

2025 BUDGET

	Note	<u>2025 Budget</u>		<u>2024 Budget comparative</u>	
		£	£	£	£
<b>PROJECTED INCOME</b>	<i>a.</i>		<b>1,344,451</b>		<b>1,247,781</b>
<b>PROJECTED EXPENDITURE</b>					
<b>LEGAL SERVICES BOARD AND LEGAL OMBUDSMAN</b>	<i>b.</i>		<b>103,450</b>		<b>91,600</b>
<b>PROJECTED OPERATIONAL EXPENDITURE</b>					
Board/Directors	<i>c.</i>		117,550		99,000
Conduct & Disciplinary incl. Assurance & Litigation	<i>d.</i>		50,000		50,000
Corporation Tax			1,000		3,000
Diversity Initiatives	<i>e.</i>		12,500		27,000
Education & Projects	<i>f.</i>		90,000		27,600
Financial Expenses			8,000		7,000
General Administration Expenses	<i>g.</i>		88,950		107,170
IT Support (office and website)	<i>h.</i>		51,000		98,500
Legal & Professional	<i>i.</i>		55,500		91,000
Legal Choices	<i>j.</i>		31,600		5,800
PR/Communications			10,000		3,000
Staff Costs	<i>k.</i>		678,400		628,400
<b>TOTAL PROJECTED EXPENDITURE</b>			<b>1,297,950</b>		<b>1,239,070</b>
<b>PROJECTED OPERATING BALANCE</b>			<b>£46,501</b>		<b>£8,711</b>

See notes overleaf

**2025 BUDGET**

Notes:

**a. Projected Income**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
Budgeted Practice Fees - Attorneys & Entities		1,330,451		1,247,781
Other Income		14,000		0
		<u>1,344,451</u>		<u>1,247,781</u>

Budgeted Practice Fee Income for 2025 - based on a fee increase of 3% applied to the estimate of the final practice fee income for 2024 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 2025.

Other Income - an estimate has been made for other income from bank interest and from role holder/licensed body applications based on the average over the past 3 years. No estimate for costs awards/fines from disciplinary cases has been made as these are outside our control.

**b. Legal Services Board and Legal Ombudsman**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
LSB Levy		98,450		86,600
LeO/OLC Levy		5,000		5,000
		<u>103,450</u>		<u>91,600</u>

The LSB year end is 31 March, therefore the budget is made up of 2 levy years. The 2025 budget figure has been calculated by taking the estimated levy for 2024/2025 (calculated to be 9.87% higher than the 2023/2024 levy) and taking a prorated proportion of an estimated levy for 2025/2026 with a similar increase.

**c. Board/Directors**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
Replacement of Chair		30,000		0
Replacement of Board members		0		14,000
Remuneration		73,300		70,500
Travel & Subsistence		10,000		10,500
Employer's National Insurance		4,250		4,000
		<u>117,550</u>		<u>99,000</u>

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

Board Fees - the 2025 budget has estimated an increase of 5%. Board fees will be increased by the 12 month CPI rate to December 2024.

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, to aid transparency.

**d. Conduct & Disciplinary incl. Assurance & Litigation**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
External Legal Costs and Hearing Costs		<u>50,000</u>		<u>50,000</u>

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Notes (continued):

**e. Diversity Initiatives**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
Donations		12,500		7,000
Diversity research and survey		0		20,000
		<u>12,500</u>		<u>27,000</u>

**f. Education**

The budget also includes £85,000 in respect of external costs 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. The 2024 budget comparative included costs that have now been allocated to a staff member to oversee the review of education which have been reallocated to Staff Costs to aid comparison.

**g. General Administration Expenses**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
Licence & Services		63,950		82,170
Other Office Costs		25,000		25,000
		<u>88,950</u>		<u>107,170</u>

Licence & Services - the 2024 budget was based on an increase of 5% when the licence expired at the end of March 2024. The 2025 budget is reflects the costs of the move to a smaller office when the licence and services agreement for the current office expires at the end of September 2024.

**h. IT Support (office and website)**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
Support		14,000		13,500
CRM - operational		17,000		15,000
CRM - website redevelopment & enhancements		20,000		70,000
		<u>51,000</u>		<u>98,500</u>

CRM - website redevelopment & enhancements - the 2025 budget line is an estimate for any enhancements to the system. The 2024 Budget was in respect of estimated expenditure in respect of the website redevelopment & any enhancements arising from the regulatory arrangements review.

**i. Legal & Professional**

	2025 Budget		2024 Budget comparative	
	£	£	£	£
Legal & Professional Costs		30,500		26,000
Actuarial and Legal Costs in respect of Compensation Fund		10,000		10,000
Statistical Sampling in relation to Thematic Reviews		0		15,000
PII Sandbox - Review (2024: Implementation )		10,000		10,000
Transparency Thematic Reviews		5,000		30,000
		<u>55,500</u>		<u>91,000</u>

**2025 BUDGET**

Notes (continued):

**j. Legal Choices**

The budget line includes IPReg's contribution to the running costs of the Legal Choices website of £6,600 and £25,000 in respect of IPReg' share of the costs of the development and maintenance of a Regulatory Information Service.

**k. Staff Costs**

	<b>2025 Budget</b>		<b>2024 Budget comparative</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
CEO		101,100		96,600
Regulatory Officers		400,500		354,600
Administrative Staff		83,750		84,350
Employer's National Insurance		63,350		62,150
Pension Costs		16,200		14,200
Staff Benefits		8,500		11,500
Staff development and training		5,000		5,000
		<u>678,400</u>		<u>628,400</u>

Staff costs - the 2025 budget has a projected increase of 5% for IPReg staff salaries.

Regulatory Officers - includes an additional staff member recruited in 2024 to oversee the Education Review exercises that IPReg is undertaking and budget for additional Regulatory support that may be required. The 2024 comparative has also been adjusted - see note f.