

To:	Legal Services Board
Date of Meeting:	7 July 2015
Item:	Paper (15) 42

Title:	Finance Report to 31 May 2015
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Status:	Official

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

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

Risks and mitigations	
Financial:	There are no financial risks – this is a factual report
Legal:	There are no legal risks- this is a factual report
Reputational:	The LSB needs to be seen as effective in managing funds at its disposal. The Board needs to satisfy itself that this is the case. The Executive also consider how it is has used it funds on a monthly basis and will take any necessary action as a result of this review.
Resource:	There are no resource risks- this is a factual report

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 May 2015

Purpose

1. This paper provides a brief commentary about the period ending 31 May 2015. A financial report is attached (**Appendix 1**).

Recommendation

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

Points to note

3. This report covers the first two months of the year and spending is largely in line with expectations and forecasted variances.
4. *Overall position* – spending to the end of May is £501,170 against a budget of £558,928 resulting in an underspend of £57,758 (£59,750 in 2014).
5. *Cash position* - following supplier, legal, HMRC and salary payments in April, the funds held in the bank have decreased from £6.63m to £6.34m.
6. An analysis of the main spending headings reveals:
 - a) **Board Costs** – Although the Board is currently up to full complement the terms of two members will expire at the end of September 2015. We are pressing MoJ to make sure they complete the recruitment process for new members in good time but we have not had any assurance on this date.
 - b) **Staff Costs** – All appointments have been made and new colleagues joined part way through the month.
 - c) **Accommodation Costs** – We are taking advantage of the offer to use rooms provided by the Medical Research Council on a ‘free of charge basis’ when these are available and this continues to reduce costs in this area. We are hopeful that approved regulators or representative bodies in central London will also be able to provide large room meeting space on this same basis when no rooms are available on-site for large meetings involving all regulators and or representative bodies.
 - d) **Outsourced Services and IT Costs** – We continue to derive maximum value for money on this budget head partly as a result of our current IT support contract and partly by bringing ‘in-house’ some services that were previously outsourced.
 - e) **Governance and Support Services** – The spending in this area is in line with forecast.
 - f) **Legal and Associated Costs** - Now that the outcome of the appeal to the Supreme Court on QASA has been published, upholding our original decision, we will be seeking to recover costs up to the maximum available under the Protective Costs Orders, issued by the various courts. These monies will be returned to the whole profession.