

To:	Legal Services Board	Agenda Item No.:	12
Date of Meeting:	18 January 2017	Item:	Paper (17) 06

Title:	Finance Report to 31 December 2016
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Status:	Official

Summary:
This paper summarises the financial position as at the end of December 2016.

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

Risks and mitigations	
Financial:	There are no financial risks – this is a factual report
Legal:	There are no legal risks - this is a factual report
Reputational:	The LSB needs to be seen as effective in managing funds at its disposal. The Board needs to satisfy itself that this is the case. The Executive also consider how it is has used it funds on a monthly basis and will take any necessary action as a result of this review.
Resource:	There are no resource risks - this is a factual report

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
N/A	None	

LEGAL SERVICES BOARD

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Finance report for December 2016

Purpose

1. This paper provides a brief commentary about the period ending 31 December 2016. A financial report is attached (**Appendix 1**).

Recommendation

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

Points to note

3. This report covers the nine months of the year and spending is largely in line with expectations and forecasted variances.
4. *Overall position* – spending to the end of December is £2,469k against a budget of £2,578k resulting in an underspend of £110k (£165k for the same period in 2015/16).
5. *Cash position* - following supplier, legal, HMRC and salary payments in December, the funds held in the bank are £4.68m.
6. An analysis of the main spending headings reveals:
 - a) **Board Costs** – We currently have one additional lay member on the Board. This was a conscious decision in the knowledge that one lay member will leave at the end of September 2017. This will not adversely affect the forecast outturn on this heading, as we were one member down for six months.
 - b) **Staff Costs** – We currently have three colleagues on maternity leave (and are able to recoup 92% of statutory maternity pay). We have cover in place for all three of these roles. We have an administrator post vacant since September and are exploring the possibility of offering an apprentice role.
 - c) **OLC costs**- This will continue to show an underspend each month reflecting the fact that there is one less member than allowed for in the budget. The budget for 2017/18 will be based on seven members. This reflects previous decisions made by the LSB in conjunction with the OLC on filling vacancies. The level of expenses claimed by OLC members has been consistently lower than budgeted, which reflects where the members live.
 - d) **Governance and Support Services**- In line with the Board's statutory responsibility work has begun on recruiting a new Chair and Member of the Office for Legal Complaints.