

Approval of 2026/27 Practising fees application made by the Faculty Office on behalf of the Master of the Faculties, (“Faculty Office”) to the Legal Services Board under section 51 of the Legal Services Act 2007

1. The LSB has approved an application¹ made by the Faculty Office to the Legal Services Board (“**LSB**”) under section 51 of the Legal Services Act 2007 (“**the Act**”). Section 51 of the Act relates to the control of practising fees charged by approved regulators. The Faculty Office’s application is made on behalf of approved regulator the Master of the Faculties, the Archbishop of Canterbury (“**the Master**”). The Master carries out her regulatory functions with the assistance of the Faculty Office and does not have representative functions, although she carries out other functions²
2. Subject to LSB approval of the level of the fee, practising fees are payable under an approved regulator’s regulatory arrangements where payment is a condition of authorisation to carry out one or more reserved legal activities. Practising fee income may be used only for the permitted purposes set out in section 51(4) of the Act and the LSB Practising Fee Rules 2021 (“**the Rules**”). When applying, an approved regulator must comply with the Rules, which govern the practising fee application and approval process, and have regard to the LSB’s Guidance on the Practising Fee Rules 2021 (“**the Guidance**”).
3. This notice sets out the decision taken, including an assessment of the practising fee application.

Summary and overview of practising fees application

4. The Faculty Office’s practising year runs from November to October, while its financial year runs from April to March. Practising fees are set by turnover band. For 2026/27, a notary with turnover of £15,001 to £50,000 will pay £695; one with turnover of £50,001 to £90,000 will pay £1,000.
5. Page 2 of the application sets out the proposed fees for each turnover band. In 2026/27 the Faculty Office is proposing:
 - a) to maintain the number of turnover bands and the range each one covers, and
 - b) to maintain the practising certificate fees payable under each of the turnover bands at their 2025/26 levels.
6. An overview of the Faculty Office’s proposed practising fees for 2026/27 is set out in the table below:

¹ [Faculty Office practising certificate fees approval application for 2026/27](#)

² These other functions are the issuing of Special Marriage Licences and awarding of “Lambeth” degrees.

Turnover	Proposed PCF November 2026-October 2027 (same level approved in 2025/26)
£0 - £5,000	£360
£5001 - £15,000	£560
£15,001 - £50,000	£695
£50,001 - £90,000	£1,000
£90,001 - £150,000	£1,665
£150,001 - £300,000	£2,000
Over £300,000	£4,165

7. The Faculty Office's annual report for its financial year ending 31 March 2026³ notes that at the end of its 2024/25 practising certificate year 760 notaries took out a practising certificate. As of 31 March 2026, in the current practising year ending 31 October 2026, 777 notaries had taken out a practising certificate, and a further 8 were subsequently admitted during 2025/26 practising certificate year, totalling 785. The table on page 2 of the application shows that 68% of notaries fall into the lowest three bands, covering notaries with turnover of up to £50,000.
8. Under its proposals, the Faculty Office's total projected practising fee income for 2026/27 is expected to be £747,151⁴ budgeted across two different financial years due to the Faculty Office's collection year not aligning with its financial year.
9. The Faculty Office will retain 94.8% of the fees collected, with the remainder allocated to the levy funding for the LSB (3%), the Office for Legal Complaints, which manages the Legal Ombudsman, (0.8%) and the Office for Professional Body Anti-Money Laundering Supervision (1.4%).
10. Paragraphs 20–22 of the application state that the Faculty Office will use practising fee income solely for regulatory functions: "the regulation, accreditation, education and training of relevant authorised persons and those wishing to become such persons" (section 51(4)(a) of the Act). Approximately 89% of the income will fund activities within this permitted purpose, with the remainder allocated to other permitted purposes: participation in law reform and the legislative process, and promoting relations with relevant national or international bodies, governments and legal professions in other jurisdictions.

³ [Registrar's annual report 2026](#)

⁴ This represents practising fee income of £311,313 (November 2026 to March 2027) and £435,838 (income from April - October 2027)

11. Paragraphs 24–27 of the application and responses to follow-up questions show that practising fees will fund the following key areas:
 - a) Regulation, accreditation, authorisation of notaries, education and training of notaries and prospective notaries – approximately 18%
 - b) Anti-money laundering supervision as the professional body supervisor for the notarial profession – approximately 23%
 - c) Ongoing inspection, enforcement and disciplinary work – approximately 20%
 - d) Governance and compliance, policy development, staff training, projects supporting the Master’s priorities, engagement and information sharing – 39%
12. Having reviewed the detailed information provided by the Faculty Office, the LSB is satisfied that the proposed practising fees spend falls under permitted purposes.
13. Paragraphs 24-29 of the application refer to the Faculty Office’s three-year business plan⁵ which contains 14 key priorities which fall within the regulatory objectives in section 1 of the Act. The application provides an update on progress made against these priorities. On the basis of the information the Faculty Office has provided in its application, its business plan and the update on its progress towards meeting its 14 key priorities in its response to its consultation on its 2026/27 practising fees⁶, the LSB is satisfied that the Faculty Office intends to discharge its regulatory functions in a manner compatible with the regulatory objectives.

LSB assessment

14. In this round of practising fee assessments, the LSB is focusing on whether activities funded by practising fees effectively advance consumer interests and the public interest. We have therefore assessed the Faculty Office’s application proportionately against our Rules and Guidance, emphasising consumer outcomes, as well as financial resilience and progress against expectations in previous decision notices.

Accounting for practising fees

15. Rule 16a requires an approved regulator to explain how practising fees will comply with section 51(2) of the Act by identifying the activities they will fund and the permitted purpose of each. Rule 14 requires the proposed application of practising fees to a programme of activity to be clear.
16. The LSB’s October 2025 decision notice⁷ raised concerns about insufficient transparency in the allocation and spend of practising fees in its application for 2025/26. To encourage greater transparency, we set the following expectations to be met in the 2026/27 application:
 - a) take significant steps to enable it to produce a programme of activity against which practising fees are allocated to individual areas, including by way of examples: authorisation, supervision, disciplinary, regulatory policy, education and training and governance.
 - b) produce a list of regulatory activities with practising fee income allocated against them. This overview should reflect the expected staff cost allocated to the delivery of different areas.

⁵ [Faculty Office Business Plan 2025 Final](#)

⁶ [Faculty Office response to consultation on Practising Certificate Fees 2026](#)

17. Paragraph 23 of the application explains that the Faculty Office introduced a time-recording system in April 2026 to support a detailed breakdown of regulatory work in next year's application. However, the application, as in previous ones, only provides estimates of time spent on these activities. Furthermore, information in the application on allocation of practising fees only accounted for 61% of it, with information on remaining 39% obtained via follow up questions.
18. The application explains that the Faculty Office's new time-recording system will enable next year's application to show how practising fees and expected staff costs are allocated to specific regulatory activities.
19. The LSB is persuaded that the Faculty Office's explanation for not meeting the expectations above is reasonable. However, we expect that future applications to contain sufficient information to assess proposed funding and activities. We expect the above two expectations set in 2024/25 to be fully met in next year's application.

Assurance that the Faculty Office is adequately resourced to deliver its regulatory functions

20. Rule 29d states that, *'When making an application under Rule 9 an approved regulator must satisfy the Board that – the amounts raised by the practising fees to be applied to regulatory functions are sufficient to effectively discharge those functions'*¹⁹. Budget forecasts provided by the Faculty Office with its 2026/27 application show that it is forecasting a deficit of £22,064 in financial year 2026/27. Paragraph 36 of the application explains that forecast budgets are expected to produce small deficits for each of the accounting years ending 31 March 2027, 2028, and 2029.
21. We asked the Faculty Office how it had assured itself that it has set practising fees at a level and/or has sufficient reserves to enable it to deliver its business plan commitments and regulatory activities in 2026/27.
22. The Faculty Office explained that the budgeted operating expenditure includes £50,000 IT expenditure for Notary Pro, its management portal for the profession. This cost will be met from a ringfenced reserve accumulated in previous years and therefore does not require funding from the 2026/27 budget. Excluding this expenditure, the Faculty Office forecasts a £27,936 surplus in 2026/27. On this basis, we consider that the Faculty Office has set its practising fees to be sufficient to effectively discharge its regulatory functions.

Activities outside approved regulator functions

23. As explained in paragraph 18 of the application, all Faculty Office staff, except the Deputy Chief Clerk, also work on the Faculty Office's ecclesiastical and other dispensatory functions, as well as within the Ecclesiastical Education and Charities Division of law firm Lee Bolton Monier-Williams LLP (LBMW). The Faculty Office pays a management charge, for the use of premises, insurance, staff and other overheads to LBMW. The Faculty Office's budget information in its application shows that this charge represents approximately 51% of total expenditure and is forecast to increase to £437,989 in 2026/27 from £380,418 in 2025/26, including costs for stationery, depreciation and maintenance. The proportion allocation to notaries of the Faculty Office's share of Management costs has increased from 71% to 79%.

24. In our 2025/26 decision notice, we set an expectation that future applications should provide significantly greater transparency about the subcategories within the Management Charge. The budget information in this application provides further detail and following our initial review, we asked the Faculty Office to provide more information about the increases to the Management Charge, and on how it ensures it is receiving a value-for-money service for this charge paid to the law firm.
25. The Faculty Office explained that the Management Charge covers staff directly engaged on Faculty Office work and shared support staff such as reception and practice manager. The 79% allocation reflects time spent on notarial work. In 2025/26 71% was budgeted, which was latter corrected to 79% using time-use data. The 79% allocation is expected to continue in 2026/27 with most components of the charge increasing by approximately £10,000 compared to 2025/26. We note that together, the higher allocation and increased costs raise the charge by over 15%, from £380,418 in 2025/26 to £437,989 in 2026/27.
26. The Faculty Office explained that it had assured itself that LBMW was providing it with a value-for-money service in two ways:
 - a) **Independent reviews:** An independent review of the joint premises and services arrangement took place in May 2023. A further review in June 2025 concluded that LBMW provided value for money. The Management Charge continues to be calculated in the same way as it was in 2025.
 - b) **Annual meeting between the Faculty Office and LBMW:** The meetings assess value-for-money overall and in specific areas including service levels, staffing, expertise, premises and facilities. It also considers how the Management Charge is calculated.
27. We note the Faculty Office's measures to secure value for money. We expect it to continue ensuring that its arrangement with LBMW provides value for money for the profession who funds this arrangement via practising fees. We will continue to monitor this arrangement as part of our oversight of the Faculty Office.

Delivering benefits

28. In our 2025/26 decision notice, we set an expectation for the Faculty Office to *"in alignment with the LSB's Rules, clearly demonstrate in this year's application its assessment of the benefits derived from its programme of activities in 2025/26. This will provide additional transparency and accountability to stakeholders for its fully planned programme of activity."*
29. Paragraph 11 of the application explains that the new time-recording system will support future assessment of the qualitative benefits of notarial activities by detailing how practising fees are allocated and the associated delivery costs. Paragraph 12 and the Registrar's Annual Report state that the Faculty Office is developing a monitoring and evaluation framework to demonstrate the benefits of its activities, particularly quantitative benefits for consumers. Its response to the 2026/27 practising fees consultation states that the senior team plans to launch a pilot outcomes and impact framework in early 2027.

30. We asked the Faculty Office for further information on how it evaluates the effectiveness, impact and consumer benefits of its regulatory functions, including its framework, indicators, metrics and measures of success.
31. The Faculty Office explained that each of the Master's priorities includes a rationale setting out its intended outcome and potential measures of success. Activities are also evaluated at weekly management meetings, monthly meetings with the Master and quarterly Council meetings.
32. The Faculty Office does not yet have a formal evaluation framework, but we understand it is developing one. A pilot evaluation framework is expected to be prepared by the autumn for approval and subsequent implementation in early 2027.
33. Paragraph 12 of the application explains that work to report quantitative metrics on the programme of activities will also support reporting on the budget allocated to meeting the LSB's regulatory performance expectations.
34. In its next application, we expect the Faculty Office to clearly assess its 2026/27 programme of activities, including its delivery and benefits, to provide transparency and accountability to stakeholders for activities funded by practising fees.

Reserves

35. The Practising Fee Rules require an approved regulator to demonstrate that its target and accumulated practising fee reserves provide reasonable financial resilience in adverse circumstances, based on a sound risk assessment. It must also justify any target materially above or below three to six months' expenditure.
36. Paragraph 2 of the application states that, on 31 March 2026, the Faculty Office held reserves covering £425,115 of operating expenditure, slightly below six months of projected 2026/27 expenditure and therefore just below its policy target. This included £50,000 of reserves for the Notary Pro IT project referred to above. The Faculty Office confirmed that uncommitted reserves were £375,117, equivalent to 5.3 months' expenditure.
37. The Faculty Office told us it is unable to predict its precise reserves level at October 2026. However, the Faculty Office expects, based on the previous year, a cash balance of approximately £960,000 and uncommitted reserves exceeding six months' expenditure. This would provide financial resilience against an unexpected operating deficit in 2026/27.
38. Given that reserves may exceed six months' operating expenditure, we expect the Faculty Office to proportionately take account of its reserve levels when setting practising fees for 2027/28. Paragraph 87 of the Guidance states that practising fee reserves above the target level should be returned to the regulated community through a corresponding reduction in the following year's fee unless the approved regulator explains why this would be inappropriate.
39. The Rules also provide that, where an approved regulator has a separate regulatory body, that body should, as far as reasonably practicable, manage its own practising fee reserves. This safeguards regulatory functions from representative functions and

supports independent regulatory decision-making. While the Master has no separate regulatory body, the same principle would apply to its activities outside its role as approved regulator.

40. Paragraph 40 of the application states that reserves for notarial regulatory activities are held separately from those for ecclesiastical activities. However, the Reserves Policy states that operating reserves are commingled with general cash and investment accounts. We asked the Faculty Office to explain this apparent inconsistency and how its arrangements are consistent with Rule 18 and the accompanying Guidance.
41. The Faculty Office explained that its policy requires reserves for its regulatory and ecclesiastical arms to be held separately, as they are in practice. The reference to reserves being 'commingled' instead reflects that, for administrative reasons, some shared payments are made from one account before reconciliation ensures that each arm is correctly charged. We note this explanation and remind the Faculty Office to have regard to Rule 18 when managing its reserves.

Decision

42. The LSB has approved the practising fees application submitted by the Faculty Office for 2026/27 under section 51 of the Act.

Summary of expectations for next application

43. In the next application the LSB would expect the Faculty Office to:
 - 1) take significant steps to enable it to produce a programme of activity against which practising fees are allocated to individual areas, including by way of examples authorisation, supervision, disciplinary, regulatory policy, education and training and governance.
 - 2) produce a list of regulatory activities with practising fee income allocated against them. This overview should reflect the expected staff cost allocated to the delivery of different areas
 - 3) continue to ensure that its arrangement with LBMW provides value for money for the profession who funds this arrangement via practising fees.
 - 4) clearly demonstrate its assessment of its programme of activities in 2026/27 in order to provide transparency and accountability to its stakeholders about the delivery of its programme of activities funded by practising fees and the benefits derived from that programme
 - 5) proportionately take account of its level of reserves when setting practicing fees for 2027/28

Richard Orpin, Chief Executive
Acting under delegated authority granted by the Board of the Legal Services Board
9 October 2026