

<b>Approved Regulator (AR)</b>	<b>Faculty Office</b>
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Final application	Type of format received	Confirmed receipt of application?	Website link to the key documents on our webpage
Receipt of final application on 2 July 2012	Email	Yes - 3 July 2012	<a href="http://www.legalservicesboard.org.uk/Projects/pdf/application_for_practising_fees_2012_13_final.pdf">http://www.legalservicesboard.org.uk/Projects/pdf/application_for_practising_fees_2012_13_final.pdf</a>

**Pre-draft application process, including draft documents or correspondence received for assessment against the final application**

	Yes or No	Description	Date
Did the LSB receive a draft application?	No		
Was there a pre-meeting between AR representatives and the LSB?	No		
Do we have any initial concerns arising from the application?	Yes	We had some queries about the basis for the increase in the fee level and the contingency fee which we raised with the Faculty Office. See the assessment letter for further details.	26 July 2012
Have the concerns or issues of clarification (if any) been resolved?	Yes	See assessment letter.	26 July 2012
Does the final application include a section on how the AR has dealt with the areas for improvement (if any) highlighted in the previous year's approval letter? If yes, have these issues been dealt with to the satisfaction of the LSB?	No	Not applicable; no areas for improvement were highlighted last year.	

**Summary**

The Faculty Office addressed the LSB's queries.

**Overall level of concern** No concern

**Section 1: Developing the application and setting the budget**

This section of the criteria refers to D10a & D11a /D11d of the Practising Fee Rules 2009.

Criteria - application	Yes or No	Relevant information
Is there a description of how the application was developed and settled?	Yes	The Faculty Office has no representative function and therefore all revenue from practising fees is used for permitted purposes and almost entirely on the regulation and accreditation of notaries.
Is there sufficient detail to make an assessment of 'reasonable care' when settling the application?	Yes	The budget is based on the number of individuals known to be studying to become notaries and on appointments and retirements.

**Overall comments**

Further reference to LSB guidance would help improve future applications.

**Evaluation**

The application meets the criteria.

Level of concern **No concern**

Criteria - budget	Yes or No	Relevant information
Is there a description of how the budget was developed and settled?	Yes	The budget is based on the number of individuals known to be studying to become notaries and from appointments and retirements in 2011.
Is there evidence that the budget was settled in light of immediate and medium term budgetary needs?	Yes	We were satisfied of this following response to our additional queries.
Is there a description of contingency arrangements?	Yes	Application includes a summary of retained surplus/shortfalls in 2011 accounts (£10,618). The Faculty Office also has a contingency fund used to cover its costs when pursuing a disciplinary case.
Does this include a section on the consultation with practitioners?	Yes	Refer to Section 4.

**Overall comments**

**Evaluation**

Application meets the criteria.

Level of concern **No concern**

**Section 2: Permitted purposes**

This section of the criteria refers to D10b & D11e/D11b of the Practising Fee Rules 2009.

Criteria	Yes or No	Relevant information
Is there evidence that the income raised through the PCF charge are applied <u>solely</u> to the <u>permitted purposes</u> ?	Yes	No representative function. All income is expended on permitted purposes and almost entirely on the regulation and accreditation of notaries.
Does it include a budget that shows the anticipated <u>income</u> from practising fees?	Yes	Total income from certificates will be £337,060 from a total overall income of £371,310. The figure is based on an estimated 850 renewals, some at last year's fee and the majority at the 2012/13 fee.

Criteria	Yes or No	Relevant information
Does it include an analysis of <u>expenditure</u> against the permitted purposes?	Yes	The application includes full break down of 2011 spend and a summary budget for 2012. All spend is on permitted purposes as there is no representative function.
Does it include an analysis of income and expenditure related to <u>all other expected income</u> to be applied to permitted purposes?	Yes	The total overall income for year ended 31 December 2012 is £371,310. As well as income from certificates (see above), the Faculty Office expects £27,000 income from appointments (50 at £540), £3,500 from notarial qualification information packs and £3,750 from Certificates of Exemption (50 at £75).

**Overall comments**

Future applications would benefit from more clarity about how costs are attributed to the LSB/OLC - see assessment letter for further details.

**Evaluation**

The application meets the criteria.

**Level of concern**

No concern

**Section 3: Regulatory functions**

This section of the criteria refers to D10c D10d & D11c of the Practising Fee Rules 2009.

Criteria	Yes or No	Relevant information
Is there clarity and transparency of how the PCF income collected by practising fees is applied to permitted purposes which are <b>regulatory functions</b> (not representative)?	Yes	No representative functions.
Is there a description of shared services?	Yes	No shared services

Criteria	Yes or No	Relevant information
Is there clarity and transparency of how the PCF income collected by practising fees is applied to permitted purposes which are <b>not regulatory functions</b> ?	Yes	No non-regulatory functions

**Overall comments**

**Evaluation**

The application meets the criteria.

**Level of concern:** No concern

**Section 4: Clarity and transparency**

This section of the criteria refers to D10e of the Practising Fee Rules 2009 & section 51(b) of the Act

Criteria	Yes or No	Relevant information
<b>Consultation with members</b>		
Does the application include a description of their consultation undertaken with their members mandated to pay practising fees?	Yes	Faculty Office formally wrote to the secretaries of the two representative societies (the Society of Scrivener Notaries and the Notaries Society) so that they could consult with their members and report back to the Faculty Office. The Registrar of the Faculty Office attended a meeting of the Notaries Society in April to report on proposals.
If yes, does the description of the consultation process include transparency and clarity of how the fee level has been set and how the money collected will be used?	Yes	The representative societies were given accounts for the previous financial year and a note of how the PCF was determined.
If yes, does the application also include a description of how that feedback influenced the decision-making and policy development processes?	Yes	No adverse comment was received.

Criteria	Yes or No	Relevant information
<b>Consultation with members</b>		
In terms of the level of information provided to members, does the application include the recommended use of the 'Council Tax bill' analogy and/or another form of web-based linked information?	No	The Master intends to communicate new fees at the Notaries Society annual conference in September. Upon approval a note will be added to the Faculty Office's website explaining the new level of fees.
If yes, when was this information issued to the mandated members paying the practice fees i.e. as the fee note issued or shortly afterward?	No	N/a

**Overall comments**

We have suggested in our assessment letter that in future the Faculty Office considers budgeting on a financial, rather than calendar, year.

**Evaluation**

Level of concern: **Some concern**

## Section 5: Regulatory and Equality Impact Assessment (EIA)

This section of the criteria refers to D11f of the Practising Fee Rules 2009

Criteria	Yes or No	Relevant information
Does the application include a regulatory or diversity impact assessment?	No	
If no, does the application include a description of how the proposals may potentially impact on various groups (this include the impact of increased fees if appropriate)?	Yes	The Faculty Office does not consider that the level of fees will have an adverse impact on the diversity of the profession.
Does the application include a description of how the proposals have been developed in light of the Regulatory Objectives as set out in the Legal Services Act 2007 and Better Regulatory principles?	No	

### Overall comments

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### Evaluation

The application meets the criteria.
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### Level of concern:

No concern

**Section 6: Consultation with non-commercial bodies and others**

This section of the criteria refers to D12 of the Practising Fee Rules 2009 & Section 51 (7) (a) of the Act

Criteria - non-commercial bodies	Yes or No	Relevant information
Does the application include a description of steps the AR has taken to ensure the impacts of the persons providing non-commercial legal services have been considered when setting the fees?		n/a
Has the AR shared details of the practising fee level with appropriate bodies such as the Law Centres Federation, Citizens Advice and Advice Service Alliance in advance of the submission of the application?		n/a
Have the non-commercial bodies provided any response to the details shared to them by the AR?		n/a

**Overall comments**

**Evaluation**

Level of concern: No concern

**Final assessment and decision**

Summary of LSB assessment - i.e. Approval and/or approval with conditions or rejection
The LSB has approved the application. However, we have highlighted areas for improvement for next year in our assessment letter.

Criteria - others	Yes or No	Relevant information
Have we considered if we need to consult with anyone else on this application?	Yes	The LSB did not consider it necessary to consult with any other group
If yes, what consultation has taken place and with whom?	Yes	n/a
What was the outcome of this exchange i.e. Do we have any immediate concerns that has the potential to delay the approval of the application?	Yes	n/a

**Overall comments**

**Evaluation**

Level of concern: No concern