

To:	Legal Services Board
Date of Meeting:	8 September 2016
Item:	Paper (16) 57

Title:	Finance Report to 31 August 2016
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Status:	Official

Summary:
This paper summarises the financial position as at the end of August 2016.

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 August 2016

Purpose

1. This paper provides a brief commentary about the period ending 31 August 2016. 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 five months of the year and spending is largely in line with expectations and forecasted variances.
4. *Overall position* – spending to the end of August is £1,309k against a budget of £1,381k resulting in an underspend of £72k (£78k for the same period in 2015).
5. *Cash position* - following supplier, legal, HMRC and salary payments in August, the funds held in the bank have decreased from £6.09m to £5.77m.
6. An analysis of the main spending headings reveals:
 - a) **Board Costs** – A recruitment exercise for lay members has been completed and the Appointments Team at the MoJ is waiting for ministerial and No.10 clearance. All new members are required to undertake the Accountability and Governance for Arms' Length Bodies training and induction course.
 - b) **Staff Costs** – We have had a vacant Associate role for some time and have successfully recruited, with the new post holder having started at the end of July. As previously reported we have two colleagues currently on maternity leave and one who will start maternity leave at the end of August. We are able to recoup 92% of the amount we pay for statutory maternity pay. Three colleagues have given notice to leave the LSB in the coming months. One of these roles has been filled internally and we are currently seeking to recruit for temporary maternity cover and permanent replacements where applicable. We are currently in the process of recruitment but there will inevitably be a delay between appointment and new colleagues being able to take up their new posts. We will not be able to recoup this underspend.
 - c) **Accommodation**- We are estimating our likely charge for rates as this is something, which the Government Legal Department pays for the whole of One Kemble Street and then makes a recharge to all of the tenants. ORR are chasing GLD for this although we do not expect any material difference from our estimate.