

## News release

# Fee levels and compensation fund contributions

26 August 2022

Individual practising fee levels for 2022/23 have been approved by the Legal Services Board (LSB).

Practising fees are used to pay statutory levies to the LSB, the Legal Ombudsman, the Solicitors Disciplinary Tribunal and Office for Professional Body Anti-Money Laundering Supervision, and to fund representation by the Law Society, as well as our work. The funding requirement for all organisations is £114.7mn, a £10.4mn increase from £104.3mn in 2020/21.

Individual fees for this year, as agreed by the LSB, will be £286. Our share of PC fees will rise slightly from £145 to £151.

The compensation fund contribution for individuals will be reduced from £40 in 2021/22, to £30 for 2022/23. Firm contributions to the compensation fund will also fall from £760 to £690.

The fund makes discretionary payments to those that have lost money in certain circumstances, when a solicitor misappropriates or fails to account for money when providing legal services. It is a key part of the regulatory framework and helps to maintain trust and confidence in regulated law firms.

Our agreed budget and funding will allow us to pursue the priorities laid down in our final 2022/23 Business Plan and the last year of our three-year [Corporate Strategy](https://media.sra.org.uk/sra/corporate-strategy/1) [<https://media.sra.org.uk/sra/corporate-strategy/1>]. The consultation on the Business Plan included the budget and our element of practising fee.

Practising fees and compensation fund contributions are collected in October as part of the annual renewals process.

This table shows the most recent individual PC fees and compensation fund contributions for individuals and firms.

| <b>Practising year</b> | <b>Individual PC fee</b> | <b>Compensation fund, individual contribution</b> | <b>Compensation fund, firm contribution</b> |
|------------------------|--------------------------|---|---|
| 2015/16                | £320                     | £32   | £548  |
| 2016/17                | £290                     | £32   | £548  |
| 2017/18                | £278                     | £40   | £778  |

|         |      |     |        |
|---------|------|-----|--------|
| 2018/19 | £278 | £90 | £1,680 |
| 2019/20 | £278 | £60 | £1,150 |
| 2020/21 | £278 | £50 | £950   |
| 2021/22 | £266 | £40 | £760   |
| 2022/23 | £286 | £30 | £690   |