

**THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF,
COUNTY BOROUGH COUNCILS OF BRIDGEND, CAERPHILLY,
MERTHYR TYDFIL, RHONDDA CYNON TAF AND THE VALE OF
GLAMORGAN**

22nd March 2024

2023/24 MONTH 10 BUDGET MONITORING UPDATE REPORT

**REPORT OF THE TREASURER TO THE GLAMORGAN ARCHIVES JOINT
COMMITTEE**

Reason for this Report

1. To provide the Glamorgan Archives Joint Committee with an update on actual expenditure and income as at the 31st January 2024 (Month 10), against the approved 2023/24 Budget and projections for the full year outturn position.

Background

2. Members approved the 2023/24 budget in December 2022.
3. The budget is funded from local authority revenue contributions, apportioned on the relative populations.
4. The current General Reserve balance is £132,708 as at 1st April 2023.

Table 1: Projected Outturn 2023/24 (at Month 10)

	Budget	Actual to Date	Projection	Variance
	£	£	£	£
<u>Expenditure</u>				
Employee	545,886	484,364	580,760	34,874
Premises	440,474	308,364	405,405	(35,068)
Transport	240	8	240	0
Supplies & Services	33,339	53,697	195,428	162,089
Support Services	32,192	15,590	34,306	2,115
GROSS EXPENDITURE	1,052,130	862,023	1,216,140	164,010
<u>Income</u>				
Income	(87,858)	(75,220)	(263,363)	(175,505)
Contribution from Reserves	(65,000)	0	(53,504)	11,496
NET EXPENDITURE	899,273	786,803	899,273	0

Glamorgan Archives: Balanced Budget Position

5. The position at month 10 indicates projected gross expenditure of £1,216,140 for the year. This is £164,010 more than budget and is offset by higher than anticipated income. The overall position will be balanced with a drawdown of £53,504 from reserves but this will be less than originally budgeted.

Employee Budget: (£545,886 budget, £34,874 overspend)

6. The employee budget is based upon 14 full time equivalent (FTE) staff and one staff member funded through contributions from the Department for Work and Pensions (DWP) until November 2023. The 2023/24 pay award offer was agreed in month 8 as payment of £1,925 for each FTE. Actual and projected costs as at Month 10 include the pay award.

Table 2: Employee Financing Structure (Internal Funding or External Grants)

	Budget £	Actual £	Projected £	Variance £
<u>Employees</u>				
Internally Funded	523,718	474,021	541,638	17,920
Corporate Trainee	7,032	0	7,257	225
WG Project Officer	0	0	21,524	21,524
DWP Contributions	15,135	10,340	10,340	(4,795)
Employees Total	545,885	484,364	580,759	34,874

7. Following the final manual handling training session (£95), all Archives staff are now up to date with their training. This will continue to be a requirement in future years, and for new staff members joining the team. Additionally, training on 'Copyright in Content' has been completed by an individual (£180), with further plans to attend an Archives and Records Council Wales (ARCW) forum in the upcoming months. All items mentioned will be achieved within the set budget (£500).

Premises Related Budget: (£440,474 budget, £35,068 underspend)

8. At month 10 most expenditure items are projected to be in line with the budget. This includes projected inflation rates of 250% and 450% for gas and electricity respectively, which is still in line with Cardiff Council's estimates.
9. Continuous repair work is planned for the building in year, including an electrical installation condition survey and replacement of a radiator (£20,000 budget, £30,000 projected).
10. Actual expenditure at Month 10 includes £18,987 on works to accommodate Cardiff Registrars' needs in the Archives building. This cost has now been recharged to Registration Services since the end of Month 10, with the reimbursement included in the projected outturn figures.

11. Change to the maintenance contract provider will incur an additional upfront cost (£1,400) for the remaining 4 months, on the basis that ongoing repair work will see a reduction of cost in future years.
12. Additionally, the National Non-Domestic Rates (NNDR) charge for the year has been confirmed at £189,912, which exceeded the associated budget by £1,324.

Transport Budget: (£240 budget, balanced budget projected)

13. To date, limited costs in relation to travelling expenses have been incurred (£8), and it is anticipated that transport will not exceed its budget.

Supplies & Services Budget: (£33,339 budget, £162,089 overspend)

14. A significant update since Month 7 relates to a planned Digital Preservation upgrade linked to preserving historical documents, which Glamorgan Archives will be procuring as the Lead Authority for an all-Wales consortium. The expected cost is £100,000, which will be funded in full through a Welsh Government grant.
15. Grant funding has been secured for various additional items, including historical document preservation (£2,507 fully funded by Friends of the National Libraries), general printing (£2,819 of which £1,956 funded by ARCW) and hardware purchases (£5,571 of which £876 is funded by DWP).
16. There is currently £37,130 projected for consultancy fees in 2023/24, although these costs are directly linked to project work and are grant funded. Projects include a Welsh Government (WG) research project (£10,200), and an ARCW project to revise archival descriptions (£20,000).
17. An underspend is projected for software licences and maintenance (£15,200 budgeted, £14,388 projected) after all three relevant licences, namely Preservica, Kasemake and Metadatis, have been charged.

Support Services Budget: (£32,192 budget, £2,115 overspend)

18. Many support service charges have now been posted, with final charges to be made towards the end of the year. Budgets are based on staff time and therefore outturn figures are based on the forecasted pay awards in line with Cardiff Council projections.

Income Budget: (£87,858 budget, £263,363 projected income)

19. As mentioned under Supplies & Services, a grant of £100,000 is due from Welsh Government to fund the procurement of a Digital Preservation upgrade. This accounts for the majority of the increase in projected income since Month 7.
20. Grant funding has been confirmed from ARCW (£21,956) for the archival description project, and for the design and printing of specialist documents. Additionally, funding

from the National Manuscript Conservation Trust (NMCT) (£5,693) continued in 2023/24 for conservation work on the drawings and paintings of Cardiff Castle.

21. DWP grant funding of £8,975 is anticipated, partially as a contribution towards employee costs, per table 2 above, but an additional £845 has also been secured for the purchase of an adapted chair for an Archives staff member.
22. Welsh Government funding of £36,420 is anticipated, partially contributing towards the on-cost of a fixed-term FTE project researcher as per table 2 above.
23. Additionally, Cardiff Council will provide a 3-month contribution towards the employment of a Corporate Trainee (£7,257).
24. Hire of specialist rooms is projected to generate £31,402 (£8,552 more than budgeted) during the year. Included within this, the temporary relocation of registrar services whilst City Hall closes is projected to generate £21,892 across 6 months of the financial year.
25. Additional funding for document digitisation has been secured from FindMyPast, as well as a private funder, totalling £16,800.
26. Other lines of income generation are expected to achieve budgeted targets and will be monitored and reviewed closely throughout the remainder of the year and as more information becomes available.

Local Authority Contributions

27. Based on the projected outturn for 2023/24 as detailed in this report, the Local Authority contributions to fund the Service will be in line with those budgeted as previously notified to the Committee. Invoices for 2023/24 were raised in October. Please see Appendix 1 for details.

Month 10 Summary

28. The projected income and expenditure for 2023/24 has indicated that a reduced reserve drawdown compared to the budget (£65,000 budget, £53,504 projected) will be necessary at the year's outturn.

Financial Implications

29. Current trends project a balanced position at year end as a result of reserve drawdown being less than budgeted for 2023/24.
30. The General Reserve balance is currently £132,708, due to a contribution of £19,748 in 2022/23. The budget for 2023/24 determined that £65,000 would be used from reserves to balance the position. However, as at Month 10 it is projected that there will be a need to only drawdown £53,504, therefore reducing the General Reserve balance to £79,204.

Legal Implications

31. The Committee approved a draft budget which was submitted to each of the parties for approval. Each of the parties confirmed that their contribution was approved under Section 5(a)(ii) of the agreement dated the 11th of April 2006; the Committee shall only have the power to spend within the agreed budget within any given year.

RECOMMENDATION

32. It is recommended that Members:
 - a) Note the projected full year outturn position for 2023/24 as detailed in this report.

Christopher Lee
Treasurer to the Glamorgan Archives Joint Committee
22 March 2024

Appendices

Appendix 1 - Month 10 Monitoring Position 2023/24