

**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**

18th February 2022

2021/22 MONTH 9 BUDGET MONITORING REPORT

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

Reason for this Report

1. To provide the Glamorgan Archives Joint Committee with details of actual expenditure and income as at the 31st December 2021 (Month 9), against the approved 2021/22 Budget and projections for the full year outturn position.

Background

2. Members approved the 2021/22 budget in January 2021.
3. The budget is funded from local authority revenue contributions, apportioned on the relative populations.
4. The current General Reserve balance is £118,202.

Table 1: Projected Outturn 2021/22 (at Month 9)

	Budget	Actual to date	Projection	Variance
	£	£	£	£
<u>Expenditure</u>				
Employee Related	517,356	374,480	519,719	2,364
Premises Related	294,516	255,850	288,162	(6,353)
Transport Related	240	0	0	(240)
Supplies & Services	29,279	19,930	41,430	12,151
Support Services	36,600	27,865	31,925	(4,675)
GROSS EXPENDITURE	877,990	678,125	881,237	3,247
<u>Income</u>				
Income	(79,350)	(39,617)	(122,535)	(43,185)
Contribution from Reserves	(40,000)	0	(62)	39,938
NET EXPENDITURE	758,640	638,508	758,640	0

Glamorgan Archives: Balanced Budget Position

5. Though no significant changes have developed since month 6, this report will summarise the monitoring position and highlight items to note.
6. The position at month 9 indicates projected gross expenditure of £881,237 for the year. Whilst this is £3,247 more than forecast, this has been more than offset by higher than anticipated income. This position has allowed a balanced position to be reported by drawing down a lower than anticipated amount from reserves.

Employee Budget: (£517,356 budget, £2,364 overspent)

7. The employee budget is based upon 14 FTE staff and 1 staff member funded through contributions from the Department for Work and Pensions (DWP).
8. The 2021/22 pay award has been drafted at 1.75% but is still in consultation at month 9 with the relevant trade unions. The pay award is not anticipated to be finalised before March 2022 and therefore an accrual for the additional cost will be calculated at year end.
9. The table below provides detail on how much employee expenditure is funded by contributions from DWP:

	Budget £	Actual £	Projected £	Variance £
<u>Employees</u>				
Internally Funded	507,353	374,480	510,285	2,933
DWP Contributions	10,003	0	9,434	(569)
Employees Total	517,356	374,480	519,719	2,364

10. During the year staff have received various training, including first aid (£635), manual handling (£475) and the attendance of an Archives and Records Association (ARA) virtual conference (£340) which was grant funded.

Premises Related Budget: (£294,516 budget, £6,353 underspent)

11. The National Non-Domestic Rates (NNDR) charge for the year was frozen at the 2020/21 rate (£188,588), allowing for a saving (£5,658) towards this budget line.
12. Additionally, other budget areas have found savings such as Fire Protection (£379), Cleaning Materials (£1,250) and Sanitation & Waste Disposal (£150).

Transport Budget: (£240 budget, £240 underspent)

13. Due to the Covid-19 pandemic and associated disruption to working practice, it is projected that there will be no need for travel throughout the year. Whilst the building has re-opened, the benefits of virtual meetings suggests that less travel will be required.

Supplies & Services Budget: (£29,279 budget, £12,151 overspent)

14. The overspend is largely attributed to consultancy fees which are funded by grants from the Archives and Records Council Wales (ARCW), with no impact to the overall budget position. This spend enabled the 1921 Census project to be led by the Archives (£10,000), facilitating the production of a micro website to host the project's online exhibition. Additionally, ARCW grant funding enabled the Library Surveys Ltd. Preservation Assessment Survey (£980).
15. Budget savings are projected in areas such as Conservation (£1,000) and Catering Sundries (£970), though the activity of Conservation and Catering are inherently linked with income generation so there is no impact to the net budget.

Support Services Budget: (£36,600 budget, £4,675 underspent)

16. Most support service charges have been posted at month 9 resulting in a budget underspend. This is largely attributed to the recharges made by ICT Services (£3,200) and Human Resources (£960).
17. The Internal Audit was completed in November and charged at £3,250. This was £250 below budget and is reflected in the monitoring projection.

Income Budget: (£79,350 budget, £43,185 overachieved)

18. Since the last monitoring report Glamorgan Archives has experienced increased income generation, especially in areas such as Search Fees and Publication Sales. Projections indicate Glamorgan Archives should exceed their income targets and this will be monitored and reviewed closely throughout the remainder of the year.
19. Royalty payments have now been confirmed for 2021/22 from Ancestry (£11,100), The Genealogist (£1,500) and FindMyPast (£1,070), with the Ancestry royalty payment exceeding its budget estimate (£3,000 overachieved).
20. A payment for services supplied to Cardiff Castle (£10,000) has been secured since the last monitoring report, there are no additional costs associated and this payment was not anticipated.
21. Additional grant funding has been received, including the Welsh Government Cultural Recovery Fund to purchase IT equipment (£1,283), ARCW funding to attend the ARA virtual conference (£340), ARCW funding in relation to the 1921 census project (£10,000) and for the Library Surveys Ltd. project (£980), and finally a New Burdens grant for to accessions taken in 2020 (£11,513).
22. Though no further grants have been confirmed to date, a review over the available funding and projects will continue throughout the remainder of the year.

Local Authority Contributions

23. Based on the projected outturn for 2021/22 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 the Committee. Invoices were raised in October for the first half of the year, the remainder will be invoiced in March 2022.

Covid-19

24. The building has now reopened to the public as of 8th June 2021 which was a positive milestone in this financial year.
25. In all other areas the situation has remained unchanged and echoes what has been previously reported over the past year. Monitoring and horizon scanning will continue, any issues or changes identified will be assessed and reported at the earliest opportunity.

Month 9 Summary

26. The projected income and expenditure for 2021/22 is broadly in line with the budget, although there is currently a decreased reserve drawdown forecast compared to the amount budgeted (£40,000 budget, £62 projected).
27. Month 9 has provided an updated indication of the projected outturn though confirmation of the pay award has not yet been received.

Financial Implications

28. Current trends project a balanced position at year end accompanied with a reduced reserve drawdown compared to the 2021/22 budget.
29. The General Reserve as at 31st March 2021 stands at £118,202. The budget for 2021/22 determined that £40,000 would be used from reserves to balance the budget. Based on the Month 9 position, there may only be a need to drawdown £62, therefore reducing the General Reserve balance to £118,140 if the current projection is achieved.

Legal Implications

30. 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

31. It is recommended that Members:
 - a) Note the projected full year outturn position for 2021/22 as detailed in this report.

Christopher Lee
Treasurer to the Glamorgan Archives Joint Committee
18 February 2022

Appendices
Appendix 1 - Month 9 Monitoring Position 2021/22