

Budget Notes 2011

Background - 2010

- The 2010 budget was £363,000 before the LSB Levy of £114,000. The total budget was therefore **£477,000**.
- Total income to date is **£466,000**.

LSB Levy

- The LSB Levy paid on 31st March 2010 was £30,000 being the first tranche of the set up costs and £20,000 being the IPReg contribution to running costs for the period 1st January 2010 to 31st March 2010. Therefore only £50,000 rather than the budgeted figure of £114,000 has been paid.
- The 2010/2011 LSB Levy will be £120,000 being £30,000 (the second tranche of the set up contribution) and £80,000 running costs (estimated based on first quarter that has been paid) for the period 1st April 2010 to 31st March 2011. This will be paid on 31st March 2011 and is in arrears.
- IPReg has accrued £2,500 each month against the LSB set up contribution for the months April 2010 to March 2011 and an additional £6,700 per month against LSB running costs for the same period.
- The budget incorporates a cost uplift for the LSB running costs at 15% although this figure can be adjusted once the actual percentage increase is known

IPReg Board

- The Board are contracted to work 10 days a year. The Board meets every other month (6 meetings) and has already held 4 additional ad hoc meetings. The Committees each meet monthly (12 meetings).
- There will, therefore, be at least 18 “standing” meetings for the Board in 2011 although IPReg is to review the use of its committees..
- The Chairman and Board members have given a large number of presentations across the country and attended meetings with the Legal Ombudsman and the Institutes and other representative bodies. This work load is expected to be repeated in 2011.
- A further lay members is to be appointed.
- Two professional board members will retire next year and a commitment has been given by the LSB that their contracts will not be automatically extended.
- Two further professional members will retire in March 2012 and therefore will need to be appointed in late 2011.

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- IPReg needs urgently to establish and formally train a Disciplinary Board.

IPReg Office and Officers

- The costs of employing the CEO were budgeted at £80,000. It has become clear over this first year and in preparing the 2011 Business Plan that IPReg requires the equivalent of a full time CEO. However to ensure that a wide range of skills are available, the Board has decided to split this between two posts which will complement each other. Splitting the resource will also facilitate cover for holidays/sickness.
- Similarly the Administrator's role is now shared with one covering 3 days (from the autumn) and one 2 days. A further part time (2 days) administrator is also required.

Projects (the IPReg 2011 Business Plan covers Project items in more detail)

- The IT project is intended to bring significantly increased functionality to the IPReg website to cover dealing with complaints /communications and practical issues such as on line registration and CPD recording.
- The EdQual Committee is currently undertaking soundings and this will be used to instruct/inform consultants who will be appointed in 2011 to review and validate the current education and qualifications systems

Contingencies/Reserves

- The 2010 budget had two contingencies – Board £15,000 and Administration £15,000. This is now shown as a single contingency of £15,000
- IPReg was planning to start building up over 4 years at £25,000 p a. This represents, broadly, one years notice to quit (£25,000), 6 months notice to the CEO (£25,000) (although strictly after appointment of the additional resource this ought to be increased to £40,000) and one years notice to the Chairman and the Board (£13,000 plus £30,000). This reserve would, however, also be held to cover the cost of an unexpectedly large/lengthy/complex conduct case.
- However in order to limit the practice fee increase the creation of the reserve has been deferred and IPReg will therefore continue to rely on the financial guarantees of CIPA and ITMA