



MEETING	GwE Joint Committee
DATE	16 February 2022
TITLE	GwE Budget 2021/22 – 3rd Quarter Review
PURPOSE	<ul style="list-style-type: none">• To update Joint Committee members on the latest financial review of GwE’s budget for the 2021/22 financial year.• The report focuses on the significant financial variances, with Appendix 1 containing the full financial information.
RECCOMENDATION	To accept the report.
AUTHOR	GwE Managing Director and Gwynedd Council Head of Finance.

1. CONCLUSION

- 1.1 The 3rd quarter review estimates a net underspend of (£16,289) against the budget (a semi-neutral position in the context of total gross expenditure of over £17m).
- 1.2 The impact of Covid-19 continues to have an effect on individual headings, and the following section of this report explains the reasons behind the main variations predicted.

2. FINANCIAL VARIANCES

2.1 Employees

Quarter 3: underspend (£70,371) Quarter 2: underspend (£62,691)

An underspend position is forecast for the financial year 21/22 due mainly to staff turnover, together with a small saving on other staff related costs (training, advertising etc). The underspend is expected to increase due to staff turnover, mainly due to the vacant Business Manager post.

2.2 Building:

Quarter 3: overspend £56,833 Quarter 2: overspend £58,883

This budget is dependent on external income and the use of GwE buildings by specific projects as part of it. As a result of the pandemic new ways of working have been adopted, with much more distance working, and virtual meetings.

By now, there has been sporadic use of the offices, with officers meeting face to face but maintaining social distance. It is not anticipated that this will be significant, but is likely to generate a small income due to its use by specific projects.

2.3 Travel:

Quarter 3: underspend (£102,751) Quarter 2: underspend (£75,862)

School visits have resumed, but not to the same extent as before the Covid crisis. Covid is still having an impact with travelling claims being less than what was anticipated in the previous quarter. This heading will be subject to a review on new ways of working.

2.4 Specific Projects:

Quarter 3: overspend £100,000 Quarter 2: neutral

Although an underspend position is reported on the core budgets, the intention is to accelerate expenditure on internal schemes and grants where possible by the end of the financial year. By realising these plans, it is envisaged that the net position of the whole service will be close to a balanced budget, with further expenditure on projects eating into the underspend on core budgets such as Travel Costs etc.

3. UNDERSPEND FUND

3.1 At the beginning of the 2021/22 financial year, the fund totalled £563,530.

3.2 Based on the forecasts of the current position it is estimated that the total fund will be £579,819 at the end of 2021/22, following the addition of the underspend of £16,289 forecast above.

APPENDICES

Appendix 1: GwE Budget 2021/22 – 3rd Quarter Review.

OPINION OF STATUTORY OFFICERS

Monitoring Officer:

Nothing to add from a propriety perspective

Statutory Finance Officer:

Co-author of report