

2024 BUDGET

	Note	2024 Budget		2023 Budget comparative	
		£	£	£	£
PROJECTED INCOME	a.		1,247,781		1,106,462
PROJECTED EXPENDITURE					
LEGAL SERVICES BOARD AND LEGAL OMBUDSMAN	b.		91,600		82,100
PROJECTED OPERATIONAL EXPENDITURE					
Board/Directors	c.		99,000		89,700
Conduct & Disciplinary incl. Assurance & Litigation	d.		50,000		42,500
Corporation Tax			3,000		150
Diversity Initiatives	e.		27,000		17,000
Education & Projects	f.		90,000		5,000
Financial Expenses			7,000		7,000
General Administration Expenses	g.		107,170		105,170
IT Support (office and website)	h.		98,500		87,500
Legal & Professional	i.		91,000		100,000
Legal Choices	j.		5,800		5,800
PR/Communications			3,000		3,000
Staff Costs	k.		566,000		577,910
TOTAL PROJECTED EXPENDITURE			1,239,070		1,122,830
PROJECTED OPERATING BALANCE			£8,711		-£16,368

See notes overleaf

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Notes:

a. Projected Income

	2024 Budget		2023 Budget comparative	
	£	£	£	£
Budgeted Practice Fees - Attorneys & Entities		1,247,781		1,106,462
Other Income		0		0
		<u>1,247,781</u>		<u>1,106,462</u>

Budgeted Practice Fee Income for 2024 - based on a fee increase of 8% applied to the estimate of the final practice fee income for 2023 for all practising fee paying categories (no increase applied to the not in active practice fee paying category) and also a provision for attorney admissions reduced by an estimate for voluntary removals/removals in 2024.

Other Income - no estimate has been made for other income from bank interest and as per our usual practice, from role holder/licensed body applications and costs awards/fines from disciplinary cases as these are outside our control.

b. Legal Services Board and Legal Ombudsman

	2024 Budget		2023 Budget comparative	
	£	£	£	£
LSB Levy		86,600		77,100
LeO/OLC Levy		5,000		5,000
		<u>91,600</u>		<u>82,100</u>

The LSB year end is 31 March, therefore the budget is made up of 2 levy years. The 2024 budget figure has been calculated by prorating the indicative levy for 2023/2024 (which is 10.34% higher than the 2022/2023 levy) and taking a prorated proportion of an estimated levy for 2024/2025 with a similar increase.

c. Board/Directors

	2024 Budget		2023 Budget comparative	
	£	£	£	£
Replacement of Board Members		14,000		5,000
Remuneration		70,500		67,100
Travel & Subsistence		10,500		13,400
Employer's National Insurance		4,000		4,200
		<u>99,000</u>		<u>89,700</u>

Board members are also directors of The Intellectual Property Regulation Board Limited.

Board Fees - the 2024 budget has a projected increase of 5%. This is the first increase since 2020.

Travel & subsistence - an estimate for travel and subsistence (grossed up and paid through payroll) to attend all board meetings in person is shown separately and not part of Directors Remuneration for transparency.

d. Conduct & Disciplinary incl. Assurance & Litigation

	2024 Budget		2023 Budget comparative	
	£	£	£	£
External Legal Costs and Hearing Costs		50,000		35,000
Recruitment/training of panel members		0		7,500
		<u>50,000</u>		<u>42,500</u>

Recruitment & Training of additional Professional Disciplinary Panel members.

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Notes (continued):

e. Diversity Initiatives

	2024 Budget		2023 Budget comparative	
	£	£	£	£
Donations		7,000		7,000
Diversity research and survey		20,000		10,000
		<u>27,000</u>		<u>17,000</u>

f. Education

The budget also includes an estimate of £85,000 in respect of the work to consider the regulatory policy issues regarding the development of different routes to qualification particularly for the patent attorney qualification, accreditations, review of the Accreditation Handbook and review of the Competency Frameworks.

g. General Administration Expenses

	2024 Budget		2023 Budget comparative	
	£	£	£	£
Licence & Services		82,170		82,170
Other Office Costs		25,000		23,000
		<u>107,170</u>		<u>105,170</u>

Licence & Services - this is based on the same office space with a provision for a 5% increase when the licence and services agreement expires at end of March 2024.

h. IT Support (office and website)

	2024 Budget		2023 Budget comparative	
	£	£	£	£
Support		13,500		13,500
CRM - operational		15,000		14,000
CRM - website redevelopment & enhancements		70,000		60,000
		<u>98,500</u>		<u>87,500</u>

CRM - website redevelopment & enhancements - estimated expenditure in respect of the website redevelopment & enhancements arising from the regulatory arrangements review.

i. Legal & Professional

	2024 Budget		2023 Budget comparative	
	£	£	£	£
Legal & Professional Costs		26,000		20,000
Actuarial and Legal Costs in respect of Compensation Fund		10,000		30,000
Statistical Sampling in relation to Thematic Reviews		15,000		0
Costs associated with the implementation of PII Sandbox		10,000		0
Transparency Thematic Reviews		30,000		0
Recruitment for case examiners and other associated fees		0		20,000
Review of Regulatory Arrangements		0		30,000
		<u>91,000</u>		<u>100,000</u>

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Notes (continued):

j. **Legal Choices** - budgeted at the same level as 2022.

k. **Staff Costs**

	<u>2024 Budget</u>		<u>2023 Budget comparative</u>	
	£	£	£	£
CEO		96,600		88,410
Regulatory Officers		300,600		321,700
Administrative Staff		84,350		77,250
Employer's National Insurance		56,450		62,400
Pension Costs		12,000		13,150
Staff Benefits		11,000		10,000
Staff development and training		5,000		5,000
		<u>566,000</u>		<u>577,910</u>

Staff costs - the 2024 budget has a projected increase of 5% for current IPReg staff salaries. The 2023 Budget anticipated a 5% increase for staff. The IPReg Board decided in January 2023 that, given the then rate of inflation, staff salaries should increase by 9.3%.

The Board has committed to utilising Reserves to offset against an operating deficit if required.