

Breakdown of the Chartered Institute of Legal Executives (CILEX) Group budget showing Practising Certificate Fee (PCF) Expenditure

CILEX Group - PCF & Levy - Year Ending (YE) 31/12/2012 (based on expenditure figures)

	Amount	%	Comments
ILEX Professional Standards (IPS)	657,900	33.1	Budget allocated to IPS.
CILEX Shared Services	1,084,500	54.5	CILEX budget of £1,354,500 excluding the <i>forecasted</i> Levy
Levy - LSB Running Costs (RC)	236,144	11.9	This is the actual Legal Services Board (LSB) running costs.
Levy - LeO Running Costs (RC)	9,688	0.5	This is the actual Legal Ombudsman (LeO) running costs.
Total PCF	1,988,232	100	As we have replaced the forecasted Levy costs (£270,000) with the actual Levy costs (£245,832), the total PCF expenditure budget is lower than the budgeted figure from CILEX submitted with the 2011/12 PCF application (£2,012,300). <i>Note on income: A total of £1,888,800 will be collected from the profession and £9,300 from training and other income. Shortfall of £114,200 will be met by the CILEX Group's other income and reserves.</i>

CILEX Group - CILEX Department Budget / shared services - YE 31/12/2012 (based on expenditure figures)

CILEX Department	Total CILEX budget	Total CILEX budget allocated to PCF Regulatory Expenditure	Percentage of total CILEX Budget allocated to PCF Regulatory Expenditure
IPS			
IPS sub total	£657,900	£657,900	100%
CILEX Department			
Membership	£671,200	£199,800	30%
Awards	£1,492,900	£469,300	31%
Journal	£281,900	£25,700	9%
Corporate affairs	£259,200	£84,400	33%
Coms / Marketing	£354,700	£111,700	31%
Central resources (excluding the Levies)	£723,500	£193,600	27%
Levy - LSB RC		£236,144	100%
Levy - LeO RC		£9,688	100%
CILEX Department / IPS sub-total	£4,441,300	£1,988,232	

Additional notes:

- 'Total CILEX budget' includes both PCF and non-PCF income.
- 'Total CILEX Budget allocated to PCF Regulatory Expenditure' shows the proportion of the total CILEX budget allocated to regulatory functions of which only PCF income is used. For example, of the £671,200 budget for 'Membership' - a total of £199,800 is allocated to regulatory costs.
- 'Percentage of total CILEX Budget allocated to PCF Regulatory Expenditure' shows the percentage of the CILEX budget allocated to regulatory costs. For example, of the £671,200 budget for 'Membership' - a total of 30% is allocated to regulatory costs.
- A total of 100% of the IPS budget is allocated to regulatory functions of which only PCF income is used.
- Central resources includes HR, Group CEO, OLC/LSB levies etc. None of the central resources budget is allocated to IPS as it remains a part of the CILEX Group.
- The Levy has been separated out to show specific costs for both LeO and LSB and the forecasted Levy costs (£270,000) have been substituted with actual Levy costs (£245,832), so the totals appear lower than what was submitted with the PCF application for 2011/12. For example, the total central resources budget of £993,500 less total **forecasted** Levy costs £270,000 equals £723,500. Similarly, the total regulatory central services budget of £463,600 less the total **forecasted** Levy costs £270,000 equals £193,600.
- As stated above, the forecasted Levy costs were substituted with the actual Levy costs so the overall CILEX Department /IPS sub-total of £1,988,323 is **lower** than the equivalent figure of £2,012,300 in the CILEX PCF application for 2011/12.

Source of information

http://www.legalservicesboard.org.uk/Projects/pdf/ilex_group_2012_budget_summary_lsb_030811.pdf

LEVY: set-up for LSB (third instalment) and running costs for LSB & LeO

	Total Levy forecast (AR) 2011/12	LSB Levy forecast running costs 2011/12	LeO Levy forecast running costs 2011/12	LSB Levy actual running costs 2011/12	LeO Levy actual running costs 2011/12	LSB Start-up costs actual (3rd instalment) 2011/12
IPS/ILEX	270,000	250,313	11,889	236,144	9,688	82,523

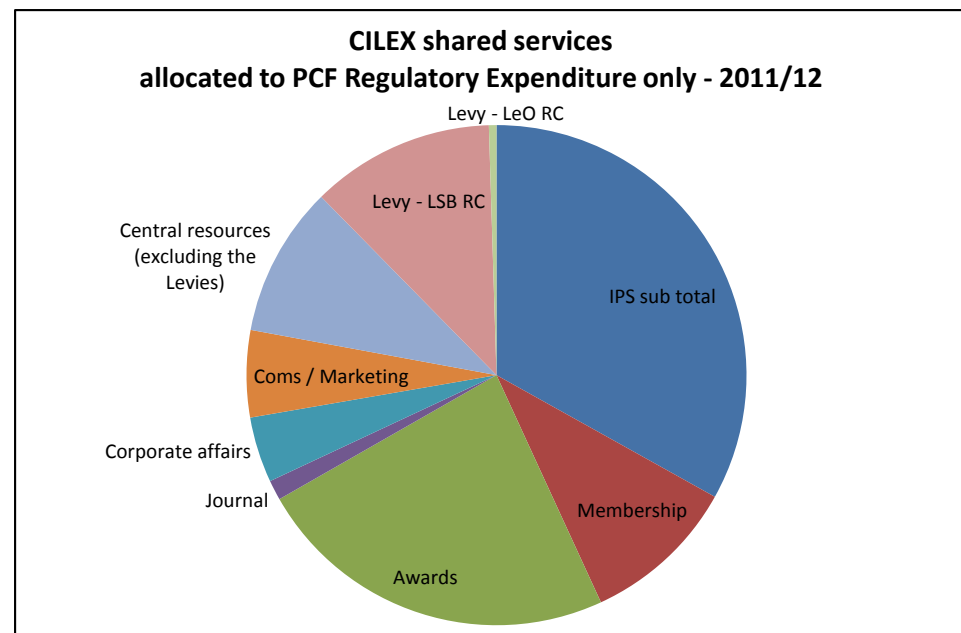
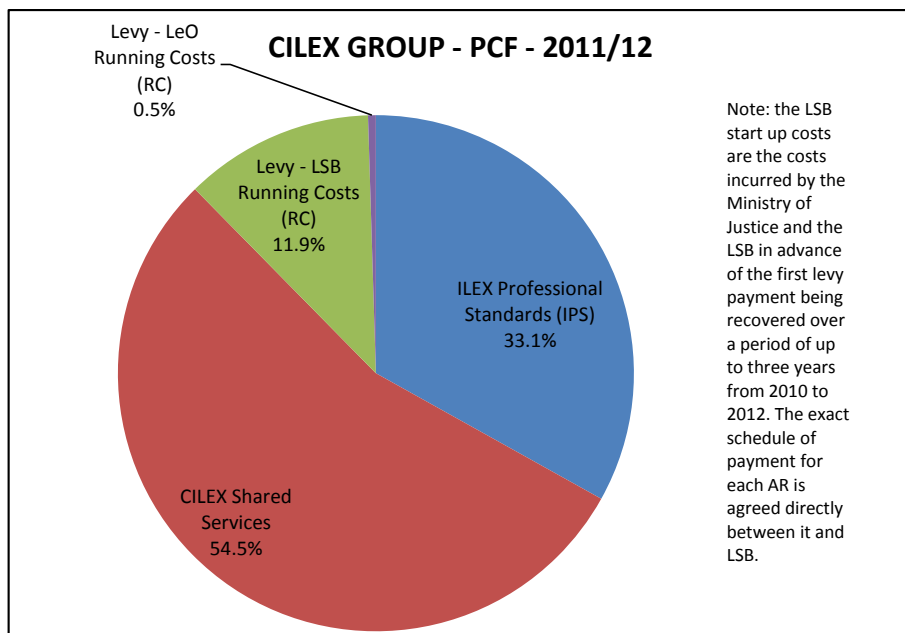
Source of information

Legal Services Board.

Additional notes:

- The set-up costs for the LSB were charged in three instalments to each approved regulator to be paid in March 2010, March 2011 and March 2012. CILEX charged all three instalments to their accounts in 2010 because it related to costs for a prior period. Therefore when setting the 2012 budget, CILEX did not include the third instalment of £82,523 as the funds had been raised previously in 2010.
- Set-up costs for LeO were shared by the Bar Council, The Law Society & the Council of Licensed Conveyancers over two years and paid in March 2010 and March 2011.

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PCF breakdown for 2011/12

	Percentage of total PCF (see graph above for details)	Total fee paid by each authorised person
	%	£
IPS	33.1	91.03
CILEX Shared Services	54.5	149.88
Levy - LSB RC	11.9	32.73
Levy - LeO RC	0.5	1.38
Total PCF	100	275.00

Source of information

http://www.legalservicesboard.org.uk/Projects/pdf/ilex_pcf_application_v_3.pdf