

# Subgroup summary report

Item 9

Report of **Audit & Finance Subgroup Chair** in relation to the meeting of:

**1<sup>st</sup> March 2023**

**For:** (I) Information (R) Ratification (D) Discussion and decision

## Key agenda items discussed:

- Risk Register
- LEP Core Budget and Reserves
- GBF Grant Reallocation Update

## Notable changes, successes or risks

### Risk Register

- GBF Project Drakelow Park deallocated £5.05M funding, See below for further details:
- Strategic Objectives to be reviewed to reflect current LEP environment and future 2023-24 Delivery Plan proposed risks.
- Removed risk that identified that Achieve Training, delivering the GBF project Cleveland Future Skills Hub, is to close.

### LEP Core Budget and Reserves

- At Q4 22-23, the LEP Core Budget was initially anticipated to underspend by c£0.071m.
- Following a review of the 22-23 LEP Core Budget by A&F, Hatch consultancy costs have now been included in the forecast and are to be funded from the current forecast underspend.
- Hatch consultancy costs are, however, expected to be higher than initially estimated given the number of GBF Grant Reallocation business cases that have been submitted (see GBF Grant section below). Total Hatch consultancy contract costs are yet to be finalised.
- Legal fees are also expected to be higher (£0.030m est.) than currently forecast to reflect additional legal support required with the drafting and issuing of new GBF Grant Funding Agreements to successful applicants.
- Adjusting the Q4 22-23 LEP Core Budget forecast for the inclusion of both Hatch consultancy contract costs and revised GBF Grant legal fees has resulted in the forecast LEP Core Budget underspend being revised down to c£0.032m.
- Total Unrestricted LEP Reserves are estimated at £1.737m (as at 31<sup>st</sup> March 23).

### GBF Grant Reallocation Update

- Open Call ended 12pm 17<sup>th</sup> February 2023.
- 16 Business Cases received.
- Over £25 million of Grant funding being requested.
- Stage 1 of the eligibility process completed – CEO, S151 Officer, Change Manager
- ITA currently being undertaken.
- 6<sup>th</sup> March meeting with ITA to discuss assessment findings and prioritisation.
- SPMG 9<sup>th</sup> March – selection process.
- Executive Board 16<sup>th</sup> March – ratification.
- Post 16<sup>th</sup> March contracting with successful projects.

# Subgroup summary report


## **Decisions and/or Ratifications**

<ul style="list-style-type: none"><li>• No decision(s) required.</li></ul>
--

Full details of the meeting including agenda pack, presentations and minutes can be requested from [john.broad@staffordshire.gov.uk](mailto:john.broad@staffordshire.gov.uk)