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| MEETING | GwE Joint Committee |
| DATE | 24 May 2023 |
| TITLE | GwE Final Accounts 2022/23 – Revenue Out-turn |
| PURPOSE | <ul style="list-style-type: none">• To update Joint Committee Members on the final financial review of GwE' budget for the financial year 2022/23.• The report focuses on the significant financial variances, with Appendix 1 containing the full financial information. |
| AUTHOR | Gwynedd Council Head of Finance. |

1. DECISION

The Joint Committee is asked to:

- 1.1 **Consider and note the Revenue Income and Expenditure Account for 2022/23.**
- 1.2 Approve a transfer from GwE reserves to finance the 2022/23 overspend of £138,871, after considering the main variances between the budget and actual expenditure
- 1.3 Approve the final financial position for 2022/23 which is the basis of the GwE statutory financial statements for the year which have already been produced, certified and published by the host authority's Finance Department before the statutory date of 31 May.

2. BACKGROUND

- 2.1 The GwE Joint Committee Revenue Income and Expenditure account for 2022/23 appears in Appendix 1.
- 2.2 A final net overspend position of £138,871 is reported against the budget, mainly due to prioritising specific essential schemes.
- 2.3 At the end of quarter 3, it was estimated that there would be an underspend of (£27,423). This means that a movement of £166,294 can be seen to what was predicted at the end of quarter 3.
- 2.4 Section 3 below explains the reasons for the main variances.

3. FINANCIAL VARIANCES

3.1 **Employees:**

Final Position: Underspend (£23,430) Quarter 3: Overspend £12,711

A slight underspend is reported mainly due to staff turnover including staff on secondment with the schemes being funded through grants. With the value of the budget at £3.4m net, the underspend is very close to the budget

3.2 **Building:**

Final Position: Overspend £46,252 Quarter 3: Overspend £23,787

GwE has a budget for rental income from schools, local authorities and internal use from schemes that are funded through grants, for the use of GwE buildings. These activities restarted in September 2022, and so it was foreseen that the income stream would improve during the year. It was reported in Quarter 3 that a lack of income for the period from April to August would lead to overspending. Unfortunately, the use and consequently the income generated was less than expected. By the end of the year this heading will be reviewed to assess its appropriateness in the new post Covid workplace.

3.3 **Transport:**

Final Position: Underspend (£49,202) Quarter 3: Underspend (£54,046)

No material change to what was reported in Quarter 3. After being suspended during the Covid crisis, visits to schools resumed during the year. We foresee a full year of uninterrupted visits to schools during the 23/24 financial year. However, new ways of working have generally led to more virtual meetings, and therefore less travel. The underspend is not expected to be at the same level in 23/24, and the situation will be nearer to a balanced budget.

3.4 **Specific Projects:**

Final Position: Overspend £206,122 Quarter 3: Overspend £540

The service has purposely prioritised essential schemes during the financial year 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 2022/23 financial year, the fund (GwE 'general balances') totalled (£437,503).

4.2 The net overspend of £138,871 will be financed from the underspend fund, and following other transfers into the fund during the year, the final balance in 2022/23 is (£298,632).

APPENDICES

Appendix 1: Revenue Income and Expenditure Account 2022/23.

VIEW OF THE STATUTORY OFFICERS

Monitoring Officer:

Nothing to add from a propriety perspective

Statutory Finance Officer:

Author of report