



LEP Governance

Audit Report

the knot unites



Our Mission

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

Chief Internal Auditor

Deborah Harris

Lead Auditor

Adam Leeder

Report Status

Draft report issued 16th March 2018

Final report issued 12th April 2018

Draft Report Distribution

Simon Ablewhite, Strategic Financial Business Partner

David Nicholls, Project Manager

Peter Davenport, Economic Partnership Manager

Final Report Distribution

Darryl Evers, Director for Economy, Infrastructure and Skills

Simon Ablewhite, Strategic Financial Business Partner

David Nicholls, Project Manager

Peter Davenport, Economic Partnership Manager

Table of Contents

1	Executive Summary	1
1.1	Scope and Background of Audit	1
1.2	Summary of Audit Findings.....	1
1.3	Summary of Control Assurance Provided	3
2	Positive Assurance	4
2.1	Key Documents	4
2.2	Clear Governance Framework.....	4
2.3	Accounting for Funding.....	4
2.4	Decision Making	4
2.5	Identifying, Appraising and Prioritising Projects	4
2.6	Managing Performance	5
2.7	Milestones and Outcomes	5
2.8	Meeting New National Guidance	5
3	Control Weaknesses & Recommendations	6
3.1	Accounting for Funding.....	6
3.2	Decision Making	6
3.3	Identifying, Appraising and Prioritising Projects	8
3.4	Managing Performance	9
3.5	Milestones and Outcomes	12
3.6	Meeting New National Guidance	13

1 Executive Summary

1.1 Scope and Background of Audit

- 1.1.1 The Council is a member of the Stoke and Staffordshire Local Enterprise Partnership (SSLEP). The SSLEP is a partnership between business and the public sector in the Stoke and Staffordshire area, which oversees expenditure on infrastructure to deliver growth.
- 1.1.2 As the SSLEP is a recipient of public funds – primarily the Local Growth Fund – the Government requires the SSLEP to fulfil various governance requirements. The National Assurance Framework (NAF), which has recently been supplemented by best practice/guidance published by Department for Communities and Local Government (DCLG) and now known as the Ministry for Housing, Communities and Local Government (MHCLG) following the Ney Review, sets out the main governance requirements which the LEP must fulfil. The Council’s Section 151 Officer must complete an annual return to MHCLG setting out whether or not the LEP has discharged these obligations. This audit supports this process.
- 1.1.3 This audit reviews the SSLEP’s compliance, or otherwise, with requirements set out in the National Assurance Framework. The audit will also report on the SSLEP’s compliance, or otherwise, with new national best practice/guidance outlined by MHCLG in January 2018 – ‘Local Enterprise Partnership Governance and Transparency: Best Practice Guidance’. Whilst the audit generally focussed on cross-LEP controls, where a sample approach was taken to test specific implementation of controls then this was predominantly focussed on skills-based projects such as the Keele Innovation Hub or Skills Capital Equipment Fund.

1.2 Summary of Audit Findings

Control Objectives Examined	No of Controls Evaluated	No of Adequate Controls	No of Partial Controls	No of Weak Controls
The Local Enterprise Partnership (LEP) has a local assurance framework in place, as required by the Government’s National Assurance Framework (‘key documents’)	2	2	0	0
The LEP is operating under a clear governance framework (‘clear governance framework’)	6	6	0	0
The LEP local assurance framework sets out its arrangements for securing and accounting for funding and its rules governing the arrangements for the lawful and effective implementation and delivery of projects (‘accounting for funding’)	4	3	1	0
The LEP local assurance framework sets out the arrangements for decision making (‘decision making’)	10	8	2	0
The LEP local assurance framework sets out the arrangements for identifying, appraising and prioritising projects (‘identifying, appraising and prioritising projects’)	3	3	0	0

The LEP local assurance framework sets out the arrangements for managing performance of regeneration schemes ('managing performance')	4	2	0	2
The LEP local assurance framework sets out the arrangements for achieving milestones and outcomes ('milestones and outcomes')	5	4	1	0
The LEP local assurance framework responds to the requirements/guidance set as published by the Department for Communities and Local Government in January 2018 ('meeting new national guidance')	7	5	2	0
TOTALS	42	35	5	2

1.2.1 The following issues were considered to be the key control weaknesses:

Rec Number	Risk Rating	Summary of Weakness	Agreed Action Date
1	Low Priority	The SSLEP does not include the date on which the LEP will publish its annual accounts in its Local Assurance Framework.	30.6.18
2	Medium Priority	The SSLEP's scheme of delegation for recommending approval of projects for funding, and agreeing funding for projects, is not sufficiently clear.	30.6.18
3	Medium Priority	The SSLEP does not publish Joint Working Agreements to cover areas substantive of cross-LEP working, as stipulated in its Constitution.	30.6.18
4	Medium Priority	Not all SSLEP committees maintain a risk register as required by the SSLEP Constitution	30.9.18
5	Low Priority	The SSLEP Constitution contains contradictory statements on which SSLEP forum is responsible for oversight of the SSLEP-wide risk register.	30.6.18
6	Low Priority	The Local Assurance Framework does not specify a named individual responsible for overall SSLEP risk management, required by the SSLEP National Assurance Framework.	30.6.18
7	Low Priority	The Local Assurance Framework does not specify a named individual responsible for overall SS LEP value for money, as required by the SSLEP National Assurance Framework.	30.6.18
8	Medium Priority	The SSLEP does not place sufficient emphasis on using learning from project monitoring to inform future projects.	31.3.18
9	Low Priority	The SSLEP has, at times, missed deadlines for publication of minutes of meetings within the timescale required by national guidance since 28 th February 2018 and the SSLEP Constitution does not reflect new national guidance on timescales for publication of agendas/papers prior to, and minutes following meetings	31.3.18
10	Low Priority	The SSLEP's process for third party reporting does not include a facility for secure form reporting.	30.6.18

This report focuses on the weaknesses in the organisation's systems of control that were highlighted by this audit and recommends what Audit considers to be appropriate control improvements. This report contains a series of recommendations, which are ranked as high, medium, or low in the table below.

High	Medium	Low	Total
0	4	6	10

1.3 Summary of Control Assurance Provided

- 1.3.1 **Adequate** - We are able to offer adequate assurance as most of the areas reviewed were found to be adequately controlled. Generally risks were well managed, but some systems required the introduction or improvement of internal controls to ensure the achievement of objectives.
- 1.3.2 The SSLEP predominantly has appropriate controls in place against both the main Government guidance – as set out in the National Assurance Framework – and recent updates of that guidance published in January 2018. This audit highlights areas where the SSLEP could strengthen its existing controls – for example, introduce secure form reporting for third parties looking to raise concerns; and clarify schemes of delegation, which operate in practice but would not always be clear to external parties within the range of documents which make up the Local Assurance Framework. The audit also identified a range of easily addressed compliance points to ensure the SSLEP is adhering fully to national guidance – for example building on existing risk and value for money arrangements by identifying a named individual for each within the SSLEP’s Local Assurance Framework.

2 Positive Assurance

We attempted to establish whether the organisation's system of control for the following areas contained the key controls set out in national guidance. Through a combination of control evaluation and testing we confirmed that the following adequate controls were in operation:

2.1 Key Documents

- A Local Assurance Framework (LAF) is in place and updated following latest national guidance (November 2016).
- The above is supported by a letter to DCLG (now MHCLG) by the Section 151 Officer confirming the LAF has been adopted.

2.2 Clear Governance Framework

- The LAF contains a clear vision for the SSLEP, reporting back to a Board which has a private sector Chair and at least 50% private sector membership (including an SME representative).
- The LAF sets out the requirements for membership of sub-groups and diversity requirements to reflect the local business community.
- The LAF also makes clear rules governing conduct of Board members (as per the '7 principles of public life') and what scrutiny arrangements are in place for the SSLEP.

2.3 Accounting for Funding

- The SSLEP retains a Strategic Economic Plan (SEP) setting out key funding priorities.
- Where awards are made using government funding, arrangements are in place to openly advertise opportunities, assess applications, award through formal agreement and monitor performance – supported by a robust audit trail.
- The LAF clarifies accountable body arrangements

2.4 Decision Making

- The SSLEP has a dedicated website where people can check progress of Growth Deals and easily access key documents such as LAF and SEP.
- Freedom of Information Requests (FOI) requests are dealt with by the accountable body in-line with legislation.
- The SSLEP has ongoing engagement with the public about progress against the SEP and future SSLEP priorities.
- The LAF sets out priorities and mechanisms for maximising social value – including how beneficiaries can play a role in programme delivery.
- The accountable body ensures that the SSLEP makes decisions in-line with the LAF. The LAF clarifies circumstances where the accountable body would not comply with a SSLEP decision and sets out the process for resolving these conflicts.

2.5 Identifying, Appraising and Prioritising Projects

- The SSLEP publishes on its website a transparent approach to identify, commission, appraise and prioritise projects.
- The SSLEP sets out in its LAF how it uses data to identify whether an intervention is needed.
- The LAF also sets out the methodology used to calculate value for money from the SSLEP's programme – including how other options could be used to fund investment.

2.6 Managing Performance

- The LAF sets out monitoring arrangements for funded projects.
- Each business case states a named individual with responsibility for value for money.

2.7 Milestones and Outcomes

- The LAF sets out a requirement for funding proposals to have clearly defined inputs, activities, outputs and outcomes.
- The SSLEP ensures that commercial, financial and management arrangements are appropriate for effective delivery.
- The LAF sets out monitoring arrangements for funded projects.
- Monitoring and evaluation clearly ties back to the business case.

2.8 Meeting New National Guidance

- Minutes of meetings include a section inviting attendees to declare a declaration of interest;
- The SSLEP website sets out a standard process for holding confidential information to be discussed at meetings.
- The SSLEP had put in place, by 28th February 2018, a process for third parties and the public to report concerns, which provided assurance on confidentiality and provided a clear point of contact and response timetable.
- The SSLEP had posted a Whistleblowing Policy on its website by 28th February 2018.
- The SSLEP had posted an up-to-date register of interests on its website by 28th February 2018, which reflects national guidance.

3 Control Weaknesses & Recommendations

3.1 Accounting for Funding

3.1.1 *The Local Assurance Framework clarifies accountable body arrangements for funding and the date when annual accounts will be published*

The SSLEP does clarify the Accountable Body arrangements in a number of ways. For example, Section 47 of the SSLEP Constitution stipulates that it is the responsibility of the Accountable Body to produce final accounts for the SSLEP. The Section 151 Officer made an annual return to DCLG (now MHCLG) in November 2017 confirming that accounts were prepared

This review also confirmed that a set of financial Accounts for 2016/17 are available on the SSLEP website, as part of the SSLEP’s annual report.

However, the SSLEP’s Local Assurance Framework does not stipulate the date when accounts will be published. This is a requirement as per Section 3.6 of the Government’s National Assurance Framework, which requires all SSLEPs to “state when the annual accounts covering the Local Growth Fund and other funding sources received from government are published.”

Risk: The SSLEP’s Local Assurance Framework does not set out a date when the annual accounts will be published.

Recommendation 1		Summary Response	
Risk Rating:	Low Priority	Responsible Officer:	John Devlin, Programme Consultant
Summary of Weakness: The SSLEP does not include the date on which the SSLEP will publish its annual accounts in its Local Assurance Framework		Agreed Actions: The Programme Consultant has agreed to update both the SSLEP Constitution and the Accountable Body Agreement to specify the date when annual accounts will be published – date to be used will be 31 st July each year	
Suggested Action: Update both the SSLEP Constitution and the Accountable Body Agreement to specify the date when annual accounts will be published		Implementation Date: 30.6.18	

3.2 Decision Making

3.2.1 *It is expected that the SSLEP has a scheme of delegation stipulating levels of responsibility for signing off funding decisions*

As per Section 1.1 of the Government's National Assurance Framework, the SSLEP's Local Assurance Framework "must include a description of any schemes of delegation, and clarity on which body is responsible for signing off final funding decisions."

The SSLEP does not have a scheme of delegation explicitly referenced as part of its Local Assurance Framework. However, both the [LEP Constitution](#) and [Project Prioritisation Process](#) make some reference to roles for: a) approving projects; b) recommending projects be approved.

Approving projects - Section 10.1 of the SSLEP Constitution states that the SSLEP Executive is responsible for "approving new projects". This is confirmed by the SSLEP's Project Prioritisation Process which states that the SSLEP Executive Group will "agree priorities". However, the SSLEP Constitution suggests that this process may not be followed for projects funded by the European Strategic Investment Fund (ESIF). Section 27.1 of the Constitution states that the EU7 Programme Committee is responsible for "making recommendations on investments at the outline and full stages (to be approved by ESIF Committee prior to going to the Managing Authority for approval". At Section 27.2 of the Constitution, the Managing Authority is defined as Department for Communities and Local Government (now MHCLG) for ERDF funding and Department for Work and Pensions for the European Social Fund. Therefore, it is not entirely clear whether the SSLEP Executive Group is responsible for signing off funding for all projects or just some projects.

Recommending projects for approval - Different documents in the SSLEP Local Assurance Framework refer to different bodies recommending approval for funding. Section 17.2 of the SSLEP Constitution refers to the Strategic Programme Management Board (SPMB) overseeing "the submission and review of bids in respect of the Growth Deals and make recommendations to the Executive Group." Section 12 of the Project Prioritisation Process states "prioritisation work will be undertaken by the SSLEP Secretariat". Again therefore, it is not entirely clear which body is responsible for reviewing bids and making recommendations to the SSLEP Executive Group on which projects should be funded, and the extent to which this varies by funding type.

Risk: The LEP does not set out a clear, consistent and easy to understand scheme of delegation for approving funding for projects.

Recommendation 2		Summary Response	
Risk Rating:	Medium Priority	Responsible Officer:	John Devlin, Programme Consultant
Summary of Weakness: The SSLEP's scheme of delegation for recommending approval of projects for funding, and agreeing funding for projects, is not sufficiently clear.		Agreed Actions: The Programme Consultant has agreed to clarify a scheme of delegation for recommending approval of funding and actually approving funding, by decision making forum and funding type. This should be clear, for example, in the form of a flow chart, and uploaded as a separate document to the SSLEP's website as part of the Local Assurance Framework suite of documents.	
Suggested Action: The SSLEP should clarify a scheme of delegation for recommending approval of funding and actually approving funding, by decision making forum and funding type. This should be clear, for example, in the form of a flow chart, and uploaded as a separate document to the SSLEP's website as part of the Local Assurance Framework suite of documents.		Implementation Date: 30.6.18	

3.3 Identifying, Appraising and Prioritising Projects

3.3.1 *It is expected that arrangements for cross-SSLEP working are clearly documented.*

Section 46.3 of the SSLEP Constitution stipulates that “joint working agreements will form part of the SSLEP’s assurance framework and will therefore be made available on the SSLEP’s website.” However, whilst a review of the Annual Report 2017 suggests such cross working is in place (e.g. Midlands Engine, Midlands Connect, Constellation Partnership), no Joint-Working Agreements are published on the SSLEP website as part of the Local Accountability Framework.

Furthermore, SSLEP stakeholders consulted for this review confirmed that only one Joint-Working Agreement has been signed. This is with Cheshire and Warrington LEP regarding the Constellation Partnership. No Joint Working Agreements exist for the SSLEP’s other cross-SSLEP working projects. This is not always within the SSLEP’s control. For example, the Midlands Engine is a partnership of multiple LEPs and it is not immediately within the gift of the SSLEP to require a Joint Working Agreement to be put in place so that it can be put on the SSLEP website. However, SSLEP should raise this through the appropriate channels in order for the SSLEP to comply with its own constitution.

Risk: The SSLEP does not clarify how joint working agreements impact the organisation

Recommendation 3		Summary Response	
Risk Rating:	Medium Priority	Responsible Officer:	John Devlin, Programme Consultant
Summary of Weakness: The SSLEP does not publish Joint Working Agreements to cover areas of substantive cross-LEP working, as stipulated in its Constitution		Agreed Actions: The Programme Consultant has agreed to place Joint Working Agreement for Constellation Partnership on LEP website	
Suggested Action: Place Joint Working Agreement for the Constellation Partnership on the LEP website		Implementation Date: 30.6.18	

3.4 Managing Performance

3.4.1 *It is expected that the LAF clarifies arrangements for active risk management, led by a named individual.*

In the SSLEP Constitution the following committees and sub-committees are required to maintain a risk register:

- City Deal Growth Deal and Enterprise Zone Programme Management Strategic Board (SPMB) – Section 17.2;
- City Deal Growth Deal and Enterprise Zone Programme Assurance Group (a delegated sub-group of SPMB) – Section 22.1;
- European Strategic Investment Funds (ESIF) Committee – Section 27.1;
- The Board – 32.2 – “maintain and manage a risk register and appropriate mitigation plan;
- LEP Executive Group – Section 10.1.

The review requested to see risk registers from each of these forums. The only risk register available was for the City Deal Growth Deal and Enterprise Zone Programme Management Strategic Board (SPMB). Other SSLEP forums do not maintain their own risk registers, although both the Board and SSLEP Executive Group receive reporting against the SPMB risk register by exception. Therefore, the arrangements set out in the Constitution for the maintenance of risk registers by each of the SSLEP’s forums are not followed.

The SSLEP’s Audit and Finance Committee is charged (37.1) to “maintain and manage the over-arching SSLEP-wide risk register and associated mitigation plan on behalf of the Executive Group.” In reality, there is no ‘over-arching SSLEP-wide risk register’, only the risk register for the City Deal and Growth Deal – maintained by the SPMB and reported up to SSLEP Executive Group and SSLEP Partnership Board by exception.

Furthermore, the SSLEP Constitution is unclear about responsibility for maintaining oversight of a SSLEP-wide risk register, should it exist. Contrary to Section 37.1, Section

48.1 of the Constitution assigns maintenance of the SSLEP wide-risk register to the Strategic Funding Group. A discussion with representatives of the SSLEP suggested that this is an error in that the Strategic Funding Group no longer exists, with its roles now fulfilled by the SSLEP’s Audit and Finance Committee. The SSLEP Constitution should be updated to clarify this.

Finally, there is no named individual for managing risk in the SSLEP’s Local Assurance Framework. Section 4.5 of the National Assurance Framework states that all SSLEP risk arrangements “must include having a named individual of appropriate seniority who is responsible for the identification and management of risk.”

Risk: All funding streams overseen by the LEP are not supported by a risk register

Recommendation 4		Summary Response	
Risk Rating:	Medium Priority	Responsible Officer:	Peter Davenport, Economic Partnership Manager
Summary of Weakness: Not all SSLEP committees maintain a risk register as required by the SSLEP Constitution		Agreed Actions: The Economic Partnership Manager has agreed to improve arrangements for monitoring risk for funding streams other than City Deal/Growth Deal funding by creating a risk register for ESIF funded projects which is maintained by the ESIF Committee as per the SSLEP’s Constitution and create an overall risk register covering all funding streams	
Suggested Action: Improve arrangements for monitoring risk for funding streams other than City Deal/Growth Deal funding by creating a risk register for ESIF funded projects which is maintained by the ESIF Committee as per the SSLEP’s Constitution and create an overall risk register covering all funding streams		Implementation Date: 30.9.18 – Employment and Skills Committee 30.6.18 – ESIF Committee	

Risk: The SSLEP’s Local Assurance Framework is not clear on responsibility for managing risk

Recommendation 5		Summary Response	
Risk Rating:	Low Priority	Responsible Officer:	Peter Davenport, Economic Partnership Manager
Summary of Weakness: The SSLEP Constitution contains contradictory statements on which SSLEP forum is responsible for oversight of the SSLEP-wide risk register		Agreed Actions: The Economic Partnership Manager has agreed to clarify arrangements for oversight of the SSLEP's over-arching risk register – to be Audit and Finance Committee	
Suggested Action: Clarify arrangements for oversight of the SSLEP's over-arching risk register		Implementation Date: 30.6.18	

Risk: The SSLEP does not adhere to national guidance by not having a named individual responsible for oversight of risk

Recommendation 6		Summary Response	
Risk Rating:	Low Priority	Responsible Officer:	Peter Davenport, Economic Partnership Manager
Summary of Weakness: There is no named individual for managing risk in the SSLEP's Local Assurance Framework.		Agreed Actions: Audit and Finance Committee Chair to be appointed as named individual	
Suggested Action: Appoint a named individual for overall management of risk		Implementation Date: 30.6.18	

3.4.2 *It is expected that the LAF states a named individual with overall responsibility for value for money.*

In the SSLEP Constitution, the SSLEP's Audit and Finance Committee is charged to (37.1) "maintain strategic oversight of all SSLEP-led expenditure and investment to ensure that, taken together, it is coordinated and represents value for money". However, no named individual is mentioned in this document or elsewhere in the Local Assurance Framework.

Having a named individual is a requirement of the National Assurance Framework. Section 4.11 of the National Assurance Framework states that "The local assurance framework

must state that the Local Enterprise Partnership will identify a named individual with overall responsibility for ensuring value for money for all projects and programmes.”

Therefore the SSLEP is currently in breach of national guidance.

Risk: The LEP does not reflection national guidance by not having a named individual with responsibility for value for money

Recommendation 7		Summary Response	
Risk Rating:	Low Priority	Responsible Officer:	Simon Ablewhite, Strategic Financial Business Partner
Summary of Weakness: The Local Assurance Framework does not specify a named individual responsible for overall SSLEP value for money, as required by the LEP National Assurance Framework		Agreed Actions: The Strategic Financial Business Partner has agreed to update the SSLEP Constitution to identify a named individual responsible with overall responsibility for ensuring value for money for all projects and programmes – to be jointly Section 151 officer of Accountable Body and Chair of Audit and Finance Committee	
Suggested Action: Update the SSLEP Constitution to identify a named individual responsible with overall responsibility for ensuring value for money for all projects and programmes.		Implementation Date: 30.6.18	

3.5 Milestones and Outcomes

3.5.1 *It is expected that the SSLEP uses learning from monitoring to inform future projects*

The SSLEP uses a Business Case Assessment Template to evaluate potential funding opportunities. The template asks the person assessing a business case – “are there any lessons learned from previous experience in this area (across the SSLEP area and wider) and if so how are these being applied?”

A sample of three completed Business Case Assessment templates were reviewed to determine the extent to which the SSLEP considers potential ‘lessons learned’ as part of the business case assessment process. The findings from this review are set out in the table below.

Project	Content of assessment – direct quotation of recorded response in assessment
Keele Innovation Hub	“Section 13 Monitoring and evaluation refers to third

	party econometric evaluation to derive lessons for implementation”
Stafford Western Access Road	“Y/N”
Skills Capital Equipment Fund	“Experience of previous calls taken into account and applied”

Our review suggests that the SSLEP could place greater emphasis on ‘lessons learned’ when evaluating projects. Taking each example in turn:

- Keele Innovation Hub – The business case assessment only relates to how learning will be gathered from the proposed programme, rather than how historic learning has been applied to this programme;
- Stafford Wester Access Road – The business case assessment does not comment on application of lessons learned;
- Skills Capital Equipment Fund – Whilst the assessment states “experience of previous calls has been taken into account” there is no reference in the Business Case submitted as to how experience from previous calls has been applied.

Risk: The LEP does not sufficiently incorporate learning from previous projects into the evaluation of future projects

Recommendation 8		Summary Response	
Risk Rating:	Medium Priority	Responsible Officer:	John Devlin, Programme Consultant
Summary of Weakness: The SSLEP does not place sufficient emphasis on using learning from project monitoring to inform future projects.		Agreed Actions: The Programme Consultant will ensure that SSLEP places greater emphasis on application of lessons learned when evaluating potential funding proposals.	
Suggested Action: The SSLEP should place greater emphasis on application of lessons learned when evaluating potential funding proposals.		Implementation Date: 31.3.18	

3.6 Meeting New National Guidance

3.6.1 *It is expected that minutes are published on the SSLEP website within 10 working days of the meeting taking place*

This review tested whether the SSLEP complied with national guidance, which stipulates minutes of meetings must be published within 10 working days of the meeting taking place. This test was performed at a point in time (1st March 2018). Therefore, it was not possible

to test an extensive sample of whether minutes for meetings which took place prior to 16th February (10 working days prior) were published within the appropriate timescales.

However, a review of the ‘Minutes and Agendas’ section of the SSLEP website shows that minutes from the SSLEP Board meeting on 15th February had not yet been published. This was checked again on the 2nd March and the relevant minutes were still not published on this date. A further check was carried out on 8th March and these minutes had been uploaded. It should be noted that minutes for the following five previous meetings were also all published:

- Executive Group – 14th December
- LEP Partnership Board – 16th November
- Executive Group – 12th October
- Executive Group – 14th September
- Executive Group – 20th July

This suggests that the SSLEP is in the habit of publishing minutes of meetings held. However, the SSLEP needs to ensure that it is more prompt in future in line with national requirements.

In addition, the SSLEP Constitution needs to be updated to comply with national guidance as the Constitution does not stipulate the timeframe with which minutes should be published (i.e. 10 working days).

Risk: The LEP breaches new national guidance on the publication of papers for meetings

Recommendation 9		Summary Response	
Risk Rating:	Low Priority	Responsible Officer:	Peter Davenport, Economic Partnership Manager
Summary of Weakness: The LEP has, at times, missed deadlines for publication of minutes of meetings within the timescale required by national guidance since 28th February 2018 and the SSLEP Constitution does not reflect new national guidance on timescales for publication of agendas/papers prior to, and minutes following, meetings.		Agreed Actions: The Economic Partnership Manager will ensure that minutes of meetings are uploaded within 10 working days as per national guidance and update the SSLEP Constitution to reflect required timescales for publication of agendas/papers (5 working days prior to a meeting) and publication of minutes (10 working days following a meeting).	
Suggested Action: Upload minutes of meetings within 10 working days as per national guidance and update the SSLEP Constitution to reflect required timescales for publication of agendas/papers (5 working days prior to a meeting) and publication of minutes (10 working days following a meeting).		Implementation Date: 31.3.18	

3.6.2 *It is expected that the SSLEP has in place secure form reporting in place for third party complaints*

The SSLEP has an ‘Enquiries, Comments and Complaints’ policy posted on its website. Testing for this was done on the 1st March 2018. This suggests that the document was uploaded in time for the 28th February deadline set by central government. This is separate from the SSLEP’s Whistleblowing Policy, as required by national guidance.

National guidance published by central government in January 2018 requires the LEP to meet a series of tests for their complaints policy. These are:

- To provide assurance on confidentiality
- Offer secure form reporting
- Provide a clear point of contact
- Set out a clear response timetable

The table below tests the ‘Enquiries, Comments and Complaints’ policy against each point.

Requirement	Passed (Y/N)	Commentary
Provide assurance on confidentiality	Y	Page 5 contains a section on ‘Confidentiality’ which stresses “if a member of the public or a third party wants to make a confidential complaint or raise concern, it will be treated in confidence and every effort will be made to protect a person’s identity”.
Offer secure form reporting	N	People seeking to raise concerns are encouraged to do so in writing or via email and mark their complaint ‘confidential’.
Provide a clear point of contact	Y	Complainants are encouraged to contact Peter Davenport or Julie Frost.
Set out a clear response timetable	Y	The ‘Action Taken by the SSLEP’ section sets out response timeframes (e.g. 10 days to acknowledge the complaint, provide findings within 28 days or explain delay).

As noted in the table above, the only potential issue is related to the availability of ‘secure form reporting’. The SSLEP has discussed this with a representative from the Department for Communities and Local Government (Now MHCLG) and agreed that, because the email accounts provided for reporting are not shared accounts, this is an appropriate interim measure. This is also in-line with the approach taken by other LEPs. However, it

was agreed that the SSLEP will need to introduce secure form reporting as part of a longer-term solution.

Risk: The LEP breaches national guidance on third party reporting

Recommendation 10		Summary Response	
Risk Rating:	Low Priority	Responsible Officer:	Peter Davenport, Economic Partnership Manager
Summary of Weakness: The SSLEP's process for third party reporting does not include a facility for secure form reporting.		Agreed Actions: The Economic Partnership Manager will oversee introduction of secure form reporting for third party complaints.	
Suggested Action: Introduce secure form reporting for third party complaints.		Implementation Date: 30.6.18	

Disclaimer

The matters raised in this report are only those that came to the attention of the auditor during the course of the internal audit review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. SCC neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

