

Annex B: Section 151/73 Assurance Statement

The Section 151/73 Officer should here provide a report to the Annual Performance Review on their work for the LEP over the last twelve months and their opinion with a specific requirement to identify any issues of concern on governance and transparency. In particular, you should focus on any particular issues raised in Annex A Annual Performance Review Preparation. This should be sent to localgrowthassurance@communities.gov.uk copying the Cities and Local Growth Unit Area Lead by **16 December 2019. (max 500 words)**

The S151 Officer continues to work closely with the SSLEP, playing an integral part in establishing the limited company, acting as company secretary, supporting the development and implementation of the updated LAF, attending the Executive Board and other sub groups.

The S151 Officer provided the annual statement of assurance on 1st March 2019.

The Accountable Body continues to undertake due diligence on SSLEP activities, including ensuring grant conditions are complied with, public funds are protected, decisions and activities conform with legal requirements with regard to equalities, social value, environment, state aid, procurement etc.

The SSLEP has been subject to numerous governance checks during the year in addition to the previous APR, including audits on compliance with the NAF, compliance with Growth Deal and Core Grant regulations, CLGU desk top compliance check, and a Governance Deep Dive by CLGU compliance team. The outcome of these checks has been the implementation of a detailed improvement plan, which the S151 Officer has been directly involved in completing the actions and reporting progress to the Executive Board on a monthly basis.

There have been some other positive governance developments including a new grant agreement being put in place, a new scheme of delegation, and new financial and outputs monitoring dashboards being introduced.

A key issue of concern has been the capacity of the SSLEP to deal with the issues arising from the LEP review, together with developing the LIS. This lack of capacity is a direct result of the failure to receive the additional capacity funding due to the outstanding geographies issue. A further consequence of the lack of capacity has been the time it has taken to appoint Directors and the resultant issues with ensuring meetings are quorate, which has had the impact of delaying key decisions. Directors are now in place and I expect the position to improve at future Board meetings.

In respect of delivery, the level of Growth Deal grant that is not contractually committed (£22m) is a concern given the deadline of March 2021. A significant element of this however relates to 2 road schemes; CLER

(£8.6m), where the business case has recently been approved and the contract is currently being put in place; and Etruria Valley (£8.2m), a co-funded DfT retained scheme, where the SSLEP is waiting for confirmation that the DfT has approved the business case. If these schemes do not progress in line with the spend timetable, the SSLEP has a contingency plan in place. Formal contracts will shortly be in place for all schemes except for Etruria Valley, and there remains a minor amount of unallocated grant (£0.3m). It is expected therefore that all Growth Deal grant will be spent by the deadline.

In respect of the 2021 target outputs of jobs and houses, a full review has been undertaken during the year which has clarified the position. Whilst jobs targets will be exceeded by the deadline, the housing targets will not, primarily due to delays in key schemes (such those identified above). Longer term significantly more houses will be delivered than target.

The key financial challenge moving forward will be identifying the resources to support the implementation of the LIS and clarity over future potential funding sources is therefore crucial to this planning.

Signed:



Name: Simon Ablewhite

Position: Strategic Finance Business Partner, Accountable Body of SSLEP

Date: 16th December 2019