

**SOUTH WEST WALES CORPORATE JOINT COMMITTEE
 (SWWCJC)**

30th July 2024

Report of the Chief Finance Officer (Section 151 Officer)

Report Title: Forecast Outturn and Pre-Audit Annual Return 2023/24

Purpose of Report	To provide the South West Wales Corporate Joint Committee (SWWCJC) with the Forecast Outturn and the Pre-Audit annual return for year ended 2023/24.
Recommendation	That the South West Wales Corporate Joint Committee (SWWCJC) receive the Forecast Outturn and the Pre-Audit annual return for year ended 2023/24.
Report Author	Chris Moore
Finance Officer	Chris Moore
Legal Officer	Craig Griffiths

1. Background:

- 1.1 The SWWCJC was formally constituted on 13th January 2022. Carmarthenshire County Council is acting as the Accountable Body responsible for discharging the councils' obligations in relation to the South-West Wales Corporate Joint Committee (SWWCJC).
- 1.2 On 24th January 2023 the SWWCJC agreed that for 2023/24 a budget be set at £617.7k with the corresponding levy raised. Members were informed that there were four clear work streams of the Corporate Joint Committee, and each had been allocated £20k; the report set out that £140k had also been set aside for planning and programme management.



2. Statement of Accounts 2023/24:

- 2.1 The Statement of Accounts in the form of an annual return, present financial information for the financial year 2023/24, as required by legislation. For joint committees with income and expenditure below £2.5 million, the requirement is that accounts are prepared in the form of an annual return. The Joint Committee expenditure of the SWWCJC for 2023/24 is £327.2k. Levies raised on the 4 constituent local authorities generated income of £617.7k. A £124.1k Welsh Government grant was received during 2023-24 to support the progress of the Transport Sub Committee. The Outturn in **Appendix A** shows an underspend of £458.7k against the budget with the balance being transferred to the SWWCJC reserve.
- 2.2 The main variances are:
- 2.2.1 The Joint Committee was overspent by £20.8k due to an adjustment relating to an invoice from a prior year.
 - 2.2.2 The Accountable Body is underspent by £17.9k in respect of audit costs, due to minimal activity hence there is no requirement for an audit of a statement of accounts.
 - 2.2.3 Governance and Internal Audit is underspent by £18.9k again due to minimal activity hence less Internal Audit work and Sub-Committee Support Costs & Expenses from Pembrokeshire County Council.
 - 2.2.4 Support Services is underspent by £65k mainly as the Senior Accountant post has not been filled due to the requirement not being needed yet, along with less HR support needed.
 - 2.2.5 Sub Committee expenditure was underspent by £95.9k due to minimal activity of the Sub Committees.
 - 2.2.6 The Regional Management Office is underspent by £105.2k mainly due to the Business Manager post not been filled until February 2024, Consultancy and Specialist Adviser work has not been commissioned and Translation Services were used minimally.
 - 2.2.7 The Provision for Contingency/Reserves was therefore not needed.
- 2.3 A reserve has been set up for the £458.7k underspend.
- 2.4 No Annual Governance Statement has been produced for 2023/24 due to not being required.



3. Annual Return:

3.1 For joint committees with income and expenditure below £2.5 million, the requirement is that accounts are prepared in the form of an annual return. The Joint Committee expenditure of the SWWCJC for 2023/24 is £327.2k.

3.2 The Annual Return, in **Appendix B**, is split into the following sections:

- Accounting Statement 2023/24 – including a statement of income and expenditure / receipts and payments and a statement of balances.
- Annual Governance Statement.
- Committee approval and certification.
- Annual Internal Audit report.

4. Financial Impacts:

4.1 The financial statements attached have been prepared in accordance with proper accounting practice.

5. Integrated Impact Assessment:

5.1 The CJC is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language.
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental, and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals.'



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6. Workforce Impacts:

6.1 There are no workforce impacts for this report.

7. Legal Impacts:

7.1 The SWWCJC is responsible to prepare Statement of Accounts in accordance with legislation and failure to do so would render the SWWCJC in breach of its obligations.

8. Risk Management Impacts:

8.1 The SWWCJC is responsible for putting appropriate Governance arrangements in place for the management of risk and portfolio delivery. Failure to prepare Statement of Accounts would result in a breach of legal obligation.

9. Consultation:

9.1 There is no requirement for formal consultation however, constituent authorities have been consulted.

10. Reasons for Proposed Decision:

10.1 To receive for information the annual return for the SWWCJC for financial year 2023/24.

11. Implementation of Decision:

11.1 With immediate effect.

12. Appendices:

Appendix A – Forecast Outturn 2023/24

Appendix B – South West Wales Corporate Joint Committee Annual Return for year ended 31st March 2023/24

13. List of Background Papers:

None



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Appendix A

		South West Wales Corporate Joint Committee Forecast Outturn <i>Financial Year 2023/24</i>			
Description	Budget 2023-24 (£)	Forecast Outturn 2023-24 (£)	Variance (£)	Notes	
Expenditure					
Joint Committee					
Democratic Services					
Democratic, Scrutiny and Legal Support Costs	73,700	87,800	- 14,100	Provided by NPT	
Democratic Services Total	73,700	87,800	- 14,100		
Legal and Governance					
Monitoring Officer and Service Support	18,700	17,000	1,700	Provided by NPT	
Legal and Governance Total	18,700	17,000	1,700		
Accountable Body					
Audit Wales Financial Audit	22,000	4,104	17,896		
Section 151 Officer Recharge	20,693	20,693	-	Provided by CCC	
Accountable Body Total	42,693	24,797	17,896		
Governance & Internal Audit					
Internal Audit	22,000	14,600	7,400	Provided by Pems	
Sub-Committee Support Costs & Expenses	16,500	5,000	11,500	Provided by Pems	
Governance & Internal Audit Total	38,500	19,600	18,900		
Support Services					
ICT & Data Protection Services	22,000	20,000	2,000	Provided by NPT	
Financial Services	57,009	5,000	52,009	Provided by CCC	
HR Services	11,000	-	11,000	Provided by NPT	
Support Services Total	90,009	25,000	65,009		
Joint Committee Total	263,602	174,197	89,405		
Joint Scrutiny Committee					
Room Hire	-	-	-	Included within Democratic Service costs.	
Subsistence & Meeting Expenses	-	-	-	Included within Democratic Service costs.	
Travel	-	-	-	Included within Democratic Service costs.	
Democratic, Scrutiny and Legal Support Costs	-	-	-	Included within Democratic Service costs.	
Joint Scrutiny Committee Total	-	-	-		
SWWCJC - Sub Committees					
Economic Development SC	20,000	-	20,000		
Planning SC	20,000	-	20,000		
Transport SC	20,000	-	20,000		
Transport SC WG grant funded	-	124,106	- 124,106		
Energy SC	20,000	-	20,000		
Planning & Programme management	140,000	-	140,000		
SWWCJC - Sub Committees Total	220,000	124,106	95,894		
SWWCJC - Regional Management Office					
Salary (Inc. On-costs)	60,135	27,077	33,058		
Training of Staff	1,000	-	1,000		
Public Transport - Staff	250	-	250		
Staff Travelling Expenses	810	-	810		
Admin, Office & Operational Consumables	1,000	75	925		
Consultancy and Specialist Adviser Fees	51,206	-	51,206		
ICTs & Computer Hardware	1,250	-	1,250		
Subsistence & Meetings Expenses	1,000	1,272	- 272	includes 2 x Botanic Garden of Wales events	
Conferences, Marketing & Advertising	-	-	-		
Projects & Activities Expenditure	-	-	-		
Translation/Interpret Services	15,000	498	14,502		
Printing & Copying	2,500	-	2,500		
Regional Management Office Total	134,151	28,922	105,229		
Contingency/Reserves					
Provision for Contingency/Reserves	-	-	-		
Contingency/Reserves Total	-	-	-		
Total SWWCJC Expenditure	617,753	327,225	290,528		
Funding Contributions					
Partner & Other Contribution					
Brecon Beacons NPA	-	-	-		
Pembrokeshire Coast NPA	-	-	-		
Co-Opt Partners	-	-	-		
Welsh Government Revenue Grant	-	124,106	- 124,106	Award of Funding in relation to SWWCJC to develop Regional Transport Plan	
interest	-	44,101	- 44,101		
	-	168,207	- 168,207		
Local Authority Levy					
City and County of Swansea Council (Levy)	212,431	212,431	-	Levy charged to local authorities based on Population Size	
Carmarthenshire County Council (Levy)	168,090	168,090	-	Levy charged to local authorities based on Population Size	
Neath Port Talbot CBC (Levy)	126,771	126,771	-	Levy charged to local authorities based on Population Size	
Pembrokeshire County Council (Levy)	110,460	110,460	-	Levy charged to local authorities based on Population Size	
	617,753	617,753	-		
Total SWWCJC Income	617,753	785,960	- 168,207		
Provision of Service - Surplus / (Deficit)	-	458,735	(458,735)		
Movement to Reserves (Contingency)					
Description					
Balance Brought Forward from previous year	-	384,824	-		
Net Provision of Service - Surplus / (Deficit)	-	458,735	79,116		
Balance Carry Forward	-	843,559	79,116		



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Appendix B

Minor Joint Committees in Wales Annual Return for the Year Ended 31 March 2024

Accounting statements 2023-24 for:

Name of
 Committee:

SWWCJC: South West Wales Corporate Joint Committee

	Year ending		Notes and guidance
	31 March 2023 (£)	31 March 2024 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	0	384,824	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	575,411	617,753	Total amount of income received/receivable in the year from levy/contribution from principal bodies.
3. (+) Total other receipts	0	168,207	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	72,246	52,770	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	118,341	274,455	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	384,824	843,559	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	0	124,106	Income and expenditure accounts only: Enter the value of debts owed to the Committee at the year-end.
9. (+) Total cash and investments	387,330	971,075	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	-2,506	-251,622	Income and expenditure accounts only: Enter the value of monies owed by the Committee (except borrowing) at the year-end.
11. (=) Balances carried forward	384,824	843,559	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).



Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2024, that:

	Agreed?		'YES' means that the Committee:	PG Ref
	Yes	No*		
1. We have put in place arrangements for: <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. 	Yes		Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	Yes		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.	Yes		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	Yes		Has given all persons interested the opportunity to inspect the committee's accounts as set out in the notice of audit.	6, 23
5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes		Considered the financial and other risks it faces in the operation of the Committee and has dealt with them properly.	6, 9
6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	Yes		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Committee.	6, 8
7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.	Yes		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	Yes		Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.



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Additional disclosure notes*

<p>The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement</p>
1.
2.
3.

* Include here any additional disclosures the Committee considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2024.</p>	<p>Approval by the Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
<p>RFO signature:</p> 	<p>Minute ref:</p>
<p>Name: C Moore.</p>	<p>Chair signature:</p>
<p>Date: 18/02/24</p>	<p>Name:</p>
	<p>Date:</p>



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Annual internal audit report to:

Name of Committee:

SWWCJC: South West Wales Corporate Joint Committee

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2024.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.
3. The Committee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			N/A		Not Applicable.
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.
8. Asset and investment registers were complete, accurate, and properly maintained.			N/A		Not Applicable.



	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.			N/A		Not Applicable.
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	Yes				Covered within Internal Audit Number 24053 By Regional Lead Audit team.

For any risk areas identified by the Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	Yes	No*	N/A	Not covered**	
11.			N/A		Not Applicable.
12.			N/A		Not Applicable.
13.			N/A		Not Applicable.

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the Committee (including preparation of the accounts) or as a member of the Committee during the financial years 2022-23 and 2023-24. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Matt Holder

Matt Holder

Signature of person who carried out the internal audit:

Date: 23rd July 2024



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