

Agenda item 6

Hertfordshire Growth Board (HGB) – Budget Summary for 2023-24 and 2024-25 Forecast

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1 Purpose of report

- 1.1 This report summarises Hertfordshire Growth Board (HGB) spend during the year 2023/24 and forecast spend for 2024/25. It also includes a recommendation to roll forward the business rates retention pilot funding for a further year to 2025/26 to cover staffing and operational costs to manage the Board.

2 Recommendations

- 2.1 Leaders are asked to note and agree the contents of the report, in particular:
- a) note the budget outturn for 2023-24 set out in Table 1 above, and
 - b) agree the proposed budget and commitments for 2024-25 set out in Table 2
 - c) agree that funds remaining at the end of 2024/25 (forecasted to be £852,000) are used to fund Growth Board activity in 2025/26, subject to annual review.

3 Background

- 3.1 Funding for HGB is drawn from the 2019 Herts Business Rates Retention pilot growth reserve committed for use by the HGB. The fund generated £4.2m (gross, excluding documented spend commitments). The balance for this reserve at the end of 23/24 is £1.515m.

4 2023/24 Hertfordshire Growth Board Spend

- 4.1 **Error! Reference source not found.** provides a summary of HGB spend during 2023/24

Table 1: Summary of Hertfordshire Growth Spend 2023/24:

Item	Budget Forecast	Actual Spend	Variance
Growth Board Dedicated Team:	£372,183	£392,372	£20,189 (1)
Director (1 FTE)			
Head of Strategy and Programmes (0.8 FTE)			

Programme Lead (now vacant)			
Programme Manager (1FTE)			
Programme Officer (1FTE)			
Comms Leads (0.2)			
Total	£372,183	£392,372	£20,189
HGB forecast funding			
Towards Digital Growth	£115,637	£75,404	£-40,233 (2)
Planning Resilience and Capacity - Validation service	£20,000	£19,665	£-335
Planning Resilience and Capacity - Planning symposium (3)	£20,000	£3,466	£-16,534 (3)
Reinvigorating Town Centres	£50,000	£50,000	£0
Growing Science & Tech (Cell & Gene focus)	£32,791	£32,781	£-10
Joint Review of Temporary Accommodation Review: Out of Hospital Discharge Implementation - contribution to Implementation Cost (4)	£35,000	£0	£-35,000 (4)
Hertfordshire Development Quality Charter	£0	£1,578	£1,578
HGB Refresh of priorities - public consultation (5)	£75,000	£59,100	£-15,900 (5)
HGB Priorities refresh - profile to be determined once priorities agreed – circa. £450k over 2yrs (6)	£150,000	£0	£-150,000 (6)
Total	£498,428	£241,994	£-259,590
Other			
Growth Board joint committee secretariat & support costs inc. AV	£1,782	£1,782	£0
Comms, marketing, website dev & hosting, e.g, UKREiiF	£20,000	£18,796	£-1,204
Engagement events	£6,000	£3,000	£-3,000
Room bookings, ancillary costs	£5,000	£8,746	£3,746
Total	£32,782	£32,324	£9,542
Income (Sponsorship)	£0	£-6,300	£-6,300
Grand Total	£ 903,393	£660,390	£-243,003

Explanations for significant variances:

- (1) Original Forecast did not include 2023/24 pay award

- (2) Towards Digital Growth contribution was lower than forecasted due to proposed new post not being recruited to
- (3) Cost of supporting 2 x planning symposium was lower than and raised £6,300 in sponsorship
- (4) Following exploration it was not feasible to take this work forward in the financial year. Feasibility will be determined by the housing mission steering group.
- (5) Cost of public consultation lower than forecasted
- (6) No spend yet required for implementation of new Missions. Funding to be brought forward into 2024/25

4.2 The HGB Progress Report (presented to Hertfordshire Growth Board in January 2024 [05b.-Agenda-item-5-appendix-2](#)) provided an overview of what has been delivered and impact to date using the above funding. However, of specific note:

- o Towards Digital Growth: the development of Hertfordshire Digital Connectivity and Inclusion Strategy which will result in an estimated 13,000 residents and businesses in Hertfordshire are being targeted for having gigabit connections installed in their properties by 2026. Commitment for Project Gigabit funding in Hertfordshire has been secured, targeting the roll out of full fibre coverage to around 7,000 premises in hard-to-reach and rural areas of the county. Work with the Department for Education has also resulted in a commitment to provide full fibre coverage directly to 30 schools in hard-to-reach areas of Hertfordshire.
- o Planning Resilience: Evaluation of the feasibility of a shared validation service, development of training and support framework for planners (including 2 x planning symposiums, mentoring and career progression scheme).
- o The launch of the Hertfordshire Quality Development Charter which nine Councils have either signed or are in the process of signing up to
- o Reinvigorating Town Centres: Specific tailored work with each local authority in Hertfordshire including business health checks, vacancy reduction initiatives, development of local champions and trader associations.
- o Growing Science & Tech (Cell & Gene focus): Support for Life Sciences campus, development of action plan and commissioning of Gunnels Wood report to be shared with HGB in the autumn.
- o HGB Refresh of priorities: online survey, in-person public engagement activity and workshop events with businesses resulting in 4,379 survey responses shaping the new Vision and Missions.

5 2024/25 Growth Board Forecast

5.1 Table 2 forecasts Growth Board Spend for 2024/25

Item	Budget Forecast
Growth Board Dedicated Team:	£381,000
Director (1)	
Head of Strategy and Programmes (0.8 FTE)	
Growth Programme Manager (1 FTE)	
Programme Manager (0.3 FTE)	
Programme Officer (1FTE)	
Comms Leads (0.2)	
Total	£381,000
HGB forecast funding	
Towards Digital Growth	£95,051
Invest Herts/ UKREiiF 2025 contribution	£50,000
HGB Mission Development Fund (£100K per/yr)	£100,000*
Evaluation of Growth Board and HGB activity	£20,000
Total	£265,051
Other	
Growth Board joint committee secretariat & support costs	£2,000
Website development and hosting, marketing and engagement	£10,000
Room bookings, ancillary costs	£5,000
Total	£17,000
Grand Total	£663,051

*It is proposed that the Missions Development Fund (£100k per annum) is made available over the two financial years 24/25 and 25/26 with approx. £200k to support the delivery of missions.

5.2 In terms of general funding for the HGB day to day operations, the HGB team will support the formal and informal board meetings, lead the coordination and implementation of the Vision and Missions and their delivery structures working with members and officers from across HGB, coordinate the work of Hertfordshire Infrastructure and Development Board, Hertfordshire Infrastructure and Planning Partnership (HIPP), lead on stakeholder, partnership and government engagement, communication and publicity around HGB progress (both locally and nationally), lobbying and advocacy as well as work with partners on the

identification and development of new initiatives, investment and funding opportunities.

- 5.3 In July 2022, HGB agreed to joint fund the Towards Digital Growth programme in partnership with LEP and Hertfordshire County Council over three years (22/23, 23/24 and 24/25). Going forward this programme will also include delivery of the HGB's Digital Access Mission.
- 5.4 The HGB Mission Development Fund will be available to support the development and implementation of Missions. Any requests for funding will be considered by Hertfordshire Growth Board Steering Group prior to approval and reported to the Board. The funding available is proposed to be spent over two financial years (2024/25 and 2025/26).
- 5.5 It is proposed that an evaluation of the Growth Board and the benefits the partnership bring is undertaken during 2024/25. As well as identifying these outcomes, the evaluation would help identify key areas where the Board and its activity could improve. It has been initially estimated that £40,000 would be required to cover the cost of appointing independent expertise to undertake the review, with £20,000 being spent in 2024/25 and the remainder spent in 2025/26.
- 5.6 The forecast of £663,051 spend in 2024/25 would leave £852,000 remaining in the 2019 Herts Business Rates Retention pilot growth reserve which could be used to fund 2025/26 HGB activity.

6 Implications

- 6.1 The Growth Board will continue to have oversight of the deployment and use of the above funds. Hertfordshire County Council s.151 Officer accounts for the fund on behalf of the Growth Board and the s.151 Officers of the partner Councils and there are no adverse financial implications arising from this report and its recommendations. HGB is using the fund in accordance with its jointly agreed priorities.
- 6.2 There are no adverse legal, equalities, environmental, sustainability or other implications arising from this report and its recommendations which support the ongoing work and priorities of the Growth Board.