



<b>MEETING</b>	<b>GwE Joint Committee</b>
<b>DATE</b>	13 July 2022
<b>TITLE</b>	<b>GwE Final Accounts 2021/22 – 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 2021/22.</li><li>• The report focuses on the significant financial variances, with Appendix 1 containing the full financial information.</li></ul>
<b>AUTHOR</b>	Gwynedd Council Head of Finance.

## 1. DECISION

- 1.1 **Consider and note the Revenue Income and Expenditure Account for 2021/22 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.
- 1.2 The Joint Committee is asked to approve the final financial position of 2021/22, to enable the host authority's Finance Department to proceed with the certification and publication of GwE's statutory financial statements for the year, which have already been produced before the statutory date of 31 May.
- 1.3 The Joint Committee is asked to approve a transfer from GwE reserves to finance the 2021/22 overspend of £230,128.

## 2. BACKGROUND

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- 2.1 A final net overspend position of £230,128 is reported against the budget, mainly due to prioritising specific essential schemes.
- 2.2 There was a movement of £246,417 to what was reported in quarter 3, which was an estimated underspend of (£16,289), with the following section of the report explaining the reasons for the main variances.

### 3. FINANCIAL VARIANCES

#### 3.1 **Employees:**

**Final Position: Underspend (£154,111) Quarter 3: Underspend (£70,731)**

Underspend mainly due to staff turnover including staff on secondment with the schemes being funded through grants. Spending on projects has been prioritised this year, with the underspend on this heading being earmarked for that purpose.

#### 3.2 **Building:**

**Final Position: Overspend £50,388 Quarter 3: Overspend £56,833**

The final position is an overspend due to a lack of income for the use of GwE buildings due to the Covid crisis. GwE is dependent on income from schools, authorities and the internal use of rooms from grant funded schemes. With staff now returning to the office this income stream is expected to improve during 22/23.

#### 3.3 **Transport:**

**Final Position: Underspend (£102,734) Quarter 3: Underspend (£102,751)**

No substantive change to the 3<sup>rd</sup> quarter review, which was an underspend due to the lack of travelling during the lockdowns. By now school visits have resumed, but not to the same extent as before the Covid crisis. The heading will be subject to a review on new ways of working for the future.

#### 3.4 **Specific Projects:**

**Final Position: Overspend £433,369 Quarter 3: Overspend £100,000**

The service has purposely prioritised essential schemes during the financial year in order to give support to schools. The overspend in this heading is financed through the underspend on the other headings noted above as well as the use of the underspend fund.

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

- 4.1 At the beginning of the 2021/22 financial year, the fund (GwE 'general balances') totalled (£563,530).
- 4.2 The net overspend of £230,128 will be financed from the underspend fund, and following other transfers into the fund during the year, the final balance in 2021/22 is (£437,503).

#### **APPENDICES**

Appendix 1: Revenue Income and Expenditure Account 2021/22.

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

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

Nothing to add from a propriety perspective

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

Author of report