

**AUDIT AND RISK ASSURANCE COMMITTEE**  
(“the Committee”)  
**FINAL MINUTES**

Meeting held on **13 March 2018**  
10 am to 10:20am | One Kemble Street, London WC2B 4AN

<b>Present:</b> (Members)	Terry Babbs Marina Gibbs Michael Smyth Catharine Seddon	Chair
(Adviser)	John Ward	
<b>In attendance:</b>	Neil Buckley Edwin Josephs Holly Perry Rusere Shoniwa Steph North	Chief Executive and Accounting Officer Director of Finance and Services Head of Corporate Services Interim Director of Finance Corporate Governance Manager (minutes)
<b>Apologies:</b>	None	
<b>Observers:</b>	Gary Ashton, OE Cam Ltd	

**Item 1**

**AUDIT AND RISK ASSURANCE FINANCE COMMITTEE MEETING**

Members of the Committee, with the Advisor John Ward in attendance, met with executives Neil Buckley, Holly Perry, Rusere Shoniwa and Edwin Josephs as a Board budget sub-group to consider the LSB’s budget for 2018/19.

Under the Terms of Reference the Committee considers and scrutinises the LSB budget on behalf of the Board.

Following a presentation by Edwin, the sub-group noted that the budget remained indicative at present as confirmation had not been received from the Ministry of Justice (MoJ). The figure was consistent with the medium term financial plan (MTFP) and continued the downward trajectory of the past years.

The Committee considered the proposed operational budget for 2018/19 and noted:

- The proposed budget of £3,798k for 2018/19 was recommended for approval, which reflected a £50k reduction on the previous year;
- The figure had been consulted upon as part of the consultation on the LSB’s strategic and business plan and there had been no objections raised in any of the responses;
- The MoJ finance team were working on the basis of this figure – once agreed by ARAC, formal MoJ approval would be sought ahead of the 22 March Board;
- It was noted that the LSB’s formal budget delegation letter for 2017/18 had not yet been received from MoJ – the executive had a clear audit trail of their communication with the

MoJ sponsor team regarding this, and it was noted that the risk rested with MoJ rather than the LSB;

- In relation to pay and other inflationary elements, the executive were able to provide the Committee with assurance that these could be accommodated; and
- In respect of the forecast budget for 2019/20, the Committee agreed that the contingency seemed sensible. It was noted that the downward projection would flatten, as contingency was required for the office move. Flexible working patterns would be required on the basis of a c60% desk ratio, which would require investment in new equipment.

The Committee **ENDORSED and RECOMMENDED** the budget for onward consideration and approval by the Board at its 22 March 2018 meeting.

Signed as an accurate record of the meeting

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Date

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