LEGAL SERVICES BOARD

Meeting: Legal Services Board meeting

Date: 21 July 2026

Item: Paper (26) 11

Title: Finance Report to 31st May 2026 (Period 2)

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Status: Official

Purpose

01. This paper provides the Board with an update on the LSB's financial performance for the period ended 31 May 2026, representing Period 2 of the 2026/27 financial year.

02. The report sets out year-to-date expenditure and the forecast outturn against the LSB's approved 2026/27 budget of £5.812m.

03. A summary of the budget and forecast outturn is provided at Annex 1.

Executive summary

Year to date:

04. At Period 2, year-to-date expenditure was £0.841m against a budget of £0.942m, resulting in an underspend of £102k, or 12%.

Forecast:

05. The full-year forecast remains £5.812m, in line with the approved budget.

Expenditure

06. The material year-to-date variances are set out below.
    a. Staff costs: £23k underspend, driven by the LSB Board vacancy, the delayed OLC Chair salary and minor staff FTE changes.
    b. Other costs: £79k underspend. The key drivers are:
    - Delayed spend on IT and telecoms (efficiency project, purple team recommendations implementation)
    - Board evaluation - scheduled for later the year,
    - variances across research project – phasing
    - conferences and seminars.

07. Within other expenditure, the main variances are:
    - Legal: £13k underspend, reflecting even budget profiling against uneven expenditure to date.

- Contingency: £3k underspend, as the budget has not been used at this stage of the year.

08. Forecast: No full-year variance is forecast at this stage. Forecast expenditure remains in line with the approved budget of £5.812m.

Staffing

Full Time Equivalent (FTE) Position:

09. FTE in May was 46.0, compared with a budgeted position of 45.1, resulting in a variance of 0.9 FTE. This is attributable to parental leave cover.

Risks and opportunities

10. **Risks:** There is an inherent risk that individual budget lines may overspend if issues emerge during the year that were not anticipated during budget setting. This risk is particularly relevant in 2026/27 given the Public Body Review recommendations.

11. **Opportunities**: A quarterly budget review process has been implemented. At the end of each quarter, budget underspends and emerging pressures will be reviewed, with budgets reassigned across the LSB where necessary to support delivery priorities.

Recommendation

12. The Board is asked to note this report and its annex.

Annexes

Annex A: Year to date, May 2026 (period 2) Management Accounts Summary

Financial:	The LSB must demonstrate effective management of its funds. This monthly report facilitates regular Board scrutiny of LSB's financial management and decision-making in relation to allocation of resources.

Freedom of Information Act 2000 (FoI)		
Para ref	**FoI exemption and summary**	**Expires**
N/A	None	N/A

Annex A

May 2026/27 P2 Management Accounts Summary	May YTD £'000				Full year (£'000)			
	Budget	Actual	Var	Var %	Budget	Forecast	Var	Var %
Staff Costs - Payroll	644	636	8	1%	4,001	4,001	0	0%
LSB Board - Payroll	32	24	9	27%	205	205	0	0%
OLC - Payroll	20	15	5	25%	126	126	0	0%
Consumer Panel - Payroll	51	50	1	3%	311	311	0	0%
Total Staff Costs	**747**	**724**	**23**	**3%**	**4,643**	**4,643**	**0**	**0%**
Property Rent & Rates	16	16	(0)	(0%)	95	95	0	0%
Fuel & Utilities	1	1	0	0%	4	4	0	0%
Maintenance	2	(3)	5	244%	12	12	0	0%
Other Property Costs	3	8	(5)	(183%)	17	17	0	0%
Total Estate Costs	**22**	**22**	**(0)**	**(1%)**	**129**	**129**	**0**	**0%**
IT & Telecommunications	26	12	14	53%	154	154	0	0%
Interpreter/Translation Costs	0	0	0	100%	1	1	0	0%
Banking & Finance	0	0	0	36%	1	1	0	0%
Other Contracted Out Services	15	7	8	52%	86	86	0	0%
Staff Travel & Other	8	8	0	4%	54	54	0	0%
Training	6	21	(15)	(253%)	40	40	0	0%
Recruitment Costs	12	1	10	89%	70	70	0	0%
Printing, Postage & Office Expenditure	0	(0)	0	541%	0	0	0	0%
Stationery & Office Supplies	0	0	0	79%	1	1	0	0%
Research Costs	42	4	38	90%	262	262	0	0%
Conferences & Seminars	23	16	7	30%	66	66	0	0%
Publicity, Advertising & Communication	9	8	1	6%	60	60	0	0%
Accounting & Audit Services	3	4	(1)	(35%)	60	60	0	0%
Other Expenditure	27	11	17	61%	165	165	0	0%
Total Other Costs	**171**	**92**	**79**	**46%**	**1,020**	**1,020**	**0**	**0%**
Depreciation	3	3	(0)	(12%)	20	20	0	0%
Total Non-Cash Costs	**3**	**3**	**(0)**	**(12%)**	**20**	**20**	**0**	**0%**
Grand Total	**942**	**841**	**102**	**11%**	**5,812**	**5,812**	**0**	**0%**