



Executive Advisory Body

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| Date of Meeting | Tuesday 20 April 2021 |
| Subject | Social Security Scotland 2021-22 Budget |
| Agenda No. | 4 |
| Paper No. | 22.3 |
| Prepared By | Corporate Finance |
| Purpose | Agree |

1. Background

- 1.1. On 25 January 2021 the draft 2021-22 Scottish Budget was presented to the Scottish Parliament and the Budget Bill was passed on 9 March 2021.
- 1.2. On 26 January 2021 we presented the Executive Advisory Body with high level information on our indicative budget allocation and the risks and uncertainty that we will have in 2021-22. It was agreed that we would allocate budget for posts that are planned to be in place up to September 2021 and there would be a mid-year budget revision to allocate budget to further posts when there is more certainty in our plans.
- 1.3. Since January we have been refining and updating the requirements including the Chief Digital Office which joins Social Security Scotland on 1st April 2021. The budget paper sets out our proposed allocations.

2. Key points

- 2.1. In 2021-22 we have approximately **£164 million** (from the £248 million Operating Expenditure budget) to fund our **direct staffing, accommodation and other costs**; in line with the direction agreed at the Executive Advisory Body's January 2021 meeting we are planning to break the 2021-22 financial year into two budgeting periods of six months each for staffing costs. This means that at this stage we have not provided budget for new posts that are planned beyond September 2021, at this point in the financial year.
- 2.2. We have allocated out £108 million of the £125 million staffing budget, with £17 million being reserved (within Finance) to cover new posts after September. We will carry out a mid-year review of our plans and a further six month budget will be allocated as uncertainty in recruitment plans diminishes.
- 2.3. A full year budget of **£84 million** (from the £248 million Operating Expenditure budget) has been allocated for the **Department for Work and Pensions Formal Agreement** recharges.
- 2.4. We have approximately **£22 million in capital budget** to fund the fit out of our buildings along with investment in our Information Technology infrastructure.



COVID-19 significantly impacted the programme of works on our buildings which caused slippage from 2020-21 and the delayed expenditure now features in our 2021-22 figures.

2.5. We have **£1.4 million** to cover the **depreciation charges** for our assets

3. Conclusions

3.1. The Executive Advisory Body are asked to note the 2021-22 budget allocations.



4. GOVERNANCE CHECKLIST

Please ensure that you detail which Corporate Plan Strategic Objective the paper contributes to. These strategic considerations should be used to assist you with the content of your paper.

| Strategic Objective | Contribution |
|---|--|
| Dignity, fairness and respect Delivering a service with dignity, fairness and respect at its core. | Not Applicable |
| Equality and tackling poverty Promoting equality and tackling poverty. | Not Applicable |
| Efficiency and alignment Ensuring efficiency and aligning our activities with wider public sector for the benefit of the people we serve. | Discloses the operating budget and benefit expenditure budget based on Scottish Fiscal Commission forecasts. |
| Economy, society and environment Contributing to our economy, society and protection of our environment. | Not Applicable |

State here how the paper considers these areas and any consultation undertaken in the agency. Only complete the section(s) relevant to your paper.

| Strategic consideration | Impact |
|---------------------------------|----------------|
| Environment | Not Applicable |
| Governance | Not Applicable |
| Data | Not Applicable |
| Finance | Yes |
| Staff | Not Applicable |
| Equalities | Not Applicable |
| Estates | Not Applicable |
| Communications and Presentation | Not Applicable |



Impact Assessment

Not applicable