

Local Growth Fund Management Budget

To: Business Board

Meeting Date: 14 March 2022

Public report: Yes

Lead Member: Chair of the Business Board, Austen Adams

From: Interim Economic Growth, Alan Downton

Key decision: No

Recommendations: The Business Board is asked to:

Recommend the Combined Authority Board approves the reprofile of the Local Growth Fund's management budget into 2023/2024.

1. Purpose

- 1.1. To seek approval for the proposed reprofiling of the Local Growth Fund's management 'top slice' budget into 2023 / 2024.

2. Background

- 2.1 The Business Board is responsible for the management and administration of the Local Growth Fund (LGF) budget on behalf of the Cambridgeshire & Peterborough Combined Authority as accountable body.
- 2.2 There is an opportunity to reprofile the management 'top slice' from 2022/2023 into 2023/2024
- 2.3 This management 'top slice' is used to support staffing costs, evaluation and monitoring, partial Business Board remuneration, procurement, and programme reports.

3. Local Growth Fund Costs Budget Reprofile

- 3.1 The LGF operating costs budget has been financed from the LGF management top-slice permitted by Cities and Local Growth Unit (CLGU) to finance the operational running costs of the programme. This funding is used to support staffing costs, due diligence, project appraisals, contracting, evaluation and monitoring, partial Business Board remuneration, procurement, and programme update reports.
- 3.2 Currently the funding is profiled to end in March 2023, however, it is now proposed to re-profile the funding to the end of March 2024.
- 3.3 Officers have reviewed the forecast budget, and with a mix of savings obtained due to unspent legal costs, a reduction in travel expenses and other reduced costs, it is anticipated that there will be sufficient funds available to finance the staffing costs for a further year.
- 3.4 The continuation of funding for staffing costs will benefit the CPCA and Business Board by allowing staff to continue with monitoring and evaluation of the programme and its projects and to maintain the required obligations to provide reports to CLGU. This is particularly key as the LGF programme allocated almost a third of the total funds to new projects towards end of the programme window of March 2021 and many of those projects continue to be delivered, monitored, and evaluated.
- 3.5 Subject to the reprofile being agreed, then the resource requirements will be developed and agreed as part of the Combined Authority's transformation programme.
- 3.6 Table 1 below, shows the impact of the requested decision on the MTFP.

Financial change summary (£'000)			2021-22	2022-23	2023-24	2024-25
Change Requested	Local Growth Funds Costs	Approved	560.2	558	-	-
		STA	-	-	-	-
Revised MTFP	Local Growth Funds Costs	Approved	450.3	426.1	241.8	-
		STA	-	-	-	-

Significant Implications

4. Financial Implications

4.1 There are no financial implications other than those outlined in the paper.

5. Legal Implications

5.1 No legal implications.

6. Public Health Implications

6.1 No public health implications.

7. Environmental and Climate Change Implications

7.1 No environmental or climate change implications.

8. Other Significant Implications

8.1 None.

9. Appendices

9.1 None.

10. Background Papers

10.1 None.