the fund to a surplus position which will ensure reserve levels are maintained and grown.

The 6% increase is unlikely to have a significant detrimental financial impact on practices as illustrated in the table below:

Practice Turnover	2024 contribution	2025 contribution (6% increase)	Annual cost increase	Additional monthly payment
100,000	500	530	30	2.50
250,000	748	793	45	3.75
500,000	1,143	1,210	68	5.66
1,000,000	1,753	1,855	103	8.58
2,000,000	2,933	3,105	183	15.25
4,000,000	5,173	5,485	323	26.92
8,000,000	8,333	8,833	515	42.92
10,000,000	9,893	10,501	608	50.67
15,000,000	13,793	14,636	843	70.25

Question 4:

Do you agree with the CLC proposal to not make changes to the OLC levy cost allocation between the availability fee (50% of cost allocated to all practices) and usage fee (50% of the cost allocated to practices with cases accepted by the OLC)?

31 responses were received for this question. 26 respondents (84%) agreed with the proposal and 5 respondents disagreed (16%).

Of the 31 respondents who participated in the survey, 4 provided further commentary.

Comments Received	CLC Response
# Prior to being able to reply to this question properly, we need the exact data as to how many cases have been referred to LeO.	The most recent figures were received from the OLC in August 2025. This data indicates that the 3-year average number of cases has increased by 8% to 504 cases in 2025 (up from 468 in 2024).
# You have stated that it was increased from 70-30 in 2024 to 50-50 in 2025, but you haven't provided the data to confirm this.	The allocation of cost was changed in 2024 so that 50% (previously 70%) of the cost was collected from all practices and 50% of the cost was collected based on case numbers (previously 30%).
# We have also at the SLC raised with you that we believe that LeO's data cannot be relied upon as they do not have the correct systems to be able to adequately record this data. In your own letter here you have confirmed that there is insufficient data available from LeO, we are concerned that this has still not been resolved, and this levy has been in place 3 years – this will be it's fourth without LeO being able to provide you with any data that confirms the actual cases they deal with.	As the number of cases accepted for investigation by LeO determine the cost allocated to the CLC (see LSB rules for allocation), it is right that those that drive the cost should pay more. It is important to note that the TOTAL cost allocation to the CLC is based on case numbers and the LSB rules (link provided). The OLC Levy is the CLC's method of allocating this cost to practices in a fair and transparent manner.
# As a body that acts to represent all of the CLC regulated community, we cannot support any sort of levy discussion without the relevant data.	We agree that the complaints data will need to be available before the recharge amount is allocated according to this metric.
# It has been raised a number of times that without accurate, tangible data any proposals are premature. The LeO data cannot be relied upon and you have not been successful in understanding the same. Information in relation to your internal audits in this respect is still awaited. LeO's system do not and have not adequately ever recorded data which an end user can use to understand the fee's being levied. There is no definition of what is considered as being accepted for investigation	The percentage allocation was the subject of consultation in 2021 when the mechanism was first established and every year since. The percentage is applied according to the number of cases we are advised by LeO have been accepted and form the recharge amount we are sent by the LeO. Their letter to us is attached. We continue to work with LeO to get access to timely and accurate data so that we can actively manage practice that have poor complaint handling practices.

<p>and this definition changes in the inaccurate data. Supporting any proposals would be futile unless you can categorically confirm that the data is accurate.</p> <p># Companies that get a lot of complaints should bear the cost – simple</p> <p># It seems harsh that the contribution is based off cases accepted by the OLC rather than cases where the OLC make a finding against the firm</p>	<p>The infrequency of data feeds from LeO does however not negate the need for a fair allocation method for the costs incurred. We are of the view that this model is fair and that it will continue to be calibrated based on the complaints data received.</p> <p>The investigation rather than the outcome drives the cost, so it is equitable to allocate the cost to all practices generating the activity. The availability of the ombudsman service gives the public confidence in the legal sector. Thus all practitioners benefit from this service and should contribute towards it. This is why we allocate 50% of the cost to all practices as an availability fee.</p>
<p>CLC post consultation decision</p>	
<p>five respondents disagreed with the proposal mostly because of the lack of data and concern that the OLC is not transparent. The majority of respondents, 84% agreed with the proposal.</p> <p>As there is no material reason, or argument for not keeping the allocation unchanged, the CLC is proposing to proceed with the proposal.</p>	

<p>Question 5: Do you agree that the Individual practising certificate cost remains unchanged?</p>	
<p>31 responses were received for this question. 30 respondents (97%) agreed with the proposal and 1 respondent disagreed (3%).</p> <p>Of the 31 respondents who participated in the survey, 3 provided further commentary.</p>	
Comments Received	CLC Response
<p># As per our note to this question last year, we do not think that a small percentage would affect people signing up to the CLC.</p> <p># Surely an increase in this rather than just the practice fees would even it out somewhat?</p>	<p>Approximately 20% of individual licence fees are paid by employers, these individuals would not be impacted by an increase, although the practice's costs would increase.</p> <p>This would however have a significant impact on those individuals who pay the Licence fee themselves.</p> <p>An increase in £40 (10%) would increase revenue by approximately £80,000. Individuals are not able to pay their fee in instalments, thus the impact on the individual is more material (as it comes from a monthly salary).</p>

<p># The fee has been high historically and is starting to come somewhere in line with other regulators. I do not feel that an increase is appropriate at this time.</p> <p># This would certainly assist firms whose approach to grow from within and grow the industry by enrolling more individuals on the internally delivered course</p>	<p>In addition, the CLC rates are slightly more expensive than other legal professional body license fees and we would like to keep these fee rates broadly in line.</p>
<p>CLC post consultation decision</p>	
<p>The majority of respondents, 97% agreed with the proposal.</p> <p>For the reasons outlined in the CLC commentary above, the CLC is proposing to not make any changes to the individual licence fees.</p>	

<p>Question 6: Do you agree that a 3% inflationary increase should be applied to the licensing administration charges?</p>	
<p>31 responses were received for this question. 15 respondents (48%) agreed with the proposal and 16 respondents disagreed (52%).</p> <p>Of the 31 respondents who participated in the survey, 4 provided further commentary.</p>	
Comments Received	CLC Response
<p>We note that they weren't increased in the last years proposal and therefore we can agree to this, however, wouldn't it be better to have a small increase each year rather than nothing one year and then 3% the next?</p> <p>Increase is too high</p> <p>I have to make the application and print off my own certificate.</p> <p>A small increase year on year is more palatable rather than no increases and then a 3% increase</p>	<p>The CLC did not increase the cost in 2024 as they had been benchmarked in 2023 and it was felt that they were still sufficient to recover the cost of administration. Due to continued inflationary pressure the CLC opted to increase these fees this year to ensure they remain aligned.</p> <p>The CLC will assess the fees each year to determine whether an inflationary adjustment is required.</p> <p>The point about whether an inflationary increase should be applied each year will be reflected on in future years and for all charging points.</p>
<p>CLC post consultation decision</p>	
<p>More than half the respondents disagreed with increasing the administration fees by an inflation adjustment. There are insufficient comments to understand why respondents disagreed, however we can assume it is because they object to the cost increases.</p>	

These costs were benchmarked in 2023 and not changed in 2024. These charges are based on the time to assess applications and it is important that the cost covers the assessment otherwise the regulated community would be funding them through the practice fee.

It is our view that the best method of recovering these costs is through those making the application.

Question 7: Do you agree with the CLC's initial EIA assessment or the actual or potential impact of the proposed amendments?

31 responses were received for this question. 26 respondents (84%) agreed with the proposal and 5 respondents disagreed (16%).

Of the 31 respondents who participated in the survey, 2 provided further commentary.

Yes, we agree that the proposals are unlikely to have an equality impact, and the proposals are across the board and therefore shouldn't have any specific impact on any group over another.

The acronyms are not helpful in the survey. Please could you set out the names indicated by the acronyms in full in future?

CLC agrees that there should be no differential impact.

We note this comment and will ensure that we minimise the use of acronyms going forward and provide the explanation when we do.

CLC post consultation decision

Five respondents disagreed with the proposal. No reason for the disagreement was provided. The majority of respondents, 84% agreed with the assessment.

The CLC is of the view that the EIA assessment is supported and does not require any change and subsequent amendments to fee rate proposals made.

Question 8: Do you anticipate that the proposed increase and variation to the fees will or may result in any impact for individuals with protected characteristics who own, manage or work for CLC licensed practices?

31 responses were received for this question. 21 respondents (68%) agreed that there would be no impact and 10 respondents (32%) thought that it would have an impact

Of the 31 respondents who participated in the survey, 2 provided further commentary.

Comments Received

No, we don't anticipate that there will be any difference in impact for individuals with protected characteristics who own, manage or work for a CLC Licensed practice. The impact should be the same across all groups

CLC Response

CLC agrees that there should be no differential impact.

# Small Firms may not be to pass on any increase because of the competition from Firms who have retainers with Estate Agents	
CLC post consultation decision	
<p>10 respondents disagreed with the proposal. However limited reasoning was provided. Most respondents, 68% agreed that there was unlikely to be a differential impact on individuals with protected characteristics.</p> <p>The CLC is of the view that the proposed fee rate changes will not have a detrimental impact on individuals with protected characteristics.</p>	

Question 9: Do you consider that the proposed increases will have a different impact for individuals who own, manage or work for CLC licensed practices based on their socio-economic status? If so, please explain groups you consider may be impacted and how.	
<p>31 responses were received for this question. 13 respondents (42%) thought it would have a different impact and 18 thought it wouldn't have a different (58%).</p> <p>Of the 31 respondents who participated in the survey, 6 provided further commentary.</p>	
Comments Received	CLC Response
# We don't think that the practice fee will have anything to do with this, as it does appear that practices in general are doing better with their fees. However, we do note that you have proposed a number of increases across the board and there should always be consideration taken to ensure that businesses are not disadvantaged.	To clarify, we are proposing an increase to the Practice Fee and the Compensation Fund Contribution. The Compensation Fund contribution rates are much smaller than the Practice Fee rates, so although the increase % is double, the cost impact is much smaller. The smallest practices will pay an additional £30 Compensation Fund contribution and their Practice Fees will increase by £21.
# any increase is never welcome - conveyancing is a tough market with poor lawyers and many people leaving the profession - increasing costs will make it less attractive than it already is	No change is being proposed to the OLC Levy recharge percentage.
# The increase may not be capable of being passed on	The administration charges are ad hoc fees and are only incurred when a practice comes into regulation or makes changes to their business. These fees are levied on the business that is making the change rather than being borne by the whole regulated community.
# This may cause firms to let staff go due to the increase	
# Taking into account the various increases proposed in this consultation it could affect businesses and therefore individuals as a result	While any fee increase will have an impact on practices, the real cost on practices as illustrated in the consultation document is small, particularly for small practices and is unlikely to create significant detriment to any specific group.

# The cumulative impact of the small cost increases may impact on certain individuals in what is a difficult economy.	
CLC post consultation decision	
<p>13 respondents thought that the proposed changes would have an impact based on socio-economic status. The comments did not provide reasoning behind a socio-economic impact. 59% of respondents thought that it would not have a differential impact.</p> <p>The CLC is of the view that the proposed fee rate changes will not have a material impact on practices based on their socio-economic status as outlined in the comment above.</p>	
Question 10: Do you have any other comments or feedback regarding equality considerations in the context of the proposed fees or the OLC levy?	
No comment received	