

Board Meeting

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| Date of Meeting | Monday 19 June 2023 |
| Paper Title | GCRB Budget 2023-24 |
| Agenda Item | 11 |
| Paper Number | BM6-F |
| Responsible Officer | Jim Godfrey, Finance & Resources Director |
| Status | Non-Disclosable under FOI(S)A S:30, Prejudice to the Effective Conduct of Public Affairs, pending consideration and final decision by Board. |
| Action | For Decision |

1. Executive Summary

- 1.1. The attached report presents the GCRB Budget for 2023-24, including the regional Programme of Action.
- 1.2. There are no changes proposed in the final budget for 2023-24 (compared to the indicative budget considered at the previous meeting of the Board). The only change is the updated forecast for 2022-23, reflecting the latest information.

2. Recommendations

- 2.1. The Board is asked to **consider**, and **approve**, the final GCRB Budget for 2023-24¹.

¹ The budget for 2023-24 is based upon the continuing operation of GCRB as a going concern.

3. GCRB Running Costs 2023-24

3.1. The table below provides a comparison of the final budget for 2023-24 compared with the original budget, and revised forecast, for 2022-23.

| | Final Budget 2023-24 | | Revised Forecast 2022-23 | | Original Budget 2022-23 | |
|-------------------------------|-------------------------|------------|-----------------------------|------------|----------------------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | | |
| Allocated from Regional Grant | 459 | | 496 | | 496 | |
| Brought forward funding | 54 | | 0 | | 0 | |
| Total | | 513 | | 496 | | 496 |
| Expenditure | | | | | | |
| Staffing | 345 | | 334 | | 322 | |
| Board Costs | 90 | | 89 | | 94 | |
| Audit | 35 | | 35 | | 35 | |
| Other | 43 | | 20 | | 45 | |
| Total | | 513 | | 478 | | 496 |
| Surplus/(Deficit) | | 0 | | 18 | | 0 |

3.2. The changes (2023-24 compared to 2022-23) are modest for all items of expenditure.

3.3. The GCRB budget 2023-24 has not been revised to take account of information that has come to light in recent weeks (e.g. the increase in the cost of external audit as discussed at the meeting of the Audit and Assurance Committee in May 2023). Therefore, any small variances will be managed within the overall funding allocation and/or reserves.

4. GCRB Programme Costs 2023-24

4.1. The regional Programme of Action is part of the Outcome Agreement for 2023-24. The outline project descriptions are reported within the separate item on this agenda. The potential cost of delivering next year's programme is outlined in the table below:

| | Final Budget 2023-24 | | Revised Forecast 2022-23 | | Original Budget 2022-23 | |
|------------------------------------|-------------------------|------------|-----------------------------|------------|----------------------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | | |
| Allocated from Regional Grant | 232 | | 419 | | 419 | |
| SFC Strategic Funding ² | 0 | | 0 | | 0 | |
| Brought forward funding | 213 | | 0 | | 26 | |
| Total | | 445 | | 419 | | 445 |
| | | | | | | |
| Expenditure – Other | | | | | | |
| Action 4 Children | 105 | | 105 | | 112 | |
| Young Enterprise Scotland | 15 | | 12 | | 12 | |
| ESOL | 96 | | 96 | | 96 | |
| Curriculum/Strategic Plan | 0 | | 0 | | 100 | |
| Regional Review | 0 | | 5 | | 20 | |
| Mental Health | 5 | | 5 | | 10 | |
| Counsellors | 144 | | 0 | | 0 | |
| Climate Change/Sustainability | 80 | | 75 | | 100 | |
| Total | | 445 | | 298 | | 445 |
| | | | | | | |
| Surplus/(Deficit) | | 0 | | 121 | | (4) |

4.2. The following variations to the regional Programme of Action are highlighted:

Income

- **SFC strategic funding 2023-24** – will be included within the forecast if, and when, it is confirmed by SFC.
- **Brought forward funding** – reflects the latest forecast funding at the end of 31 July 2023, including the forecast out-turn for 2022-23.

² Income and Expenditure (for Strategic Funded projects) to be confirmed once bid submissions have been considered by SFC.

Expenditure

- **Action 4 Children Extension** – the extension of this project (from 2021-22) was approved by this committee and will continue in 2023-24.
- **Young Enterprise Scotland** – this is the extra regional provision, in addition to the service supported directly by the Scottish Government. A small increase in budget is proposed.
- **Curriculum Plan/Regional Review** – there is no work currently planned for 2023-24 which requires internal GCRB funding.
- **Mental Health** – a small amount of regional activity is envisaged in 2023-24.
- **Counsellors** – are funded via a separate Scottish Government/SFC grant up to 31 July 2023. It is proposed that support continues in 2023-24. Additional support will help to maintain this service in the most effective manner possible.
- **Climate Change/Sustainability** – The fixed term project is currently planned until the end of 31 July 2023. It is proposed that the project is extended to 2023-24, albeit at a lower budget.

5. Risk and Compliance Analysis

- 5.1. There are no specific risks associated with this report. The delivery of the regional programme of action addresses key elements of the strategic plan and mitigates some of the regional risks.

6. Financial and Resource Analysis

- 6.1. The financial implications associated with the 2023-24 budget are set out in the body of the report.
- 6.2. The budget for 2023-24 is based upon the continuing operation of GCRB as a going concern. Therefore, this budget does not include any costs relating to a change in the future organisational structure, including the costs of transition or closure. Any such costs occurring in the future will need to be met from the allocation of additional resources to, or within, the region.

7. Equalities Implications

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

8. Learner Implications

- 8.1. The resources utilised for the purpose of GCRB, and the regional Programme of Action, contribute to the achievement of the agreed learner outcomes in 2023-24.