Meeting: Legal Services Board meeting

Date: 22 September 2026

Item: Paper (26) 20

Title: Finance Report to 31 July 2026 (Period 4)

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Status: Official

Purpose

1. This paper provides the Board with an update on the LSB's financial performance for the period ended 31 July 2026, representing Period 4 of the 2026/27 financial year.

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

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

Executive summary

Year to date: At Period 4, year-to-date expenditure was £1.706m against a budget of £1.875m, resulting in an underspend of £169k, or 9%.

Forecast: The full-year forecast is currently estimated at £5.871m, representing a projected overspend of £60k, or 1%, against the approved budget.

Expenditure

The material year-to-date variances are set out below.

Staff costs: £27k underspend, driven by the LSB Board vacancy, the delayed OLC Chair salary and minor staff FTE changes.

Other costs: £139k underspend.

The key drivers are:

- delayed spend on IT and telecoms (efficiency project, Purple team recommendations implementation).
- Board evaluation (planned for quarter 4),
- research project phasing,

- conferences and seminars, and
- legal costs.

Within other expenditure, the main variances are:

Legal: £31k underspend, reflecting even budget profiling against uneven expenditure to date.

Contingency: £7k underspend, as the budget has not been used at this stage of the year.

Forecast: Forecast expenditure is estimated at £60k pressure on the approved budget of £5.812m.

Staffing

Full Time Equivalent (FTE) Position: FTE in July was 46.6 FTE, a variance of 1.5 FTE on the budgeted 45.1 FTE (mainly due to 1 Parental Leave Cover)

Risks and opportunities

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.

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

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

Annexes
Annex A: Year to date, July 2026 (Period 4) 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

Annex A: July (P4) Management Accounts

	YTD (£'000)				Full Year (£'000)			
	Budget	Actual	Var	Var %	Budget	Forecast	Var	Var %
Staff Costs - Payroll	1,294	1,293	1	0%	4,001	4,068	(68)	(2%)
LSB Board - Payroll	65	54	11	17%	205	192	13	6%
OLC - Payroll	40	27	13	34%	126	114	12	10%
Consumer Panel - Payroll	103	100	2	2%	311	313	(2)	(1%)
Total Staff Costs	**1,501**	**1,474**	**27**	**2%**	**4,643**	**4,687**	**(45)**	**(1%)**
Property Rent & Rates	32	29	3	9%	95	92	3	3%
Fuel & Utilities	1	1	0	0%	4	4	0	0%
Maintenance	4	(1)	5	122%	12	12	0	0%
Other Property Costs	6	10	(5)	(81%)	17	17	0	0%
Total Estate Costs	**43**	**40**	**3**	**8%**	**129**	**126**	**3**	**2%**
IT & Telecommunications	51	34	18	35%	154	154	0	0%
Interpreter/Translation Costs	0	0	0	100%	1	1	0	0%
Banking & Finance	0	0	0	49%	1	1	0	0%
Other Contracted Out Services	31	15	17	53%	86	86	0	0%
Staff Travel & Other	16	18	(2)	(13%)	54	57	(3)	(6%)
Training	12	27	(15)	(131%)	40	55	(15)	(38%)
Recruitment Costs	23	14	10	42%	70	70	0	0%
Printing, Postage & Office Expenditure	0	(0)	0	252%	0	0	0	0%
Stationery & Office Supplies	0	0	0	90%	1	1	0	0%
Research Costs	78	6	73	93%	262	262	0	0%
Conferences & Seminars	26	19	7	27%	66	66	0	0%
Publicity, Advertising & Communication	24	24	(0)	(0%)	60	60	0	0%
Accounting & Audit Services	6	10	(4)	(61%)	60	67	(7)	(12%)
Other Expenditure	55	20	36	64%	165	156	9	5%
Total Other Costs	**325**	**186**	**139**	**43%**	**1,020**	**1,036**	**(16)**	**(2%)**
Depreciation	6	7	(1)	(14%)	20	22	(2)	(9%)
Total Non-Cash Costs	**6**	**7**	**(1)**	**(14%)**	**20**	**22**	**(2)**	**(9%)**
Grand Total	**1,875**	**1,706**	**169**	**9%**	**5,812**	**5,871**	**(60)**	**(1%)**