

To:	Board
Date of Meeting:	25 April 2012
Item:	Paper (12) 34

Title:	Finance Report to 31 March 012
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Status:	Unclassified

Summary:
This paper summarises the financial position as at the end of March 2012.

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

Risks and mitigations
Financial: N/A
Legal: N/A /
Reputational: N/A /
Resource: N/A /

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
	None	

LEGAL SERVICES BOARD

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Finance report for March 2012

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 March 2012. A financial report is attached (**Appendix 1**).
2. In line with previous forecasts to the Board the LSB is showing a planned underspend for the year in excess of £300k. The reasons for the underspend have been explored in detail with the Audit and Risk Committee.
3. This amount will be deducted from the levy charged to approved regulators in March 2013.

Points to note

4. An analysis of the main spending headings reveals:
 - a) **LSB Board costs** – these have been fully in line with forecasts following the reduction in the board complement.
 - b) **Staff Costs** – Staff costs are lower than original forecasts due to the early departure of some posts as part of the reorganisation of the LSB in preparation to deliver the new three year strategy for 2012-2015 and business plan for 2012/13 and the delay in new appointments taking up their posts.
 - c) **Accommodation Costs** – these are consistent with expected costs as they are in the main fixed recharges from our landlord, the Competition Commission. As a tenant of Victoria House the LSB has continued to enjoy the benefits of reduced utility costs due to the efforts of the managing agents in securing improved utilities contract prices.
 - d) **Office Costs** – expenditure under this heading has been lower than originally planned. Work on the redesign of the LSB website and the publishing of research and evaluation information will now be undertaken in 2012/13.
 - e) **Contracted Out costs** – these comprise an accrual for the costs of both internal and external audit as well as professional advice received by our pension advisers. The largest element of this heading includes the costs of recruitment for both LSB posts and OLC Board members.
 - f) **Consumer Panel** – the Panel is one member down following the departure of the previous chair and appointment of one of the members of the existing Panel to this role. The largest element of non-pay spend is for the Annual Tracker Survey which was completed in March.