



LEGAL SERVICES  
**BOARD**

Legal Services Board  
One Kemble Street  
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[www.legalservicesboard.org.uk](http://www.legalservicesboard.org.uk)

23 July 2019

**Fol request reference: 20190625/01**

Thank you for your email of 25 June 2019 requesting information. We have dealt with this request under the Freedom of Information Act 2000 ("FOIA").

You have requested information in relation to the SRA Compensation Fund Levy for 2018/19 and 2019/20:

- 1. 'an explanation why, for 3 consecutive practice years, the SRA is imposing on my firm a compulsory Compensation Fund Levy at an unprecedented high level. I require financial transparency how my money is being used... and details of its financial accounts.**
- 2. why the firm levy is the same flat fee for each SRA authorised and regulated law firm with no regard to turnover or profit and why no fairer fee structure is used to calculate the levy reflecting each firm's ability to pay the Compensation Fund Levy''**

The answer to these questions can be found in the application made by the Solicitors Regulation Authority Board to the Legal Services Board under Part 3 of Schedule 4 to the Legal Services Act for *the approval of changes to regulatory arrangements relating to Compensation Fund contributions* 19 July 2018, in particular on pages 4-5. The document is publicly available on our website at:

[https://www.legalservicesboard.org.uk/what\\_we\\_do/regulation/pdf/2018/20180717\\_SRA\\_Part%203\\_Of\\_Schedule\\_4\\_Application.pdf](https://www.legalservicesboard.org.uk/what_we_do/regulation/pdf/2018/20180717_SRA_Part%203_Of_Schedule_4_Application.pdf).

You can also view the previous years' practising fee applications which further provide information.

2017 application:

[https://www.legalservicesboard.org.uk/Projects/independent\\_regulation/PDF/2017/20170717\\_SRA\\_TLS\\_to\\_LSB\\_Section\\_51\\_Application.pdf](https://www.legalservicesboard.org.uk/Projects/independent_regulation/PDF/2017/20170717_SRA_TLS_to_LSB_Section_51_Application.pdf).

2016 application:

[https://www.legalservicesboard.org.uk/Projects/independent\\_regulation/PDF/2016/20160719\\_SRA\\_TLS\\_To\\_LSB\\_Section\\_51\\_Application\\_2016.pdf](https://www.legalservicesboard.org.uk/Projects/independent_regulation/PDF/2016/20160719_SRA_TLS_To_LSB_Section_51_Application_2016.pdf).

Details of how the Compensation Fund Levy is used in practice can be found in the Compensation Fund Unaudited Annual Report and Financial Statements 2018 at page 12. This information can be found at [Compensation Fund Unaudited Annual Report and Financial Statements 2018](#).

Rationale for setting a flat rate for all firms can be found in the SRA Application to the Legal Services Board (LSB) linked [here](#) at page 14, paragraph 52.

The information requested for 2019/20 is not held by the LSB as the yearly Compensation Fund application has not yet been made.

#### **4. 'how the Compensation Fund is being managed – details of who manages the Compensation Fund'**

This information is not held by the Legal Services Board. Detail of the organisational structure of the Compensation Fund and its personnel is not included in information reported to the LSB by the SRA.

If you are dissatisfied with the way we have handled your request, you may request a review of our decision or make a complaint. Our complaint procedure is set out at:

[http://www.legalservicesboard.org.uk/can\\_we\\_help/lbsb\\_policies\\_procedures/freedom\\_of\\_information/index.htm#Complaints](http://www.legalservicesboard.org.uk/can_we_help/lbsb_policies_procedures/freedom_of_information/index.htm#Complaints)

If you are dissatisfied with the outcome of your complaint, you may refer the matter to the Information Commissioner for a decision. Please be aware that the Commissioner will be unlikely to make a decision until you have been through our internal complaints procedure first.

You can write to the Commissioner at:

FOI/EIR Complaints Resolution Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF

Please quote the above reference number in all communications on this request.