

2022/23 Budget

Indicative Budgets 2023/24 and 2024/25

Council 28 February 2022



2022/23 Budget

Funding source	£'000
Grant in aid	16,035
Registration fees	5,962
Other income	398
	22,395
Budget pressure – one year	1,638
Total	24,033

Funding of £22,395k (excluding budget pressure) pays for

Standstill operating costs £17,388k – includes permanent FtP posts agreed in 2021/22 £650k

Disbursements £5,007k

Budget pressure pays for

Shortfall in standstill operating costs £123k

New permanent posts £131k

Current temporary posts £267k

New temporary posts £196k

Future proofing programme £603k

Development costs £202k

Other minor adjustments £35k

Job evaluation consultancy £30k and £51k for JEGs impact

Reserves –Year end projection at 31 January 2022

Expenditure type	£'000
Disbursements	751
Specific grants	186
Planned digital replacement	290
Operating underspend	1,488
Total	2,715

Scottish Government to confirm

Carry forward reserves into 2022/23 and how much?

Carry forward disbursements into 2022/23 and how much?

Use disbursements c/f for operational expenditure?

Potential use of reserves

Unknown amounts eg National Care Service, rewards review, panel member legal decisions

Target reserves 2%-2.5% £457k to £572k

New temporary posts £387k

C/f developments started but not completed in 2021/22 £35k

FtP vacancy management /over-recruitment 4.0 FTE £192k

Digital & other developments £51k

FPP digital development £300k-£600k over two years

Remodelling office £300k?

Indicative Budgets - future years

Financial Year	£'000
2023/24	787
2024/25	319

No extra funding from budget pressures

Standstill budget – no extra permanent and minimal temporary staff

Assumptions on fee income

Reduction in office space

No digital or other developments

Unknowns from NCS, rewards review, panel member legal decision etc not included

Risks

Cautious appetite to financial management

- No permanent grant in aid to cover rising costs in 2023/24, 2024/25 and future years
- Insufficient budget to commit to permanent posts – lack of stability and risk to delivery of strategic outcomes if reliant on temporary posts
- 2.5fte permanent posts (£131k) paid for from temporary funding
- Minimal developmental work – risk to business as usual and improvement
- General inflationary uplift not applied – could be insufficient budget
- Underestimate future spending plans and we may have insufficient reserves to cover future unknown costs
- Deficits in 2023/24 (£0.787m increasing to £1.113m) and 2024/25 (£0.319m increasing to £1.119m) will increase if registration fee income does not increase.