



NORTH WALES CORPORATE JOINT COMMITTEE

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TITLE: North Wales Corporate Joint Committee projected expenditure 2024/25

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1. PURPOSE OF THE REPORT

- 1.1. The purpose of this report is to provide the projected expenditure of the Corporate Joint Committee (CJC) for 2024/25.
- 1.2. In order to work effectively, the Joint Committee must be aware of its financial position against its approved annual budget.

2. DECISION SOUGHT

- 2.1. To note and accept the Corporate Joint Committee's projected expenditure for 2024/25 as submitted in **Appendix 1**.

3. REASON FOR THE DECISION

- 3.1. To note a projected net out-turn position of £270,550 against the budget in 2024/25 which is mainly due to an underspend on the staffing budget.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. At its meeting on 26 January 2024, the Corporate Joint Committee approved its budget for 2024/25.
- 4.2. The forecasted net out-turn position in the August 2024 review was an underspend of £203,923, but this has now increased to £270,550.
- 4.3. The budget will continue to be monitored and reviewed throughout the financial year, and the out-turn report as well as the Annual Return for 2024/25 will be submitted to the Corporate Joint Committee on 23 May 2025.

5. FINANCIAL IMPLICATIONS

5.1. 2024/25 Projected Expenditure per Heading

- 5.1.1. **Appendix 1** provides a detailed breakdown of the expenditure projections per heading against its annual budget.

- 5.1.2. It is anticipated that the net out-turn position at the end of the 2024/25 financial year will be an underspend of £270,550.

Employees

- 5.1.3. An underspend of £311,057 is projected against the employees heading for 2024/25.
- 5.1.4. The employee budget includes an interim Chief Executive (2 days a week), Personal Assistant (1 day a week), Manager (Statutory Functions), Project Manager (1 day a week), three Planning posts and one Transport post. The estimated forecasted expenditure to March 2025 includes the costs of an interim Chief Executive (2 days a week), Personal Assistant (1 day a week), secondment costs of the Implementation Programme Manager from Welsh Government, one planning post (commencement date of January 2025) as well as costs for a part-time Language Officer.
- 5.1.5. The estimated allowance cost of the lay members is based on one meeting of the Governance and Audit Committee being held before the end of the financial year.

Travelling

- 5.1.6. The estimated cost of the essential travel allowance and staff subsistence costs until March 2025 is £800, which gives an underspend of £5,200 on the travelling heading in 2024/25.

Supplies and services

- 5.1.7. A net overspend of £18,019 is projected against the supplies and services heading for 2024/25. The external consultants heading is showing an overspend of £53,001, but £80,517 of this expenditure relates to the consultancy costs which are funded from the 2023/24 Transport Grant, and the income is shown as a surplus under the grant income. There is an underspend of £43,800 on the insurance costs and this is due to an interim insurance policy being in place for 2024/25, with the full insurance policy commencing in April 2025. An underspend of £16,100 is predicted on the Audit Wales costs and this is mainly due to an Annual Return rather than a full set of accounts being required in 2024/25 and this is due to the turnover not exceeding the £2.5m threshold.

Support Services

- 5.1.8. An underspend of £22,463 is projected against the support services heading for 2024/25. The underspend on the corporate support heading is due to a reduced number of formal meetings during 2024/25. The underspend on the legal heading will be used to fund part of the overspend on the legal costs from external consultants shown under set-up costs.

Set-up costs

- 5.1.9. Due to the delay in the transfer of the Growth Deal functions to the CJC and the likely transfer date now likely to be 1 April 2025 rather than 1 November 2024, the 2024/25 legal and external consultant costs associated with the transfer have increased from £186,162 in the August review to an estimate of £266,706.
- 5.1.10. The £131,707 expenditure on legal include the costs for an external law firm as well as two legal consultants who have been commissioned to provide specialised advice and support on the establishment of the CJC.

5.1.11. The £135,000 on external consultants relates to project management costs associated with the CJC implementation.

Income

5.1.12. The CJC was successful in its bid to Welsh Government for funding towards the Regional Transport Plan, and £125k was awarded in 2023/24 and a further £100k in 2024/25. £180,517 of this grant income is shown in 2024/25, with £80,517 of the grant income funding external consultant costs that were commissioned in 2023/24 but the work not completed until April 2024.

5.1.13. Following confirmation in the October 2024 Budget that the Investment Zone programme will continue UK wide, the Gateway documents are now being prepared with the aim of having all approvals in place to commence in April 2025. There is an annual allocation of £640k to fund revenue costs, and one third of this budget will be allocated to the CJC. The first claim will include the £100k costs incurred in 2024/25, and although both Wrexham and Flintshire County Councils have between them underwritten £50,000 of this expenditure, the CJC reserve will be used to fund this expenditure in 2024/25 and will be repaid once the grant income is approved from Government.

5.1.14. The interest on balances for 2024/25 is predicted to be around £50k.

5.2. Constituent Authority Contributions

5.2.1. The levy on the constituent authorities for 2024/25 was approved by the CJC in its meeting on 26 January 2024.

5.3. Reserve

5.3.1. The reserve balance at 31 March 2025 is expected to be £965k and once the £100k from the Investment Zone will be repaid, the balance will be £1,065k.

6. LEGAL IMPLICATIONS

6.1. The Interim CJC Chief Executive as well as the Monitoring Officer have contributed to this review.

APPENDICES:

Appendix 1: North Wales Corporate Joint Committee 2024/25 Revenue Budget
- December 2024 Review

STATUTORY OFFICERS RESPONSE:

i. **Monitoring Officer:**

“No observations to add in relation to propriety.”

ii. **Statutory Finance Officer:**

Report author.