

Business Recovery and Growth Board

10 February 2022

Programme Performance Report

Is the paper exempt from the press and public?	No
<i>Reason why exempt:</i>	Not applicable
Purpose of this report:	Monitoring/Assurance
Is this a Key Decision?	No
Has it been included on the Forward Plan?	Yes

Director Approving Submission of the Report:

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Report Author(s):

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Executive Summary

This paper provides the Board with the latest performance information on Business Recovery and Growth programmes being delivered on behalf of the MCA.

What does this mean for businesses, people and places in South Yorkshire?

Through the delivery of these programmes the MCA is investing in the people and businesses of South Yorkshire which support the MCA's aspirations. Performance information supports the robust oversight and management of this delivery.

Recommendations

That Board members:

- Consider the performance information provided to identify future performance deep-dives or significant areas of risk;

Consideration by any other Board, Committee, Assurance or Advisory Panel

None

1. Background

- 1.1 The South Yorkshire Mayoral Combined Authority currently has thirty-eight projects which fall within the remit of the Business Recovery and Growth Board. The schemes are funded from various funding streams with a total value of £83.93m.

This report gives an overview on the performance of programmes and the projects within them, highlighting management actions being taken to mitigate risks.

- 1.2 The expenditure baseline for 21/22 was initially set at £19.49m with the latest forecasts suggesting outturn expenditure of £22.10m. This level of expenditure will be generating a material overspend of £2.61m. This slight increase is due to the addition of new capital projects.
- 1.3 Of this value £3.04m (13%) is funded from conditional grant from government, and consents will likely be required to roll-forward the funding to future periods

2. Current Position by Funding Stream

- 2.1 The table presented below highlights the forecast full-year expenditure profiles set against the baseline targets.

Funding Stream	2021/22 Baseline	2021/22 Forecast	21/22 Variance
	£m	£m	£m
LGF Capital	£6.29	£6.25	-£0.04
New Capital	£0.00	£10.61	£10.61
Employers RAP	£6.91	£1.33	-£5.58
Emergency Recovery	£3.25	£3.25	-
Made Smarter	£1.50	£0.60	-£0.90
Other	£1.54	£0.06	-£1.48
	£19.49	£22.10	£2.61

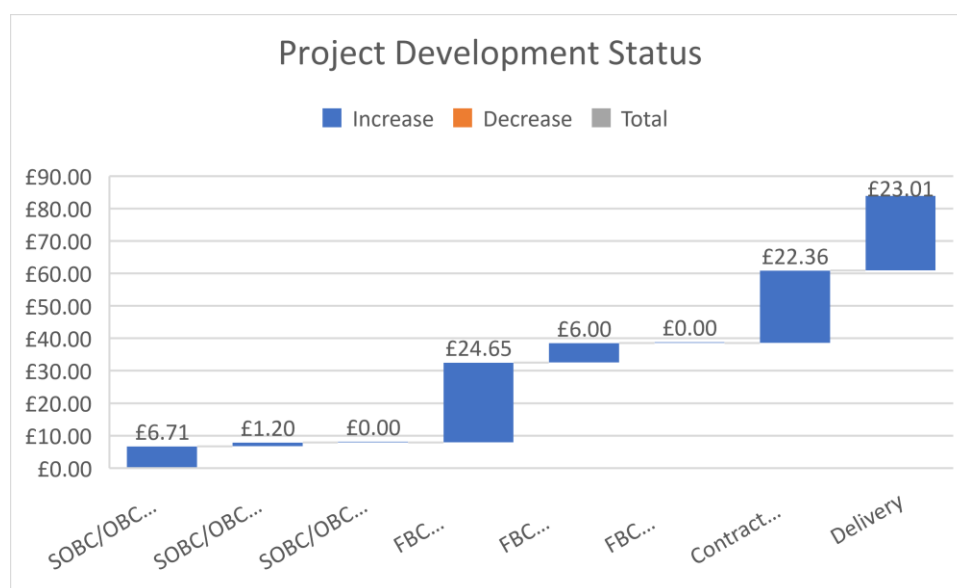
The table below shows 2021/22 current forecast against claims received to date

Funding Stream	2021/22 Baseline	2021/22 Claims	21/22 Claims
	£m	£m	%
LGF Capital	£6.25	£5.85	93.6%
New Capital	£10.61	£0.00	0.0%
Employers RAP	£1.33	£0.26	19.5%
Emergency Recovery	£3.25	£2.17	66.8%
Made Smarter	£0.60	£0.01	1.7%
Other	£0.06	£0.03	46.9%
	£22.10	£8.32	37.6%

The Made Smarter and other baseline targets are set by government, requiring in-year allocations to be fully defrayed within the financial year. There is no comparative grant conditionality timeline pressure on gainshare and the legacy LGF activity. Due to the pandemic the Capital Schemes have experienced delays in Job creation.

2.3 Development Status of Projects

- 2.4 The graphic below exemplifies the milestone status of projects by value. Ideally, at this stage of the year the weight of projects would be in FBC processes, or in contract negotiation or delivery.



- 2.5 The graphic highlights that of the thirty-eight projects in the portfolio 50% are in delivery with a value of £23.01m with six schemes with a value of £22.36m approved and in contract negotiation. Appendix A gives an update on progress of these schemes.

3. Management Actions

- 3.1 Close monitoring is on-going and full programme reviews, where they have not already commenced will be undertaken. This will reaffirm delivery status and inform remedial actions required to address risk.
- 3.2 In this context schemes recommended for approval will be made to the board highlighting the risks on a scheme by scheme basis.
- 3.3 The MCA is proactively engaging Government on the status of the programmes, seeking flexibilities where they may be available

4. Consultation on Proposal

- 4.1 Project sponsors are required to publish business cases on their own websites (or an appropriate summary of the submission) and must consider all comments received and reflect this in the next stages of the application process.

5. Timetable and Accountability for Implementing this Decision

- 5.1 Updates to the Board will continue to be made throughout the year

6. Financial and Procurement Implications and Advice

- 6.1 This report notes the slower than forecast pace of the gainshare and Made smarter schemes. The report notes the potential implications for funding. The report further notes the work being undertaken within the MCA with local partners and national government to mitigate this risk.

7. Legal Implications and Advice

- 7.1 The funding agreement for the schemes provide that any failure to make adequate progress against the spend profile identified may result in the reduction or withdrawal of further funding

8. Human Resources Implications and Advice

- 8.1 None

9. Equality and Diversity Implications and Advice

- 9.1 Appropriate equality and diversity considerations are taken into account as part of the assurance of project business cases

The premise of the engagement is based upon a deal where greater social value is negotiated and the business commits to supporting local supply chains, local labour market, training and taking on apprenticeships, for example

10. Climate Change Implications and Advice

- 10.1 Climate change impact is assessed as part of the assurance process for any proposed activity.

11. Information and Communication Technology Implications and Advice

- 11.1 None

12. Communications and Marketing Implications and Advice

- 12.1 None

List of Appendices Included

None

Background Papers

None