



Swansea Bay City Region Joint Committee – 29 July 2021

## Joint Committee Statement of Accounts 2020/21

<b>Purpose:</b>	To seek Joint Committee’s approval for the SBCD Programme’s Annual Statement of Accounts for the 2020/2021 financial year.
<b>Policy Framework:</b>	Swansea Bay City Deal (SBCD) Joint Committee Agreement (JCA)
<b>Recommendation(s):</b>	It is recommended that Joint Committee:  Approves the 2020/2021 post-audited SBCD Statement of Accounts
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<b>Finance Officer:</b>	Chris Moore, SBCD S151 Officer
<b>Legal Officer:</b>	Tracey Meredith, SBCD Monitoring Officer

### 1. Introduction

Carmarthenshire County Council as the Accountable Body is responsible for the financial stewardship of the Swansea Bay City Deal. This is the second year the Swansea Bay City Deal Joint Committee has had to compile a Statement of Accounts in line with the Accounts and Audit (Wales) Regulations 2014, as amended in 2018. The Statement of Accounts has been reviewed by Audit Wales and the amendments noted in the ISA 260 have been included. Audit Wales intends issuing an unqualified audit opinion on these Accounts, which has been included within the Statement of Accounts. The Statement of Accounts is attached at Appendix A.

### 2. Statement of Accounts 2020/21

The Statement of Accounts present full financial statements for the financial year 2020/2021, as required by legislation.

To the period which ended on 31<sup>st</sup> March 2021, the expenditure incurred totalled £675k, with income contributions from partners, the ‘Top Slice’ of Government grant and a one-off assurance grant resulting in income totalling £583k. This resulted in a deficit position with the balance being funded from the City Deal reserve, which now demonstrates £215k in total.



Further income received by the Joint Committee included the second and third instalment of Welsh and UK Government City Deal Grant totalling £36m and generated interest of £34k on cash programme cash surpluses. Grant of £11.2m was dispersed projects during the year.

Accrued interest will be dispersed to projects on an annual basis apportioned on the basis of the City Deal grant award. This was approved at Joint Committee on July 10, 2020.

Debtor and creditor amounts represent contributions outstanding from partners and funders, and the amount owing to Carmarthenshire County Council as the Accountable Body.

### **3. Financial Implications**

The total annual expenditure of the Joint Committee was £675k, with income through partner contributions totalling £582k. This resulted in deficit position of £58k. This is as a result of a change in presentation of the “Top Slice” slice and a timing effect due to reduced grant being dispersed to projects within the year. The current reserves reside at £215k for the Joint Committee, and £43m for the portfolio investment fund.

City Deal grant totalling £36m and generated interest of £34k was accounted for within the year. To date one grant payment of £11.2m has been disseminated from the Accountable body, which was paid to the City and County of Swansea Council in respect of the Swansea Waterfront Project.

The estimated portfolio forecasted investment position (as at 31<sup>st</sup> March 2021) demonstrates an underinvestment of £126m (10%). Currently the portfolio is presenting a total investment over the fifteen-year life span of the Swansea Bay City Region Deal of £1.148bn, which is less than the original investment the region committed of £1.274bn. This is subject to fluctuation over the life span of the project and will be monitored quarterly through financial templates and through the Portfolio risk register.

### **4. Legal Implications**

The Joint Committee is required to approve a full set of accounts to comply with the Accounts and Audit (Wales) Regulations 2014, as amended in 2018

### **5. Alignment to the Well-being of Future Generations (Wales) Act 2015**

The Swansea Bay City Deal programme and its constituent projects are closely aligned to the Well-being of Future Generations (Wales) Act 2015 and the seven well-being goals for Wales. These alignments are outlined in a Portfolio Business Case for the SBCD, as well as in individual project business cases.

**Background Papers:** None

**Appendices:**

A: Swansea Bay City Deal Joint Committee - Statement of Accounts 2020/21