

Performance and Resources Committee Meeting

Date of Meeting	Wednesday 26 September 2018
Paper Title	GCRB Running Costs - 2017-18
Agenda Item	8 (c)
Paper Number	PRC1-F
Responsible Officer	Jim Godfrey, Finance and Resources Director
Status	Disclosable
Action	For Noting

1. Report Purpose

- 1.1. To update the Committee on the GCRB running costs for 2017-18.

2. Recommendations

- 2.1. The Committee is asked to **note** the running costs for 2017-18.

3. Report

- 3.1. Transactions are processed by City of Glasgow College on behalf of GCRB.
- 3.2. The table overleaf provides a summary of income and expenditure for 2017-18. The table compares expenditure for the financial year alongside the original budget (agreed in May 2017).
- 3.3. The budgeted income for 2017-18 consisted of grant income from the Scottish Funding Council (£55,000) and an amount (£381,000) set aside from the overall regional grant allocation (circa £80m). The actual amount of grant drawn down matches the level of expenditure in order that GCRB does not generate a surplus or deficit.
- 3.4. The following explanations are provided in respect of the key variances:
- The budgeted staff costs of GCRB were based upon the staffing structure being implemented from 1 August 2017. The lower level of actual salaries (compared to the budget) has resulted in a saving.
 - The original budget assumed that the GCRB staffing structure would be effective from 1 August 2017. However, recruitment to the post of Finance and Resources Director was completed in January 2018. This has minimal impact on the overall position but results in a reduction in expenditure on staff costs and an increase in expenditure on non-staff costs.
 - Board expenses in the year are lower than the budget (and previous years). The main reason for this was the reduced number of days claimed by the Interim Chair of the Board.

- Audit costs are slightly higher than budget due to some additional internal audit costs (re 2016-17) being invoiced after the year end closedown. The internal audit costs also include other consultancy services, for example, the review of board effectiveness.

4. Summary

	Expenditure year ending 31 July 2018		Original Budget 2017-18	
	£'000	£'000	£'000	£'000
Income				
Brought Forward from 2016-17	0		0	
SFC Grant for 2017-18	57		55	
Allocated from Regional Grant 2017-18	381		381	
Total		438		436
Expenditure				
Staffing	237		291	
Board Costs	55		70	
Audit	39		28	
Other	96		47	
Total		427		436
Excess of income over expenditure		11		0

5. Risk Analysis

5.1. There are no risks associated with this report.

6. Equalities Implications

6.1. There are no equalities implications as a direct result of this report.

7. Legal Implications

7.1. There are no specific legal implications associated with this report.

8. Resource Implications

8.1. The financial implications associated with the 2017-18 budget are set out in the report.

9. Strategic Plan Implications

9.1. GCRB running costs fund appropriate staffing and operational capacity to enable a range of activity related directly to the achievement of regional strategic goals, including delivery of a regional governance system, the effective management of regional finances and resources, and the coordination of a coherent and high quality regional curriculum which meets economic and social needs.