

SWANSEA BAY CITY REGION JOINT SCRUTINY COMMITTEE

DATE 28th October 2019

Financial Monitoring

RECOMMENDATIONS/KEY DECISIONS

The Joint Scrutiny Committee review the annual accounts of the Swansea Bay City Deal.

REASONS

In response to an invitation from the Joint Scrutiny Committee to provide an overview of the year end outturn position in respect of the PMO, Accountable Body and Joint Committee administration functions.

Introduction

This report details the projected outturn position of the Programme Management Office, Accountable Body and Joint Committee functions of the City Deal Programme.

The Financial Monitoring Report presents the City Deal Accounts in a detailed format, in line with the Carmarthenshire County Council's financial management system. The outturn position demonstrates the forecasted current financial year end position, as at August 2019.



2. Financial Monitoring Report – Income and Expenditure

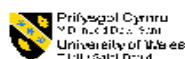
2.1. Supplementary Information

2.1.1. The outturn position excludes any top slice of Government Grants in terms of income. Any contribution from Government grants received within the financial year will be transferred to a ring-fenced reserve at year end, for utilisation in future years.

2.1.2. On receipt of government grants, 1.5% (£723k) of this will be utilised to support the PMO and the direct administration functions of the Programme. There is no requirement to call on this additional contribution by the end of this financial year. Consideration will be required as to whether the additional contribution within this financial year is to be used in another manner, or distributed back to projects.

2.1.3. The Programme Director has an assumed commencement date of 01st January 2020, therefore only salary expenditure in respect of one quarter (quarter 4 2019/20) has been included within the accounts.

2.1.4. An annual interim budget was agreed (JC - 30th July 2019) for the current financial year (2019/20). Included within is an agreement between the four Local Authority partners to individually absorb indirect costs associated with the provision of key allocated functions, thus bequeathing a benefit to the programme in respect of reduced centralised costs of £792k. These indirect costs have been omitted for the full year (*Appendix 2*).



2.2. Programme Management Office

To the period ended 31st March 2019 the expenditure forecast position is £274k. At present the PMO is not fully staffed, only two positions have been appointed into, with further support being provided by staff employed by CCC. Direct staffing costs are estimated at £118k (including one quarter of a programme director) with recharges in relation to CCC support staff being estimated at £105k. Other costs include office rental of £22k, Projects and Activities £5k and fees £10k.

2.3. Accountable Body

The Accountable Body yearend position is estimated at £69k. This is attributable to one staff member and the annual external audit fee. This has increased from 2018/19 due to the requirement (if grant received) to produce a full set of financial statements.

2.4. Joint Committee

The Joint Committee expenditure forecast relates solely to legal fees in respect of amendments to the JCA and funding agreements. This has been estimated at £25k.

2.5. Joint Scrutiny Committee

No costs have been incurred in respect of the Joint Scrutiny Committee, as this will be funded as a benefit in kind by Neath Port Talbot County Borough Council.

2.6. Income

Total income for the year demonstrates £350k. This is solely from partner contributions (£50k per partner). One Co-opt partner's contribution has been omitted with clarification sought as to their position within the City Deal programme.



3. Financial Monitoring - Statement of Balances

- 3.1. The prior year (2018/19) balance carried forward in reserve demonstrates £100k. Currently the estimated year end position of the City Deal accounts resides at a deficit of £19k, this will be offset via the City Deal reserve at year end, taking the total reserve figure to £80k.
- 3.2. Debtor amounts represent the contributions outstanding from partners to the programme. As at the 6th October 2019 the outstanding balances amount to £75k.

Appendices: These will be included within the report.
Appendix A Swansea Bay City Deal – Financial Monitoring Report 2019/20
Appendix B Breakdown of Benefit in Kind

OFFICER CONTACT

Name: **Chris Moore**

Director of Corporate Services
(Carmarthenshire CC) SBCR
Section 151 Officer

Telephone: 01267 224120

Email: CMoore@carmarthenshire.gov.uk

