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| **Report to:** | The Board |
| **Meeting Date:** | 03 October 2022 |
| **Report Title** | SLAB Administration – Finance and Resource Report |
| **Report Category** | For Information |
| **Issue status:** | Business as usual |

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| **Written by:** | Audrey Crawford |
| **Director responsible:** | Linda Ross |
| **Presented by:** | Linda Ross |
| **Contact details:** | rossli@slab.org.uk |

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| **Delivery of Strategic Objectives** | |
| Select the Strategic Objective(s) relevant to the issues | 1. We deliver a high quality user focussed service |

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| **Link to Board or Committee Remit** |
| This paper is linked to the Board’s role in monitoring the financial position of SLAB expenditure. |

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| **Publication of the Paper** |
| The Board has previously agreed that this paper should be published as a matter of routine. It will be published on our website in due course. |

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| **Executive Summary** |
| Expenditure for the period ended 31 August 2022 is £5.6m which is broadly in line with budget profile of £5.7m (a 2.5% variance) |

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| **Previous Consideration** | |
| **Meeting** | **Detail** |
| 15 August 2022 -SLAB/2022/28 | The previous report showed expenditure and resources for the period ended 30 June 2022. |

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| **Report** |

1. **Grant-in-Aid Funding**

A breakdown of the total available funding for the year is shown in the table below. A detailed explanation for the various entries, and in particular the changed arrangements relating to the budgeting of pension payments, was set out in the paper to the June 2022 meeting.

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| **Funding** | **2021-22**  **Budget** | **2022-23**  **Budget** |
|  | **£k** | **£k** |
| Core SG Funding (Actual/draft SG budget) | **12,150** | **12,530** |
| Non cash funding for Depreciation | **(550)** | **(550)** |
| Retained superannuation receipts | **250** | **250** |
| Additional funding for Grant Funding/ SWRC | **621** | **621** |
| Additional Capital awarded by SG | **30** | **-** |
| Pension costs above £327k (up to £1,020k) | **1,4232** | **1,0202** |
| Pensions costs above £327k (exceeding the £1,020k) | **-** | **5532** |
| **Total in year funding** | **13,365** | **13,865** |
| **Bank balance brought forward from previous year** | **759** | **266** |
| **Total available funding for the year** | **14,124** | **14,131** |

1 Admin fees - £42k for GF and £20k from Justice for SWRC

2 Pension costs in 2021-22 (at final indent) were £1,750k (327+1,423=1,750) forecast for 2022-23 is currently £1,900k (327+1,020+553=1,900)

1. **Grant-in-Aid Budgets and Expenditure**

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| --- | --- | --- | --- | --- | --- | --- |
| **Department** | **Original Annual Budget** | **Qtr 1 Revised Budget** | **Actual**  **YTD** | **Budget**  **YTD** | **Variance**  **YTD** | **Variance**  **YTD** |
|  | **£k** | **£k** | **£k** | **£k** | **£k** | **%** |
| Staff Costs | **631** | **612** | 195 | 207 | 12 | 5.8 |
| Run Costs | **8** | **8** | 1 | 1 | - | - |
| Capital Cost s | **-** | **-** | - | - | - | - |
| **Total Chief Exec** | **639** | **620** | **196** | **208** | **12** | **5.8** |
| Staff Costs | **906** | **912** | 383 | 415 | 32 | 7.7 |
| Run Costs | **137** | **67** | 10 | 9 | (1) | (11.1) |
| Capital Cost s | **-** | **-** | - | - | - | - |
| **Total Strat Dev** | **1,043** | **979** | **393** | **424** | **31** | **7.3** |
| Staff Costs | **4,900** | **4,833** | 1,863 | 1,968 | 105 | 5.3 |
| Run Costs | **1,444** | **1,3491** | 506 | 509 | 3 | 0.6 |
| Capital Cost s | **100** | **100** | 72 | 80 | 8 | 10.0 |
| **Total Corp Serv** | **6,444** | **6,282** | **2,441** | **2,557** | **116** | **4.5** |
| Staff Costs | **3,730** | **3,657** | 1,468 | 1,515 | 47 | 3.1 |
| Run Costs | **55** | **57** | 12 | 14 | 2 | 14.3 |
| Capital Cost | **-** | **-** | - | - | - | - |
| **Total Operations** | **3,785** | **3,714** | **1,480** | **1,529** | **49** | **3.2** |
| **Department** | **Original Annual Budget** | **Qtr 1 Revised Budget** | **Actual**  **YTD** | **Budget**  **YTD** | **Variance**  **YTD** | **Variance**  **YTD** |
|  | **£k** | **£k** | **£k** | **£k** | **£k** | **%** |
| Staff Costs | **226** | **226** | 93 | 95 | 2 | 2.1 |
| 2Run Costs | **40** | **402** | 14 | 6 | (8) | (133.3) |
| Capital Cost s | **-** | **-** | - | - | - | - |
| **Total Legal Serv** | **266** | **266** | **107** | **101** | **(6)** | **(5.9)** |
| Vacancy Gap | **(200)** | **(47)** | - | - | - | - |
| **Total Vacancies** | **(200)** | **(47)** | **-** | **-** | **-** | **-** |
| **Total Staff** | **10,193** | **10,193** | 4,002 | 4,200 | 198 | 4.7 |
| **Total Run** | **1,684** | **1,521** | 543 | 539 | (4) | (0.7) |
| **Total Cap** | **100** | **100** | 72 | 80 | 8 | 10.0 |
| **Total Excl Pension** | **11,977** | **11,814** | **4,617** | **4,819** | **202** | **4.2** |
| Pensions | **1,600** | **1,900** | 976 | 915 | (61) | (6.7) |
| **Total Admin** | **13,577** | **13,714** | **5,593** | **5,734** | **141** | **2.5** |

1. Contains £617k of income from sub-let. Total running costs are £1,966k
2. Contains £20k income for final bill of secondment (ending Feb-22 billed Jun-22). Total running budget is £60k

Total spend to the end of August 2022 is £5,593k against budget of £5,734k, an underspend of £141k (2.5%).

1. **Variances to budget**

Staff costs are underspent by £198k as we had anticipated implementing the back dated 2022-23 pay award by now. If we have not received a decision from SG beforehand, we will adjust timing at the quarter 2 budget review in early October.

Running costs are currently showing a small overspend due to timing of bills.

Capital spend is slightly under budget but we fully expect to spend the allocated £100k budget this year.

Pension spend at the end of August is slightly higher than anticipated however we believe the current budget of £1,900k reamins sufficient.

**4. Invoice Turnaround Times**

The table below shows invoice payment performance for both 10 and 30 days, the former being our operational target and the latter being our normal contractual payment term.

Total year to date performance for 10 days in 2022-23 is 94%. Performance against the prior year is still greatly improved as the department had suffered from significant staff absence in the first half of 2021-22.

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| **For the Period to 31-08-2022** | | | | |
| **Group** | **YTD % paid within 10 days** | | **YTD % paid within 30 days** | |
| **2022-23** | **2021-22** | **2022-23** | **2021-22** |
| **Admin** | 93% | 88% | 97% | 98% |
| **CLAO** | 94% | 89% | 97% | 96% |
| **PDSO** | 96% | 91% | 98% | 97% |
| **Total** | **94%** | **90%** | **97%** | **97%** |

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|  | **Governance Links** |
| 1 | **Finance and Resources**  No additional issues of note to report. |
| 2 | **Risk**  Our work to monitor administrative expenditure enables us to mitigate corporate risk:  Risk 8: Pressure on the administration budget and being unable to manage within the budget. |
| 3 | **Legal and Compliance**  No issues of note to report. |
| 4 | **Performance**  No issues of note to report. |
| 5 | **Equalities Impact**  An Equality Impact Assessment is not required for this paper. |
| 6 | **Privacy Impact and Data Protection**  No privacy or data protection issues identified. |
| 7 | **Communications and Engagement**  It has previously been agreed that this paper should be published. |

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| **Conclusion and next steps** |
| The Board is asked to note and comment on the report as necessary. |
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| **Appendices/Further Reading** |
| N/A |