



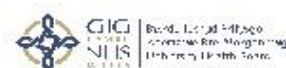
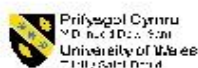
Swansea Bay City Region Joint Committee – 29 October 2019

## Financial Monitoring Report 2019/20 – Swansea Bay City Deal Outturn Position

<b>Purpose:</b>	The purpose of this report is to inform the Joint Committee of the year end outturn position in respect of the PMO, Accountable Body and Joint Committee administration functions.
<b>Policy Framework:</b>	Swansea Bay City Deal.
<b>Consultation:</b>	Accountable Body
<b>Recommendation(s):</b>	It is recommended that:  1) The Joint Committee review the annual accounts of the Swansea Bay City Deal.
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<b>Finance Officer:</b>	Chris Moore, Section 151 Officer, SBCD
<b>Legal Officer:</b>	Tracey Meredith, Monitoring Officer, SBCD
<b>Access to Services Officer:</b>	

### 1) Introduction

- 1.1 This report details the projected outturn position of the Programme Management Office, Accountable Body and Joint Committee functions of the City Deal Programme.
- 1.2 The Financial Monitoring Report presents the City Deal Accounts in a detailed format, in line with the Carmarthenshire County Council’s financial management system. The outturn position demonstrates the forecasted current financial year end position, as at August 2019.



## **2. Financial Monitoring Report – Income and Expenditure**

### **2.1. Supplementary Information**

- 2.1.1 The outturn position excludes any top slice of Government Grants in terms of income. Any contribution from Government grants received within the financial year will be transferred to a ring-fenced reserve at year end, for utilisation in future years.
- 2.1.2 On receipt of government grants, 1.5% (£723k) of this will be utilised to support the PMO and the direct administration functions of the Programme. There is no requirement to call on this additional contribution by the end of this financial year. Consideration will be required as to whether the additional contribution within this financial year is to be used in another manner, or distributed back to projects.
- 2.1.3 The Programme Director has an assumed commencement date of 01st January 2020, therefore only salary expenditure in respect of one quarter (quarter 4 2019/20) has been included within the accounts.
- 2.1.4 An annual interim budget was agreed (JC - 30th July 2019) for the current financial year (2019/20). Included within is an agreement between the four Local Authority partners to individually absorb indirect costs associated with the provision of key allocated functions, thus bequeathing a benefit to the programme in respect of reduced centralised costs of £792k. These indirect costs have been omitted for the full year (Appendix 2).

### **2.2. Programme Management Office**

- 2.2.1 To the period ended 31<sup>st</sup> March 2019 the expenditure forecast position is £274k. At present the PMO is not fully staffed, only two positions have been appointed into, with further support being provided by staff employed by CCC. Direct staffing costs are estimated at £118k (including one quarter of a programme director) with recharges in relation to CCC support staff being estimated at £105k. Other costs include office rental of £22k, Projects and Activities £5k and fees £10k.

### **2.3. Accountable Body**

- 2.3.1 The Accountable Body yearend position is estimated at £69k. This is attributable to one staff member and the annual external audit fee. This has increased from 2018/19 due to the requirement (if grant receipted) to produce a full set of financial statements.

## **2.4. Joint Committee**

2.4.1 The Joint Committee expenditure forecast relates solely to legal fees in respect of amendments to the JCA and funding agreements. This has been estimated at £25k.

## **2.5. Joint Scrutiny Committee**

2.5.1 No costs have been incurred in respect of the Joint Scrutiny Committee, as this will be funded as a benefit in kind by Neath Port Talbot County Borough Council.

## **2.6. Income**

2.6.1 Total income for the year demonstrates £350k. This is solely from partner contributions (£50k per partner). One Co-opt partner's contribution has been omitted with clarification sought as to their position within the City Deal programme.


## **3. Financial Monitoring - Statement of Balances**

3.1. The prior year (2018/19) balance carried forward in reserve demonstrates £100k. Currently the estimated year end position of the City Deal accounts resides at a deficit of £19k, this will be offset via the City Deal reserve at year end, taking the total reserve figure to £80k.

3.2. Debtor amounts represent the contributions outstanding from partners to the programme. As at the 6<sup>th</sup> October 2019 the outstanding balances amount to £75k.

### **Appendices: These will be included within the report.**

<b>Appendix A</b>	Swansea Bay City Deal – Financial Monitoring Report 2019/20
<b>Appendix B</b>	Breakdown of Benefit in Kind

		<b>Swansea Bay City Deal</b> <b>Financial Monitoring Report</b> For the period ended 31st March 2020		
Description	Actuals 2018/19 £	Interim Budget* 2019/20 £	Forecast 2019/20 £	Variance 2019/20 £
<b>Programme Management Office</b>				
Pay - NJC	65,284	350,696	118,002	232,694
Recharges - Employee costs Grant (direct)	182,617	-	106,238	(106,238)
National Insurance	6,878	36,483	3,416	33,067
Superannuation	11,621	62,424	5,749	56,675
Apprentice Levy	326	-	160	(160)
Training of Staff	-	15,000	-	15,000
Rents General	13,648	15,450	15,450	0
National Non Domestic Rates	-	-	6,575	(6,575)
Electricity	-	2,472	-	2,472
Gas	-	618	-	618
Response Maintenance	630	500	-	500
Public Transport - Staff	21	1,800	-	1,800
Staff Travelling Expenses	1,575	17,820	2,536	15,284
Admin, Office & Operational Consumables	16,738	1,000	-	1,000
Printing & Copying	-	1,000	200	800
Fees (Monitoring & Evaluation)	-	10,000	10,000	0
Translation/Interpret Services	819	10,000	-	10,000
ICTs & Computer Hardware	-	10,000	-	10,000
Subsistence & Meetings Expenses	717	1,000	213	787
Promotions, Marketing & Advertising	47,404	100,000	1,592	98,408
Projects & Activities Expenditure	-	60,000	5,000	55,000
Photocopying Recharge	77	-	57	(57)
Furniture	-	10,500	-	10,500
<b>Total Programme Management Office Expenditure</b>	<b>348,355</b>	<b>706,763</b>	<b>275,188</b>	<b>431,575</b>
<b>Accountable Body</b>				
Pay - NJC	-	77,471	40,832	36,639
Recharges - Employee costs Grant (direct)	100,349	-	-	0
National Insurance	-	8,309	1,216	7,093
Superannuation	-	13,790	2,103	11,687
Apprentice Levy	-	-	58	(58)
Staff Recruitment Expenses	597	-	-	0
Audit Fee (Wales Audit Office)	10,000	25,000	25,000	0
<b>Total Accountable Body Expenditure</b>	<b>110,946</b>	<b>124,570</b>	<b>69,209</b>	<b>55,361</b>
<b>Joint Committee</b>				
Admin, Office & Operational Consumables	-	-	-	0
Legal Fees	3,671	25,000	25,000	0
Subsistence & Meetings Expenses	726	-	-	0
<b>Total Joint Committee Expenditure</b>	<b>4,397</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>
<b>Joint Scrutiny Committee</b>				
Subsistence & Meetings Expenses	7,611	-	-	0
<b>Total Joint Scrutiny Committee Expenditure</b>	<b>7,611</b>	<b>-</b>	<b>-</b>	<b>0</b>
<b>Total Expenditure</b>	<b>471,308</b>	<b>856,333</b>	<b>369,397</b>	<b>486,936</b>
<b>Funding Contributions</b>				
SBCD Programme Contribution (top slice 1.5%)**	-	723,000	-	(723,000)
Government Grants - WAG	57,632	-	-	0
Partner Contributions (LA & Co-Opt)	400,000	400,000	350,000	(50,000)
<b>Total Income</b>	<b>457,632</b>	<b>1,123,000</b>	<b>350,000</b>	<b>(773,000)</b>
<b>Net Annual Total - Surplus/(Deficit)</b>	<b>(13,676)</b>	<b>266,667</b>	<b>(19,397)</b>	<b>(286,064)</b>

\*As agreed by Joint Committee - 30th July 2019.

\*\*Omitted 'Top Slice' element due to no grant being received to date.

<b>Movement to Reserves</b>		
Description	2018/19	2019/20
Balance Brought Forward from previous year	113,547	99,871
Appropriation/Contribution To Ring-fenced City Deal Reserve	(13,676)	(19,397)
<b>Balance Carry Forward</b>	<b>99,871</b>	<b>80,474</b>

**Breakdown of Benefit in Kind**

	2019/20	2020/21	2021/22	2022/23	Total
<b>Carmarthenshire</b>					
Finance Services Support (Section 151 Officer)	54,244	54,244	54,244	54,244	216,976
<b>Total</b>	<b>54,244</b>	<b>54,244</b>	<b>54,244</b>	<b>54,244</b>	<b>216,976</b>
<b>Pembrokeshire</b>					
Audit Support Function (Internal Audit Fees)	15,000	15,000	15,000	15,000	60,000
<b>Total</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>60,000</b>
<b>Swansea</b>					
Legal and Democratic Support (inclusive of Monitoring Officer)	103,849	103,849	103,849	103,849	415,398
<b>Total</b>	<b>103,849</b>	<b>103,849</b>	<b>103,849</b>	<b>103,849</b>	<b>415,398</b>
<b>Neath Port Talbot</b>					
<b>Joint Committee</b>					
Room Hire	1,890	1,890	1,890	1,890	7,560
Meeting Expenses	1,200	1,200	1,200	1,200	4,800
Travel	1,800	1,800	1,800	1,800	7,200
<b>Joint Scrutny</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>80,000</b>
<b>Total</b>	<b>24,890</b>	<b>24,890</b>	<b>24,890</b>	<b>24,890</b>	<b>99,560</b>
<b>Total Absorbed Cost</b>	<b>197,984</b>	<b>197,984</b>	<b>197,984</b>	<b>197,984</b>	<b>791,934</b>