



REPORT TO GROWING MID WALES BOARD

26th January 2024

| | |
|---------|---|
| TITLE: | Proposed 2024/25 revenue budget for Growing Mid Wales Board. |
| AUTHOR: | Duncan Hall – Corporate Lead Officer: Finance & Procurement – Ceredigion County Council (MWGD Accountable Body) |

1. Purpose of the Report

1.1. To consider the 2024/25 revenue budget for delivery of the Mid Wales Growth Deal.

2. Decision(s) Sought

2.1. To approve the Annual Budget for 2024/25 as set out in Appendix 1.

3. Background and Relevant Considerations

3.1. Since the formal establishment of the Growing Mid Wales (GMW) Board via Inter-Authority Agreement in December 2019, development activity to date on the Mid Wales Growth Deal has largely been funded through spot contributions by the two Local Authorities and external grant funding (Welsh Government and Welsh European Funding Office (WEFO)). The Board operates under the Inter-Authority Agreement (IAA3) between Powys and Ceredigion Councils, with the Finance (Accountable Body function) falling under Ceredigion County Council.

3.2. Revenue support from WEFO, which was not part of the Joint Committee Budget, to help establish the Portfolio Management Office finished July 2023. Therefore funding for the Portfolio Management Office to continue administration and delivery of the Growth Deal will be sourced by top slicing the UK and Welsh Government Growth Deal contributions and from contributions from both Councils.

3.3. As per the Grant Award Letter for the Growth Deal capital funding will be released on an annual basis for delivering the Deal. The investment interest earned relating to this and subsequent grant payments will, on a net basis (e.g. after allowing for topslice costs), be set aside and allocated to the Growing Mid Wales accounts. The following profile has been proposed which will be administered via Welsh Government (incorporating UK Government's contribution from 2024 to 2031):

| 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| £4,000,000 | £11,857,143 | £11,857,143 | £11,857,143 | £11,857,143 | £11,857,143 | £11,857,143 | £11,857,143 |

| 2031/32 | 2032/33 | 2033/34 | 2024/35 | 2035/36 | 2036/37 | 2037/38 |
|------------|------------|------------|------------|------------|------------|------------|
| £4,000,000 | £4,000,000 | £3,000,000 | £3,000,000 | £3,000,000 | £3,000,000 | £3,000,000 |

3.4. The release of capital funding on an annual basis will allow the region to top slice the funding to support the costs of administering the Growth Deal. The amount of top slice requested for this purpose is assumed to be 4% and would be consistent with other funding programmes from Government (e.g. UKSPF). The top slice does not have to be a fixed %age each year and can vary from one year to the next - subject to it not exceeding 4% in totality over the life of the Growth Deal.

3.5. Reviewing and mapping Programme / Project delivery profiles against this funding profile will be critical as the Growth Deal moves to delivery phase.

3.6. The request for the Award of Funding/Grant Offer Letter from Welsh Government for the Growth Deal will be made by Ceredigion County Council, as the Accountable Body set out in the Inter-Authority Agreement.

4. 2024/25 Revenue Budget

4.1. A proposed revenue budget for 2024/25 for the GMW Board totalling £617,343 is outlined in Appendix 1 to this report.

4.2. The proposed budget would support the following posts:

- Growth Deal Operations Manager
- Digital Programme Manager
- Sites & Premises Programme Manager
- Projects & Performance Manager
- Portfolio Analysis & Support Officer
- Senior Service Support Officer (part-time)
- Senior Communications Officer (part-time)
- Democratic Officer (part-time)
- Strategic Lead Officers (contribution)

4.3. Resourcing requirements will be kept under review. The PAR (assurance review) due in May 2024 will provide a view on team resourcing with the shift from Development to Delivery. Specific roles noted above are also subject to change.

4.4. The proposed 24/25 Budget assumes revenue funding of £417,343 which is a 3.5% top slice based on the Year 2 Growth Deal Funding from both governments during 2024/25. This is subject to annual performance and approval from governments.

4.5. The £100,000 funding is proposed to continue each from both Powys and Ceredigion County Councils.

5. Recommendations

5.1. The GMW Board approves the Annual Budget for 2024/2025 of £617,343 as outlined in Appendix 1, which includes a £100,000 contribution each from both Ceredigion County Council and Powys County Council.

6. Legal Implications

6.1. The recommendation is supported from a legal point of view to ensure compliance with the Local Government and Finance Act 1972.

7. Human Resources Implications

7.1. There are no HR implications arising from this report.

8. Financial Implications

8.1. As outlined in the report.

9. Appendices – Appendix 1 Revenue Budget 2024/25.