



MEETING	GwE Joint Committee
DATE	26 September 2018
TITLE	GwE Budget 2018/19 – 1st 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 2018/19 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 This initial review estimates a net underspend of (£6,585) against the budget, with the main reason being staff turnover.
- 1.2 We intend to submit an implementation plan to the Joint Committee, to resolve the financial deficit identified in section 2.3 and 2.4.
- 1.3 The subsequent part of the report explains the reasons accounting for the main variances.

2. FINANCIAL VARIANCES

2.1 **Employees - Management, Brokerage, Standards and Administration:** **Quarter 1: underspend (£77,700).**

Staff turnover, mainly a secondment of an Assistant Director from the 1st of June has led to a temporary underspend and financing, in the short term, savings to be found (see 2.4).

2.2 **Transport - Travelling Expenses:** **Quarter 1: underspend (£4,932).**

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 2018/19.

2.3 **Supplies and Services:** **Quarter 1: overspend £28,168.**

This heading overspends yearly for a number of reasons. This is expected to continue in 2018/19. Specifically in 2018/19, difficulties in appointing a temporary translator, and an increase for this service on specific projects, is increasing the use of external translators.

2.4 **Savings to be found** **Quarter 1 : overspend £47,879.**

An overspend is expected as there is no permanent strategy identified to implement the savings target. Savings from staff turnover (see 2.1) is to be used to finance the savings to be found in the short term.

2.5 **Regional Consortia School Improvement Grant** **Quarter 1 : Neutral.**

In 2018/19 all grants received by GwE, other than the Pupil Development Grant, has been amalgamated into one comprehensive grant. The budget has been adjusted to reflect these changes. No over/under spend is expected.

A breakdown of the total grant can be seen below:

Delegated*	£25,908,641
Non-delegated	£ 9,198,005
Total	<u>£35,106,646</u>
Grant	£32,620,366
Match Funding	£ 2,486,280
Total	<u>£35,106,646</u>

* The GwE accounts does not include grants distributed directly to schools.

3. UNDERSPEND FUND

3.1 At the beginning of the 2018/19 financial year, the fund totalled (£271,616).

APPENDICES

Appendix 1: GwE Budget 2018/19 - 1st Quarter Review 2018/19.

VIEW OF THE STATUTORY OFFICERS

Monitoring Officer:

No Comments from a propriety perspective.

Statutory Finance Officer:

Co-author of report.