

**Meeting:** Legal Services Board  
**Date:** 20 October 2020  
**Item:** Paper (20) 51  
**Title:** Finance Report to 30 September 2020  
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**Status:** Official

### Finance report to 30 September 2020

#### Purpose

1. This paper reports on the LSB's financial performance for the six months to 30 September 2020.

#### Recommendation

2. The Board is invited to **review** the Finance report.
3. Expenditure for the six months to 30 September is £1.848m against an approved budget of £1.898m for the same period. This £51k budget underspend in September compares with a £56k budget underspend in August (and a £73k budget underspend for September in 2019/20).
4. At the end of quarter 1 the executive undertook a reforecast exercise which projects that expenditure for the year is expected to be in line with budget at £3.923m. Expenditure up to 30 September is only £4k lower than projected in the quarter 1 reforecast.
5. However within this bottom line figure, there are some variances over forecast offsetting variances under forecast. These variances are understood to be timing differences that are expected to unwind throughout the remainder of the financial year. We are now undertaking a reforecast using quarter 2 actuals which will be presented at the November board
6. **Colleague costs (£20k overspend to Q1 forecast)** – the outturn for September now includes an accrual of £12k for the 2021 pay increase for colleagues announced this month which will be backdated to July and payable on the October payroll. The overspend to September against forecast was mainly due to recruitment costs unforeseen at the time of the Q1 forecast.
7. **Research costs (£22k underspend to Q1 Forecast)** – there was no actual research spend in September due to timing differences on projects such as the

public panel project. This does mean that we have spent £34k in the first half of the financial year out of the Q1 forecasted amount of £190k. This is one area which we will look to focus on in the Q2 reforecast to ascertain the spend in the second half of the year.

8. **All other P&L categories have a variance of £3k or less to Q1 Forecast**
9. **Capital expenditure costs (£13k for six months to Sep 2020) -** we have spent £13k from the £25k full year capex budget, primarily on new IT equipment to further facilitate the successful move to remote working.

## Annexes

Annex 1: Comparison of actual to forecast to budgeted expenditure

<b>Risks and mitigations</b>	
<b>Financial:</b>	There are no financial risks – this is a factual report
<b>Legal:</b>	There are no legal risks - this is a factual report
<b>Comms and engagement:</b>	The LSB must demonstrate effective management of its funds. This report facilitates Board scrutiny of LSB’s financial management and decision-making in relation to allocation of resources.
<b>Resource:</b>	There are no resource risks - this is a factual report

<b>Freedom of Information Act 2000 (Fol)</b>		
<b>Para ref</b>	<b>Fol exemption and summary</b>	<b>Expires</b>
N/A	None	N/A