

# Annual Accounts 2016/17

**Hertfordshire**  
Local Enterprise Partnership

**PERFECTLY PLACED FOR BUSINESS**

# Foreword

Hertfordshire LEP was established in 2011 and its purpose is to accelerate economic growth in the county. Its three programme boards: Strategic Infrastructure, Enterprise & Innovation and Skills and Employment drive the development agenda.

The LEP has been awarded £221.5m through Growth Deal I and II and secured a further £43.9m from 2017/18 onwards for Growth Deal III. These grants are delivering Strategic Infrastructure such as the Metropolitan Line Extension, the A120 bypass and improvements to the A602; Enterprise & Innovation through the Broxbourne Enterprise Centre and a Knowledge & Innovation Hub at the University of Hertfordshire; and Skills & Employment including Airbus STEM Centre, Oaklands STEM Centre, and a Design & Innovation Centre at North Herts College.

The LEP continues to develop programmes throughout the funding period, which is currently until 2020/21 and future plans include the Stevenage First programme, Enterprise Zone development, as well as further investment in colleges and road infrastructure.

Hertfordshire County Council (HCC) is the Accountable Body for Hertfordshire LEP and provides financial, legal and technical assistance to support the LEP's Growth programmes. The LEP accounts are reported within and subject to external audit scrutiny as part of HCC year end accounts. The summary statements here are an Operational Income & Expenditure Statement for the period 1st April 2016 – 31st March 2017 and a Government Grant Funding statement as at 31st March 2017.

# LEP operational income and expenditure

The LEP receives two elements of grant funding from Central Government for its operational activities: core funding and strategy / capacity funding. HCC match fund the core funding element. The LEP also generates other sources of income including interest generated by investments and European Regional Development Fund Technical Assistance.

The LEP sets an annual Operational Plan which covers the running costs of the LEP's Boards and Executive Team. This includes staff salaries, office expenses, publicity & marketing and professional fees. The main activities of the LEP are to deliver the priorities identified in the Strategic Economic Plan (SEP) which pulls together the three programme boards mentioned above, along with Hertfordshire Growth Hub, The Careers & Enterprise Company, Visit Herts and the Enviro-Tech Enterprise Zone.

## Hertfordshire LEP Operational Income & Expenditure Accounts as at 31st March 2017

Income	2016/17
DCLG Income	£500,000
HCC Match Funding	£250,000
LGF Interest receivable	£94,270
ERDF Technical Assistance	£64,227
Other Income	£35,980
<b>TOTAL INCOME</b>	<b>£944,477</b>
Expenditure	
Staff	£589,311
Accommodation & Office Expenses	£113,409
Communications & Engagement	£79,508
Programme Support	£351,820
<b>TOTAL EXPENDITURE</b>	<b>£1,134,048</b>
<b>NET INCOME &amp; EXPENDITURE</b>	<b>-£189,571</b>
LEP Reserves: Operational	
Balance Brought Forward 01/04/16	£798,983
Balance of I&E above	-£189,571
Closing balance 31/03/2017	£609,412

# Government Grant Funding

The LEP undertakes a number of activities for which it receives specific grants from Central Government: Local Growth Fund, Growing Places Fund, Hertfordshire Growth Hub and The Careers and Enterprise Company, as shown in the table below:

## LEP Accounts: Government Grant funding as at 31st March 2017

	Local Growth Fund	Growing Places Fund	Growth Hub	Careers & Enterprise
Grant brought forward balance	£2,064,587	£6,901,879	£173,801	£45,084
Grant received in a year	£13,836,191	£0	£287,000	£151,811
Expenditure in year (-)	-£15,900,778	-£715,188	-£411,319	-£117,140
<b>CLOSING BALANCE</b>	<b>£0</b>	<b>£6,186,691</b>	<b>£49,482</b>	<b>£79,755</b>

## Local Growth Fund

This grant is received annually and is for projects agreed through the Growth Deals. 2016/17 was the second year of delivery of the Growth Deal, and the LEP spent the entire available grant for the year and the brought forward balance from 2015/16, as shown in the table below:

Local Growth Fund	Spend to 31/03/17
Metropolitan Line Extension	£4,000,000
West Hertfordshire College	£2,675,454
A120 Little Hadham Bypass	£1,665,000
Broxbourne Enterprise Centre	£1,357,724
South Oxhey Phase II	£1,276,737
Stevenage First: Airbus STEM Centre	£1,039,000
A602 Stevenage to Ware	£1,000,000
Knowledge & Innovation Hub, University of Herts	£1,000,000
Oaklands College STEM	£800,000
Stevenage First: Site Assembly	£416,306
Design & Innovation Centre, North Herts College	£400,000
Project Management Costs	£270,000
Skills & Equipment Fund: University of Herts	£105,656
Skills & Equipment Fund: West Herts College	£71,604
Skills & Equipment Fund: Oaklands College	£25,200
Skills & Equipment Fund: Hertford Regional College	£20,576
<b>TOTAL EXPENDITURE</b>	<b>£16,123, 257</b>
<b>Funded by</b>	
LEP Grant 2016/17	£13,836,191
LEP Brought Forward 2015/16	£2,064,587
LEP Operational Reserves	£222,479
<b>TOTAL</b>	<b>£16,123, 257</b>

## Growing Places Fund

This grant was received in 2012 and is to be used as a “recycling” fund to provide repayable loans for infrastructure, as well as grants for specific approved projects. During 2016/17, the grant was spent on feasibility studies for future planned major capital projects including Stevenage First, A10 and the Enterprise Zone.

## Enterprise Zone

The LEP is leading on the Enterprise Zone on behalf of Hertfordshire County Council, Dacorum Borough Council and St Albans City & District Council. In 2016/17 the LEP incurred net expenditure of £92,562 which will be recouped in future years as income starts to flow into the Enterprise Zone. The Enterprise Zone Partnership Board will receive finance reports from 2017/18.

<b>Enterprise Zone</b>	<b>as at 31st March 2017</b>
Enterprise Zone Manager	£64,624
Monitoring costs	£40,000
Daymedia	£1,500
Advisory support	£26,438
<b>REVENUE COSTS</b>	<b>£132,562</b>
<b>Income</b>	
Dacorum Borough Council	£5,000
St Albans City & District Council	£5,000
Hertfordshire County Council	£30,000
Transport Modelling	
Partner Contributions	£40,000
<b>NET INCOME &amp; EXPENDITURE</b>	<b>-£92,562</b>

## Hertfordshire Growth Hub

This grant is received annually for the support of SME businesses in the area (the grant is due to end in March 2018), this was the 3rd year of operation, and provides web based and face-to-face support to businesses.

## The Careers & Enterprise Company

This grant is to fund an Enterprise Advisor Network, which brokers more effective engagement between schools and local employers, by matching an Enterprise Adviser from local business or public sector with a local secondary school.

