

## Performance and Resources Committee Meeting

Date of Meeting	Wednesday 16 December 2020
Paper Title	GCRB Running & Programme Costs 2020-21
Agenda Item	12
Paper Number	PRC3-G
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 2020-21.

### 2. Recommendations

2.1. The Committee is asked to:

- **note** that the forecast position for GCRB Running Costs 2020-21 remains the same as the original budget.
- **note** the forecast saving in GCRB Programme Costs 2020-21.
- **consider** the proposed revision to the GCRB Programme Costs 2020-21 and make an appropriate recommendation to the Board.

### 3. GCRB Running Costs

3.1. The table below provides a summary of income and expenditure for 2020-21. It compares expenditure for the financial year alongside the budget and latest forecast.

	Period ending 30 November 2020		Revised Forecast 2020-21		Original Budget 2020-21	
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>						
Allocated from Regional Grant 2020-21	147		442		442	
<b>Total</b>		<b>147</b>		<b>442</b>		<b>442</b>
<b>Expenditure</b>						
Staffing	104		310		303	
Board Costs	28		90		90	
Audit	10		30		30	
Other	8		19		19	
<b>Total</b>		<b>150</b>		<b>449</b>		<b>442</b>
Surplus/(Deficit)		<b>(3)</b>		<b>(7)</b>		<b>0</b>

- 3.2.** The income for 2020-21 consists of an amount set aside from the regional grant. After the first four months of the financial year there is a small variance to the original budget.
- 3.3.** Expenditure on salaries is now forecast to be slightly above the original budget. This is due to a small increase in National Insurance contributions and also the salary increase for the Executive Team being above the level estimated in May 2020.

#### **4. GCRB Programme Costs**

- 4.1.** The table below provides a summary of income and expenditure for 2020-21. The table compares expenditure for the financial year alongside the original budget and the latest forecast.

	Period ending 30 November 2020		Revised Forecast 2020-21		Original Budget 2020-21	
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>						
Allocated from Regional Grant 2020-21	117		351		351	
<b>SFC Strategic Funding 2020-21</b>	67		201		200	
<b>Total</b>		<b>147</b>		<b>552</b>		<b>551</b>
<b>Expenditure</b>						
Action 4 Children	20		60		60	
Young Enterprise Scotland	67		201		200	
ESOL	32		96		96	
Curriculum Plans	0		25		25	
Child Poverty	0		70		70	
Climate Change/Sustainability	0		50		100	
<b>Total</b>		<b>119</b>		<b>502</b>		<b>551</b>
<b>Surplus/(Deficit)</b>		<b>26</b>		<b>50</b>		<b>0</b>

- 4.2.** It is forecast that potential income will exceed expenditure by £50,000. This is due to the fact that the recruitment process for the Environmental Sustainability Manager was delayed at the beginning of the Covid-19 pandemic.
- 4.3.** As a result of the anticipated cost saving, two courses of action are proposed:
- That an amount of £20,000 is transferred to GCRB running costs (to meet the additional cost of the Colleges Scotland subscription)<sup>1</sup>.
  - That an amount of £10,000 is set aside in the budget to meet the costs of implementing the Mental Health Strategy (that was developed in 2019-20).
- 4.4.** The Committee is asked to consider the two revisions and make a recommendation to the Board.

<sup>1</sup> There is a separate report on the agenda considering this in further detail

**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 2020-21 budget are set out in the report.

**9. Strategic Plan Implications**

**9.1.** GCRB running, and programme, 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.