



Glasgow City Region Cabinet

Report by Director of Regional Economic Growth

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PMO Budget and Member Recharges 2024/25

Purpose of Report

To present to the Cabinet the proposed Programme Management Office Budget and member recharges for financial year 2024/25.

Recommendations

The Cabinet is invited to:

1. Note the contents of the report; and
2. Approve the Glasgow City Region Project Management Office Annual Budget and member Recharges for 2024/25.

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1. Purpose and Budget

- 1.1 To present to the Cabinet the proposed PMO Budget and member recharges for financial year 2024/25 as per Appendix 1
- 1.2 The total budget for 2024/25 is £2,114,754 which is an increase of £363,765 from the 2023/24 approved budget. This increase can be explained by the following:
 - 1.2.1 A reduction in payroll costs of £33,338, due to the planned reduction in employer's pension contributions for 2024/25, offset by some incremental pay rises.
 - 1.2.2 A net payroll cost increase of £354,561, related to the previously approved post of Head of Place, 7 new posts as outlined below and 2 new summer intern posts offset by the Shared Prosperity Fund Manager (budget removed as funded from prior year carry forwards). It should be noted that the majority of these posts are partly or fully funded by income streams as detailed in section 2 and shown in Appendix 1.
 - 1.2.3 A small increase in third party costs of £3,765, principally related to external audit fees.
 - 1.2.4 An increase in other costs of £38,777, principally related to the Economies for Healthier Lives project, which is matched by budgeted income from the Health Foundation.
- 1.3 The total member contributions for 2024/25 amount to £1,347,438 which maintains the member recharges at 2022/23 levels continuing the no increase agreement from the 2023/24 budget. This level of recharge is expected to be funded by temporary loan interest earned on grant sums held, pending agreed allocation to members, and prior year surpluses.
- 1.4 It should also be noted that the budget does not yet contain the 3 year £1.5m total revenue funding from Scottish Government for Clyde Mission and discussions are ongoing with UK Government about capacity funding to support the Investment Zone implementation over the next 10 years.

2. Financial Considerations of proposed PMO Staff requirements

2.1 Intelligence Hub

Over the past two years, requests for support from the Glasgow City Region Intelligence Hub have continued to grow. These have come from individual Member Authorities e.g. providing support on Levelling Up Funding bids and evidence basis for Local Development Plans, and to support regional programmes such as City Deal Gateway 2 and City Region Investment Zone. Up until now, the team has grown slowly to meet the demands, however, with increasing asks and the need for new resources to support externally funded projects, there is a demand for significant numbers of new staff, as outlined in the next section.

- 2.1.1 The costs for these posts and sources of funding are noted below:
 - **Additional permanent Hub resource for current and emerging workload, Grade 8 Principal Economist and Grade 6 Intelligence Hub Analyst –** budgeted at £102,795 in 2024/25. This would be funded from member recharges.

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- **New Grade 8 Health Improvement Principal and Grade 5 Health Research Analyst on a four year and two year contract respectively for the [SiPHER project](#)** – the budgeted cost for 2024/25 would be £106,359 (the first year). The Region would receive funding for each of the four years amounting to £61,459 in the first year and rising to £67,151 in the fourth and final year.
- **Two Grade 7 project managers** – these would be employed for one year only and the budgeted cost for year one is £100,554 with the costs covered by the [5G Innovation Region project](#) funded by DSIT.

2.1.2 Further to this, one of the current Hub members of staff is on a 2-year fixed contract which has now expired. Given the demand for the services, it is proposed that this is converted to a permanent post. The current Budget is a grade 8 so there will be no increased funding requirement (other than incremental and inflationary increases).

2.2 Shared Prosperity Fund

An element of funding has been contributed from each Member Authorities' share of the Shared Prosperity Fund to form a regional Multiply project. This is principally to be used to fund a marketing strategy and from those funds it is intended to employ a Grade 6 Multiply Engagement Officer post for 1 year at a budgeted cost of £41,312.

3. Additional PMO Staff Requirements and Salary Recharges 2024/25

3.1 The Annual Budget at Appendix 1 includes provision for six full time posts to undertake a range of essential activities required by the Intelligence Hub and 1 Multiply Engagement Officer as set out below:

a) Principal Economist (1.0 FTE):

- Supporting the emerging direction of the Intelligence Hub;
- Taking an evidence based approach to developing initiatives aimed at tackling the Region's three Grand Challenges – addressing inclusive growth, enhancing productivity and tackling the climate emergency;
- Developing innovative approaches to better understand how the Region's economy functions and develop solutions to emerging economic issues;
- Identifying the need for Hub activity, developing the scope and delivering the work – with the assistance of the wider team. Presenting the work to senior management;
- Conducting economic research and analysis to provide socio-economic intelligence and insight to a wide range of stakeholders – focusing on a broad range of issues related to People, Business and Place;
- Using an evidence-based approach to make recommendations on a range of economic strategy and policies for the Region;
- Developing businesses cases for any new and emerging programmes / projects;
- Development of reports, briefings and presentations on a wide range of topics;
- Presenting the outputs of the team at stakeholder group meetings;
- Building relationships with a wide range of regional partners to increase the use of economic intelligence in regional policy making and delivery; and
- Managing the work of junior members of the team.

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b) Intelligence Hub Analyst (1.0 FTE):

- Using an evidence-based approach to conducting research into a range of socio-economic issues facing the Region;
- Assisting with review and interpretation of a wide variety of socio-economic datasets including labour market, productivity, business, demographic and poverty;
- Helping to produce reports and briefing notes which summarise the key points of analysis and provide insights to a wide range of stakeholders;
- Supporting and reviewing large datasets to identify insights to support the development of new policies;
- Helping to find new ways of gathering socio-economic data on the Region using non-traditional datasets;
- Assisting with the analysis of the socio-economic performance of the Region using key performance indicators;
- Helping to develop and maintain dashboards; and
- Assisting with developing content and visualisations tailored for public audiences (e.g. performance dashboards, infographics and maps) showcasing the region's economic performance.

c) Health Improvement Principal (1.0 FTE)

- Leading on the development and implementation of health-related programmes and projects for the Region;
- Supporting the emerging direction of the Intelligence Hub;
- Taking an evidence-based approach to developing initiatives aimed at tackling the Region's three Grand Challenges – with a primary focus on related health issues;
- Acting as embedded researcher, provide lead role for the Region on the SiPHER project;
- Take line management responsibility for one or more individuals in the delivery of the programme of work;
- Act as a subject matter expert on health economic related issues both internally and externally to wider stakeholders;
- Communicate research findings to a range of audiences both internal and external (verbal, written reports, and/or presentations);
- Provide advice internally and externally on how research findings translate into policy in relevant thematic area; and
- Take a lead role in evaluation of projects across the Region, including, but not limited to City Deal projects.

d) Health Research Analyst (1.0 FTE):

- Assist conducting research into a range of socio-economic issues facing the Region – primarily with a health focus;
- Provide support to the lead researcher on the SiPHER project;

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- Helping to produce reports and briefing notes which summarise the key points of analysis and provide insights to a wide range of stakeholders;
- Supporting and reviewing large datasets to identify insights to support the development of new policies; and
- Assist in the evaluation of projects and programmes across the Region.

e) Project Managers (2.0 FTE):

- Take project management lead for the Place and Environment and People and Wellbeing aspects of the 5GIR Region project;
- Initiate, plan, coordinate and manage the regional activities related to business readiness, education, and adoption across digital economy projects;
- Leading all readiness activities and ensuring the organisations are prepared for the changes; and
- Creating materials to support the user experience once the change is implemented.

f) Multiply Engagement Officer (1.0 FTE Temp for 1 year):

- Evaluation of / reporting on marketing activities and outcomes for the Multiple Project;
- Supporting the development of an Engagement Strategy for the Regional Multiply Comms and Marketing campaign;
- Supporting engagement activities across the Region / Delivering some bespoke engagement activities;
- Engaging with large local employers and agencies to enlist their support in promoting the scheme and providing them with information and online materials to allow them to do so; and
- Supporting the development of case studies.

4. Proposed Budget Impact on Carried Forward Balances from prior years

- 4.1 The Glasgow City Region carried forward balance at the start of 2023/24 amounted to £1.4m. By the end of the year it is anticipated that this will have reduced to around £1.1m, however, the unbudgeted grant interest income could pull this back to around £1.4m. The grant interest income continues to be unbudgeted due to the variable nature of the rates and timescale over which the grants are held.
- 4.2 In 2023/24 the £15m City Deal grant has been held for a longer time than usual due to the relatively small sum and the capacity for an interim allocation to distort the overall allocation for the year. This will not be replicated in 2024/25 when the grant is larger.
- 4.3 Similarly, the SPF grant in 2023/24 has been held for some time due to the need to agree and adjust the sum for regional projects, agree the revenue, capital and multiply split with the UK Govt. and finally draft revised drawdown agreements. This is not expected to be replicated in 2024/25.

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- 4.4 Overall the interest income in 2024/25 should be smaller due to the reasons stated above and may also be impacted by potential interest rate falls. Further, some larger commitments to be paid in the year will result in a further reduction to the surplus by the end of 2024/25.

5 Recommendations

- 5.1 The Cabinet is invited to:
1. Note the contents of the report; and
 2. Approve the Glasgow City Region Project Management Office Annual Budget and member Recharges for 2024/25.

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Glasgow City Region - City Deal Programme Management Office Annual Budget 2024/25				APPENDIX 1
Title	Original Approved Budget 2023/24 £	Impact of 'ers pension contribution, pay Inflation & Increments £	Budget Movements £	Proposed Annual Budget 2024/25 £
Total PMO Salary Costs	1,592,129	-33,338	354,561	1,913,352
Third Party Costs	55,535	0	3,765	59,300
Internal Audit Fees	22,575	0	725	23,300
External Audit	9,960	0	8,040	18,000
Marketing	10,000	0	0	10,000
Intelligence Hub:	10,000	0	-5,000	5,000
GAMS Software	3,000	0	0	3,000
Others	103,325	0	38,777	142,102
Provisions	2,000	0	0	2,000
Supplies	2,000	0	0	2,000
EfHL Costs	0	0	34,802	34,802
Sniffer for Climate Ready Clyde	88,000	0	0	88,000
Wildcat Applications - Cenefits licences	4,800	0	0	4,800
CITB Labour Market Tool (have 23/24?)	4,525	0	-1,025	3,500
Meetings, Workshops and Catering	1,000	0	1,000	2,000
Training	1,000	0	4,000	5,000
Total PMO, Intelligence Hub and Portfolio Development Actual and Projected Spend	1,750,989	-33,338	397,103	2,114,754
Funding				
SiPHER	0	0	-61,459	-61,459
Clyde Mission	0	0	-97,260	-97,260
5GIR	0	0	-100,554	-100,554
SPF Multiply	0	0	-41,312	-41,312
Health Foundation Funding	-74,007	0	39,205	-34,802
SPF Funding from Carry Forwards	-105,037	0	105,037	0
Intelligence Hub - Scottish Cities Alliance	-4,000	0	0	-4,000
Climate Ready Clyde from MA's 24/25	0	0	-88,000	-88,000
Funding from Member Authorities 24/25	-1,567,945	0	220,507	-1,347,438
Total Funding	-1,750,989	0	-23,836	-1,774,825
	Anticipated Reduction to Credit Recharge			339,929

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