

SPCB Finance Report – Q2 2020-21

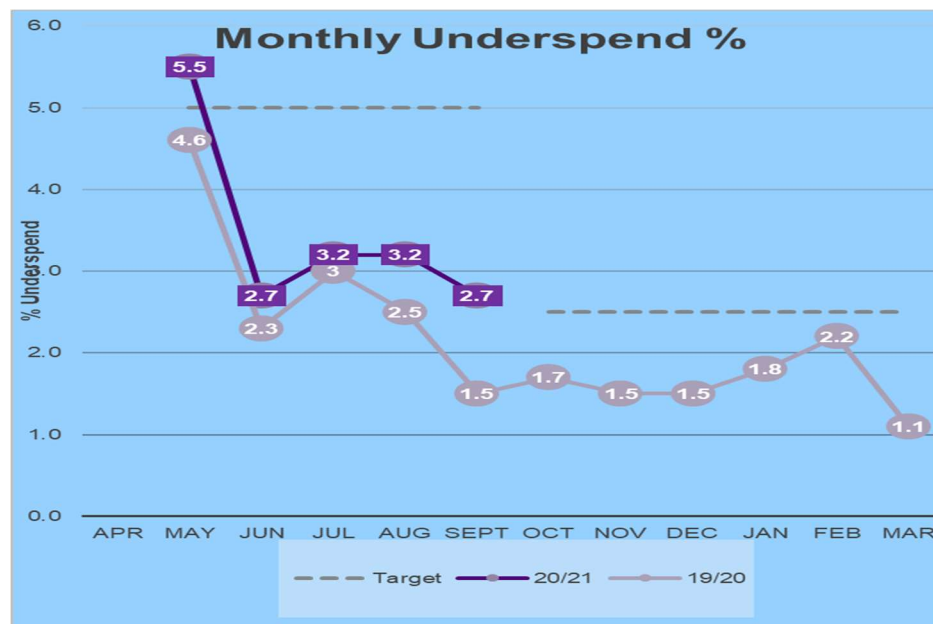
Purpose

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

Action to note for SPCB

There have been significant additional pressures on the full year budget as a result of the Covid19 outbreak and we are actively ringfencing savings to cover these incurred and forecasted costs and are conducting an exercise to identify and record these budget changes. We are currently forecasting a potential underspend in the region of £1.3m in the SPCB full budget of £94.6m with SRB considering proposals to commit spend against this in Q3-4 including bringing forward of some 2021-22 proposed project spend.

Headlines



The Scottish Parliament's total revenue and capital budget for 2020-21 is £94.6m. At the end of Quarter 2, expenditure was £44.3m against a year to date budget of £45.5m representing an underspend against budget of £1.3m (**2.7%**). The comparable 2019-20 position was an underspend against budget of £0.7m (**1.5%**).

As at the end of Q2, SPCB had a £620k year to date underspend against PS Offices, and a further £137k year to date underspend against projects. MSP costs were £312k under budget and Commissioners were £183k under budget.

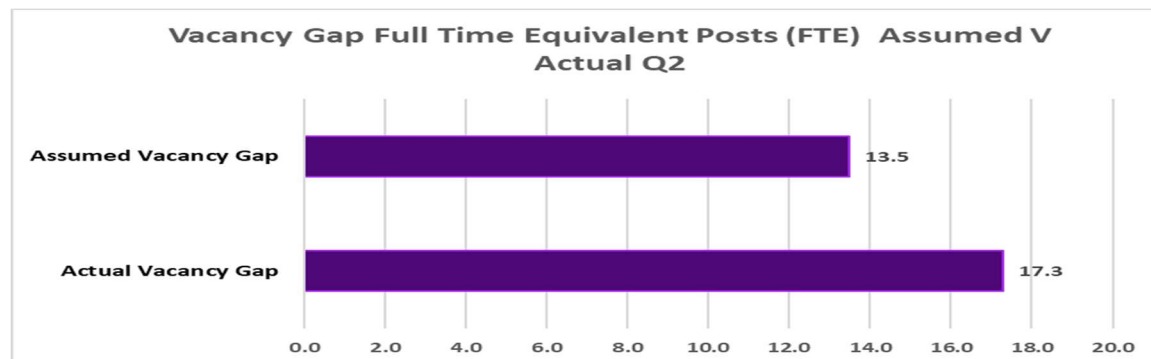
COVID19 has led to additional pressures on staff budgets as we offered contract extensions to the end of October 2020 with budgets adjusted to reflect these and in areas such as catering services and the shop where there has been no significant income to offset fixed staff costs of running the service.

SPCB Expenditure Summary Outturn – Q2:

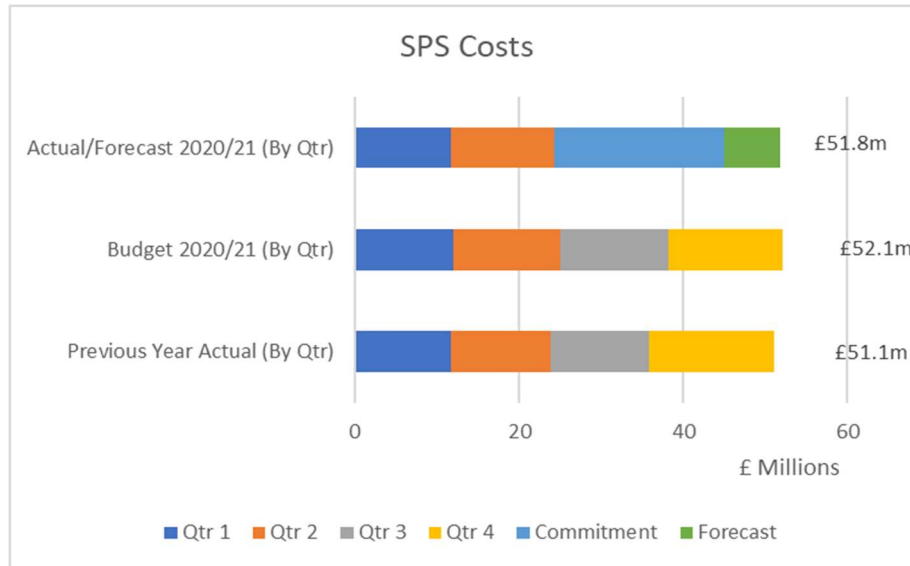
	Year to Date					Annual Forecast Outturn	Current Annual Budget	Original Annual Budget
	Actual	Budget	Variance	Variance				
	£'000	£'000	£'000	%				
Parliamentary Service Costs	24,279	25,035	757	3.0	51,826	52,114	51,321	
Members Costs	14,800	15,112	312	2.1	30,677	31,277	31,277	
Commissioners & Ombudsman Costs	5,197	5,380	183	3.4	10,813	11,013	11,013	
Sub Total	44,276	45,527	1,252	2.7	93,316	94,404	93,611	
Reserves – SPCB contingency						207	1,000	
Total SPCB Expenditure	44,276	45,527	1,252	2.7	93,316	94,611	94,611	

Staff Costs & FTE – Q2:

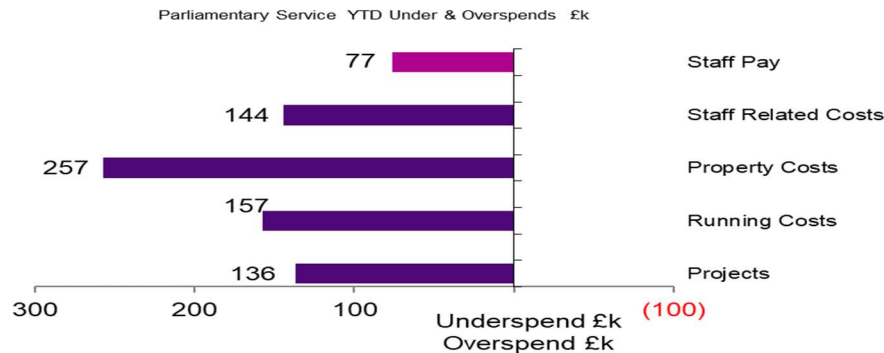
Staff Costs & Full Time Equivalents	Current Annual Budget £k	Actual Staff Forecast Outturn £k	Original Budget FTE	Current Q2 Budget FTE	Actual FTE
Total	31,198	30,867	541.4	548.7	531.3



Parliamentary Service Costs – Q2

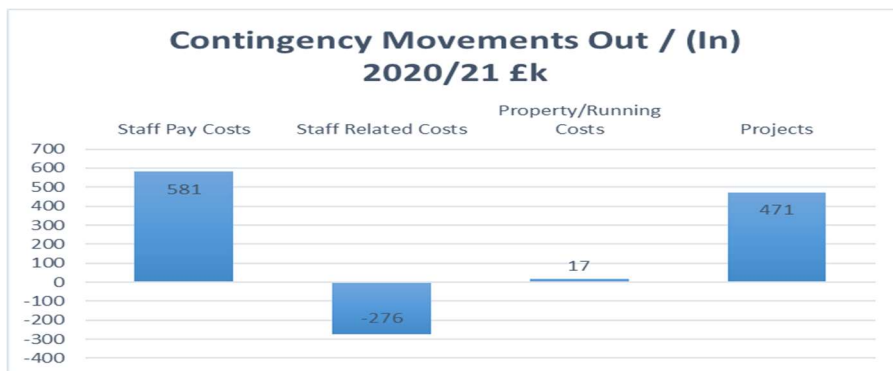
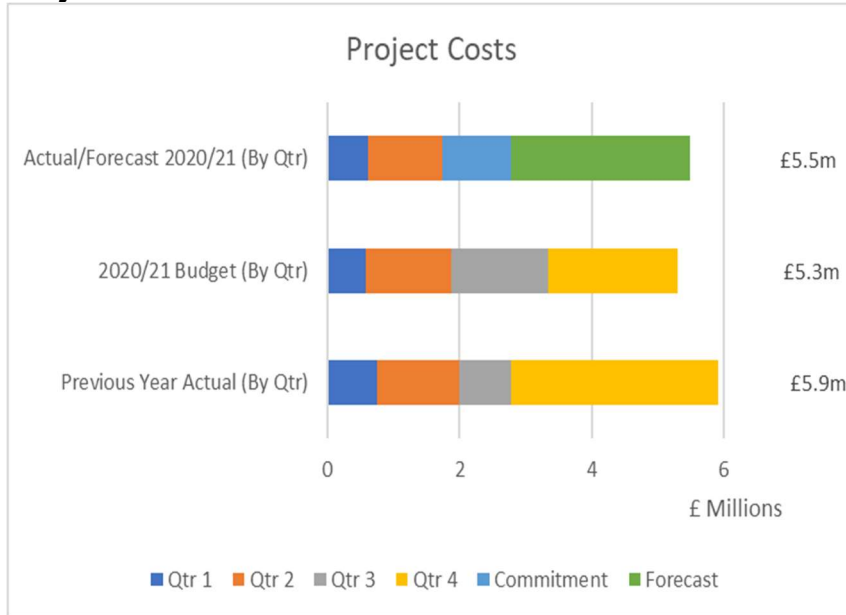


YTD Underspend / Overspend by Category £k:



- Parliamentary service (SPS) costs – The year to date expenditure of £24.3m is an underspend of £757k or 3.0% of the year to date budget of £25.0m. Parliamentary Service Costs incorporate both capital and revenue projects. The previous year's expenditure of £23.8m at Q2 was £0.7m (3.0%) under budget. The full year forecast expenditure for the Parliamentary Service of £51.8m - £0.3m below budget.
- Staff Pay is reported as £63k (0.5%) under the year to date budget including Agency staff and contractors. Actual FTE is 531.3. Additional budget was allocated out to meet COVID19 pressures however we are currently forecasting an underspend of £331k across offices and the central pay cost centre.
- Expenditure on Staff Related Costs is £108k. This is £143k (57%) below the phased year to date budget of £251k. Actual spend on staff related costs is £136k (56%) below the equivalent period in 2019-20. £249k of travel, expenses and training budget has been transferred to a central staff related cost code to cover COVID19 pressures. Travel & Expenses accounted for £73k and Training for £64k of the YTD underspend.
- Property Costs of £3.6m are £257k (6.7%) under the YTD budget. The bulk of this (£222k) is in maintenance.
- Running Costs of £3.4m are £157k under the YTD budget. Main running cost underspends are in Software Support (£95k) and Publications (£54k) offsetting overspends in IT Contract (£42k). Income to reduce restaurant services subsidy, cleaning and from the shop has been impacted by the COVID19 outbreak.

Projects – Q2



Projects

- Total project expenditure to Q2 2020-21 is £1.7m, £136k (7.3%) under the year to date budget. A net additional £471k budget has been allocated to projects since the beginning of the financial year to support existing projects.
- Capital Projects have spent £451k for the year, £11k (2.6%) higher than the YTD budget of £440k.
- Revenue Projects show a total spend of 1,285k in Q2, £148k below the year to date budget of £1,433k.

Central Contingency

The original central contingency of £1m was reduced to £664k at end of Q1 and now sits at £207k at end of Q2. This has supported project and staff cost pressures.

Members Costs

Members' show a £14.8m reported cost to Q2 2020-21, £312k (2.1%) under the year to date budget. The comparable Q2 position for 2019/20 was £143k (1.0%) under the year to date budget -though this grew rapidly in subsequent quarters. We now forecast, based on previous expenditure trends, the underspend at year end to be £600k net of £300k of year end accounting adjustments.

Commissioners and Ombudsman Costs

The SPCB's Q2 funding cost for Commissioners and Ombudsman (Officeholders) for 2020-21 was £5.2m, which is £183k (3.4%) under the year to date budget. The corresponding figures for 2019-20 were £5.0m with an underspend of £234k (4.9%).