

SPCB Finance Report – Q2 2019-20

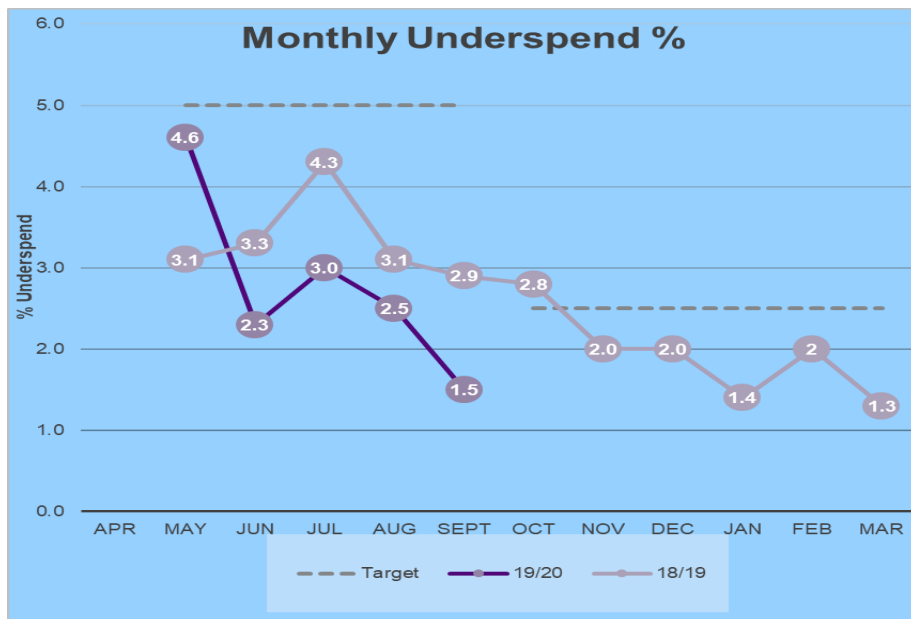
Purpose

This report is to inform the SPCB of the Q2 financial position for 2019-20.

Action to note for SPCB

- The budget underspend forecast for 2019-20 is provisionally c£0.7m – this assumes a further £0.7m is committed.
- Leadership Group is invited to encourage all offices and project budget holders to ensure that 2019-20 budget commitments are recorded in the financial system by the end of November and to bring forward plans to utilise additional budget if it becomes available in the autumn.

Headlines



The Scottish Parliament's total revenue and capital budget for 2019-20 is £91.7m – up £1.3m from the original approved budget for ABR transfers due to employer pension rate changes and additional responsibilities for the SPSO and SIC. At the end of Quarter 2, expenditure was £43.4m against a year to date budget of £44.1m representing an underspend against budget of £0.7m (**1.5%**). The comparable 2018-19 position was an underspend against budget of £1.2m (**2.9%**).

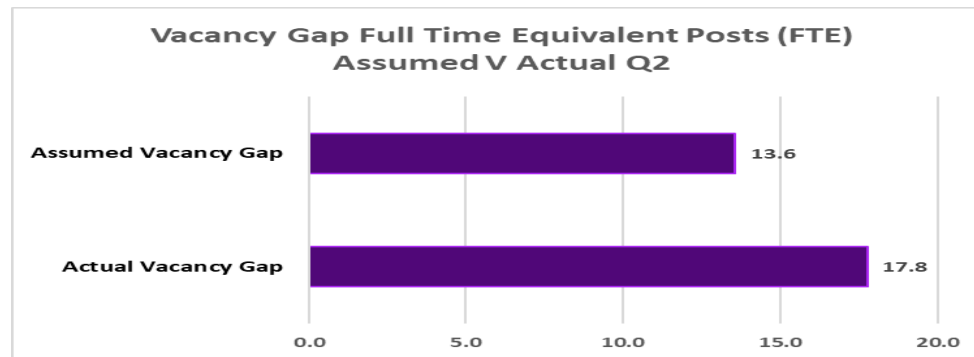
As at the end of Q2, SPCB had £0.6m showing as uncommitted against PS offices, £0.1m in Projects – a total of £0.7m or 1.3% of PS budget. On October 17th **SRB committed to a further c£0.7m of project spend during 2019-20 - 90% within FM and Digital projects** – SRB being mindful of the impact of this on the ability of FM and Digital to deliver projects in Q1 2020-21.

SPCB Expenditure Summary Outturn – Q2:

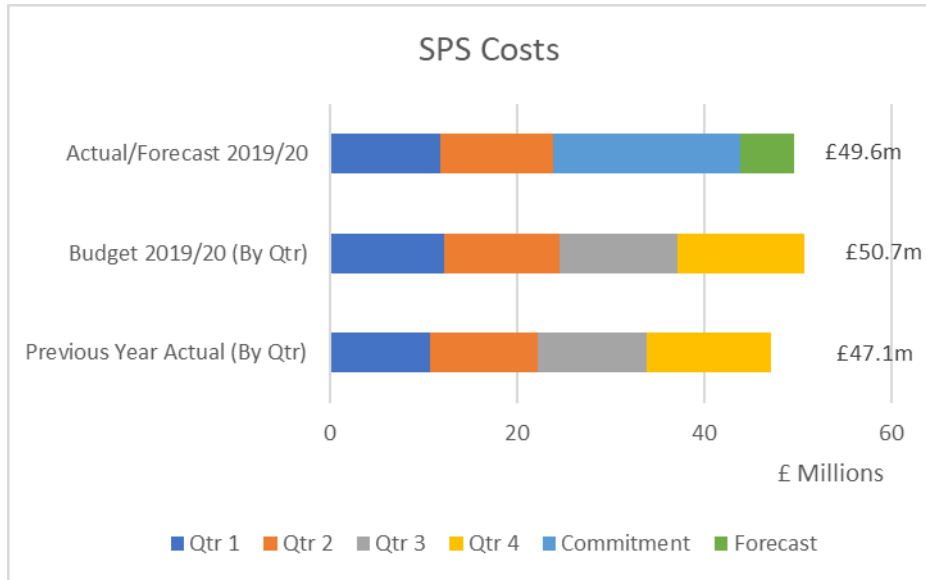
	Year to Date					Annual Forecast Outturn	Current Annual Budget	Original Annual Budget
	Actual	Budget	Variance	Variance				
	£'000	£'000	£'000	%				
Parliamentary Service Costs	23,814	24,560	747	3.0	50,679	50,333	48,752	
Members Costs	14,612	14,754	143	1.0	30,070	30,670	30,670	
Commissioners & Ombudsman Costs	4,994	4,760	(234)	(4.9)	10,244	10,344	9,945	
Sub Total	43,420	44,075	655	1.5	90,993	91,347	89,367	
Reserves – SPCB contingency					0	346	1,000	
Total SPCB Expenditure	43,420	44,075	655	1.5	90,993	91,693	90,367	

Staff Costs & FTE – Q2:

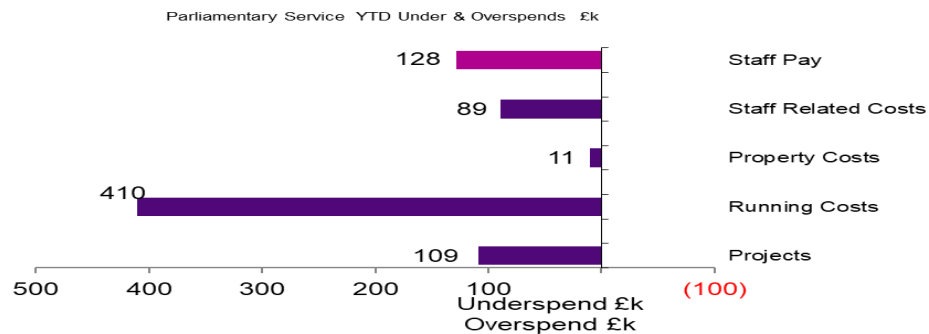
Staff Costs & Full Time Equivalents	Current Annual Budget £k	Forecasted Staff Outturn £k	Budget FTE	Actual FTE
Total	29,967	29,683	542.2	524.4



Parliamentary Service Costs – Q2

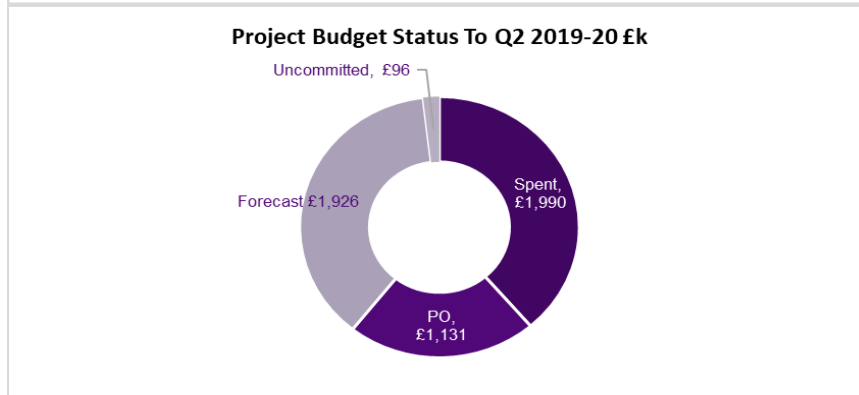
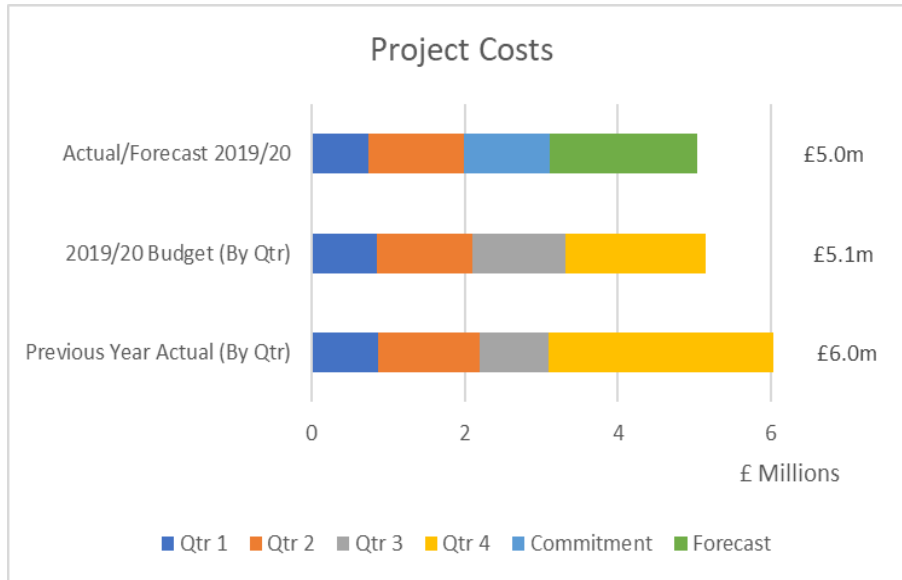


Underspend / Overspend by Category £k:



- Parliamentary service (SPS) costs - year to date expenditure for the Parliamentary Service (SPS) of £23.8m is £0.7m (3.0%) under budget. Parliamentary Service Costs incorporate both capital and revenue projects. The previous year's expenditure of £22.2m at Q2 was £1.0m (4.3%) under budget.
- Staff Pay is reported as £128k (0.9%) under budget including Agency staff and contractors. Approximately £1.2m to cover increased employers' pension contributions has been allocated to the full year staff pay budget – c75% of this is additional funding formally covered by the ABR. Actual FTE has increased 7.4 since Q1 to cover vacancies. Expenditure on Staff Related Costs is £244k. This is £89k (26.7%) below the phased Q2 budget of £333k. Actual spend on staff related costs is £57k (19%) below the equivalent period in 2018-19. Travel and Expenses (£45k) make up the biggest elements of the underspend. £72.5k of training budgets were taken to a central cost centre in June and subsequently to contingency in September to facilitate reprioritisation of planned expenditure in subsequent quarters.
- Property Costs of £3.7m within £11k (0.3%) of the YTD budget.
- Running Costs of £3.1m are £410k (10.7%) under budget. Main running cost underspends are in Mail Services & Postage (£65k), IT Contract (£44k) and Maintenance (£36k).

Projects – Q2



Projects

- Total project expenditure to Q2 2019-20 is £1,990k, £109k (5%) under the year to date budget. An additional £544k budget has been allocated to projects since Q1 in order to bring forward project spend from 2020/21.
 - Capital Projects have spent £623k for the year, £21k (3%) lower than the phased budget of £644k. The expenditure is mostly in respect of the Security Systems Replacement and Lift Modernisation projects.
 - Revenue Projects show a total spend of £1,367k, an underspend of £88k (6%) against the phased budget of £1,455k.

Central Contingency

The original central contingency of £1m has reduced to £346k at the end of Q2, mainly as a result of staff budget transfers approved by SRB to cover staff posts, the balance on the employer pension costs required of £317k, not covered by the ABR transfer and £46k to help cover additional broadcasting project expenditure to upgrade committee rooms.

Members Costs

Members' show a £14.6m reported cost to Q2 2019-20, £143k under the year to date budget.

Commissioners and Ombudsman Costs

The SPCB's funding cost for Commissioners and Ombudsman (Officeholders) in the 6 months of 2019-20 amounts to £5.0m, which is £234k (4.9%) over the year to date budget. Commissioners Contingency rose by £172k in Q2 to £506.4k after a transfer to cover additional employer's pensions costs but there are potentially calls of c£400k on this contingency.