



27 JUNE 2022

2021/22 JOINT COMMITTEE REVENUE BUDGET FINAL OUTTURN POSITION

REPORT OF ACCOUNTABLE BODY SECTION 151 OFFICER, CARDIFF CAPITAL REGION

AGENDA ITEM 5

Reason for this Report

1. To provide the Cardiff Capital Region Joint Committee (Regional Cabinet) with details of the final outturn position (subject to audit) against its approved 2021/22 Joint Committee Revenue Budget.

Background

2. At its meeting of the 15 March 2021, Regional Cabinet approved its 2021/22 Joint Committee Revenue Budget. The budget supports the City Deal Office (CDO) and the Accountable Body (AB) support arrangements for the work of the Regional Cabinet.
3. The budget is funded from Local Authority Revenue Contributions and the Wider Investment Fund 'Top-Slice'.
4. General Reserves of £212,080 carried forward from previous years' underspends were also available to fund expenditure incurred in 2021/22.

Issues

5. The 2021/22 out-turn position, detailed in Table 1 below shows a net underspend of £254,547 compared to the budget for the year. The General Reserve balance of £212,080 carried into 2021/22 has not been required to be drawn down and will therefore be carried into 2022/23.
6. The Monitoring reports considered by Regional Cabinet at its meetings throughout the financial year have noted that underspends would be realised against the budget set for the year and accordingly, the budgeted contribution to the City Deal Office from the Wider Investment Fund Top-Slice would not be required in full.

7. The underspend during the year has resulted in a £254,547 reduction in the budgeted drawdown of Wider Investment Fund Top-Slice funding.

Table 1: 2021/22 Joint Committee Revenue Budget Outturn Position

| | Budget 21/22 £ | Outturn Actual £ | Variance £ |
|---------------------------------------|-------------------------------|---------------------------------|-----------------------|
| Staffing Costs | 1,568,736 | 1,040,943 | (527,793) |
| Total Employee Costs | 1,568,736 | 1,040,943 | (527,793) |
| Office Lease | 15,000 | 15,000 | 0 |
| Office Other | 5,000 | (659) | (5,659) |
| Total Premises Costs | 20,000 | 14,341 | (5,659) |
| Travelling & Subsistence Costs | 20,100 | 229 | (19,871) |
| Total Transport Costs | 20,100 | 229 | (19,871) |
| ICT Equipment | 13,500 | 34,712 | 21,212 |
| Office Equipment & furniture | 2,500 | (20) | (2,520) |
| Software Licenses & Mobiles | 32,510 | 24,331 | (8,179) |
| Meeting Room Hire & Refreshments | 15,000 | 12,228 | (2,772) |
| Events, Marketing & Branding | 10,000 | 3,210 | (6,790) |
| Media Management | 60,000 | 70,637 | 10,637 |
| Web Design / Social Media Management | 1,000 | 0 | (1,000) |
| Training & Development | 13,500 | 0 | (13,500) |
| Welsh Translation | 5,000 | 8,270 | 3,270 |
| General Expenses | 2,500 | (1,466) | (3,966) |
| Contingency Budget | 30,000 | 45,565 | 15,565 |
| Total Supplies & Services | 185,510 | 197,467 | 11,957 |
| 5 Yr Gateway Review Support | 30,000 | 30,000 | 0 |
| Programme Development & Support | 25,000 | 39,129 | 14,129 |
| WAO Performance Audit Fee | 15,000 | 19,573 | 4,573 |
| Procurement Support | 10,000 | 0 | (10,000) |
| Joint Scrutiny | 25,000 | 39,612 | 14,612 |
| CJC Earmark | 0 | 250,000 | 250,000 |
| CJC Preparation Costs | 0 | 272,780 | 272,780 |
| WG CJC Preparation Grant | 0 | (250,001) | (250,001) |
| Total External Support | 105,000 | 401,093 | 296,093 |
| HR People Services | 16,185 | 17,994 | 1,809 |
| Finance & Accountancy Support | 125,000 | 124,763 | (237) |
| Exchequer, Internal Audit & Insurance | 2,857 | 4,857 | 2,000 |
| Legal & Governance Support | 121,060 | 121,060 | 0 |
| ICT, Information & Governance | 24,040 | 19,193 | (4,847) |
| External Audit Fee | 12,500 | 24,500 | 12,000 |
| Contingency | 20,000 | 0 | (20,000) |
| Total Support Services (AB) | 321,642 | 312,367 | (9,275) |
| | | | |
| Total Expenditure | 2,220,988 | 1,966,440 | (254,547) |

| | | | |
|--|--------------------|--------------------|----------------|
| Local Authority Partner Contributions | (1,160,058) | (1,160,058) | 0 |
| Wider Investment Fund Top Slice Contribution | (1,060,930) | (806,382) | 254,548 |
| Total Funding | (2,220,988) | (1,966,440) | 254,548 |

Employee Related Budgets: (£527,793)

8. The Employee Related budget of £1,568,736, is based on an establishment of 28 FTEs with various anticipated start dates. This remains in progress with some posts still to be filled and other posts remaining vacant. The outturn above reflects the level of resources which were in place by year end.

Premises Costs: (£5,659)

9. The contingency budget for 'other' accommodation costs was not required in 2021/22

Transport Related Expenditure: (£19,871)

10. As a result of the impact of the pandemic and the ongoing restrictions, there has been a reduction in transport costs with minimal travel to and from meetings and events curtailed and the majority of meetings held virtually.

Supplies & Services: £11,957

11. The main variances against these budget heads are overspends of £21,212 on ICT equipment for new starters, £15,565 against the Contingency Budget, £10,637 for ongoing Public Relations & Media work and £3,270 for Welsh Translation Costs, reflecting the level of ongoing activity. These variances are partly offset mainly by savings of £13,500 against the Training & Development budget, £8,179 on Software Licences and Mobiles and £6,790 on Events, Marketing and Branding.

External Support: £296,093

12. This section includes an annual allocation of £30,000 towards the next 5 Year Gateway Review which will be carried forward as an Earmarked Reserve to be drawn down against future costs. In addition, there is a further amount of £250,000 earmarked to be carried forward to fund costs to be incurred in relation to the transition to the Corporate Joint Committee in 2022/23. Net spend within 2021-22 for the Corporate Joint Committee is £22,780 relates to set up costs. There are also overspends of £14,129 on Programme Development & Support mainly relating to ongoing work on risk management and £14,612 reflecting the correction of an uncleared reserve raised to cover Scrutiny costs in 2020/21.

Support Services (Accountable Body Support): (£9,275)

13. HR support costs were £1,809 above the approved budget due to role evaluation and recruitment costs incurred in appointing senior roles to the structure during the first quarter of the financial year.

14. The level of Internal Audit support has been increased as a reflection of increased activity and will result in an overspend against this budget of £2,000.
15. ICT costs will below budget by £4,847 as a result of delayed recruitment.
16. The External Audit Fee budget will incur an overspend of £12,000. It had been anticipated that costs would reduce from those charged in the earlier years of the City Deal, but this has not been the case.
17. An underspend of £20,000 against the contingency budget mitigates the net effect of the above.

Reasons for Recommendations

18. To inform Regional Cabinet of the final outturn position against its Joint Committee Revenue Budget for the year ending 31 March 2022.

Financial Implications

19. The underspend position in 2021/22 compared to the budget approved for that year has reduced the planned Wider Investment Fund (WIF) 'Top Slice' contribution to the Joint Committee Revenue Budget required during the year.

Legal Implications

20. The Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal (JWA) provides that the Regional Cabinet's terms of reference include monitoring performance. One of the purposes of this report is to facilitate such monitoring by providing details of the final out-turn position against the Joint Committee Revenue Budget for the year ending 31 March 2022.
21. As this report simply sets the final outturn position for Joint Cabinet to note, there are no other legal implications for this report.

Well-being of Future Generations Act 2015 (Wales)

22. In developing the Plan and in considering its endorsement regard should be had, amongst other matters, to:
 - a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;
 - b) public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: a. age; b. gender reassignment; c. sex; d. race – including ethnic or national origin, colour or nationality; e. disability; f. pregnancy and maternity; g. marriage and civil partnership; h. sexual orientation; i. religion or belief – including lack of belief, and;

- c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRCD) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the Regional Cabinet should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

Put simply, this means that Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 national well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

23. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 1.

Equality Act 2010

24. In considering this matter, regard should be had, amongst other matters, to the Councils' duties under the Equality Act 2010. Pursuant to these legal duties the Regional Cabinet must in making decisions have due regard to the need to (1) eliminate unlawful discrimination (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are:

- age;
- gender reassignment;
- sex;
- race – including ethnic or national origin, colour or nationality;
- disability;

- pregnancy and maternity;
- marriage and civil partnership;
- sexual orientation;
- religion or belief – including lack of belief.

RECOMMENDATION

25. It is recommended that Cardiff Capital Region Regional Cabinet:

- (1) notes the final outturn position against the approved Joint Committee Revenue Budget for the year ending 31 March 2022.

Christopher Lee, Section 151 Officer
Cardiff Capital Region
27 June 2022

Appendix

Appendix 1 Well-being of Future Generations Assessment

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

Item 5 Appendix 1






| | |
|--|--|
| <p>Name of the Officer completing the evaluation:</p> <p>Christopher Lee</p> <p>Phone no: 02920 72300 E-mail: christopher.lee@cardiff.gov.uk</p> | <p>Please give a brief description of the aims of the proposal</p> <p>To provide details of expenditure, income and projected full year outturn position against the approved 2021/22 Joint Committee revenue budget.</p> |
| <p>Proposal: 2021/22 Joint Committee Revenue Budget Final Outturn Position</p> | <p>Date Future Generations Evaluation form completed: 27 June 2022</p> |

1. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

| Well Being Goal | Does the proposal contribute to this goal? Describe the positive and negative impacts. | What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts? |
|--|--|---|
| <p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p> | <p>The report sets out progress against agreed revenue budgets and the way in which resources are being used to deliver outcomes and targets.</p> | <p>Set out in report</p> |
| <p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p> | <p>Not directly relevant however financial support and investments will have regard to these principles and will be set out on a business-case by business-case basis.</p> | |
| <p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p> | <p>Not directly applicable</p> | |

| Well Being Goal | Does the proposal contribute to this goal? Describe the positive and negative impacts. | What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts? |
|---|---|---|
| A Wales of cohesive communities Communities are attractive, viable, safe and well connected | Not directly applicable | |
| A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing | Not directly applicable | |
| A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation | Not directly applicable | |
| A more equal Wales People can fulfil their potential no matter what their background or circumstances | City Deal is about delivering as far as possible across 10 LAs and a population of £1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives. Some of the specific interventions around skills and housing – will seek to make a more direct contribution to equity of access and equal opportunity for all. | |

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

| Sustainable Development Principle | Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why. | Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts? |
|---|--|---|
|  <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p> | <p>The report sets out short-term interventions and balances these against the long-term delivery of major programmes.</p> | |
|  <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p> | <p>A cornerstone of our process is the strength of partnership working.</p> | |
|  <p>Involvement</p> <p>Involving those with an interest and seeking their views</p> | <p>Communications and engagement remain a feature of our work.</p> | |
|  <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p> | <p>Demonstrated in the report through detailed funding allocations and investment cases</p> | |
|  <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p> | <p>City Deal seeks to make a contribution on place and to improving the life chances of people in the region.</p> | |

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

| Protected Characteristics | Describe any positive impacts your proposal has on the protected characteristic | Describe any negative impacts your proposal has on the protected characteristic | What has been/will be done to mitigate any negative impacts or better contribute to positive impacts? |
|----------------------------------|---|--|--|
| Age | The report is an overview of financial performance. The protected characteristic assessments related to specific proposals will need to be drawn out in the relevant business cases and proposal documents. | None arising at this time. | |
| Disability | As above | As above | |
| Gender reassignment | As above | As above | |
| Marriage or civil partnership | As above | As above | |
| Pregnancy or maternity | As above | As above | |
| Race | As above | As above | |
| Religion or Belief | As above | As above | |
| Sex | As above | As above | |
| Sexual Orientation | As above | As above | |
| Welsh Language | As above | Not at this time but the situation will be kept under review. | |

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

| | Describe any positive impacts your proposal has on safeguarding and corporate parenting | Describe any negative impacts your proposal has on safeguarding and corporate parenting | What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts? |
|---------------------|--|--|---|
| Safeguarding | Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents | | |
| Corporate Parenting | Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care | | |

5. What evidence and data has informed the development of your proposal?

- | |
|--|
| <ul style="list-style-type: none"> • Evidence and input contributed by theme leads • Outcomes of assessments such as audit reports • The Draft Annual Governance Statement • Delivery against targets set out in individual business cases/ approved project documentation • Financial data and recording |
|--|

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

| |
|---|
| The areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through the quarterly reporting mechanism. |
|---|

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

| | |
|---|----------------------------|
| The impacts of this proposal will be evaluated on: | Ongoing Monitoring Reports |
|---|----------------------------|