

To:	Legal Services Board
Date of Meeting:	29 April 2015
Item:	Paper (15) 22

Title:	Finance Report to 31 March 2015
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Status:	

Summary:
This paper summarises the financial position as at the end of March 2015.

Recommendation(s):
The Board is invited to note and to comment on the Finance Report.

Risks and mitigations
Financial: None- routine Board update;
Legal: None- factual commentary
Reputational: None- factual commentary
Resource: Reports on how the Board uses its planned resources

Consultation	Yes	No	Who / why?
Board Members:		✓	N/A- routine update and commentary
Consumer Panel:		✓	
Others:	N/A		

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
N/A	None	

LEGAL SERVICES BOARD

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Finance report for March 2015

Recommendation

The Board is invited to note and to comment on the Finance report.

Introduction

1. This paper provides a brief commentary about the year ending 31 March 2015. A financial report is attached (**Appendix 1**).
2. This report covers the whole of the year and spending is largely in line with expectations and forecasted variances taking into account known factors.
3. *Overall position* – spending to the end of March is £3,920,918 against a budget of £4,298,000 resulting in an underspend of £377,082 (£234,729 for the same period in 2013/14).
4. *Cash position* - following supplier, legal, HMRC and salary payments in December and receipt of levy income the funds held in the bank have increased from £3.28m to £7.06m.

Points to note

5. An analysis of the main spending headings reveals:
 - a) **Board Costs** – The MoJ confirmed the appointment of Dr Helen Phillips with effect from 11 March 2015 as a lay Member. The Board had a carried one vacancy for almost a full year
 - b) **Staffing Costs** – Underspend for the year was as a result carrying a number of vacancies throughout the year as colleagues left the LSB as part of their career progression to higher level roles in other organisations.
 - c) **Accommodation Costs** – We are now occupying less space than when in Victoria House, but no longer have a dedicated large meeting room facility within our office space. When needed we hire rooms from our landlord, the Office of Rail Regulation and this provides better value for money. On occasions we are also able to use rooms provided by the Medical Research Council free of charge on the condition that we use their catering service.
 - d) **Outsourced Services** – Our outsourced arrangements for IT continue to be effective.
 - e) **Research Costs**- We had reallocated funds earlier on in the year to finance our agreed programme of research. Some of this was ‘joint funding’ with two other organisations and the agreeing of the detailed specification for this work with the other parties has meant that this project has had to be deferred until the 2015/16 year.

f) Legal and Associated Costs - The legal costs include an estimate of the amounts due for work undertaken prior to the end of March. The Court of Appeal found in our favour on costs as well as the substantive issue on the QASA judicial review on 30 October. The exact position on whether there is a repayment and its timing will not be known until the outcome of the appeal to the Supreme Court, which took place on Monday 16 March. The claimants were granted leave to appeal on one narrow issue of interpretation of European law. This means that the uncertainty could persist well into 2015-16 or even further.

EJ 19.04.15