

Mayoral Combined Authority Board

24 January 2022

2021/22 Budget Revision 3

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

Director Approving Submission of the Report:

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Executive Summary

This report provides revised Group budget forecasts to the end of the financial year 2021/22. The report recommends the adoption of the budget estimates, adjustments to budgetary ceilings and the distribution of grant received.

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

This report seeks adjustments to the MCA's financial plan to ensure it has sufficient resource to deliver on its objectives. The report also seeks approval for the distribution of grant in support of business recovery aspirations.

Recommendations

The MCA Board:

1. Adopt the revised budget estimates;
2. Note the slower than forecast pace of the capital programme;
3. Approve the acceptance and distribution of the Additional Restrictions Grant top-up of £1.72m for the year ending March 2022.

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

Not applicable

1. Background

- 1.1 The MCA's capital and revenue budgets remain sensitive to the recovery of the local and national economy as we move into the winter, with fresh disruption from systemic inflation and the latest Covid variant.
- 1.2 In order to ensure that the MCA's financial plans remain aligned to its corporate and business priorities, and reflect new funding that becomes available, a Quarter 3 budget revision exercise has been undertaken as at the end of November 2021 (Period 8). This exercise sought to re-test income and expenditure assumptions, and re-forecast budgets and programmes to the end of the financial year.
- 1.3 The results of this exercise highlight a number of notable issues that will influence the MCA's financial position over the remainder of the year, as well as planning for the medium term:
 1. Whilst government funding for bus and tram has been committed to the end of the year, continued uncertainty on post-March support is increasing the risk that operators pre-emptively begin service reductions over Quarter 4;
 2. Following the success of the South Yorkshire Business Support Scheme the MCA will receive a further tranche of Additional Restrictions Grant to support those businesses effected by the latest Covid variant;
 3. The budget is now flexed to accommodate activity supported from the region's successful Community Renewal Fund bids;
 4. Flexibilities secured with government now means that the Getting Building Fund expenditure targets should be met; and,
 5. Capital programme slippage is now likely to move a significant amount of activity into the new financial year.
- 1.4 As we approach the final quarter of quarter of the year immediate in-year concerns are beginning to feed through to planning risks for the new financial year.
- 1.5 Over quarter 3 the MCA has continued to provide emergency support to public transport operators. Whilst the MCA has committed to providing this support at pre-pandemic levels in pursuit of 100% network coverage the impact of driver shortages and industrial action has meant that that coverage level has not been achieved. Accordingly, concessionary payments have been flexed down, creating revenue savings that will flow through to reserves and support the forthcoming year budget.
- 1.6 Whilst immediate concerns around the public transport network have temporarily abated following the commitment of government support to the end of the financial year, the MCA is alert to the potential for operators to begin withdrawing services ahead of this point as uncertainty persists around the government's intentions post March. This issue provides a key planning uncertainty for the new financial year.
- 1.7 As detailed at the last reporting date, supply chain and labour market concerns continue to affect programme delivery, with saturated markets leading to cost inflation and delays to recruitment and the appointment of contractors.

- 1.8 This report notes that these issues are contributing factors to the slower than forecast pace of capital and revenue programmes. As we approach the year-end programmes across all thematic areas have been further re-profiled with activity moved into future financial periods.
- 1.9 This issue is particularly prominent within the Transforming Cities programme, with the latest forecasts further moving a significant amount of activity and associated funding into the new financial year.
- 1.10 The pace of the Brownfield housing programme remains a key concern; the forecast level of expenditure incurred by outturn will fall short of the target set by government with limited mitigations available, despite a strong pipeline of schemes. Engagement with government regarding this programme is ongoing.
- 1.11 Nevertheless, this report notes that positive progress as a result of productive collaboration between the MCA, government and the local partners to address concerns around the Getting Building Fund programme where the cumulative funding package of £33.6m needs to be fully defrayed by March 2022.
- 1.12 As noted in the previous budget monitoring report, the MCA has performed well compared to its peer group in respect of the deployment of Additional Restrictions Grant (ARG) in support of the South Yorkshire Business Support Scheme. This report seeks approval to accept a further £1.72m of ARG top-up which was announced by the Chancellor week commencing 20 December 2021.
- 1.13 Following the MCA's successful bids into government for Community Renewal Funding, this revision also increases the budget by £4m to accommodate this activity.
- 1.14 Finally, the report notes that subject to local authority consents being received, the MCA now expects the government to table legislation in January 2022 that would grant the MCA borrowing powers for its non-transport activity.

2. Key Issues

2.1 Summary overview

The 2021/22 budget for the year was set at £358m, consisting of both revenue and capital expenditure. This expenditure was fully funded from a combination of grants, receipts, general income, and reserves:

Funding	£k	
Gross Expenditure	£358,194	
- Revenue	£133,356	37%
- Capital	£224,838	63%
Funded by:		
General Income	£4,978	2%
Release of Reserves/Provisions	£32,671	9%
Grants	£320,545	89%
	£358,194	

- 2.2 For the first time, the budget was structured around the MCA's thematic board areas, allowing for greater insight into how the MCA's investments are matched to its aspirations.
- 2.3 The weighting of expenditure reflects, in part, the MCA's local transport authority responsibilities and new responsibilities for devolved activity such as the Adult Education Budget. It is also heavily shaped by the grants that are available from government:

	Revenue £k	Capital £k	Total £k
Transport and Environment	£66,583	£147,368	£213,951
Housing, Infrastructure, Planning	£897	£67,170	£68,067
Skills and Employment	£33,490	£3,451	£36,941
Business Growth and Recovery	£18,213	£3,406	£21,619
	£119,183	£221,395	£340,578
MCA Executive	£12,762	£3,443	£16,205
Mayoral Office	£1,411	£0	£1,411
Total	£133,356	£224,838	£358,194

- 2.4 After the first eight months of the year, this report recommends a number of adjustments to the budget ceiling. Revenue expenditure is now expected to outturn £12m above the opening budget - despite net fluctuations - as slipped activity is offset by the receipt of new funding that wasn't planned for in the base budget, including Community Renewal Fund, pre-capitalisation CRSTS revenue funding, and the forecast draw and distribution of the Project Feasibility Fund. Capital expenditure is now forecast to outturn £110m under the base budget forecast as activity across a number of programme areas continues to be re-profiled to future periods.
- 2.5 In total, as at the end of November 2021 (Period 8), expenditure is expected to outturn at around £260m:

	Base £m	Mvt £m	Revision 1 £m	Mvt £m	Revision 2 £m	Mvt £m	Revision 3 £m
Revenue	£133,356	£25,601	£158,957	-£23,600	£135,357	£10,188	£145,545
Capital	£224,838	-£25,513	£199,325	-£42,197	£157,128	-£43,104	£114,024
	£358,194	£88	£358,282	-£65,797	£292,485	-£32,916	£259,569

- 2.6 These adjustments are reflected in changes to the weighting of expenditure across the thematic areas. Capital programme reprofiling has varied down the level of expenditure within most areas except for Housing, Infrastructure & Planning, where several schemes are now expecting to marginally accelerate spend this year.
- 2.7 Lower than forecast revenue expenditure relating to Renewal Action Plan activity within the Skills and Employment and Business Growth areas and lower than forecast take-up of the 18-21 travel concession in the Transport and Environment area has also impacted on expenditure levels. The material reduction in the Mayoral Office area largely reflects the virement of funding out of this area to spending departments as expenditure items are committed to.

Consolidated	Base £k	Revision 1 £k	Revision 2 £k	Revision 3 £k	Variance £k
Transport and Environment	£213,951	£203,002	£174,688	£136,483	£-37,205
Housing, Infrastructure, Planning	£68,067	£63,124	£26,708	£27,855	£1,147
Skills and Employment	£36,941	£42,119	£35,352	£33,015	£-2,337
Business Growth and Recovery	£21,619	£31,586	£40,586	£40,094	£-492
	£340,578	£339,831	£277,333	£237,447	£-45,608
MCA Executive	£16,205	£16,850	£14,804	£21,777	£6,973
Mayoral Office	£1,411	£1,602	£348	£346	£-2
Total	£358,194	£358,283	£292,485	£259,569	£-32,916

2.8 This report proposes to adjust the funding applied to meet the revised expenditure forecasts. Slippage within the capital programme reduces the need to apply capital grants, whilst revenue scheme slippage and assorted underspends also reduces the need for both in-year grant and reserves and provisions:

Funding Sources	Original Budget £k	Mvt £k	Revision R1 £k	Mvt £k	Revision R2 £k	Mvt £k	Revision R3 £k
Ringfenced/Committed Grants							
Revenue Grants	£108,251	£20,653	£128,904	£-10,167	£118,737	£9,648	£128,385
Capital Grants	£212,179	£-25,513	£186,666	£-52,334	£134,332	£-28,467	£105,865
	£320,429	£-4,860	£315,570	£-62,501	£253,069	£-18,819	£234,250
Reserves & Provisions							
Capital Receipts	£12,659	£0	£12,659	£10,768	£23,427	£-15,269	£8,159
Revenue Reserves	£19,701	£4,948	£24,649	£-13,638	£11,011	£1,171	£12,182
Provisions	£427	£0	£427	£-427	£0	£0	£0
	£32,787	£4,948	£37,735	£-3,297	£34,438	£-14,098	£20,341
General Income	£4,978	£0	£4,978	£0	£4,978	£0	£4,978
Total Funding	£358,194	£88	£358,283	£-65,798	£292,485	£-32,916	£259,569

2.9 In most instances funding received in-year which is not immediately deployed will flow to the balance sheet to be held in reserves or as grant unapplied. However, in a number of instances grant conditionality requires that funding be used in the year in which it is received or be returned to government. This is the case for Getting Building Fund (GBF) and Brownfield funding, and whilst it is expected that the GBF

funding will be deployed in full there are likely material underspends around the Brownfield activity. Government have been engaged on this issue.

2.10 At the last reporting date there was some risk that the second tranche (£0.25m) of LEP core funding would not be received. This issue is connected with government's review of LEP's nationally. This risk has now dissipated as the funding has been received, but the risk will now flow through to planning for the new financial year.

2.11 This report provides further detail by thematic theme.

Analysis by Theme: Transport and Environment

2.12 The Transport and Environment area includes the local transport authority activity of the South Yorkshire Passenger Transport Executive along with the strategic planning activity undertaken within the MCA Executive. The area captures a significant part of the capital programme, representing the scale of the Transforming Cities Fund and Active Travel funding.

2.13 This report proposes new budget estimates for this area that will lead to a net reduction in activity of £35.01m from that adopted after the second quarter of the year, and a reduction to the base budget of £77.47m. This movement largely reflects the deferral and reprofiling of capital schemes:

Transport and Environment	Original budget	Mvt	Revision R1		Revision R2		Revision R3
	£k						
Capital	£147,368	-£19,478	£127,890	-£19,506	£108,384	-£39,922	£68,462
Revenue	£66,583	£8,716	£75,299	-£12,188	£63,111	£4,910	£68,022
Total	£213,951	-£10,761	£203,190	-£31,694	£171,495	-£35,012	£136,483

2.14 Adjustments are required across most directorates within the thematic area:

Transport and Environment	Revision 1	Revision 2	Revision 3	Variance
	£k	£k	£k	£k
Strategic Transport	£119,434	£99,635	£67,554	-£32,081
Transport Operations (SYPTe)	£25,696	£18,426	£14,864	-£3,562
Customer Services (SYPTe)	£37,999	£34,461	£35,044	£583
Debt and Finance	£20,061	£18,974	£19,021	£47
Total	£203,190	£171,496	£136,483	-£35,012

2.15 Underspend in the Strategic Transport area (£32.1m) largely relates to capital activity across the Transforming Cities (TCF), Active Travel, and Integrated Transport Block programmes, all of which have slipped over the course of the year largely reflecting the scale of activity and supply chain pressures.

2.16 At Revision 3, the most notable changes are further slippage on the TCF programme and the Parkway Widening scheme. All schemes affected by slippage have been re-profiled into 2022/23.

2.17 Active Travel revenue activity supported by DfT Capability Fund (£1.1m) has also been re-profiled to reflect that around half of the activity will take place in the new financial year.

- 2.18 Underspend in the SYPTE areas largely reflects capital programme slippage (£3.69m) in a range of schemes. All such schemes have been re-profiled to reflect that activity will continue in 2022/23.
- 2.19 The latest forecasts are also now suggesting that statutory concessions will outturn under budget by c. £0.85m. Whilst the MCA has committed to retaining concession payments at pre-pandemic levels as part of the Bus Recovery Grant funding package agreed with Government, funding rules do allow the MCA to vary the rate it pays if operators do not provide full network coverage. Varying the rate in this manner avoids the South Yorkshire taxpayer subsidising services that have not been provided.
- 2.20 Driver shortages since Quarter 2 and industrial action in Quarter 3 have meant that operators have been unable to operate full services, and accordingly the MCA has reduced its payments where appropriate. It is proposed that this underspend be carried to reserves to support anticipated pay and price pressures in the new financial year. Further analysis is presented in the appendices around the SYPTE position.
- 2.21 Finally, this report proposes that funding received for early pre-capitalisation works on the CRSTS programme be moved to the Project Feasibility Fund, allowing for its timely disbursement to partners.

Analysis by Theme: Skills and Employment

- 2.22 The Skills and Employment thematic area includes both capital and revenue activity and is split into three management areas. At Revision 3 forecast expenditure at outturn is expected to total £33.02m, £3.93m below the base budget:

Skills and Employment	Original budget	Mvt	Revision 1	Mvt	Revision 2	Mvt	Revision 3
	£k	£k	£k	£k	£k	£k	£k
Capital	£3,450	£0	£3,450	£0	£3,450	£433	£3,883
Revenue	£33,491	£5,058	£38,549	-£6,648	£31,902	-£2,770	£29,132
Total	£36,941	£5,058	£42,000	-£6,648	£35,352	-£2,337	£33,015

- 2.23 The opening budget (£36.94m) was adjusted at Revision 1 for reprofiled Adult Education Budget expenditure (£5.06m). The table below highlights downward variations at Revision 2 and Revision 3 in excess of that initial adjustment:

Skills and Employment	Revision 1	Revision 2	Revision 3	Variance
	£k	£k	£k	£k
Skills Priorities & Investment	£27,695	£28,024	£25,829	-£2,195
Education & Skills For Employment	£5,751	£1,968	£1,968	£0
Skills For Business & Growth	£8,554	£5,359	£5,217	-£143
Total	£42,000	£35,352	£33,015	-£2,337

- 2.24 The principal drivers for these variances are revised forecasts for Renewal Action Plan activity (Enhanced Apprenticeship and Kickstart South Yorkshire) within the year (leading to a £6.46m reduction at Revision 2), and re-profiling of AEB expenditure (c.£2.2m) at Revision 3.

- 2.25 Other marginal underspends on staffing and development activity across the directorate have been offset in part by the adoption of a scheme to support the transition of existing learners to new Adult Education Budget providers (£0.21m).
- 2.26 Whilst the Adult Education Budget is now well underway with both grant funded and procured activity delivering, an in-budget reserve of £0.4m has been retained to support both the management of risk inherent in the first year of delivery and the exploitation of any opportunities that emerge.

Analysis by Theme: Business Growth and Recovery

- 2.27 At Revision 3 forecast expenditure in the Business Growth and Recovery directorate is expected to be £40.09m, £0.48m lower than mid-year forecasts:

BGRB	Original budget £k	Mvt £k	Revision1 £k	Mvt £k	Revision 2 £k	Mvt £k	Revision 3 £k
Capital	£3,406	£756	£4,162	£12,880	£17,042	-£2,259	£14,783
Revenue	£18,213	£9,355	£27,568	-£4,034	£23,534	£1,776	£25,310
Total	£21,619	£10,111	£31,730	£8,846	£40,576	-£483	£40,094

- 2.28 The significant decrease in forecast capital expenditure within the Innovation and Investment area reflects the re-profiling of residual Local Growth Fund (LGF) grant held in capital receipts which will be deployed in support of approved business investment schemes where activity will slip into 2022/23.
- 2.29 Expenditure increases in the International Hub, Business Assistance and Special Projects are offset in part by underspends in the Development Hub:

BGRB	Revision 1 £k	Revision 2 £k	Revision 3 £k	Variance £k
Development Hub	£4,077	£1,628	£947	-£681
Innovation & Investment	£4,044	£16,727	£14,392	-£2,335
International Hub	£364	£285	£360	£76
Digital	£437	£141	£141	£0
Business Assistance	£17,587	£17,597	£19,499	£1,903
Special Projects	£1,870	£847	£1,401	£554
Emergency Recovery	£3,352	£3,352	£3,352	£0
Total	£31,730	£40,576	£40,094	-£483

- 2.30 'Emergency Recovery' activity relates to the previously approved gainshare funded recovery grants that are due to the South Yorkshire local authorities to support their locally developed recovery efforts. This activity was expected to conclude in the last financial year, but ultimately slipped into 2021/22.
- 2.31 Over £4m of gainshare funded Renewal Action Plan activity was included in this budget area at the start of the year. However, at Revision 3, activity is now expected to underspend against the base budget with RAP activity of c. £2.50m now moving into the new financial year.
- 2.31 Revised forecasts also now suggest that Made Smarter activity will underspend by c. £0.34m. This activity is currently in procurement, and the MCA is engaging government on the ability to roll forward in-year underspend into the new financial year.

2.32 At the time of writing, the MCA and partners had distributed over £46m of financial support into the regional economy through the locally designed and locally administered South Yorkshire Business Support Scheme, a total that compares favourably to the MCA's peer group. This scheme is funded from the Additional Restrictions Grant (ARG) awarded by government over three original tranches:

ARG	Grants	Value £k
BMBC	4,310	7,517
DMBC	4,879	9,180
RMBC	4,049	8,147
SCC	10,069	21,397
		46,241

2.33 At the Board's November meeting the residual allocations of ARG were approved for deployment, with funding directed towards further capital productivity investment and a culture scheme. These schemes are now progressing with the expectation that all funding will be defrayed by the year-end.

2.34 Following the disruption to businesses following the surge in the Omicron variant over the festive period the Government has announced further ARG funding. This report seeks approval for this funding (£1.72m) to be deployed in support of a local scheme to support those non-ratepayers in the hospitality and leisure sectors not covered by the national scheme and a further local scheme to support independent travel agents whose businesses continue to be effected without national support. The report proposes that should residual funding remain after these two schemes be administered, funding be disbursed according to local priorities. Using the accepted means of allocating funding according to local hospitality and leisure business stock, this report seeks approval to award grant as follows:

	Business Stock		ARG
		%	£k
BMBC	800	16.29%	£281
DMBC	1,035	21.08%	£363
RMBC	815	16.60%	£286
SCC	2,260	46.03%	£793
	4,910		£1,722

Analysis by Theme: Housing & Infrastructure

2.35 The Housing and Infrastructure thematic area includes a significant part of the capital programme that is funded by the Getting Building and Brownfield grant programmes. It is supplemented with some revenue funding for core activity, and the revenue grant made available by government to prime the Brownfield activity.

2.36 The budget estimates in this report are dominated by the reductions in forecast capital expenditure against the budget, largely identified and reflected in the mid-year budget revision:

Housing and Infrastructure	Original budget	Mvt	Revision R1		Revision R2		Revision R3
	£k	£k	£k	Mvt	£k	Mvt	£k
				£k		£k	
Capital	£67,170	-£5,889	£61,281	-£36,390	£24,891	£1,205	£26,096
Revenue	£897	£1,129	£2,026	-£209	£1,817	-£58	£1,759
Total	£68,067	-£4,760	£63,307	-£36,599	£26,708	£1,147	£27,855

2.37 Since the mid-year point there has been a slight increase in the forecast capital activity in the Strategic Infrastructure area:

Housing and Infrastructure	Revision 1	Revision 2	Revision 3	Variance
	£k	£k	£k	£k
Digital	£5,500	£5,500	£5,500	£0
Strategic Infrastructure	£34,291	£15,082	£16,287	£1,205
Housing & Planning	£21,132	£3,848	£3,833	-£15
Net Zero	£2,384	£2,278	£2,235	-£43
Total	£63,307	£26,708	£27,855	£1,147

2.38 The increase in the capital forecast reflects:

1. Acceleration of spend on two specific schemes (£1.5m); offset by,
2. Slippage on gainshare funded 'Place' schemes (£0.3m).

2.39 As noted at the mid-year mark, there is significant concern at the pace of Brownfield programme activity. The MCA is obliged to meet grant conditionality that requires £20m of capital expenditure to have been incurred by March 2022. However, forecasts suggest that the MCA will miss this target by a considerable value, with little opportunity to apply mitigations. Underspend on Brownfield activity reflects both the considerable pressures within the system and the profound challenges of designing sound schemes that can deliver quality houses on Brownfield sites whilst still meeting the government's benefit/cost-ratio demands.

2.40 The MCA continues to actively engage government to seek flexibilities on the delivery timeline, noting both the strong pipeline of schemes that are now progressing through approvals and into delivery and the systemic nature of the issue that is seeing underspend pressures replicate across MCAs nationally.

2.41 Work continues to identify further potential slippage on the Getting Building Fund activity, noting the need for all funding to be defrayed by the end of the financial year. Strong engagement with local partners and government should now mean that this funding stream is fully defrayed by the year-end.

2.42 Finally, whilst the underspend on gainshare funded activity is notable due to the scale of slippage it should be recognised that gainshare is not subject to the government-imposed deadline of 31 March which applies to other grants. Gainshare funding not deployed in-year will be earmarked for use in future periods.

Analysis by Theme: MCA Executive

2.43 This report proposes an adjustment to the MCA Executive budget of £6.62m. This adjustment reflects an increase in revenue expenditure due to the adoption of new funding and a proposed draw and distribution of reserve:

MCA Executive	Original	Revision		Revision		Revision	
	budget	Mvt	R1	Mvt	R2	R3	
	£k	£k	£k	£k	£k	£k	
Capital	£3,443	-£2,067	£1,376	-£576	£800	£0	£800
Revenue	£12,762	£3,652	£16,414	-£2,053	£14,361	£6,616	£20,977
Total	£16,205	£1,585	£17,790	-£2,629	£15,161	£6,616	£21,777

- 2.44 Expenditure adjustments have been made across the majority of the directorate areas but are most prominent within the Programme & Performance Unit area (PPU) where the costs of Community Renewal Fund activity (£4.09m) and the drawdown of £3m from the Project Feasibility Fund reserve for distribution to partners have now been included in quarter 4 of the current financial year.
- 2.45 Finally, almost all areas have accrued savings related to staffing as labour market pressures have led to vacant posts taking longer to fill than expected and notable churn in the existing establishment. These savings reduce calls on recharges into programme funding and obviate the need to call on reserves as previously planned.
- 2.46 The following table reflects the distribution of expenditure across the non-thematic executive teams:

MCA Executive	Revision 1	Revision 2	Revision 3	Variance
	£k	£k	£k	£k
Deputy Chief Executive's Office	£5,203	£4,537	£4,375	-£161
Finance/IT/ Programme & Performance	£7,124	£6,878	£13,874	£6,995
Governance/ Communications & Marketing	£4,929	£3,212	£2,994	-£218
Legal	£535	£535	£535	£0
Total	£17,790	£15,161	£21,777	£6,616

Update on Borrowing Powers

- 2.47 At its meeting of the 15th November the Board authorised officers to accept the offer of a debt-cap negotiated with HM Treasury.
- 2.48 Acceptance of this cap was a necessary precursor to the laying of the secondary legislation required to allow the MCA to access powers to borrow for its non-transport activity. These powers complement the long-term funding commitments arising from the region's devolution deal, and underpin the aspirations detailed within the Investment Strategy.
- 2.49 Following its acceptance of the debt-cap government have indicated that legislation would be laid before Parliament in January 2022, subject to the consent of each of the MCA's four constituent South Yorkshire local authorities.
- 2.50 MCA and local authority officers have engaged on this issue, whilst the Department for Levelling Up Homes and Communities (DLUHC) have now formally written to each authority to seek those consents.

3. Options Considered and Recommended Proposal

3.1 Option 1

Adopt the budget revisions presented in this paper.

3.2 Approve the ARG top-up grant awards proposed.

3.3 Option 1 Risks and Mitigations

The budget estimate proposals within this report are fully funded and do not expose the MCA to any additional risk that has not been shared with the Board.

3.4 Option 2

The MCA could choose to not adopt the new budget estimates.

3.5 The MCA could choose to reject the grant awards detailed in this report.

3.6 Option 2 Risks and Mitigations

Should the MCA choose not to adopt the new budget estimates work on a number of the MCA's key priorities would have to cease or be deferred.

Should the MCA choose not to award the grants in the manner described, a number of businesses in South Yorkshire would be exposed to greater levels of financial hardship.

3.7 Recommended Option

Option 1.

4. Consultation on Proposal

4.1 None

5. Timetable and Accountability for Implementing this Decision

5.1 The Group Finance Director will be responsible for implementing budget adjustments and facilitating grant awards.

6. Financial and Procurement Implications and Advice

6.1 This is a financial report the details of which are in the main body of the document and supporting appendices.

7. Legal Implications and Advice

7.1 None.

8. Human Resources Implications and Advice

8.1 None

9. Equality and Diversity Implications and Advice

9.1 None.

10. Climate Change Implications and Advice

10.1 None.

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

- 1 Appendix including:
 - Gross expenditure by thematic area, directorate and management area
 - Reserves update
 - Gainshare update

Background Papers

None