

<b>To:</b>	Legal Services Board	
<b>Date of Meeting:</b>	11 September 2013	<b>Item:</b> Paper (13) 61

<b>Title:</b>	Finance Report to 31 August 2013	
<b>Author / Introduced by:</b>	Edwin Josephs, Director of Finance and Services <a href="mailto:edwin.josephs@legalservicesboard.org.uk">edwin.josephs@legalservicesboard.org.uk</a> / 020 7271 0084	
<b>Status:</b>	Unclassified	

<b>Summary:</b>
This paper summarises the financial position as at the end of August 2013

<b>Recommendation(s):</b>
The Board is invited to <b>note</b> and to <b>comment</b> on the Finance report

<b>Risks and mitigations</b>
<b>Financial:</b> N/A
<b>Legal:</b> N/A /
<b>Reputational:</b> N/A /
<b>Resource:</b> N/A /

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
N/A		

## LEGAL SERVICES BOARD

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### Finance report for August 2013

#### Recommendation

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

#### Introduction

1. This paper provides a brief commentary about the period ending 31 August 2013. A financial report is attached (**Appendix 1**).
2. This report covers the first five months of the year and spending is largely in line with budgets.
3. *Overall position* – cumulative spending to the end of August is £1,671,198 against a budget forecast of £1,692,600 resulting in an underspend of £21,402 (£65,457 in 2012).
4. *Cash position*- following landlord, supplier, HMRC and salary payments in August the funds held in the bank have reduced from £5.30m to £5.09m.

#### Points to note

5. An analysis of the main spending headings reveals:
  - a) **Staff Costs** – (£3k underspent in the month) One colleague, working on the 'rule approval team' left at the beginning of the month and has been replaced at the end of the month.
  - b) **Accommodation Costs** – These comprise charges for rent, rates, services and utilities and are all in line with budget expectations.
  - c) **Outsourced Services & IT Costs**– We continue to take shared services from the Competition Commission for IT, facilities and financial transactions processing. In addition this heading includes outsourced costs for HR and Payroll and IT supplies and maintenance. These costs are largely fixed and governed by either service level agreements (with the CC) or contracts with other external suppliers.
  - d) **Office Costs** – Within this heading are charges for telephony, photocopying facilities, catering and licences and subscriptions e.g. copyright fees, parliamentary monitoring etc.
  - e) **OLC Costs** – This comprises the fees paid to OLC Board Members and reimbursement of their business travel costs.
  - f) **Consumer Panel** – This comprises the fees paid to the eight Panel Members and the secretariat as well as reimbursed business travel costs.
  - g) **Governance and Support Services**- This is the heading which captures the costs of both external and internal audit and recruitment fees for OLC and Panel Members that are the responsibility of the LSB.
  - h) **Legal and Support Costs**- this relates to external legal advice and access to legal databases.

## Legal Services Board

## Financial Report for the period 1 April 2013 to 31 August 2013

	/----- Current Month -----\ Aug-13				/-----Cumulative Totals -----\ to the end of August 2013			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
<b>LSB Board</b>	15	16	1	5	80	81	1	1
<b>Staff Costs</b>	182	185	3	2	902	920	18	2
<b>Accommodation</b>	47	47	0	0	235	234	0	0
<b>Outsourced Services &amp; IT Costs</b>	19	19	-1	-3	102	104	3	2
<b>Office Running Costs</b>	6	7	1	12	33	33	0	-1
<b>Governance &amp; Support Services</b>	15	15	0	0	79	81	2	2
<b>Legal &amp; Associated Costs</b>	8	4	-4	-90	36	31	-5	-18
<b>Depreciation</b>	4	4	0	0	19	19	0	0
<b>Research &amp; Professional Services</b>	0	0	0	0	43	43	0	0
<b>Consumer Panel</b>	15	15	0	-1	74	73	-1	-1
<b>OLC Board</b>	13	15	2	11	69	73	5	6
<b>Total Costs</b>	<b>324</b>	<b>326</b>	<b>2</b>	<b>1</b>	<b>1,671</b>	<b>1,693</b>	<b>21</b>	<b>1</b>

Figures are shown in £000s although the exact amounts are used when calculating variances and totals, which means that some totals may appear not to add up correctly