

SPCB Finance Report – Q3 2020-21

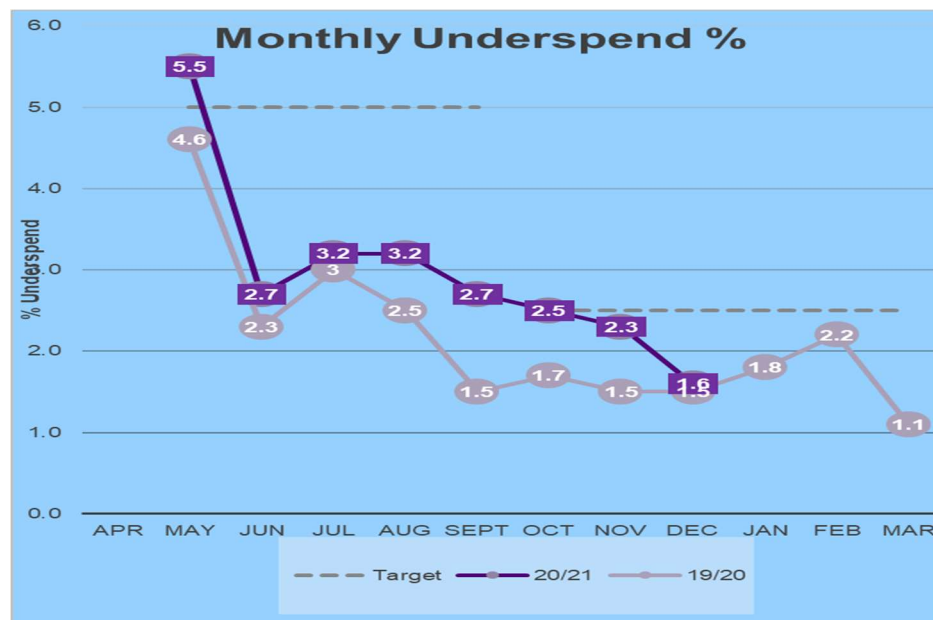
Purpose

This report is to inform the SPCB of the financial position for 2020-21.

Action to note

As a result of the significant additional costs (£2.1m) forecast on the full year budget from the Covid19 outbreak, we have actively ringfenced savings (£1.1m) to cover these incurred and forecasted costs. However, we are forecasting an underspend outturn in the region of £0.4m in the SPCB full budget of £94.6m. SRB is considering proposals to commit spend against this in Q4 including the bringing forward of some 2021-22 proposed project spend to relieve potential budget pressures next year.

Headlines



The Scottish Parliament's total revenue and capital budget for 2020-21 is £94.6m. At the end of Quarter 3, expenditure was £67.8m against a year to date budget of £68.9m representing an underspend against budget of £1.1m (**1.6%**). The comparable 2019-20 position was an underspend against budget of £1.0m (**1.5%**).

As at the end of Q3, SPCB had a £420k year to date underspend against PS Offices and projects. MSP costs were £509k under budget and Commissioners were £181k under budget.

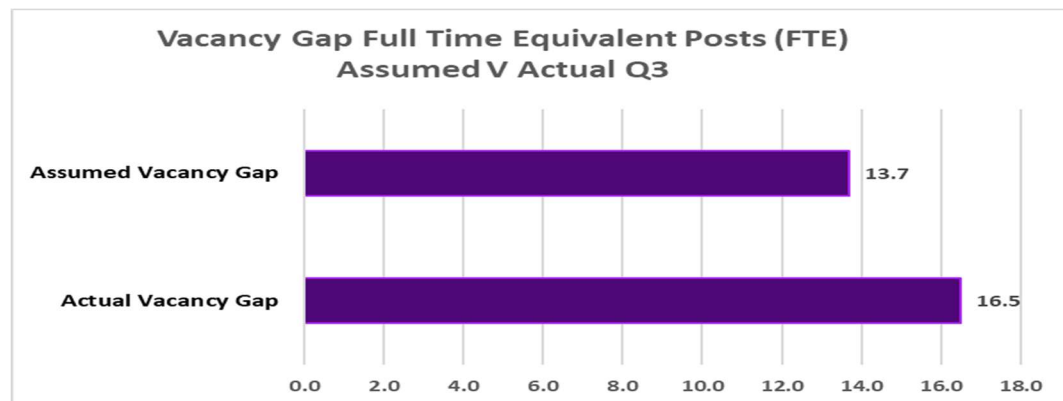
COVID19 additional expenditure includes some staff costs, catering services, cleaning, BIT support and projects, and the shop where there has been a reduction in income to cover associated staff costs. These have been offset by reductions in T&E, training, advertising and corporate event expenditure.

SPCB Expenditure Summary Outturn – Q3:

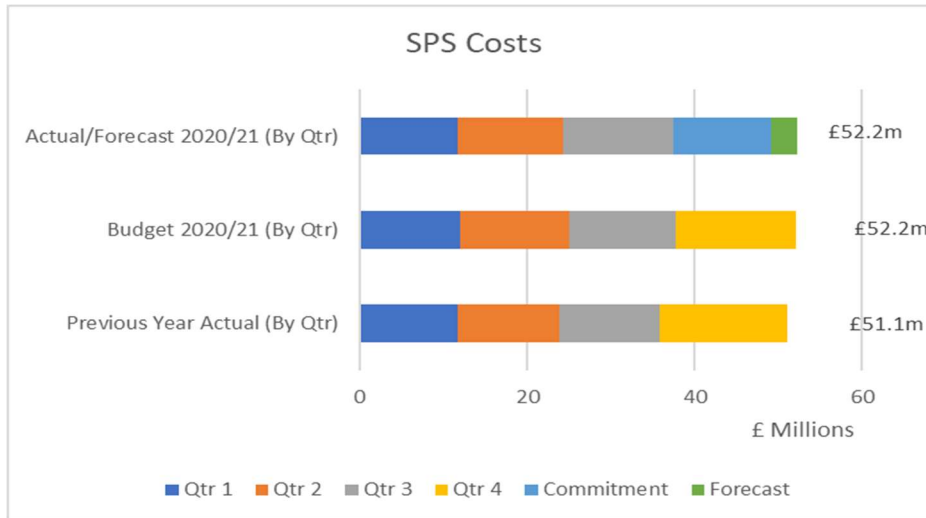
	Year to Date					Annual Forecast Outturn	Current Annual Budget	Original Annual Budget
	Actual	Budget	Variance	Variance				
	£'000	£'000	£'000	%				
Parliamentary Service Costs	37,350	37,771	420	1.1	52,164	52,234	51,321	
Members Costs	22,382	22,891	509	2.2	31,277	31,277	31,277	
Commissioners & Ombudsman Costs	8,039	8,220	181	2.2	10,813	11,013	11,013	
Sub Total	67,771	68,882	1,111	1.6	94,254	94,524	93,611	
Reserves – SPCB contingency						87	1,000	
Total SPCB Expenditure	67,771	68,882	1,111	1.6	94,254	94,611	94,611	

Staff Costs & FTE – Q3:

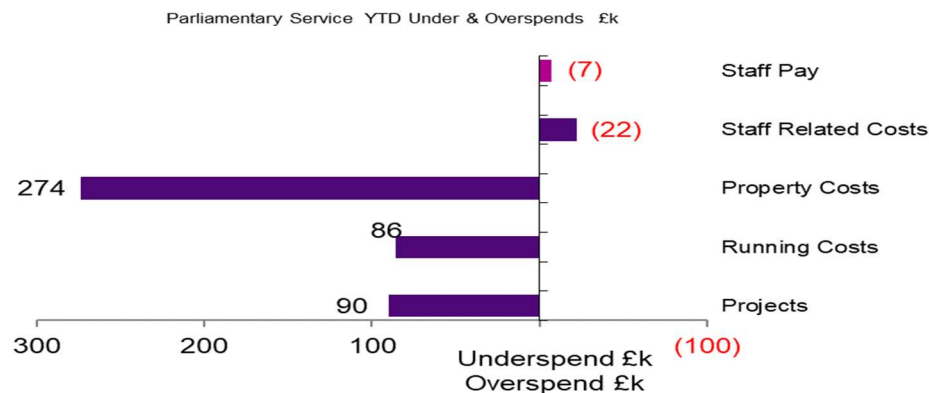
Staff Costs & Full Time Equivalents	Current Annual Budget £k	Actual Staff Forecast Outturn £k	Original Budget FTE	Current Q3 Budget FTE	Actual FTE
Total	31,078	31,047	541.4	548.7	532.2



Parliamentary Service Costs – Q3

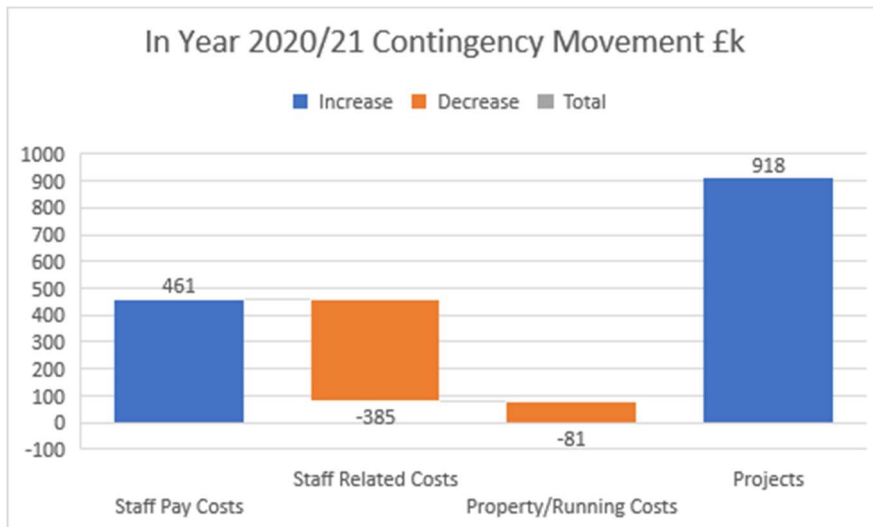
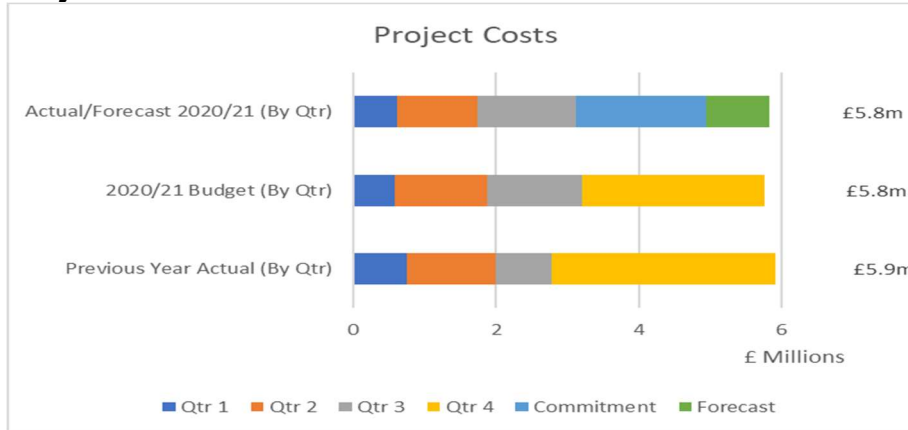


YTD Underspend / Overspend by Category £k:



- Parliamentary service (SPS) costs – The year to date expenditure of £37.4m is an underspend of £0.4m or 1.1% of the year to date budget of £37.8m. Parliamentary Service Costs incorporate both capital and revenue projects. The previous year's expenditure of £35.9m at Q3 was £0.7m (2.1%) under budget. The full year forecast expenditure for the Parliamentary Service of £52.2m - £0.1m under budget. All Covid19 office pressures have been absorbed within the original PS office budgets.
- Staff Pay is reported as £7k over the year to date budget including Agency staff and contractors. Actual FTE is 532.2. Additional budget was allocated out to meet COVID19 pressures however we are currently forecasting an underspend of £31k across offices and the central pay cost centre.
- Expenditure on Staff Related Costs is £215k. This is £22k (11%) over the phased year to date budget of £193k, however, we expect to underspend against the full year budget of £370k. Actual spend on staff related costs is £265k (55%) below the equivalent period in 2019-20. £364k of travel, expenses and training budget has been transferred and reallocated to cover COVID19 pressures.
- Property Costs of £5.5m are £274k (4.7%) under the YTD budget. The bulk of this (£173k) is in maintenance though this is a budget phasing timing issue and we expect to spend close to budget by year end.
- Running Costs of £5.3m are £86k under the YTD budget. Main running cost underspends are in Software Support (£87k) and Publications (£55k) offsetting YTD overspends in Mail Services and Postage of £168k although this is expected to fall by year end.

Projects – Q3



Projects

- Total project expenditure to Q3 2020-21 is £3.1m, £90k (2.8%) under the year to date budget. A net additional £918k budget has been allocated to projects since the beginning of the financial year to support existing projects.
- Capital Projects have spent £714k for the year, £1k (0.1%) higher than the YTD budget of £713k.
- Revenue Projects show a total spend of 2,402k in Q3, £90k below the year to date budget of £2,492k.

Central Contingency

The original central contingency of £1m was reduced to £664k at end of Q1, £207k at end of Q2 and now sits at £87k at end of Q3. This net movement out of £913k has supported project and office cost pressures.

Members Costs

Members' show a £22.4m reported cost to Q3 2020-21, £509k (2.2%) under the year to date budget. The comparable Q3 position for 2019/20 was £487k (2.2%) under the year to date budget. We forecast the year end underspend to be zero (as staff costs now expected to be higher due additional funding for staffing resource for Members) net of £300k year-end accounting adjustments.

Commissioners and Ombudsman Costs

The SPCB's Q3 funding cost for Commissioners and Ombudsman (Officeholders) for 2020-21 was £8.0m, which is £181k (2.2%) under the year to date budget. The corresponding figures for 2019-20 were £7.7m with a YTD underspend of £140k (1.9%).