

**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 September 2023

2023/24 MONTH 4 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 July 2023 (Month 4), 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 4)

	Budget	Actual to Date	Projection	Variance
	£	£	£	£
<u>Expenditure</u>				
Employee	545,886	181,732	578,959	33,072
Premises	440,474	214,749	457,285	16,811
Transport	240	8	240	0
Supplies & Services	33,339	42,026	90,833	57,494
Support Services	32,192	450	34,306	2,115
GROSS EXPENDITURE	1,052,130	438,965	1,161,623	109,493
<u>Income</u>				
Income	(87,858)	(13,983)	(162,875)	(75,018)
Contribution from Reserves	(65,000)	0	(99,475)	(34,475)
NET EXPENDITURE	899,273	424,982	899,273	0

Glamorgan Archives: Balanced Budget Position

5. The position at month 4 indicates projected gross expenditure of £1,161,623 for the year. This is £109,493 more than budget and is partially offset by higher than anticipated income. The overall position will be balanced through a drawdown of additional reserve funding.

Employee Budget: (£545,886 budget, £33,072 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). The 2023/24 pay award offer is still in consultation with the relevant trade unions but as at month 4, the projected costs include the annual, incremental increases and awards are in line with Cardiff Council forecasts.

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

	Budget £	Actual £	Projected £	Variance £
<u>Employees</u>				
Internally Funded	523,718	117,319	542,562	18,844
Corporate Trainee	7,032	0	7,032	0
WG Project Officer	0	0	17,924	17,924
DWP Contributions	15,135	4,413	11,440	(3,695)
Employees Total	545,885	121,732	578,958	33,073

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, £16,811 overspend)

8. At month 4 most expenditure items are projected to be in line with the budget. This included projected 250%, 450% inflation rates have been included 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, £26,600 projected)
10. Change to the maintenance contract provider will incur an additional upfront cost (£1,400) for the remaining 4 months, on basis that ongoing repair work will see a reduction.
11. 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)

12. 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, £57,494 overspend)

13. Grant funding has been secured for various 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).
14. There is currently £37,100 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 (£3,600), and an ARCW project to revise archival descriptions (£25,000). Should there be any additional projects awarded in the upcoming months this will be reported at month 7.
15. 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)

16. Most support service charges will be posted later in the year. The only charge to date is a £450 Internal Audit fee for the 2022/23 financial accounts. 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, £75,018 projected income)

17. Grant funding has been confirmed from ARCW (£26,956) for the archival description project, and for the design and printing of specialist documents. Additionally, funding from the National Manuscript Conservation Trust (NMCT) (£11,656) continued in 2023/24 for conservation work on the Cardiff Castle's drawings and paintings.
18. DWP grant funding of £12,285 is anticipated, partially as a contribution towards employee costs, per table 2 above, but also an additional £845 has been secured for the purchase of an adapted chair for an Archives staff member.
19. Welsh Government funding of £21,524 is anticipated, partially contributing to a fixed-term staff member brought on to the team in 2023/24 for the research project, as per table 2 above. Funding of £3,600 is also expected from WG for project consultancy fees.
20. Grant income from the DWP and Welsh Government, as contributions towards the employment cost of two staff member, will bring in an estimated £11,440 this year as shown in table 2 above.

21. Additionally, Cardiff Council will provide a 3-month contribution towards the employment of a Corporate Trainee (£7,032).
22. 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.
23. Additional funding for document digitisation has been secured from FindMyPast, as well as a private funder, totalling £16,800.
24. 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

25. 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 the budgeted contributions as previously notified to the Committee. Invoices for 2023/24 will be raised in October. Please see Appendix 1 for details.

Month 4 Summary

26. The projected income and expenditure for 2023/24 has indicated an increased reserve drawdown forecast compared to the amount budgeted (£65,000 budget, £99,475 projected).
27. Month 7 will provide an updated indication of the projected outturn, including updates on the pay award and more certainty regarding trends in income. This will be looked at in parallel with the development of the 2024/25 budget and sustainability of reserve levels.

Financial Implications

28. Current trends project a balanced position at year end as a result of increased reserve drawdown compared to the 2023/24 budget.
29. The General Reserve as at 31st March 2023 stands at £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 4 it is projected that there will be a need to drawdown £99,475, therefore reducing the General Reserve balance to £33,233. Therefore budgets will have to be closely monitored as the year progresses and any unforeseen material expenditure will have to be reviewed in isolation.

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 2023/24 as detailed in this report.

Christopher Lee
Treasurer to the Glamorgan Archives Joint Committee
22 September 2023

Appendices

Appendix 1 - Month 4 Monitoring Position 2023/24