

## ADDITIONAL BUDGET INFORMATION

9 September 2021

At the request of Commissioners, a detailed explanation of the proposed bridge budget has been provided.

Table 1 – Detailed Breakdown of Proposed 2022 Bridge Budget

<i>Line No.</i>		<b>2022 Budget</b>	<b>Comments</b>
	<b>Forecast Inflation:</b>	<b>2.00%</b>	Although the income of the Commission has not increased, costs will continue to rise with inflation and so this has been accounted for in the expenditure budgets. Failure to account for inflation in the expenditure budget would result in overspends.
<b>INCOME</b>			
1	Financial Contributions	<b>(1,656,600)</b>	Frozen - no increase
2	Interest on Financial Contributions	<b>(6,000)</b>	This is the estimate of interest that will be owed on late contributions. This number has increased in line with the increase in countries in arrears.
3	Interest Receivable on Cash Balances	<b>(1,000)</b>	Interest received has reduced due to low interest environment and reducing levels of cash reserves as a result of deficit budgets
4	<b>TOTAL INCOME</b>	<b>(1,663,600)</b>	
<b>EXPENDITURE</b>			
<b>Staffing Costs</b>			
5	Salaries	<b>991,400</b>	These figures represent the salaries and benefits owed to staff based on their contracts of employment. They are entitled to performance - related increments until they reach the top of their grade and also to cost-of-living allowances as agreed by the Commission. Due to UK data protection laws, we cannot provide the details of individual staff members. Any changes to these numbers would require consultation with staff as required by UK law. Pension Fund administration costs relate to the costs of administering IWC's pension scheme.
6	Staff Assessments	<b>(159,200)</b>	
7	Employer Pension Contributions	<b>141,500</b>	
8	Pension Fund Administration	<b>8,400</b>	
9	Child Benefit Payments	<b>4,000</b>	
10	Staff Overtime (non-Meeting)	<b>2,600</b>	

<b>Line No.</b>		<b>2022 Budget</b>	<b>Comments</b>
<b>11</b>	<b>Staffing Costs Subtotal</b>	<b>988,700</b>	
	<b>Staff Benefits</b>		
12	Private Healthcare	<b>47,900</b>	These items are also part of staff contracts of employment and are standard in most UK organisations. The cost of private healthcare has substantially increased. The Trustees of IWC's pension scheme are discussing savings options.
13	Income Protection Insurance	<b>11,100</b>	
14	Life Insurance	<b>13,500</b>	
15	Training	<b>0</b>	There has not been a training budget for many years. Training has only been provided if it is free of charge or if a one-off saving could be found elsewhere in the staffing budget.
<b>16</b>	<b>Staff Benefits Subtotal</b>	<b>72,500</b>	
	<b>Travel (Excluding Commission/Scientific Committee)</b>		
17	Travel for Representation at International Conventions	<b>13,300</b>	This is a modest travel budget, and the Secretariat prioritises only the relevant key international fora relevant to our mandate.
18	Bureau Meeting	<b>12,000</b>	This budget represents the basic cost of hosting an in-person meeting. It covers venue hire, document translation, and travel costs of a minimal number of Secretariat staff. Funding is available for Group 1 and 2 delegates via the Voluntary Assistance Fund.
19	Travel & Programme Insurance	<b>10,700</b>	This is the cost of insuring staff travel (a requirement) and the Commission's fieldwork and field training.
<b>20</b>	<b>Travel Subtotal</b>	<b>36,000</b>	
	<b>Professional/Consultancy Fees</b>		

<b>Line No.</b>		<b>2022 Budget</b>	<b>Comments</b>
21	Recruitment	<b>2,000</b>	Staff turnover is normal for any organisation and this budget funds the costs of advertising roles and recruiting new staff. Even with a staff turnover lower than the national average (10% at IWC, 15% in the UK, per annum) this is a low budget for what is required.
22	Legal	<b>3,100</b>	From time to time the Commission will need legal advice. This is primarily in relation to UK employment law. The Secretariat does <b>not</b> pay for legal advice on any Commission matters.
23	Audit	<b>6,100</b>	This funds the compulsory audit of the financial statements as required by the Rules of Procedure.
24	Consultancy	<b>5,100</b>	This budget line funds miscellaneous professional advice as may be required from time to time. The Secretariat has a very small staff and sometimes external expertise are outsourced as needed.
25	Professional Licenses	<b>1,000</b>	Some staff require a license to practice in their role.
<b>26</b>	<b>Professional/Consultancy Fees Subtotal</b>	<b>17,300</b>	
	<b>Secretariat Running Costs</b>		
27	Insurance - Buildings & Equipment	<b>4,000</b>	Insurance for the building and contents of the Secretariat's workspace (e.g. IT equipment)
28	Business Rates	<b>2,300</b>	This is a mandatory tax on business properties in the UK. The Commission receives an 85% discount on this from the UK Government.
29	Water	<b>500</b>	Costs of running and maintaining the Secretariat's work space.
30	Electricity	<b>4,100</b>	
31	Gas	<b>4,100</b>	
32	Refuse Collection	<b>2,300</b>	
33	Cleaning	<b>6,700</b>	
34	Alarm Systems	<b>2,900</b>	
35	Building Maintenance Services	<b>3,000</b>	
36	Grounds Maintenance Services	<b>900</b>	

<b>Line No.</b>		<b>2022 Budget</b>	<b>Comments</b>
37	Building Supplies	600	
38	Office furniture	1,100	
39	Stationery	1,800	
40	Postage	100	
41	Printer Click Charges & Printer Hire	1,500	
42	Health & Safety	7,100	The Commission has a legal duty of care to ensure the health and safety of its staff in the workplace. This budget covers audits of workplace safety and first aid training.
43	Publications	4,500	This budget covers a small amount of outsourced work in relation to Commission publications including the Commission report and the Report of the Scientific Committee.
44	Media & Communications	4,000	Primarily, the Secretariat uses free-to-use standard communication tools (e.g. media monitoring, website analytics). The small media budget is used only where there is no free alternative, for example printing and production costs for leaflets and banners, and graphic design.
<b>45</b>	<b>Secretariat Running Costs Subtotal</b>	<b>51,500</b>	
	<b>Information Technology (IT)</b>		
46	Digital Communications	6,400	These costs represent the costs of Information Technology in the Commission. It covers hardware, such as laptop computers and peripherals for staff, productivity software, data servers, website hosting and maintenance and compulsory data protection compliance. Over the past few years the Secretariat has increased the efficiency of the Commission's IT provision which has resulted in savings.
47	External IT Support	15,300	
48	Information Security & GDPR	1,100	
49	IT Hardware (Revenue)	4,100	
50	IT Hardware (Equipment)	8,400	
51	Software	16,900	
52	Web Infrastructure & Hosting	14,000	
53	Web Support Services	5,300	

<b>Line No.</b>		<b>2022 Budget</b>	<b>Comments</b>
<b>54</b>	<b>Information Technology Subtotal</b>	<b>71,500</b>	
	<b>Meetings</b>		
55	Observer Registration Fees	<b>(50,000)</b>	These costs represent the amount required to host a biennial Commission Meeting and annual SC meeting in its current format. Savings have already been made by reducing staff levels at meetings, removing social events and reducing the number of meeting days.
56	Commission Meeting	<b>285,400</b>	
57	SC Meeting	<b>132,600</b>	
58	Site Visits	<b>2,600</b>	
<b>59</b>	<b>Meetings Subtotal</b>	<b>370,600</b>	
	<b>Bank Charges, Depreciation &amp; Provisions</b>		
60	Bank Charges	<b>1,000</b>	Costs associated with making bank transfers to suppliers and those carrying out SC research.
61	Depreciation (Buildings)	<b>14,700</b>	This is a compulsory accounting charge which spreads the cost of purchasing the Red House over the life of the building (International Accounting Standard 16)
62	Provision for Bad Debts	<b>110,000</b>	The Commission needs to take into account that not all financial contributions will be received, either due to cancellation of contributions under Rule F5 or those where payment is delayed. This figure is high due to the current high levels of arrears.
<b>63</b>	<b>Bank Charges, Depreciation &amp; Provisions Subtotal</b>	<b>125,700</b>	
	<b>Scientific Committee - Research Budget</b>		
64	Research Fund	<b>230,900</b>	A detailed breakdown of the proposed SC Research budget is included in the main budget paper to this meeting. The SC Research Budget was already reduced by 28% in 2018 and has only increased in line with inflation since then.
<b>65</b>	<b>Research Fund</b>	<b>230,900</b>	

Line No.		2022 Budget	Comments
66	<b>TOTAL EXPENDITURE</b>	1,964,700	
67	<b>(SURPLUS) / DEFICIT</b>	301,100	
	Less funds set aside in 2019 for Commission Meeting:	(129,950)	
	Less funds set aside in 2020 for Commission Meeting:	(121,455)	
	Less funds set aside in 2021 for Commission Meeting:	(28,800)	
	Less some underspends from 2020 SC Meeting	(20,895)	
		0	