



Business Board		Agenda Item  2.2
4 September 2023		
Title:	Budget and Performance Report	
Report of:	Bruna Menegatti, Finance Manager	
Lead Member:	Chair of the Business Board, Al Kingsley	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements:	No vote required.	

#### Recommendations:

A	Note the financial position of the Business elements of the Economy and Growth Directorate for the financial year 23/24 to July 2023
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#### Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
	Increased connectivity
	Enabling resilient communities
x	Achieving best value and high performance

#### 1. Purpose

1.1	To provide an update of the financial position for 2023/24 and to provide analysis against the 2023/24 budgets, up to the period ending July 2023
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#### 2. Background

2.1	At the last meeting, the Board was provided with an analysis of the 2023/24 Business annual budget. This report provides an update of the performance against budget up to the period ending July 2023.
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### 3. Revenue Income and Expenditure

- 3.1 A breakdown of the Economy and Growth Directorate Business Grant income for the period to 31 July 2023 is set out in Table 1 below.

**Table 1**

Business Grant Income	23/24 Actual YTD £k	23/24 Budget YTD £k	23/24 Var YTD £k	23/24 Budget FY £k	23/24 FO FY £k	23/24 Var FY £k	23/24 Deferral £k
Enterprise Zone Receipts	-	-	-	-913	-913	-	-
ESF - Growth Service	-	-	-	-389	-389	-	-
Growth Fund Contribution	-	-	-	-120	-120	-	-
Growth Hub (BEIS)	-	-123	-	-246	-246	-	-
LEP Core Funding (BEIS)	-	-	-	-375	-375	-	-
UK SPF Revenue	-	-	-	-1,522	-1,522	-	-
UK SPF topslice	-	-	-	-158	-158	-	-
<b>Total Business Grant Income</b>	-	-123	-	<b>-3,723</b>	<b>-3,723</b>	-	-

- 3.2 No income has been received to date. The total income budget for the year is £3.7m.
- 3.3 At present no changes to the budget are expected, therefore the forecast outturn is set at the same level as the budget.

- 3.4 A breakdown of the Economy and Growth Directorate Business Revenue Expenditure for the period to 31 July 2023 is set out in Table 2 below.

**Table 2**

Business Revenue Expenditure	23/24 Actual YTD £k	23/24 Budget YTD £k	23/24 Variance YTD £k	23/24 Budget FY £k	23/24 FO FY £k	23/24 Variance FY £k	23/24 Slippage £k
Business Growth Fund	-	-	-	156	156	-	-
CRF Start & Grow Project	175	-	-175	-	-	-	-
Economic Rapid Response Fund	12	-	-12	-	-	-	-
Growth Co Services	1,594	2,620	1,026	4,776	4,776	-	-
Growth Hub	-	-	-	41	41	-	-
Insight and Evaluation Programme	114	25	-89	75	75	-	-
Local Growth Fund Costs	-	81	81	242	242	-	-
Marketing and Promotion of Services	-	12	12	38	38	-	-
UK Shared Prosperity Fund	-	-	-	158	158	-	-
<b>Total Business Revenue Expenditure</b>	<b>1,895</b>	<b>2,738</b>	<b>843</b>	<b>5,606</b>	<b>5,606</b>	-	-

- 3.5 Expenditure to date is £0.8m lower than budget to date.  
The main variance is on Growth Co Services (£1m). At present, there is a high level of confidence that the majority, if not all, the budget will be spent by the end of the contract in December 23.
- 3.6 At present no changes to the budget are expected, therefore the forecast outturn is set at the same level as the budget.

## 4. Capital Budget

- 4.1 A breakdown of the Economy and Growth Directorate Business Revenue Expenditure for the period to 31 July 2023 is set out in Table 2 below.

**Table 3**

Business Capital Expenditure	23/24 Actual YTD £k	23/24 Budget YTD £k	23/24 Variance YTD £k	23/24 Budget FY £k	23/24 FO FY £k	23/24 Variance FY £k	23/24 Slippage £k
Business Rebound & Growth Service - Capital Grant and Equity Fund	-	-	-	1,750	1,750	-	-
College of West Anglia - Net Zero	-	-	-	1,124	1,124	-	-
Expansion of Growth Co Inward Investment	400	400	-	400	400	-	-
Growth Works Additional Equity Fund (cap)	651	4,800	4,149	7,616	7,616	-	-
Illumina Accelerator	-	400	400	800	800	-	-
Ramsey Food Hub	-	50	50	302	302	-	-
Rural England Fund	-	-	-	804	804	-	-
Start Codon (Equity)	-	295	295	885	885	-	-
UK SPF Core (cap)	-	-	-	716	716	-	-
<b>Total Business Capital Expenditure</b>	<b>1,051</b>	<b>5,945</b>	<b>4,894</b>	<b>14,034</b>	<b>14,034</b>	<b>-</b>	<b>-</b>

- 4.2 The expenditure to date of £1m is £4.9m below the budget to date.  
The major variance is on Growth Works Additional Equity Fund (£4.1m). Although the team is committed to spend the full budget, there is a high risk that this will not be happening, due to the limited time available to bring this to completion
- 4.3 At present no changes to the budget are expected, therefore the forecast outturn is set at the same level as the budget.

## 5. 2023-24 Budget and Capital Programme

<u>Economy and Growth</u>	23/24 £'k	24/25 £'k	25/26 £'k	Total approved to spend £'k	23/24 £'k	24/25 £'k	25/26 £'k	Total project budget £'k
College of West Anglia - Net Zero	876			876				876
IEG Student Space	260	99		359				359
Rural England Fund					2,411			2,411

## 6. Recycle fund

6.1 The Recycled Funds and EZ tables are still pending update following the Combined Authority ratifying the Business Board's recommendation to commit the majority of these funds to New Economy and Team Cambridgeshire initiatives at their previous meeting.

Recycled Capital	23-24	24-25	25-26	26-27	27-28	28-29	Later Years
<b>Opening balance</b>	-						
	13,306	-5,152	-3,024	-3,208	-3,392	-3,576	-3,760
<i>Forecast Expenditure</i>	10,399	2,650	0	0	0	0	0
<i>Forecast Income</i>	-2,245	-522	-184	-184	-184	-184	-2,024
<b>Closing Balance</b>	-5,152	-3,024	-3,208	-3,392	-3,576	-3,760	-5,784
Recycled Revenue	22-23	22-23	22-23	22-23	22-23	22-23	22-23
<b>Opening balance</b>	-318	-472	-562	-634	-702	-765	-823
<i>Forecast Expenditure</i>	0	0	0	0	0	0	0
<i>Forecast Income</i>	-154	-89	-73	-68	-63	-58	-321
<b>Closing Balance</b>	-472	-562	-634	-702	-765	-823	-1,144
Combined	22-23	22-23	22-23	22-23	22-23	22-23	22-23
<b>Opening balance</b>	-						
	13,625	-5,624	-3,585	-3,842	-4,094	-4,341	-4,582
<i>Forecast Expenditure</i>	10,399	2,650	0	0	0	0	0
<i>Forecast Income</i>	-2,399	-611	-257	-252	-247	-242	-2,345
<b>Closing Balance</b>	-5,624	-3,585	-3,842	-4,094	-4,341	-4,582	-6,928

## 7. Enterprise Zone

Forecast EZ income and expenditure	2023/24 £k	2024/25 £k	2025/26 £k	2026/27 £k	2027/28 £k
Total Income	-£913	-£913	-£913	-£913	-£913
Total Expenditure	£833	£415	£415	£415	£415
Annual (surplus) deficit	-£80	-£498	-£498	-£498	-£498
<b>Cumulative Balance</b>	<b>-£753</b>	<b>-£1,251</b>	<b>-£1,749</b>	<b>-£2,248</b>	<b>-£2,746</b>

N.B. Rates figures shown are for the previous fiscal year

## 8. Appendices

8.1 None

## 9. Implications

### Financial Implications

9.1 There are no financial implications other than those included in the main body of the report.

Legal Implications	
9.2	The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements.
Public Health Implications	
9.3	N/A
Environmental & Climate Change Implications	
9.4	N/A
Other Significant Implications	
9.5	N/A
Background Papers	
9.6	None