

SOUTH WEST WALES CORPORATE JOINT COMMITTEE

23rd January 2024

Report of the Chief Finance Officer

Report Title: Quarter 3 Financial Monitoring 2023/24

Purpose of Report	To provide the Joint Committee with the Quarter 3 Financial Monitoring for year ended 2023/24.
Recommendation	That the Joint Committee receive the Quarter 3 Financial Monitoring for year ended 2023/24.
Report Author	Chris Moore
Finance Officer	Chris Moore
Legal Officer	Craig Griffiths

1.0 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 approved the 2023/24 budget which was set at £617,753 with a levy from each of the constituent authorities.

2.0 Forecast Outturn 2023/24:

- 2.1 The forecast outturn in **Appendix A** shows a total underspend of £344,200 against the budget.
- 2.2 The main variances are:
- 2.2.1 The Accountable Body is expected to be underspent by £20,236 due to reduction in External Audit work as there is no requirement yet for the preparation of full set of accounts.
- 2.2.2 Governance and Internal Audit is forecasting an underspend of £18,250 again due to minimal activity which has resulted in less Internal Audit work and Sub-Committee Support Costs & Expenses from Pembrokeshire County Council.
- 2.2.3 Support Services are predicting an underspend of £61,009 which is due to the budgeted Senior Accountant post remaining vacant as not yet required due to the level of activity, and a decrease in Human Resources expenses expected to be incurred by Neath Port Talbot Council compared to budget.

2.2.4 The Sub-Committee expenditure shows a forecast underspend of £35,000 in respect of sub-committees where there is lower activity and a delayed start compared to the budget. It is expected that all the £125k Welsh Government grant allocated to the development of the Regional Transport Plan will be utilised in 2023/24. There is a £140,000 underspend on Planning and Programme management expenditure.

2.2.5 The Regional Management Office shows an underspend of £91,955 with the main differences being, £34,981 due to the Business Manager post becoming vacant in June 2023 with the replacement starting in February 2024, £41,206 Consultancy and Specialist Adviser work not being commissioned and £14,000 due to reduced usage of Translation Services.

2.2.5 No provision has been made for any Contingency/Reserves due to the surplus position.

2.3 A reserve was set up for £384,824 underspend in 2022/23 and any further underspend in 2023/24 would increase the balance of this reserve.

2.4 The CJC is funded by the 4 local authorities, with the total budgeted amount split by population size (mid-year 2020 – Statswales.gov.uk) shown below:

<i>Local Authority Levy</i>	
City and County of Swansea Council (Levy)	215,203
Carmarthenshire County Council (Levy)	165,898
Neath Port Talbot CBC (Levy)	126,022
Pembrokeshire County Council (Levy)	110,630
	617,753

Under the current legislation the National Park Authorities (NPAs) are only financially obligated to support the strategic planning aspects of the CJC. Given that there is likely to be limited activity in terms of the Strategic Development Plan in 2023/2024 (with a budget of £20,000 allocated to the strategic planning sub-committee), it is not considered appropriate to raise a levy upon the NPA's in 2023/2024.

3.0 Financial Impact:

3.1 The Quarter 3 Forecast Outturn for 2023/24 shows an underspend against budget of £344,200.

4.0 Integrated Impact Assessment:

4.1 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.

4.2 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’.

4.3 There is no requirement for an Integrated Impact Assessment for this report as the setting up of the CJC is underpinned by legislation and this report is to establish financial arrangements in accordance with legislation.

5.0 Workforce Impacts:

5.1 There are no workforce impacts for this report.

6.0 Legal Impacts:

6.1 The SWWCJC is responsible for undertaking periodic financial monitoring against approved budget in accordance with legislation and failure to do so would render the SWWCJC in breach of its obligations.

7.0 Risk Management Impacts:

7.1 The SWWCJC is responsible for putting appropriate Governance arrangements in place for the management of risk and portfolio delivery. Failure to prepare Annual Return, on this occasion, would result in a breach of legal obligation.

8.0 Consultation:

8.1 There is no requirement for formal consultation.

9.0 Reasons for Proposed Decision:

9.1 To receive the Quarter 3 Financial monitoring for financial year 2023/24.


10.0 Implementation of Decision:

10.1 This decision is proposed for implementation following a three-day call-in period.

Appendices: Appendix A – Quarter 3 Financial Monitoring 2023/24

List of Background Papers: None

Appendix A

 South West Wales Corporate Joint Committee Q3 Financial Monitoring <i>Financial Year 2023/24</i>					
Description	Actual 2022/23 (£)	Budget 2023-24 (£)	Predicted Outturn 2023/24 Q3 (£)	Variance (£)	Notes
Expenditure					
Joint Committee					
Democratic Services					
Democratic, Scrutiny and Legal Support Costs	67,000	73,700	73,700	-	Provided by NPT, forecasted at budget
Democratic Services Total	67,000	73,700	73,700	-	
Legal and Governance					
Monitoring Officer and Service Support	17,000	18,700	18,700	-	Provided by NPT, forecasted at budget
Legal and Governance Total	17,000	18,700	18,700	-	
Accountable Body					
Audit Wales Financial Audit	1,764	22,000	1,764	20,236	Based on audit costs of SBDC (independent audit of financial statements)
Section 151 Officer Recharge	18,812	20,693	20,693	-	Provided by CCC, forecasted at budget
Accountable Body Total	20,576	42,693	22,457	20,236	
Governance & Internal Audit					
Internal Audit	5,000	22,000	16,500	5,500	Provided by Pems
Sub-Committee Support Costs & Expenses	3,750	16,500	11,000	5,500	Provided by Pems - reduced activity based on 2022-23
Governance & Internal Audit Total	8,750	38,500	27,500	11,000	
Support Services					
ICT & Data Protection Services	20,000	22,000	22,000	-	Provided by NPT, forecasted at budget
Financial Services	5,194	57,009	5,000	52,009	Provided by CCC - based on 2022-23 activity
HR Services	-	11,000	2,000	9,000	Provided by NPT, reduced level due to lack of activity
Support Services Total	25,194	90,009	29,000	61,009	
Joint Committee Total	138,520	263,602	171,357	92,245	
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	5,000	15,000	Decrease in costs due to lower activity
Planning SC	-	20,000	-	20,000	No costs expected in 2023/24
Transport SC	-	20,000	50,000	30,000	Sub-committee established and operational
Transport SC WG grant funded	-	-	125,000	125,000	
Energy SC	-	20,000	5,000	15,000	Decrease in costs due to lower activity
Planning & Programme management	-	140,000	-	140,000	Not utilised
SWWCJC - Sub Committees Total	-	220,000	185,000	35,000	
SWWCJC - Regional Management Office					
Salary (Inc. On-costs)	48,240	60,135	29,126	31,009	Business Manager left 5/6/23. 2 mths charge for replacement, cover provided by NPT via invoice
Training of Staff	-	1,000	-	1,000	Due to replacement starting in Feb
Public Transport - Staff	-	250	-	250	Due to replacement starting in Feb
Staff Travelling Expenses	-	810	150	660	Due to replacement starting in Feb
Admin, Office & Operational Consumables	50	1,000	100	900	Reduced charge (10% of budget) comparable with previous year
Consultancy and Specialist Adviser Fees	742	51,206	10,000	41,206	Reduced charge forecasted at 20% of budget
ICTs & Computer Hardware	121	1,250	1,250	-	Potential ICT costs for replacement staffing
Subsistence & Meetings Expenses	-	1,000	520	480	Reduction of 50% in budget due to lower activity
Conferences, Marketing & Advertising	1,374	-	-	-	
Projects & Activities Expenditure	-	-	-	-	
Translation/Interpret Services	1,540	15,000	1,000	14,000	Reduced translation costs expected
Printing & Copying	-	2,500	50	2,450	Notional charge included
Regional Management Office Total	52,067	134,151	42,196	91,955	
Contingency/Reserves					
Provision for Contingency/Reserves	-	-	-	-	
Contingency/Reserves Total	-	-	-	-	
Total SWWCJC Expenditure	190,587	617,753	398,553	219,200	
Funding Contributions					
Partner & Other Contribution					
Brecon Beacons NPA	-	-	-	-	
Pembrokeshire Coast NPA	-	-	-	-	
Co-Opt Partners	-	-	-	-	
Welsh Government Revenue Grant	-	-	125,000	125,000	Award of Funding in relation to SWWCJC to develop Regional Transport Plan
ERF Grant	-	-	-	-	
Local Authority Levy	-	-	125,000	125,000	
City and County of Swansea Council (Levy)	200,453	212,431	212,431	-	Levy charged to local authorities based on Population Size
Cardiff Council (Levy)	154,527	168,090	168,090	-	Levy charged to local authorities based on Population Size
Neath Port Talbot CBC (Levy)	117,384	126,771	126,771	-	Levy charged to local authorities based on Population Size
Pembrokeshire County Council (Levy)	103,047	110,460	110,460	-	Levy charged to local authorities based on Population Size
Total SWWCJC Income	575,411	617,753	617,753	-	
Provision of Service - Surplus / (Deficit)	384,824	-	344,200	(344,200)	
Movement to Reserves (Contingency)					
Description					
Balance Brought Forward from previous year	-	-	384,824	(384,824)	
Net Provision of Service - Surplus / (Deficit)	384,824	-	344,200	(344,200)	
Balance Carry Forward	384,824	-	729,024	(729,024)	