

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

**THE GLAMORGAN ARCHIVES  
JOINT COMMITTEE  
26 September 2014**

**REPORT OF:**

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

	<b>AGENDA ITEM NO. 4</b>
<b>2014-2015 BUDGET MONITORING</b>	

**PURPOSE OF REPORT**

1. This report provides members with the actual expenditure and income to date and projected full year revenue outturn for the current financial year 2014/2015.

**PROJECTED OUTTURN POSITION FOR FINANCIAL YEAR 2014/2015**

2. **Appendix 1** details the position for the financial year 2014/2015, as forecast at 31st August 2014. This is summarised in the Table below.

**Table 1: Projected Outturn 2014/2015 (at Month 5)**

	Budget £	Actual to date £	Projection £	Variance £
<b>Expenditure</b>				
Employees	538,570	215,286	520,719	(17,851)
Premises	204,900	257,493	348,681	143,781
Transport	6,550	1,329	2,776	(3,774)
Supplies & Services	42,020	21,825	62,133	20,113
Third party Payments	0	0	0	0
Support Services	37,700	20,302	57,769	20,069
<b>GROSS EXPENDITURE</b>	<b>829,740</b>	<b>516,235</b>	<b>992,078</b>	<b>162,338</b>
Income	(48,050)	(20,484)	(88,293)	(40,243)
Contribution from reserves	(100,000)	0	(130,000)	(30,000)
<b>NET EXPENDITURE</b>	<b>681,690</b>	<b>495,751</b>	<b>773,785</b>	<b>92,095</b>

3. The full year spend is projected to be £733,785, representing an overspend of £92,095 (13.5%) against the approved budget of £681,690. Reasons for the main variances are given below:

### **Employees ( -£17,851)**

4. There are a number of elements that constitute the net projected underspend on employee costs. The main variances have arisen from the following:
- The workforce agreement, effective from 1<sup>st</sup> August 2014, reduced the contractual working week of a full time employee by 1 hour (pro rata for part time). There is a saving against the budget associated with the implementation of this agreement and it will be in the region of £9,200.
  - The other contributing factor to the projected underspend against the employee budget is a saving of £2,137 on employer superannuation contributions due to a member of staff not joining the Pension Scheme.
  - As a result of the implementation of the Single Status agreement two members of staff experienced a downward change in spinal point which has reduced costs. The impact of this in 2014/2015 is a saving of £6,528
  - There is a saving of £5,555 as a result of a post of Conservator being reassessed and then downgraded to a post of Assistant Conservator. This was reported to Committee in March 2014.
  - A number of staff have or will be working additional hours or have been employed for a specified period in order to undertake work which will be funded by Archives and Records Council Wales grants. It is expected that their costs will be £6,275 and grant income for this amount is in the projected outturn.

### **Premises ( +£143,781)**

5. It is anticipated that there will be a net overspend on premise costs.
- The main overspend is in relation to National Non Domestic Rates of £119,140 as a result of the increased rateable value of the Glamorgan Archives Building which took effect from January 2014.
  - The alterations to the search room in the Glamorgan Archives Building along with other essential repairs and maintenance to lighting and the chiller unit is expected to cost £50,196 more than budget. £30,000 of this cost will be funded from the earmarked reserve set aside in 2013/2014 specifically to fund the works on the search room. The drawdown from the reserve is shown as a contribution from reserves in the projected outturn.
  - There are projected savings on both gas and electricity costs totalling £21,680 against the 2014/2015 budget. The projected expenditure is in line with the actual charges paid in 2013/2014.
  - There will also be a saving of £6,500 on premise insurance as insurance for the Glamorgan Archives building is now covered by the buildings insurance policy of Cardiff Council.

### **Transport ( - £3,774)**

6. There is a projected underspend against transport costs of £3,774 as a direct result of the leased vehicle charge and the fuel for that vehicle now being charged under central support when the budget remains under transport.

### **Supplies & Services ( +£20,113)**

7. Overall an overspend is projected on supplies and services. Additional expenditure is expected against a number of budget heads.
  - An additional £2,308 will be incurred on conservation to be funded by a grant as detailed under 'income'.
  - The external auditors of the Glamorgan Archives accounts have undergone a review of their charging mechanism and it is anticipated that the audit charge will therefore be greater than the 2014/2015 budget by £4,300. No indication of the exact charge has yet been given so the projected outturn of £7,500 is an estimate.
  - There has been a fibre optic network line installed recently between the Glamorgan Archives Building and County Hall. Whilst there will be no rental charge for this line the Valuation Office classes the link as a business asset and there will be a rates charge of £2,350 based on the length of the line.
  - Three hardware purchases have been made this year costing £4,329 in total. A Promethean Mobile system cost £4,145 including delivery whilst a USB dongle and an E pen cost £184.
  - It is forecast that the cost of catering provided by Cardiff Council will increase by £5,162 this year. These costs are passed on in the charge for catering supplied to organisations that hire rooms within the Glamorgan Archives Building and this is reflected in additional income from the sale of food.
  - A new lease has been taken out for a photocopier at a cost of £1,374 in 2014/2015.

### **Support Services (+£20,069)**

8. The projected outturn for the majority of central support costs are in line with the actual charges for 2013/2014 and represent an overspend of £16,639. Further costs are expected from internal audit (£1,500) and for the provision of Welsh translation services (£1,930).

### **Income ( -£40,243)**

9. The projected income is £40,243 more than budgeted. There are a significant number of variances between income budgets and projected income. Explanations for most of them are given below.
  - Grants awarded by the Archives and Records Council Wales are expected to generate grant income of £7,885 whilst grant of income totalling £9,614 is expected in from The National Manuscripts

Conservation Trust. All expenditure in respect of these grants has been included in the projected outturn within either employees or supplies and services.

- The sale of publications is expected to generate income of £2,093 whilst income from the hire of room and provision of catering is likely to generate income of £7,351 more than budget.
- Glamorgan Archives has an agreement with a publishing company for the website Find My Past to access online archive records. Royalties are earned based on the volume of access. It is projected that this income will be £5,135 in 2014/2015.
- The Glamorgan Archivist is carrying out some consultation work for Carmarthenshire Records Office and her time is chargeable to them. Based on 14 days consultancy work then the income generated would be £4,200.
- The Project Manager for the CLOCH project left her post this month and the work she would have undertaken until the end of the project in January 2015 will now be undertaken by other Glamorgan Archives employees. The cost of this work will be recharged to the CLOCH project and the projected outturn takes this recharge income into account.
- Both conservation income and search fee income are expected to fall short of their budgeted income levels by £5,925 in total. However, the projected income is still greater than that achieved last year.

### **Local Authority contributions**

10. On the basis of the projected outturn for 2014/2015 as detailed in this report the Local Authority contributions to fund the Service will be in line with the budgeted contributions as previously notified to Committee.

### **Conserving Local Communities Heritage (CLOCH)**

11. In June 2010 the Service was awarded a Heritage Lottery Fund grant of up to £224,000 towards the provision of practical work based skills training opportunities in digitisation, research, local history, basic conservation and community engagement. The grant agreement was originally for 3 years but was extended to cover a 4<sup>th</sup> year and additional grant awarded to bring the total grant awarded to £322,500.
12. Projected costs for this year, the 4<sup>th</sup> and final year of the project, is £76,566 which is mainly to cover the cost of bursary payments to the trainees. Applications will be made throughout the year to the Heritage Lottery fund for payment of grant as and when costs are incurred. The project is due to end on 11<sup>th</sup> January 2015.
13. As previously mentioned the CLOCH Project Manager left her post this month and the work she would have undertaken will now be carried out by other Glamorgan Archives staff. The projected outturn includes a recharge of £11,000 to cover the cost of this work.

## **FINANCIAL IMPLICATIONS**

14. An overspend of £92,095 is projected for 2014/2015 based on the position as at Month 5. This will continue to be reviewed in the regular monitoring meetings between the Glamorgan Archivist and Finance Officers. Should an overspend materialise then it will be necessary to draw upon the General Reserve, which currently stands at £509,246 and will be £409,246 after the agreed £100,000 drawdown this year.
15. Any overspend this year will not impact upon the level of Local Authority contributions provided that the overspend is funded from the General Reserve.

## **LEGAL IMPLICATIONS**

16. There are no legal implications arising from this report.

## **RECOMMENDATIONS**

It is recommended to members that they:

- Note the projected full year outturn position for 2014/2015 as detailed in this report.
- Consider the utilisation of part of the General Reserve to fund any overspend.

**Christine Salter**  
**Treasurer to the Glamorgan Archives Joint Committee**

	2014/2015 Budget £	2014/2015 Projected Outturn £	2014/2015 Variances £
<b>EXPENDITURE</b>			
<b><u>EMPLOYEES</u></b>			
APT & C GROSS PAY	362,550	350,752	(11,798)
APT & C OVERTIME	3,000	5,039	2,039
APT & C SUPERANNUATION	79,050	72,577	(6,473)
APT & C NATIONAL INSURANCE	22,550	20,868	(1,682)
APT & C MISCELLANEOUS ALLOWANCES	820	535	(285)
OPERATIONAL MANAGER - GROSS PAY	52,470	51,519	(951)
OPERATIONAL MANAGER - SUPERANNUATION	12,540	11,950	(590)
OPERATIONAL MANAGER - NATIONAL INSURANCE	5,040	4,915	(125)
HOLIDAY PAY	0	1,201	1,201
EMPLOYER & PUBLIC LIABILITY INSURANCE	550	300	(250)
STAFF TRAINING EXPENSES	0	1,063	1,063
<b>TOTAL EMPLOYEES</b>	<b>538,570</b>	<b>520,719</b>	<b>(17,851)</b>
<b><u>PREMISES</u></b>			
REPAIRS, ALTERATIONS & IMPROVEMENTS	5,000	55,196	50,196
SECURITY	5,500	5,500	0
RODENT & PEST CONTROL	100	315	215
GROUND MAINTENANCE	1,500	1,500	0
FIRE MANAGEMENT/PROTECTION	3,640	3,720	80
MAINTENANCE CONTRACTS	10,000	10,474	474
ELECTRICITY	62,000	46,010	(15,990)
GAS	20,000	14,310	(5,690)
CRC ALLOWANCES	5,200	6,390	1,190
NATIONAL NON DOMESTIC RATES	70,060	189,200	119,140
WATER	1,200	3,112	1,912
CLEANING MATERIALS	500	260	(240)
WINDOW & FLUE CLEANING	700	484	(216)
REFUSE COLLECTION / BULK	1,500	1,726	226
OFFICE CLEANING CONTRACT	7,500	7,072	(428)
SANITATION & WASTE DISPOSAL	1,500	912	(588)
INSURANCE	9,000	2,500	(6,500)
<b>TOTAL PREMISES</b>	<b>204,900</b>	<b>348,681</b>	<b>143,781</b>
<b><u>TRANSPORT</u></b>			
FUEL & OTHER RUNNING COSTS	500	0	(500)
VEHICLE LEASE	3,500	0	(3,500)
PUBLIC TRANSPORT - STAFF USE	500	500	0
CAR ALLOWANCES	600	1,326	726
TRAVELLING EXPENSES	1,000	500	(500)
VEHICLE INSURANCE	450	450	0
<b>TOTAL TRANSPORT</b>	<b>6,550</b>	<b>2,776</b>	<b>(3,774)</b>
<b><u>SUPPLIES &amp; SERVICES</u></b>			
PURCHASE/REPAIR OF FURNITURE	0	59	59
SIGNS - NEW & REPAIRS	250	0	(250)
CONSERVATION	12,000	14,308	2,308
VENDING MACHINES	3,000	3,326	326
CATERING SUNDRIES	1,000	1,500	500
UNIFORMS / PROTECTIVE CLOTHING	100	198	98
GENERAL PRINTING & STATIONERY	1,500	1,500	0
PHOTOCOPIERS	0	1,374	1,374
PHOTOCOPYING MATERIALS	500	500	0
TRANSLATION COSTS	0	0	0
AUDIT FEES	3,200	7,500	4,300
CONSULTANCY	0	630	630
ARCHIVING/STORAGE SERVICE	500	752	252
VOICE & IT COMMUNICATIONS	0	0	0
MOBILE PHONES	0	36	36

	2014/2015 Budget £	2014/2015 Projected Outturn £	2014/2015 Variances £
INTERNET CHARGES	0	606	606
CENTRAL TELEPHONE EXCHANGES	3,000	3,906	906
TELEPHONES	2,950	940	(2,010)
POSTAGES	600	0	(600)
SOFTWARE	1,000	1,143	143
IT CONSUMABLES	1,000	1,000	0
HARDWARE	0	4,329	4,329
SOFTWARE LICENCES & MAINTENANCE	4,000	3,616	(384)
PRIVATE CIRCUIT RENTALS	0	2,350	2,350
CONFERENCE/CONVENTION EXPENSES	0	9,162	9,162
HOSPITALITY	4,000	0	(4,000)
SUBSCRIPTIONS	1,200	773	(427)
PUBLIC LIABILITY INSURANCE	1,020	1,400	380
MISCELLANEOUS INSURANCE	700	700	0
ADVERTISING (EXCL STAFF)	500	525	25
<b>TOTAL SUPPLIES &amp; SERVICES</b>	<b>42,020</b>	<b>62,133</b>	<b>20,113</b>
<b><u>SUPPORT SERVICES</u></b>			
SERVICE ACCOUNTANCY	14,800	17,040	2,240
TECHNICAL ACCOUNTANCY	1,500	1,920	420
INCOME RECOVERY	100	240	140
PAYROLL	500	960	460
PAYMENTS	500	720	220
AUDIT	0	1,500	1,500
PROCUREMENT	600	960	360
PROJECT ACCOUNTANCY	500	0	(500)
SAP SUPPORT	3,000	1,998	(1,002)
ICT SERVICES	12,000	16,998	4,998
HUMAN RESOURCES	3,700	6,936	3,236
LEGAL	500	1,550	1,050
WELSH TRANSLATION	0	3,000	3,000
VEHICLE RECHARGE	0	3,947	3,947
<b>TOTAL SUPPORT SERVICES</b>	<b>37,700</b>	<b>57,769</b>	<b>20,069</b>
<b>GROSS EXPENDITURE</b>	<b>829,740</b>	<b>992,078</b>	<b>162,338</b>
<b><u>INCOME</u></b>			
ARCW	0	(7,885)	(7,885)
NMCT	0	(9,614)	(9,614)
PUBLICATIONS GENERAL	0	(2,093)	(2,093)
SALE OF PHOTOCOPIES	(2,000)	(1,744)	256
CONSERVATION INCOME	(10,000)	(5,788)	4,212
SALE OF FOOD	(10,000)	(15,255)	(5,255)
VENDING INCOME	(300)	(196)	104
COURSE FEES GENERAL	(250)	0	250
SEARCH FEES	(3,000)	(1,287)	1,713
HIRE OF SPECIAL ROOMS	(20,000)	(22,096)	(2,096)
RECHARGE TO CLOCH	0	(11,000)	(11,000)
ROYALTIES	0	(5,135)	(5,135)
SUNDRY INCOME	0	(4,200)	(4,200)
INTEREST	(2,500)	(2,000)	500
CONTRIBUTIONS FROM RESERVES	(100,000)	(130,000)	(30,000)
<b>TOTAL INCOME</b>	<b>(148,050)</b>	<b>(218,293)</b>	<b>(70,243)</b>
<b>TOTAL NET BUDGET</b>	<b>681,690</b>	<b>773,785</b>	<b>92,095</b>