

<b>To:</b>	Legal Services Board	
<b>Date of Meeting:</b>	27 October 2014	<b>Item:</b> Paper (14) 60

<b>Title:</b>	Finance Report to 30 September 2014	
<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>		

<b>Summary:</b>
This paper summarises the financial position as at the end of September 2014.

<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	None	

## LEGAL SERVICES BOARD

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### Finance report for September 2014

#### 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 30 September 2014. A financial report is attached (**Appendix 1**).
2. This report covers the first month of the year and spending is largely in line with expectations and forecasted variances.
3. *Overall position* – spending to the end of September is £1,661,358 against a budget of £1,725,709 resulting in an underspend of £64,351 (£22,091 in 2013).
4. *Cash position* - following supplier, legal, HMRC and salary payments in September, the funds held in the bank have decreased from £5.18m to £4.92m.

#### Points to note

5. An analysis of the main spending headings reveals:
  - a) **Board Costs** – The Board is still operating with one position vacant. The reduction in costs from this has been offset by a higher level of travel costs as a direct consequence of the fact that Board Members are drawn from areas which are not exclusively London-centric.
  - b) **Staffing Costs** – The continuing underspend is due to vacant posts and the time lag between new staff being appointed and actually taking up their role while serving their notice. Two colleagues started during the first week of October and a third is due to start at the end of October.
  - c) **Accommodation Costs** – We continue to make savings at our new premises at One Kemble Street.
  - d) **Outsourced Services** – Our outsourced arrangements for IT are proving good value for money and are effective. Over the next two months we will be refreshing our IT infrastructure having derived nearly 6 years of use from equipment with a normal useful life of three to four years.
  - e) **Legal and Associated Costs** - The legal costs include the actual amounts paid to the end of September. Although currently shown as 'over budget' the exact position will not be known until the outcome of the costs order hearing on 29 October following the Court of Appeal judgment to uphold the substance and process of the original LSB decision on QASA . We hope that this will result in a significant refund of legal costs for the LSB