



## **Lancashire Enterprise Partnership Limited**

**Private and Confidential: No**

**Date:** Tuesday, 22 June 2021

### **LEP - Finance Out-turn Report 2020-21**

(Appendix A refers to 2021 Final Out-turn statement)

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#### **Executive Summary**

This report requests that the Lancashire Enterprise Partnership Board notes the outturn budget for 2020/21.

#### **Recommendation**

The Lancashire Enterprise Partnership Board is recommended to note the 2020/21 outturn as summarised in this report.

## **Background and Advice**

### **Introduction**

This report summarises the operating budget outturn for 2020/21. The key points to note are that in overall terms:

- less money was spent than budgeted for in 2020/21
- additional income beyond that budgeted was received by way of interest on Growing Place Loans, Funds help on account and programme support costs
- the reserves position decreased from £2.474m to £2.175m

the resultant effect, is a greater carry forward to 2021/22 than was budgeted for. This means that the LEP can create the necessary organisational infrastructure and development to deliver its core objectives.

### **1.0 2020/21 Outturn Position**

1.1 The outturn position for 2020/21 is shown on Appendix A attached.



## 1.2 Income

All budgeted income was received as expected. In addition, during the year there have been several significant receipts which total £464.8k made up as follows:

- loan interest receipts from the Growing Places £286,899
- interest for LEP Funds held on account £90,399
- Additional BEIS Funds to administer the Getting Building Fund £87,500

## 1.3 Expenditure

*Staffing* – Overall, there has been a c£60k saving on staffing costs from those budgeted. This largely reflects the time taken to appoint a new Head of Strategic Communications and Programme Support Manager.

*Core running costs* – This includes the rent of the LEP offices and costs of subscriptions and expenses plus general administration costs. Despite not being able to use the LEP offices due to Covid, which delivered a small saving, a new charge has been introduced of £15,200 for Treasury Management Fees.

*Project Support* – £1.302m was allocated for Project Support and a saving of £1.02m was made. This was intentional, achieved by allocating Growth Deal Funds to Eden Project, saving £500k from the operating budget and making operational savings across several other budgeted areas. This to create headroom in the 2021/22 budget to create sufficient staff capacity and capability to operate effectively and respond to numerous opportunities as they present; particularly for capacity in strategy, policy and investment.

Projects supported included County of Culture and Pride of Place Blackpool and a small amount towards Festival of Making for the latter of which, most costs will be carried forward to 2021/22 as a result of delays due to Covid. New items of project support expenditure not anticipated at the start of the year include further Local Industrial Strategy support and development of the Strategic Framework.

*Marketing & comms* –£120k was budgeted in total. All anticipated costs were met, delivering a small saving of c£4k

*Fees and Charges* the budget of £260k was exceeded by c£18k, mainly attributable to the costs of temporary consultancy to fill gaps in strategic capacity.

*Restructure* – the budget of £180k was applied to consultancy support to provide temporary capacity. This temporary capacity was terminated within the year, pending appointment of new in-house staff. A new provision for staff indemnities of £100k was applied as a one-off item and in-year recruitment costs were minimal. A saving of c£57k was achieved.

## 1.4 Reserves

The impact of the above has been to decrease the reserves held by the LEP from £ 2.474m as at end March 2019 to £2.175m at close of the financial year.



## List of Background Papers

Paper

Date

Contact/Tel

insert details

Reason for inclusion in Part II, if appropriate

insert details