

Pwyllgor CYDBWYLLGOR PROSIECT GWYRDD

Rhif Cyfarfod: 02-18

Dyddiad ac amser DYDD MAWRTH, 20 TACHWEDD 2018, 10.00 AM

Lleoliad YSTAFELL BWYLLGORA 2 - NEUADD Y SIR

Aelodaeth Cyngorydd Michael Michael, Cyngor Caerdydd (Cadeirydd)
 Cyngorydd Chris Weaver, Cyngor Caerdydd
 Cyngorydd Nigel George, Cyngor Bwrdeistref Sirol Caerffili
 Cyngorydd Colin Gordon, Cyngor Bwrdeistref Sirol Caerffili
 Cyngorydd Bryan Jones, Cyngor Sir Fynwy
 Cyngorydd Phil Murphy, Cyngor Sir Fynwy
 Cyngorydd Roger Jeavons, Cyngor Dinas Casnewydd
 Cyngorydd Ray Truman, Cyngor Dinas Casnewydd
 Cyngorydd Geoff Cox, Cyngor Bro Morgannwg
 Cyngorydd John Thomas, Cyngor Bro Morgannwg

AGENDA

No	Item
1	Ymddiheuriadau am Absenoldeb I dderbyn ymddiheuriadau am absenoldeb.
2	Datgan Buddiannau Dylid gwneud hyn ar ddechrau'r eitem agenda dan sylw, yn unol â'r Cod Ymddygiad Aelodau.
3	Cofnodion (<i>Tudalennau 3 - 8</i>) Cymeradwyo cofnodion y cyfarfod a gynhaliwyd ar 12 Mehefin 2018 fel gwir gofnod.
4	Materion yn codi
5	Adroddiad Diweddar (<i>Tudalennau 9 - 12</i>)
6	Sefyllfa Monitro ac Alldro Rhagamcanol Mis 7 2018/19 Cyllideb 2019/20 (<i>Tudalennau 13 - 18</i>)
7	Dyddiad Arfaethedig y cyfarfod nesaf

Mae'r dudalen hon yn wag yn fwriadol

PROSIECT GWYRDD JOINT COMMITTEE MEETING

12 June 2018, 10.00 am

LOCATION: Caerphilly County Borough Council Offices**Present:****Elected Members:****Councillor Michael, Cardiff Council****Councillor Weaver, Cardiff Council****Councillor George, Caerphilly County Borough Council****Councillor Gordon, Caerphilly County Borough Council****Councillor Jones, Monmouthshire County Council****Councillor Jeavons, Newport City Council****Councillor Truman, Newport City Council****Councillor Cox, Vale of Glamorgan Council****Officers:****Carl Touhig, Monmouthshire County Council****Emma Reed, Vale of Glamorgan Council****Sian Humphries, Cardiff Council****Andrew Williamson, Prosiect Gwyrdd****Patrick McGrath, Cardiff Council****Marc Falconer, Cardiff Council****Rob Hartshorn, Caerphilly County Borough Council****Andrea Redmond, Cardiff Council****Silvia Gonzalez Lopez, Newport County Council**

No	Item	Action
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No	Item
1	Joint Committee Membership and Terms of Reference Noted.
2	Apologies for Absence Apologies for absence were received from Councillor John Thomas (Vale of Glamorgan) and Councillor Phil Murphy (Monmouth).
3	Declarations of Interest None received.
4	Minutes The minutes of the meeting held on 7 December 2017 were agreed as a correct record and signed by the Chairperson.
5	Matters Arising None.
6	Update Report Members clarified that Risca RFC was in Caerphilly and not Newport. RESOLVED: to note the report.
7	<p>Unaudited Annual Financial Return for year Ended 31 March 2018 Members were advised that this report presents to the Joint Committee, the draft, unaudited Financial Annual Return for the year ended 31st March 2018 prior to the statutory deadline of 30th June. The Joint Committee was asked to approve the unaudited Annual Return and following their approval, the document would be available for public inspection and then submitted to the Wales Audit Office (WAO) to undertake the external audit of this return.</p> <p>Local Authorities and other relevant bodies (including Joint Committees) are required to prepare and publish their annual accounts in-line with the requirements of the Accounts & Audit (Wales) Regulations 2014 (as amended). Regulation 14 states that smaller local government bodies (those with annual income and expenditure below £2.5 million) can prepare their accounts in the form of an Annual Return replacing the obligation to produce a full Statement of Accounts.</p> <p>The Joint Committee was asked to approve the unaudited Annual Return for submission to the external auditor in accordance with the Accounts and Audit (Wales) Regulations for small Local Government Bodies into which category Prosiect Gwyrdd now resides.</p> <p>Following the audit of the Annual Return, if there are no amendments then the certified Annual Return can be published without further reference to the Joint Committee. If material amendments are required then a further meeting of the Joint committee will be required to approve the audited annual return. The deadline for publication of the certified Annual Return remains at the 30th September but as this is a Sunday in 2018 the effective deadline for publication will be 28th September.</p>

No	Item	Action
	<p>The draft, unaudited Prosiect Gwyrdd Annual Return for 2017/18 was attached to the report as Appendix A. Prior to the commencement of the external audit the Annual Return will be made available for public inspection as required by the Public Audit (Wales) Act 2004 and by the Accounts and Audit (Wales) Regulations 2014.</p> <p>The format of the Annual Return for 2017/18 is broadly unchanged and it includes the following sections:</p> <ol style="list-style-type: none"> a. Section 1 (page 2) holds the financial information including a comparison with the equivalent 2016/17 figures. b. Section 2 (page 3 and 4) of the Annual Return is the Annual Governance statement which continues in the form of a questionnaire, in two parts. c. Section 3 (page 4) includes the certification of the annual return both by the Joint Committee, subject to its approval, and the Responsible Finance Officer. d. This is followed by the Auditor General for Wales' Audit Certificate and report on page 5. e. The last Section is the Annual Internal Audit report (pages 6 to 8) which comments on the adequacy of procedures and controls relevant to Prosiect Gwyrdd. <p>The table below provides a comparison of the 2017/18 outturn with the budget. This highlights a gross expenditure outturn of £145,018, a decrease of £104,392 compared to the original 17/18 gross expenditure budget of £249,410. After including the Partner Contribution rebate of £25,000 (£5,000 per partner) the net underspend for 2017/18 is £79,392.</p> <p>This variance is largely due to a continuation of underspends previously reported to Joint Committee in the December 2017 Budget and Month 7 Monitoring report. In particular underspends due to the recruitment delay and staff turnover with the Contract Team plus the lack of contingency and external advisors expenditure. Consequentially the projected budgeted drawdown from the Joint Committee Reserve Account of £64,410 was replaced by a contribution to the Reserve Account of £14,982. The balance of the reserve account as at 31st March 2018 now stands at £344,082. The options for the utilisation of an element of this reserve will be presented to CMB and the Joint Committee as part of the preparation of the 2019/20 budget report during the autumn of 2018.</p>	

No	Item	Action		
<u>Table 1: 2017/18 Summary Monitoring Position</u>				
		2017/18 Budget £	2017/18 Outturn £	2017/18 Variance £
	Project Team	191,438	145,815	-45,623
	Supplies & Services	23,980	14,121	-9,859
	Committee & Support Services	8,210	5,633	-2,577
	External Advisors	44,892	6,000	-38,892
	Contingency	20,000	0	-20,000
	Organics Contribution	-39,110	-26,550	12,560
	Gross Expenditure	249,410	145,018	-104,392
	Partner Contributions	-185,000	-160,000	25,000
	Net Expenditure	64,410	-14,982	-79,392
	Appropriations (from) / to Joint Committee Reserve A/c	-64,410	14,982	79,392
	Balance of the Joint Committee Reserve A/c as at 31.03.2018		344,082	
	RESOLVED:			
	<ul style="list-style-type: none"> i. That the Joint Committee notes the outturn position for the financial year ended 31st March 2018. ii. Subject to the approval by the Joint Committee of the Annual Return, the Joint Committee consequently authorises the Chairman to sign the Annual Return on behalf of the Joint Committee, and its subsequent submission to WAO to commence the 2017/18 audit. 			
8	<p>Contractor Change and Increased Capacity Changes</p> <p>Members were advised that this report was to inform and seek authorisation from the Joint Committee for the Partnership to enter into the necessary documentation in relation to the contractor change regarding the increased capacity at the Trident Park Energy Recovery Facility.</p> <p>In July 2016, Viridor submitted a scoping request to Cardiff Council in relation to a potential planning application to increase the capacity of the Trident Park ERF from 350,000 tonnes per annum to 425,000 tonnes per annum. Subsequent to this, an application to vary the planning permission and to remove the Section 106 agreement limiting the source of wastes to the South East Wales Region was submitted by Viridor in September 2016. Alongside the planning application, an application was made to NRW to vary the Environmental Permit to increase the capacity also.</p>			

No	Item	Action
	<p>In spring 2017 Viridor’s applications were successful and variation to the Planning Permission and Environmental Permit were granted.</p> <p>Since notification to the Partnership of Viridor’s intentions to increase the planned capacity, several discussions and correspondence have been held with Viridor to understand the contractual implications of the revised capacity at the Facility and to reach a commercial agreement regarding the potential additional third party tonnage.</p> <p>From discussions with Viridor, it is understood that no physical modification of the facility will be required to process up to 75,000 additional tonnes per annum. The additional capacity will be achieved by higher than planned utilisation of the facility and by the virtue that waste currently received is of a lower calorific value than anticipated in the contract, thus requiring additional waste to be processed to generate the assumed power from the facility. Viridor anticipate that the tonnage processed will vary year on year and some years may be below the original capacity of 349,966 tonnes, being dependent on the facility’s availability and the future calorific value of the waste.</p> <p>Discussions with Viridor focused on recognising that this is a Contractor Change and maintaining the proportionality principle upon which the contract is predicated. It was agreed that proportionality be maintained primarily in terms of NNDR payments and the Partnerships share of any future Qualifying Change in Law event.</p> <p>To facilitate the change it is proposed that Cardiff Council as the Host Authority will enter into a Deed of Variation to the Contract capturing the amendments required to the Payment Mechanism to reflect the change. In addition minor updates will be made to the Payment Mechanism to capture previously agreed low value changes authorised by the contract Manager. Details of the low value changes are provided in exempt Appendix C.</p> <p>To enable the changes to be reflected at a PG Partnership level, it is proposed that each Partner Authority will enter into a Deed of Variation to the JWA2 capturing the amendments to the JWA2 Payment Mechanism (Schedule 11 of the JWA2) to reflect the change.</p> <p>In accordance with the JWA2 decision making delegations (Para 6.1 of the JWA2) a joint committee decision is being sought to authorise entry into the necessary documentation.</p> <p>In line with the Welsh Government funding criteria, Viridor’s proposals have been discussed with WG’s Transactor. He has confirmed that from a WG perspective they are comfortable that the pro rata principle is maintained, and although it requires an annual calculation, it follows a logical process, the values are not material in terms of the overall contract value, and recommends we reach agreement with Viridor quickly and close this matter.</p>	

No	Item	Action
	<p>Full review of the documentation associated with the change is required by WG as a term of the funding criteria.</p> <p><i>The meeting went into closed session as Members discussed information from Appendices A, B, C and D (1&2) which were exempt from publications as they contain information pursuant to paragraphs 14 and 21 of schedule 12A Local Government Act 1972.</i></p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1. That the Joint Committee considers the final proposal regarding the Contractor change is acceptable; 2. Subject to recommendation 1 above, 4 below and Welsh Government approval the Joint Committee authorise Cardiff Council to enter into a Deed of Variation in respect of the PG contract (as detailed in the report). 3. Subject to recommendation 1 above, 4 below and Welsh Government approval, the Joint Committee to authorise the partner authorities to enter into the Deed of Variation regarding the JWA2 (as detailed in the report) 4. The Joint Committee to authorise the Contract Management Team in consultation with the Senior Responsible Officer to make any amendments to the documentation in recommendations 2 and 3 in order to: <ol style="list-style-type: none"> a. complete/update those areas to correct any typographical or formatting errors; b. reflect advice received. <p>Provided it does not materially alter the substance of the drafts set out in the report.</p>	
9	<p>Date of next meeting Andrea Redmond to set up a meeting in late November/early December.</p>	



**THE BOROUGH, CITY AND COUNTY COUNCILS OF CAERPHILLY, CARDIFF,
MONMOUTHSHIRE, NEWPORT AND THE VALE OF GLAMORGAN**

PROSIECT GWYRDD JOINT COMMITTEE

REF: 02-18

DATE: 20/11/18

PROSIECT GWYRDD UPDATE REPORT FOR JOINT COMMITTEE

REPORT OF: SENIOR RESPONSIBLE OFFICER

AGENDA ITEM: 5

Background

1. At previous Joint Committee meetings Update Reports on the Prosiect Gwyrdd Contract have been provided, this report provides a further update in relation to this contract.

Contract Update

2. Appointment of Matt Wakelam Cardiff's Assistant Director for Street Scene as SRO for Prosiect Gwyrdd.
3. As authorised by the Joint Committee at the June meeting, in relation to the contractor change regarding the increased capacity at the Trident Park Energy Recovery Facility Cardiff Council have entered into a Deed of Variation (as detailed in the June report) in respect of the PG Contract. Furthermore as authorised the partner authorities have entered into the Deed of Variation regarding the JWA2 (as detailed in the June report).
4. During April to September 2018 a total of 88,714 tonnes of residual waste was sent to the Prosiect Gwyrdd Contract, with 86,819 tonnes of residual waste treated at Trident Park. From the waste delivered 7,811 tonnes of the Incinerator Bottom Ash was recycled, 383 tonnes of the Air Pollution Control Residue was recycled, 938 tonnes of metals was recycled..
5. In April to September 2018 Viridor achieved all of the five Key Targets; The Contractor's Guaranteed Unprocessed Landfill Target Percentage, The Contractor's Guaranteed Maximum Percentage of Contract Waste to Landfill, The Contractor's Guaranteed IBA Recycling Target Percentage, The Contractor's Guaranteed BMW Diversion Target Percentage and the Contractor's Guaranteed Unprocessed IBA Target Percentage.

6. As a requirement of revenue support from WG the facility is required to be CHP ready and to achieve and maintain R1 Status. Trident Park submitted the final stage 3 report earlier this year and is awaiting confirmation from Natural Resources Wales it is anticipated the annual figure will be higher than the previous year which was 0.78, which is in excess of the 0.65 requirement.
7. The Incinerator Bottom Ash is currently being recycled by Days Aggregates at their facility in Avonmouth.
8. The Air Pollution Control Residue is currently either being recycled by Carbon8 Aggregates at their facility in Avonmouth or landfilled by Grandin (Waste) Ltd at their Gloucestershire facility.

Community and Community Benefit Fund

9. During 2018/19 to date the Prosiect Gwyrdd Community Benefits Fund Panel has met twice where a total of £21,306 was awarded between ten community initiatives based with the Prosiect Gwyrdd Partnership Local Authority areas, the panel will be meeting twice more this financial year. A breakdown of the projects supported this year to date, is detailed in the table below.

10. Breakdown of 2018/19 Prosiect Gwyrdd and Viridor Community Fund Awards

Group	Amount
Barry Beaches	£125
Caldicot Scout Group	£2,011
Rumney Residents Defibrillator Group	£1,495
Kids Cancer Charity	£2,650
The Dell PTA	£2,866
Friends of Abergavenny Library	£1,200
Pentywn Scout Group	£3,000
Repair Café Wales	£2,220
St Mary's Parish	£3,000
Upside Down Circus	£2,740

11. Details of the funding criteria and how to apply can be found at: <https://viridor.co.uk/our-operations/energy/energy-recovery-facilities/cardiff-erf/community>

Financial Implications

12. There are no direct financial implications arising from this update report. The financial arrangements between the Partnership and Viridor will operate in accordance with the Contract and in particular the Payment Mechanism.

Legal Implications

13. There are no direct legal implications associated with this report

Recommendations

To note the content of this report.

Matt Wakelam
Senior Responsible Officer, Prosiect Gwyrdd
20 November 2018

Mae'r dudalen hon yn wag yn fwriadol



**THE BOROUGH, CITY AND COUNTY COUNCILS OF CAERPHILLY, CARDIFF,
MONMOUTHSHIRE, NEWPORT AND THE VALE OF GLAMORGAN**

PROSIECT GWYRDD JOINT COMMITTEE

REF: 02-18

DATE: 20/11/2018

**2018/19 MONTH 7 MONITORING POSITION AND PROJECTED OUTTURN:
2019/20 BUDGET**

REPORT OF: TREASURER TO THE PROSIECT GWYRDD JOINT COMMITTEE

AGENDA ITEM: 6

PURPOSE OF REPORT

1. To provide Joint Committee with an update of the financial monitoring position and projected outturn for the Prosiect Gwyrdd Budget based on the Month 7 position for the 2018/19 financial year.
2. For Joint Committee to consider the proposed 2019-20 Revenue Budget, including the projected balance of the Reserve Account, and to recommend these budgets to the partnering Councils for consideration as part of their budget planning frameworks for 2019-20.
3. To provide the partner Councils with early indicative estimates for the period from 2020-21 onwards.

BACKGROUND

4. The Joint Committee's budget approval process is set-out in the Joint Working Agreement 2 (JWA2). In addition, the JWA2 also provides that the budget is reviewed on a regular basis during the financial year and where appropriate, action taken to ensure sufficient resources are available to the project in order to deliver the agreed outcomes.
5. The Prosiect Gwyrdd Joint Committee approved the original 2018/19 Budget at its meeting on the 7th December 2017, which recommended the 2018/19 Revenue budget to the partner councils for consideration as part of their respective annual budget setting processes.

2018/19 MONITORING

6. Table 1 below provides an update on the Joint Committee's Month 7 financial position for the 2018/19 financial year. In summary the current position shows a projected gross expenditure outturn of £204,943 which represents a decrease of £48,299 over the original 2018/19 gross expenditure budget of £253,242.

TABLE 1: 2018/19 Summary Monitoring Position

	2018/19 Budget £	2018/19 Projected Outturn £	2018/19 Variance £
Project Team	193,542	179,492	(14,050)
Supplies & Services	22,510	22,899	389
Committee & Support Services	10,350	8,550	(1,800)
Organics Contribution	(39,170)	(37,248)	1,922
Expenditure funded by Partner Contributions	187,232	173,693	(13,539)
External Advisors	46,010	21,250	(24,760)
Contingency	20,000	10,000	(10,000)
Expenditure funded by Reserve Account	66,010	31,250	(34,760)
Gross Expenditure	253,242	204,943	(48,299)
Partner Contributions	(185,000)	(135,000)	50,000
Net Expenditure	68,242	69,943	1,701
Appropriations (from) / to Joint Committee Reserve A/c	(68,242)	(69,943)	(1,701)
Projected Balance of the Joint Committee Reserve A/c as at 31.03.2019		274,139	

7. The Project Team is currently reporting an underspend of £14,050. This variance assumes that the Project Officer post will remain vacant until the end of this financial year, with the current Project Administrator acting up to cover this role on a full time basis. In addition Agency staff have been recruited on a temporary basis to cover the Project Administrator post part time at 22 hours per week until March 2019.

8. The underspend of £24,760 with external advisors includes the assumptions that further advisor expenditure in the rest of the financial year will be pro-rata to the original budget provision. This assumption will be refreshed and reviewed to inform future monitoring reports. The actual spend to date on advisors is nil.
9. The only other significant expenditure variance identified in Table 1 is with the contingency provision which, in a similar manner to projected Advisor's expenditure, has also had a pro-rata reduction to reflect that there has been no requirement to use this budget in the financial year to date. Again this projection will continue to be reviewed to inform future monitoring reports.
10. In previous financial years rebates of £5,000 per partner have been applied. Based on the projected Reserve Account position at Month 7 a £10,000 rebate per partner is proposed for 2018/19. This position will be kept under review in future monitoring reports for the remainder of this financial year and appropriate adjustments made to this projected rebate if required. The projected balance for the Reserve account as at 31st March 2019 is £274,139 and this resource will be available to continue the principle of funding non-recurring Prosiect Gwyrdd expenditure in future financial years.

2019-20 BUDGET

11. A reasonable balance in the Reserve Account will be necessary to ensure that the Joint Committee has the financial flexibility to respond to unforeseen events without the need to ask Partner Councils to increase their in-year partner contributions. Against this background it is proposed that Partner contributions will continue to primarily fund the recurring regular expenditure of the Joint Committee, with the Reserve Account funding any ad-hoc non-recurring expenditure, specifically External Advisors and the contingency provision. Any in-year additional resource requirements such as an upturn in external advisor activity would be funded from further drawdowns from the Joint Committee Reserve Account. The projected balance for this account for the end of 2019-20 financial year assuming a full drawdown of the budgeted funding is £195,479.
12. Table 2 below provides a summary of the proposed Budget for 2019-20 as well as a comparison with the current 2018-19 budget. A pay award of 2% from 1st April 2019 has been assumed for uplifting employee costs with an indexation assumption of 2.5% being applied to the other non-employee budget headings.

TABLE 2: Summary Budget Position 2019-20

	2018-19 Original Budget £	2019-20 Proposed Budget £
Expenditure		
Contract Management Team	193,542	182,179
Supplies & Services	22,510	23,470
Support Services	10,350	8,760
Cardiff & Vale Organics Contribution	(39,170)	(40,868)
Expenditure – funded by Partner contributions	187,232	173,540
External Advisors	46,010	50,120
Contingency	20,000	20,000
Expenditure – funded by Reserve Account	66,010	70,120
Gross Expenditure	253,242	243,660
Partner Contributions	(185,000)	(185,000)
Appropriations from Joint Committee Reserve A/c	(68,242)	(58,660)
Projected Balance of the Joint Committee Reserve A/c as at 31.03.2020		215,479

13. A full year spend for the Contract Management team is assumed in the above budget along with a full year assumptions for External Advisors and contingency expenditure. The other budgets heads remain broadly unchanged with the proposed partner contributions unchanged at £185,000, which is £37,000 per partner.
14. The projected drawdown from the Reserve account is £58,660 to leave a projected balance on the account of £215,479 as at 31st March 2020.

POST 2019/20 INDICATIVE BUDGET PROJECTIONS

15. Table 3 below provides a summary of indicative Joint Committee budgets and partner contributions for the financial years 2020-21 to 2022-23 which have also been indexed by inflation assumptions of 1% for pay and 2.5% for other non-pay expenditure per annum. The projections are based on the continuation of a funding position adopted elsewhere in this report with the Reserve Account funding non-recurring expenditure. Any significant in-year drawdown from the Reserve may need to be subsequently replenished by the Partners but there would be sufficient early warning of this requirement to avoid in-year increases in Partner contributions.

16. An upper threshold of £275,000 and a lower threshold of £150,000 have been previously proposed for managing the Joint Committee Reserve Account but the account balance has been consistently above this threshold in recent years.

TABLE 3: Summary 2020-21 to 2022-23 Indicative Resource Requirements

Financial Year	Indicative Gross Expenditure Budget	Contributions per Partner	Reserve A/c funding	Projected Reserve A/c balance
	£	£	£	
2020-21	246,000	37,000	61,000	154,000
2021-22	250,000	37,000	65,000	89,000
2022-23	262,000	37,000	68,000	20,000

FINANCIAL IMPLICATIONS

17. This report provides Joint Committee with an update on the 2018/19 projected out-turn position at Month 7 with a gross expenditure underspend of £48,299 being projected. The projected balance of the Reserve Account at the end of 2018/19 is £274,139 which will be available to assist in funding non-recurring Prosiect Gwyrdd expenditure in future financial years.
18. The budget requirement of £243,660 for 2019-20 will be funded from partner contributions of £185,000 with the remaining funding of £58,660 being funded from a drawdown from the Reserve account. The closing projected Reserve Account balance of £215,479 assumes full drawdown in line with budget requirements for 2019/20 which will be monitored and updated accordingly with its implications for future years funding.
19. Indicative budgets have also been prepared for financial years 2020-21 to 2022-23 to inform Partner Councils in considering Prosiect Gwyrdd Joint Committee funding requirements in setting their Medium Term Financial Forecasts. These assume a continuation of the funding policy with the Reserve Account funding ad-hoc, non-recurring expenditure. The Reserve Account drawdown is dependent on sufficient resources being available to fund relevant expenditure. If Reserve Account resources are not sufficient then any shortfall will need to be made up either by partners contributing to the Reserve account and / or by increasing partner contributions. The expectation is that the balance of the Reserve Account can be managed to avoid any in year increases in Partner contributions.

LEGAL IMPLICATIONS

20. The Joint Working Agreement 2 (JWA2) in respect of the PG contract makes provision in respect of monitoring of costs, approving annual budgets (for recommendation to each Partner Council for approval) and council contributions. As part of the annual budget the JWA2 also allows Joint Committee to confirm the contingency to be included in the annual budget. The annual budget is the amount reasonably required to administer the contract.
21. It should be noted that the figures set out in this report are the best estimates at this time and as with any complex contract there is always a risk that the costs may exceed estimates as the contract progresses.

RECOMMENDATIONS

- a. That the Joint Committee notes the 2018/19 projected outturn forecast including the projected year-end balance for the Joint Committee Reserve Account.
- b. That the Joint Committee recommends the 2019-20 budget, including the proposed drawdown and closing balance of the Reserve Account, to the Partnering Councils for approval as part of their respective budget planning frameworks for 2019-20.
- c. The Joint Committee asks the Partnering Councils to note the indicative budgets, and associated partner contributions, outlined for the financial years 2020-21 to 2022-23.

Christine Salter
Section 151 Officer – Cardiff Council
Treasurer to the Prosiect Gwyrdd Joint Committee
20th November 2018