

WEST OF ENGLAND COMBINED AUTHORITY COMMITTEE

08 April 2022

REPORT SUMMARY SHEET

WEST OF ENGLAND COMBINED AUTHORITY AND MAYORAL BUDGET OUTTURN REPORT

Purpose

To present the revenue budget forecasted outturn information for the West of England Combined Authority and the Mayoral budget for the financial year 2021/22 based on data for the period April 2021 to February 2022.

Summary

This report includes the following key information:

- Appendix 1 sets out the Mayoral Fund's forecast revenue out-turn position for the 2021/22 financial year, which, overall, is balanced a budget at year end.
- Appendix 2 sets out the Combined Authority's forecast revenue outturn position for the 2021/22 financial year which, overall, is projecting an end of year surplus of £268k. Main variations relate to surplus income from investments offset by a significant shortfall against the Combined Authority's budgeted income for the West of England 100% Business Rates Retention pilot;
- Appendix 3 sets out the revised 3-year forecasted revenue spend on Investment Fund projects and Appendix 4 details the increase in approved Government funded projects for 2021/22 compared to the budget that was set in January 2021.

Impact of Covid-19 pandemic

The Combined Authority has actively reviewed its key activities and work programme to reflect changing priorities as a result of the Covid-19 pandemic. Specific issues relating to the Covid-19 situation that impact on or are addressed through this report are as follows:

- The achievability of business rates growth targets will be kept under regular review as we move out of the pandemic. This has a direct impact on a proportion of WECA's core operating revenue budget.
- Concessionary fare payments to bus operators have been made in line with budgeted profile to maintain continuity of service, along with contract payments for supported bus services and payments to community transport providers.
- Payments to Adult Education providers have also been made in line with budgeted profile to maintain stability of the provider base.
- Activity, and corresponding budgets, will be kept under regular review over the coming months with government advice and guidance taken into consideration.

Recommendations

Members of the Combined Authority Committee are asked to:

- (a) Note the Mayoral Fund forecasted revenue outturn as detailed in Appendix 1.
- (b) Note the Combined Authority forecasted revenue outturn as detailed in Appendix 2.
- (c) Requests officers to undertake a risk-based assessment of reserves requirements as part of closing down the accounts for 2021/22;
- (d) Produce a paper for the next committee that reviews and forecasts the business rates position for 2022/23.

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