**BOARD REPORT**

**AGENDA ITEM: 9
REPORT NUMBER: SLAB/2023/35**

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| **Report to:** | The Board |
| **Meeting Date:** | 18 September 2023 |
| **Report Title** | SLAB Administration – Finance and Resource Report |
| **Report Category** | For Information |
| **Issue status:** | Business as usual |

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| **Written by:** | Audrey Crawford |
| **Director responsible:** | Linda Ross |
| **Presented by:** | Linda Ross |
| **Contact details:** | rossli@slab.org.uk |

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| **Delivery of Strategic Objectives** |
| Select the Strategic Objective(s) relevant to the issues  | 1. Our timely, clear and consistent decisions on legal aid applications and accounts deliver a positive customer experience
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| **Link to Board or Committee Remit** |
| This paper is linked to the Board’s role in monitoring the financial position of SLAB expenditure. |

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| **Publication of the Paper** |
| The Board has previously agreed that this paper should be published as a matter of routine. It will be published on our website in due course. |

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| **Executive Summary** |
| Expenditure for the period ended 31 July 2023 is £4.9m compared to budget profile of £4.9m |

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| **Previous Consideration** |
| **Meeting** | **Detail** |
| 22 May 2023 -SLAB/2023/23 | The previous report showed expenditure and resources for the period ended 30 June 2023.  |

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| **Report** |

1. **Grant-in-Aid Funding**

Funding for 2023-24 is set out in the table below

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| **Funding** | **2022-23****Actual** | **2023-24****Budget** |
|  | **£k** | **£k** |
| Core SG Funding (Actual/draft SG budget) | **13,550** | **14,750** |
| Non cash funding for Depreciation | **(550)** | **(550)** |
| Retained superannuation receipts | **250** | **250** |
| Additional funding for Grant Funding/ SWRC  | **621** | **621** |
| Pension Pressure (additional funding from SG) | **853** | **460** |
| **Total available funding for the year** | **14,165** | **14,972** |

1 Admin fees - £42k for GF and £20k from Justice for SWRC

1. **Grant-in-Aid Budgets and Expenditure**

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|  **Department** | **Original Annual Budget** | **Q1** **Revised Budget** | **Actual** **YTD** | **Budget****YTD** | **Variance****YTD** | **Variance****YTD** |
|  | **£k** | **£k** | **£k** | **£k** | **£k** | **%** |
| Staff Costs | **468** | **467** | 151 | 151 | - | - |
| Run Costs | **11** | **12** | 2 | 3 | 1 | 33.3 |
| Capital Cost | **-** | **-** | - | - | - | - |
| **Total Chief Exec** | **479** | **479** | **153** | **154** | **1** | **0.6** |
| Staff Costs | **1,104** | **1,074** | 326 | 328 | 2 | 0.6 |
| Run Costs | **64** | **64** | 8 | 9 | 1 | 11.1 |
| Capital Cost | **-** | **-** | - | - | - | - |
| **Total Strat Dev** | **1,168** | **1,138** | **334** | **337** | **3** | **0.9** |
| Staff Costs | **5,112** | **5,046** | 1,548 | 1,547 | (1) | (0.1) |
| Run Costs |  **2,571** |  **2,633** | 1,121 | 1,163 | 42 | 3.6 |
| Income | **(648)** | **(827)** | (188) | (188) | - | - |
| Capital Cost | **100** | **100** | 4 | 4 | - | - |
| **Total Corp Serv**  | **7,135** | **6,952** | **2,485** | **2,526** | **41** | **1.6** |
| Staff Costs | **3,961** | **3,929** | 1,212 | 1,223 | 11 | 0.9 |
| Run Costs | **58** | **69** | 20 | 22 | 2 | 9.1 |
| Capital Cost | **-** | **-** | - | - | - | - |
| **Total Operations** | **4,019** | **3,998** | **1,232** | **1,245** | **13** | **1.0** |
| Staff Costs | **246** | **245** | 77 | 77 | - | - |
| Run Costs | **50** | **38** | 6 | 7 | 1 | 14.3 |
| Capital Costs | **-** | **-** | - | - | - | - |
| **Total Legal Serv** | **296** | **283** | **83** | **84** | **1** | **1.2** |
| Vacancy Gap | **(250)** | **(120)** | - | - | - | - |
| **Vacancy Gap** | **(250)** | **(120)** | **-** | **-** | **-** | **-** |
| **Total Staff** | **10,641** | **10,641** | 3,314 | 3,326 | 12 | 0.4 |
| **Total Run**  | **2,754** | **2,816** | 1,157 | 1,204 | 47 | 3.9 |
| **Total Inc** | **(648)** | **(827)** | (188) | (188) | - | - |
| **Total Cap** | **100** | **100** | 4 | 4 | - | - |
| **Total Excl Pension** | **12,847** | **12,730** | **4,287** | **4,346** | **59** | **1.4** |
| Pensions | **2,200** | **2,200** | 567 | 567 | - | - |
| **Total Admin**  | **15,047** | **14,930** | **4,854** | **4,913** | **59** | **1.2** |

Total spend to the end of July 2023 is £4,854k against budget of £4,913k, a small underspend of £59k (1.2%).

1. **Variances to budget**

Quarter 1 budget reviews have concluded and related budget adjustments have been actioned. Revised annual budget totals are shown in the “Q1 Revised Budget” column of the table above with the original budget showing in the column to the left. The largest adjustment is an increase to income from sub-let as Thistle House welcomes new tenants.

Staff costs are broadly in line with budget (0.4% variance). The £47k underspend in running costs is largely due to the timing of bills for IS contractors.

Pension spend is still expected to be broadly in line with forecast budget of £2,200k.

**4. Invoice Turnaround Times**

The table below shows invoice payment performance for both 10 and 30 days, the former being our operational target and the latter being our normal contractual payment term.

Total year to date performance for 10 days so far is 99% and for 30 days is 100%.

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| **For the Period to 31-7-23** |
| **Group** | **YTD % paid within 10 days** | **YTD % paid within 30 days** |
| **2023-24** | **2022-23** | **2023-24** | **2022-23** |
| **Admin** | 99% | 95% | 99% | 97% |
| **CLAO** | 99% | 95% | 99% | 98% |
| **PDSO** | 99% | 95% | 100% | 98% |
| **Total** | 99% | 95% | 100% | 97% |

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|  | **Governance Links**  |
| 1 | **Finance and Resources**No additional issues of note to report. |
| 2 | **Risk** Our work to monitor administrative expenditure enables us to mitigate corporate risk with awareness of pressures and ensuring planned changes are reflected.“If we fail to appropriately respond/plan to unplanned reductions in SLAB's administration funding then we may be unable to meet the needs of customers and/or prioritise our resources to ensure effective decision making” |
| 3 | **Legal and Compliance**No issues of note to report. |
| 4 | **Performance**No issues of note to report. |
| 5 | **Equalities Impact**An Equality Impact Assessment is not required for this paper. |
| 6 | **Privacy Impact and Data Protection**No privacy or data protection issues identified. |
| 7 | **Communications and Engagement**It has previously been agreed that this paper should be published. |

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| **Appendices/Further Reading** |
| N/A |

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| **Conclusion and next steps** |
| The Board is asked to note and comment on the report as necessary. |
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