



MEETING	GwE Joint Committee
DATE	22 September 2017
TITLE	GwE Budget 2017/18 – 2nd Quarter Review
PURPOSE	<ul style="list-style-type: none">• To update Joint Committee members on the latest financial review of GwE's budget for the 2017/18 financial year.• The report focuses on the significant financial variances, with Appendix 1 containing the full financial information.
RECOMMENDATION	To accept the report.
AUTHOR	GwE Managing Director and Gwynedd Council Head of Finance.

1. CONCLUSION

- 1.1 We reported in the Quarter 1 review an estimated net overspend of £10,660 against the budget, with the main reason involving the office relocation in the Flintshire/Wrexham area.
- 1.2 By now the net overspend has increased to £14,761, with the subsequent part of the report explaining the reasons accounting for the main variances.

2. FINANCIAL VARIANCES

- 2.1 **Employees – Management, Brokerage, Standards and Administration:**
Quarter 2: underspend (£7,263). (Quarter 1: underspend (£14,026)).

We reported in Quarter 1 that staff turnover and the period when the Managing Director was in an interim and part-time position (April and May 2017) have resulted in a relatively small one-off underspend.

By now, an increased cost following the appointment of additional temporary staff as a result of long term illness has reduced the underspend.

2.2 **Property - Rent:**

Quarter 2: overspend £29,750. (Quarter 1: overspend £29,750).

No change to what was reported in Quarter 1. GwE will be relocating its Flintshire/Wrexham area office as of 1st September, with the annual cost being higher than the cost of the previous office (7-month impact for this year, which has been included above). There is a need to identify permanent funding for the whole year cost increase.

2.3 **Transport – Travelling Expenses:**

Quarter 2: underspend (£7,727). (Quarter 1: underspend (£5,064)).

No significant change to what was reported in Quarter 1. The trend in historic travelling expenses suggests that the actual annual cost is likely to be slightly below what has been established in the budget. It is anticipated that this will be the case in 2017/18.

3. **UNDERSPEND FUND**

3.1 At the beginning of the 2017/18 financial year, the fund totalled (£738,572).

3.2 GwE's business plan incorporates details of the use of £399,750 during 2017/18.

Business Plan Priority	
Standards	£140,500
Curriculum and Assessment	£62,500
Leadership	£102,750
Wellbeing	£13,000
Teaching	£36,000

Office relocation: £45,000

3.3 The estimated total of the fund at the end of 2017/18 is £324,061, having taken into account the estimated overspend and the use in year.

4.0 **APPENDICES**

4.1 Appendix 1: GwE Budget 2017/18 – 2nd Quarter Review 2017/18.

VIEW OF THE STATUTORY OFFICERS

Monitoring Officer:

No comments from a propriety perspective.

Statutory Finance Officer:

Co-author of report.