



<b>MEETING</b>	<b>GwE Joint Committee</b>
<b>DATE</b>	20 May 2020
<b>TITLE</b>	<b>GwE Final Accounts 2019/20 – Revenue Out-turn</b>
<b>PURPOSE</b>	<ul style="list-style-type: none"><li>• To update Joint Committee Members on the final financial review of GwE' budget for the financial year 2019/20.</li><li>• The report focuses on the significant financial variances, with Appendix 1 containing the full financial information.</li></ul>
<b>RECOMMENDATION</b>	To accept the report.
<b>AUTHOR</b>	GwE Managing Director and Gwynedd Council Head of Finance.

**1. DECISION**

- 1.1 **Consider and note the Revenue Income and Expenditure Account for 2019/20 presented as Appendix 1**, as well as the information on the main differences between the budget and expenditure presented in the Out-turn report as per normal practice.

**2. BACKGROUND**

- 2.1 A final net underspend position of (£189,618) is reported against the budget, mainly due to an underspend on employees along with the Brokerage budget.
- 2.2 A change of (£217,253) to what was reported in quarter 3, which was an estimated overspend of £27,635, with the following section of the report explaining the reasons for the main variances.

### 3. FINANCIAL VARIANCES

#### 3.1 **Employees:**

**Final Position: Underspend (£135,191) Quarter 3: overspend £39,249.**

In the 3<sup>rd</sup> quarter review, an overspend of £39,249 was expected for 2019/20, but with staff secondments and contributions of core staff to new programs and projects, funded through grants, this led to an underspend. Due to timetables and prioritising, as a one-time exercise, core resources were used to complete the grant work, which led to a one-off underspend

#### 3.2 **Property:**

**Final Position: Overspend £15,108 Quarter 3 : Neutral.**

Overspend due to increased costs for the use of services, along with a reduction in income from specific projects for the use of GwE rooms.

The Covid 19 situation by the end of March 2020, meant that a large number of meetings and events were not held, leading to a decrease in income

#### 3.3 **Transport:**

**Final Position: Underspend (£2,250) Quarter 3: underspend (£9,017).**

No substantive change to the 3<sup>rd</sup> quarter review, The actual travelling costs for the year are slightly lower than the budget.

#### 3.4 **Brokerage:**

**Final Position: Underspend (£58,467) Quarter 3 : Neutral.**

Specific projects, including some financed by specific grants, have been prioritised by the service, which has led to an underspend on this heading in 2019/20.

#### 3.5 **Regional Consortia School Improvement Grant (RCSIG)**

**Final Position: Neutral Quarter 3 : Neutral**

The RCSIG includes a specific heading for Assistant Director Secondment for one year. As the secondment came to an end on 31 August 2019, and Welsh Government conditions note that funding is specifically for this purpose, the remaining balance is reclaimed.

Analysis of full grant below:

Delegated*	£26,064,004
Non-delegated	<u>£ 8,706,919</u>
Total	<b><u>£34,770,923</u></b>
Grant	£32,284,643
Match Funding	<u>£ 2,486,280</u>
Total	<b><u>£34,770,923</u></b>

\* GwE accounts do not include grants distributed directly to schools.

#### **4. UNDERSPEND FUND**

- 4.1 At the beginning of the 2019/20 financial year, the fund (GwE 'general balances') totalled (£290,586)
- 4.2 The net underspend of (£189,618) has increased the underspend fund to (£480,204) at the end of 2019/20. A report to a subsequent meeting will consider the possible use of the fund, after the current crisis.

#### **APPENDICES**

Appendix 1: Revenue Income and Expenditure Account 2019/20.

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#### **VIEW OF THE STATUTORY OFFICERS**

##### **Monitoring Officer:**

Nothing to add from the perspective of propriety.

##### **Statutory Finance Officer:**

Co-author of report.