

Performance and Resources Committee Meeting

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| Date of Meeting | Wednesday 2 October 2019 |
| Paper Title | GCRB Running Costs 2019-20 |
| Agenda Item | 8.a |
| Paper Number | PRC1-F |
| Responsible Officer | Jim Godfrey, Finance and Resources Director |
| Status | Disclosable |
| Action | For Information |

1. Report Purpose

- 1.1. To update the Committee on the GCRB running costs for 2019-20.

2. Recommendations

- 2.1. The Committee is asked to **note** the expected savings in staff costs, and additional recruitment costs, in 2019-20.

3. Report

- 3.1. The table below provides a summary of income and expenditure for 2019-20. The table compares expenditure for the financial year alongside the original budget (agreed in June 2019).

| | Period ending 31 August 2019 | | Original Budget 2019-20 | |
|---------------------------------------|---------------------------------|-----------|----------------------------|------------|
| | £'000 | £'000 | £'000 | £'000 |
| Income | | | | |
| Allocated from Regional Grant 2018-19 | 39 | | 465 | |
| Total | | 39 | | 465 |
| Expenditure | | | | |
| Staffing | 29 | | 345 | |
| Board Costs | 7 | | 78 | |
| Audit | 2 | | 29 | |
| Other | 1 | | 15 | |
| Total | | 39 | | 465 |
| Surplus/(Deficit) | | 0 | | 0 |

- 3.2. The income for 2019-20 consists of an amount set aside from the regional grant.

3.3. The expenditure in August is consistent with the budget. However, some variations are expected from September onwards, such as:

- A reduction in salary costs as a result of the former Executive Director taking up a new appointment on 1 September 2019. The monthly saving (including VAT) is just under £12,000.
- The monthly saving will be partly offset by any interim arrangements that are introduced during the period of the vacancy.
- The process for recruiting a new Executive Director has been considered by the Nominations and Remuneration Committee. As a result of discussions, a budgeted recruitment cost of £20,000 has been identified by the Committee. The 2019-20 budget did not make provision for this type of expenditure and therefore it is necessary for the Board to vire this amount from the saving on the Staffing budget.

4. Risk Analysis

4.1. There are no risks associated with this report.

5. Equalities Implications

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

6. Legal Implications

6.1. There are no specific legal implications associated with this report.

7. Resource Implications

7.1. The financial implications associated with the 2019-20 budget are set out in the report.

8. Strategic Plan Implications

8.1. GCRB running 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.