
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 9 June 2021

Subject: **Corporate Performance Report**

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1. Purpose of this report

- 1.1 To provide the LEP Board with an update on a range of corporate and governance matters.

2. Information

- 2.1 As previously agreed, a corporate performance report is now being submitted to each meeting of the LEP Board, to provide information on budgets, performance management, risk, audit, scrutiny and any other matters that emerge. This is in line with recommended practice as set out in the Strengthened Local Enterprise Partnerships document and in line with the commitments in the Assurance Framework.

Revenue Budgets 2020/21

- 2.2 Work is underway to close the accounts for 2020/21, with audit work due to take place in June and July and accounts to be approved by the end of September in line with statutory requirements. As in previous years a LEP financial statement has been prepared as part of this work. The unaudited LEP financial statement is available [here](#).
- 2.3 The prudent forecast outturn, as reported to the Combined Authority in February 2021, was a balanced position. Work is underway to finalise the figures, though it is anticipated that savings will actually accrue. A further report will come to a future meeting, but in summary the savings have arisen due to a range of Covid 19 impacts being covered by support grants, savings in bus concessionary fare reimbursement to operators, other savings have been made across the other directorate budgets, such as managing staff vacancies and savings in supplies and services and previously prudent income targets, including interest on investments, have been better than anticipated.

LEP Capital Programme

Growth Deal

2.4 Overall spend on the Growth Deal is summarised as follows:

	Growth Deal Funding Allocation	Total Spend to end Q4 2020/21
Transport Fund	£280.90	£257.71
Growth Deal Economic Development	£235.45	£244.59
Total Programme Allocation	£516.35	£502.30

2.5 Overspend against the Economic Development projects has offset a predicted underspend against the Transport Fund and the programme has achieved spend of £502 million against the programme allocation of £516 million. The underspend is carried forward as part of the continuing Transport Fund programme as it goes forward into the next stage of delivery.

2.6 Expenditure of circa £500,000 has been incurred post March 2021. Under the freedoms and flexibilities agreed verbally, this will be charged to the programme in the final financial return. A review of the organisation's overhead charge will be undertaken to consider, in particular, the allocation of costs to the Transport Fund and the Economic Development element of the programme which may result in an element of balancing up between the two. It will also consider the ongoing costs of closing each project and of future monitoring and evaluation of the Growth Deal and how this is accounted for and funded

2.7 Each quarter a return is made to the Cities and Local Growth Unit (CLoG) through its data capture system which collates Growth Deal programme information. CLoG has requested that this dashboard should be endorsed by the LEP Board each quarter. The dashboard for the Quarter 1 was submitted in accordance with the deadline of 28 May 2021 and is attached at **Appendix 1** for information and endorsement of the LEP Board.

2.8 The Growth Deal has four headline outputs and performance against these outputs as at the financial closure is as follows:

Output	Target (includes Growth Deals 1, 2 and 3)	Achieved to date as at Quarter 4 2020/21	Forecast 2021-25	Total
New jobs	19,595	10,345	4,424	14,769
Jobs safeguarded (flood resilience programme)	11,100	24,583	1,816	26,399
Houses	2,300	1,316	2,091	3,407
Public / private investment (match funding)	£1,031,000,000	£767,823,915	£516,931,760	£1,284,755,675

2.9 In the six years of the programme over 10,000 new jobs have been created through the business grant support programmes and implementation of capital infrastructure. There can be a lag in reporting these outputs, though it is expected that the full target will be achieved.

- 2.10 **Appendix 2** summarises the additional outputs have also been achieved to date through the programme. Monitoring of the Growth Deal outputs will be ongoing to March 2025.

Getting Building Fund and Broadband

- 2.11 The Getting Building Fund (GBF) programme was awarded in August 2020 to support 'shovel ready' schemes. Nine of the 15 projects have now been mobilised and have commenced delivery. All projects are on track to spend in line with the end of the programme on 31 March 2022, with reported spend £26.3 million in 2020/21.
- 2.12 Spend on the Broadband programme mainly relates to the completion of Contract 2 which is delivered through Openreach and is due to end June 2021. There was a delayed start to Contract 3 but that has now commenced and work is underway.

Annual Performance Review

- 2.13 Confirmation was received on 7 May 2021 that the Combined Authority met all requirements against each of the three themes – governance, strategic impact and delivery - of the Annual Performance Review. The outcome of the review this year was a simple meets/does not meet for each category.

2020/21 LEP Annual Delivery Plan and Corporate Plan

- 2.14 The LEP Annual Delivery Plan, as approved by the LEP Board in September 2021 has been designed as a standalone document, but also forms an integral part of the organisation's overarching Corporate Plan, which sets out the priorities for the LEP and the Combined Authority as a whole.
- 2.15 The wider Corporate Plan is structured around four overarching corporate priorities of boosting productivity, delivering 21st Century transport, enabling inclusive growth and supporting clean growth. A comprehensive suite of performance indicators has been developed to measure the organisation's specific contribution towards achieving these four corporate priorities. An assessment of performance against these indicators for the 2020/21 financial year has been undertaken and a summary of the results of this is provided in **Appendix 3** as part of the wider corporate performance snapshot.
- 2.16 The analysis of performance against objectives in 2020/21 reflects a positive position overall. Most of the indicators are assessed as green, indicating objectives supporting the strategic aims and themes for the region have been achieved.

Corporate risk update

- 2.17 In line with the provisions of the corporate risk management strategy, regular review of the key strategic risks affecting the organisation continues to be undertaken and the corporate risk register updated accordingly.
- 2.18 A summary of the headline strategic risks is included at **Appendix 3** to this report. Since the last reporting period work has been undertaken to ensure that specific risks associated with transition to the Mayoral Combined Authority model and the new functions that this brings, are appropriately reflected within the strategic risk summary.
- 2.19 In terms of those risks associated with the response to the COVID-19 pandemic and the EU Exit, these continue to be managed through the Combined Authority's Gold command incident response structure.

Internal Audit

- 2.20 The internal audit plan as approved by the Governance and Audit Committee of the Combined Authority covers the activities of the whole organisation. Work on the 2020/21 plan is now almost complete and work has commenced on the 2021/22 plan approved at the last Governance and Audit Committee.

Overview and Scrutiny Committee

- 2.21 The Overview and Scrutiny Committee has undertaken a range of work during the year and this is summarised in the annual report at agenda item 12. The Combined Authority has recently determined to expand the work of scrutiny in response to its increased functions. Three scrutiny committees are expected to be established at the Combined Authority meeting on 24 June and these will seek to cover the full range of Combined Authority and LEP activities.

3. Tackling the Climate Emergency Implications

- 3.1 Clean Growth actions will continue to be monitored through the KPIs and performance data.

4. Inclusive Growth Implications

- 4.1 Inclusive Growth actions will continue to be monitored through the performance report.

5. Equality and Diversity Implications

- 5.1 None arising directly from this report.

6. Financial Implications

- 6.1 As set out in the report.

7. Legal Implications

7.1 None arising directly from this report.

8. Staffing Implications

8.1 None arising directly from this report.

9. External Consultees

9.1 None.

10. Recommendations

10.1 That the LEP Board note the corporate performance information provided.

11. Background Documents

11.1 None.

12. Appendices

Appendix 1 –Growth Deal Q4

Appendix 2 – Growth Deal outputs

Appendix 3 – Corporate performance snapshot