

<b>To:</b>	Legal Services Board		
<b>Date of Meeting:</b>	26 March 2019	<b>Item:</b>	Paper (19) 16

<b>Title:</b>	Finance Report for February 2019		
<b>Author / Introduced by:</b>	Rusere Shoniwa, Interim Director of Finance and Services		
<b>Status:</b>	Official		

<b>Summary:</b>
This paper summarises the financial results and position as at the end of February 2019

<b>Recommendation:</b>
The Board is invited to <b>review</b> the Finance Report.

<b>Risks and mitigations</b>	
<b>Financial:</b>	There are no financial risks – this is a factual report
<b>Legal:</b>	There are no legal risks - this is a factual report
<b>Reputational:</b>	The LSB must demonstrate effective management of its funds. This report facilitates Board scrutiny of LSB's financial management and decision-making in relation to allocation of resources.
<b>Resource:</b>	There are no resource risks - this is a factual report

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

<b>Freedom of Information Act 2000 (Fol)</b>		
Para ref	Fol exemption and summary	Expires
Para 5 (c)	Section 43(2): information likely to prejudice the commercial interests of any person	

## LEGAL SERVICES BOARD

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### Finance report to for February 2019

#### Purpose

1. This paper provides a brief commentary on the 11 months ended 28 February 2019. A financial report is attached (**Appendix 1**).

#### Recommendation

2. The Board is invited to **review** the Finance report.

#### Points to note

3. *Cumulative expenditure* to the end of February is **£3,353k** (February 2018 - £3,055k) against a budget of **£3,458k** (February 2018 - £3,272k) resulting in an underspend of **£105k** (January 2018 - £217k).
4. *The bank balance* at 28 February 2019 is £3.598m.
5. Below is a commentary on the more significant variances (reported in Appendix 1) and the potential implications for the year-end projection.
  - a) *Colleague costs*: The reported favourable variance of £42k to the end of February 2019 is made up of:

	£'000 Fav / (unfav)
Direct payroll	36
Training	18
Recruitment	(12)
<b>Total</b>	<b>42</b>

The direct payroll end-of-year forecast underspend is up slightly to £49k from last month's reported figure of £46k.

The cumulative training variance to date of £18k is expected to remain static through to year-end. This represents a slight increase of £1k on last month's full year forecast.

The recruitment overspend to February of £12k is expected to reverse in the last month of the year as profiling mismatches correct. The full year forecast for recruitment costs remains on budget barring any unforeseen recruitment activity before year-end.

b) *LSB Board*: The favourable variance to date of £13k is due to an unfilled lay member post (£7k) and an underspend in travel expenses (£6k). The full year forecast is an underspend of £15k.

c) [REDACTED]

d) *Office costs* – The full-year forecast underspend is now £18k and remains materially in line with last month’s forecast of £20k based on the actual run rate to date.

e) *Governance and Support Services* – The full year forecast has been revised to a total overspend of £12k – up by £6k from last month – owing to an additional unbudgeted Consumer Panel recruitment activity of £4k and higher than expected advisor costs of £2k.

f) *Research* – Activity on a range of projects has begun but delays in commissioning works are expected to result in a £10k underspend at the end of the year.

g) *Consumer Panel* – the full year forecast overspend remains at £5k and is attributable mainly to the unbudgeted increase in panel member day rates.

6. *Summary*: We are on target to achieve performance within budget.