

Practice Fee & Compensation Fund Contributions for the 12 months starting 1 November 2022

Purpose:	Approval
Author:	Director of Finance and Operations
Approver:	Chief Executive

Summary

The CLC consults annually and seeks approval from the LSB for the Practice Fee, Compensation Fund contribution and application Fees charged.

This report invites the Council to consider Practice Fee and Compensation Fund contributions for the 12 months commencing 1 November 2022 prior to consultation and submission to the LSB for approval.

Recommendations

Council is asked to approve proposed Practice Fee and Compensation Fund contributions 1 November 2022 – 31 October 2023 for consultation before an application is made to the LSB.

Risk management

Insufficient revenue would reduce reserve levels and require unplanned expenditure cuts which could hamper our ability to deliver effective regulation.

Financial impact

Any changes (or lack thereof) to the fee rates can have an impact on the financial viability of the CLC. The CLC needs to take a prudent approach to fee setting to ensure that any decisions taken now do not have any unintended consequences due to future economic instability.

Regulatory Objectives

The following regulatory objectives are served by the decisions requested in the paper:

RO1 - protect and promote the public interest

- RO3 - improve access to justice
- RO4 - protect and promote the interests of consumers
- RO5 - promote competition in the provision of legal services
- RO6 - encourage an independent, strong, diverse and effective legal profession
- RO7 - increase public understanding of the citizen's legal rights and duties
- RO8 - promote and maintain adherence to the professional principles

Diversity and inclusion impact

In putting this proposal forward we understand that in line with the normal fee setting process the calculation of the fee will be done on a historic basis which may not be aligned to current practice revenue. There is no reason to believe that this will impact regulated individuals with protected characteristics differently than others.

Communications requirements

The regulated community will be consulted on the proposed fee rates before an application is made to the LSB. The fee rates and charges will be communicated to all practices at license renewal.

Publication

This paper is not for publication as the proposals agreed by the Council will be published in a consultation and the CLC's submission to the LSB for approval.