

# GLLEP FINANCE & AUDIT COMMITTEE

Thursday, 22<sup>nd</sup> October 2020 at 2.00pm

Via MS Teams

# Paper 0 - Greater Lincolnshire LEP Board Agenda

| Time | Item   | Lead                                | Additional Information                       |
|------|--|-------------------------------------|--|
| 2.00 | <b>1 Welcome, Apologies, Declarations of Interest</b> <ul style="list-style-type: none"> <li>Apologies for Absence and Declarations of Interest</li> <li>Matters arising</li> <li>Actions update</li> <li>Minutes</li> </ul> | Chair - Andy Orrey                  | Paper 0.1<br>Actions<br>Paper 0.2<br>Minutes |
| 2.05 | <b>2 Economic Overview</b>   | James Baty, LEP                     | Presentation                                 |
| 2.20 | <b>3 - FYE Financial Update</b> <ul style="list-style-type: none"> <li>Financial Report Quarter 2 2020-21</li> </ul>   | Linsay HillPritchard /Louise Higham | Paper 1                                      |
| 2.40 | <b>4 Auditor Selection</b> <ul style="list-style-type: none"> <li>Proposed scope and selection process</li> </ul>  | Linsay HillPritchard                | Paper 2                                      |
| 2.50 | <b>5 LEP Geography</b> <ul style="list-style-type: none"> <li>Transition arrangements</li> </ul>   | Ruth Carver                         | Verbal                                       |
| 3.00 | <b>6 Risk Register &amp; Review Terms of Reference</b>   | Laura Spittles                      | Paper 3                                      |
| 3.05 | <b>7 AOB</b>   | Chair - Andy Orrey                  |  |

**Attendees:** Andy Orrey, Steven Deville, Ian Knowles, Robert Griffiths

**Officers:** Ruth Carver (LEP), Linsay Hill Pritchard (Accountable Body LCC), Louise Higham (Accountable Body LCC), Laura Spittles (LEP)

**Guest speaker:** James Baty (LEP Policy and Research Manager)

**Apologies:** Kate Storey (LEP)

# Paper 1 - Greater Lincolnshire LEP Finances 20/21

|               |   |     |          |     |             |     |
|---------------|---|-----|----------|-----|-------------|-----|
| Publication   | Public Paper (published)                |     |          |     |             |     |
| Meeting date: | 22nd October 2020                       |     |          |     |             |     |
| Agenda Item:  | 3                                       |     |          |     |             |     |
| Item Subject: | Greater Lincolnshire LEP Finances 20/21 |     |          |     |             |     |
| Author:       | Linsay Hill Pritchard                   |     |          |     |             |     |
| For:          | Discussion                              | Yes | Decision | Yes | Information | Yes |

## 1 Summary

1.1 This report provides an overview of the financial position of the Greater Lincolnshire LEP and summarises the financial income and expenditure covering the period 1<sup>st</sup> April 2020 - 30th September 2020 i.e. quarter 2. We also provide an update on progress made against the LEP Improvement Plan.

1.2 The committee is asked to

- Review and approve the contents of the report
- Recommend the information is included on the agenda for the quarterly performance meeting of the Greater Lincolnshire LEP Board meeting on the 6th November.

## 2 Summary Budget for Financial Year 2020/2021

2.1 A revised budget for 2020/21 was proposed to the LEP board earlier in the year identifying expenditure to amount to £975k. This was to be funded by a combination of Core funding, earmarked reserves, grant income, fee income and interest.

2.2 As we started to understand the impacts of COVID, the LEP Board agreed to repurpose some existing programmes. This paper set out an analysis of all funds held by the LEP (including expected income and reserves) with a view to identify funds that had flexibility for the potential use of responding to the COVID crisis. The report detailed options on initiatives and activity that would benefit from re-purposed funds.

2.3 The LEP Board agreed the reallocation of £2.4m, with a contingency amount of funding for flexibility purposes of up £500,000 for future use. The LEP Board agreed that an immediate allocation of £700,000 of additional resources should be placed in core funding for the following broad activity:-

- A recovery plan £20,000 - near completion
- An Online events platform for recruitment fairs, Skills and LEP virtual conferences license and resource for a year during Recovery £20,000 - underway
- A new Digital Skills Post x 2 years £86,000 to explore and develop and lead a digital skills partnership
- Sector development lead to co-ordinate LEP activity with our sectors, VE, Manufacturing, Visitor Economy, Food, Defence. £86,000 over 2 years
- Support to the Manufacturing Board of £60,000 over 2
- Support for the newly formed Defence Board £40,000 over two
- Allocate funding towards the proposal to inform a Greater Lincolnshire and Humber LEP Joint Freeport bid to government (£26,221) - underway
- Allocate funding for 3 years towards resources for the Holbeach Food Enterprise Zone in Partnership with Lincolnshire County Council, South Holland District Council and the

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University of Lincoln, enabling the delivery of the FEZ work programme, supporting our agri-food sector and driving forward the vision for the 'UK food Valley' (recommended investment £132,500). Food Board Recommendation

- Resilient Lincolnshire - £10,000 - UOL - Digital Wall for business inspiration on resilience complete
  - Communications Intern x 2 years circa £40,000 to support the new programmes and grow the external communication with the business community, develop social media, the website, and facilitate engagement with the top 100 businesses. Underway
  - Flexible fund of £180,000 to respond to a fast paced agenda.
- 2.4 The First year activity and the contingency fund has been incorporated into the main budget giving a revised core budget of £1.432Million for the 20/21 period.
- 2.5 The board requested that in order to assign the remaining funding business cases should be developed for consideration on the following areas: Digitisation, responding to redundancies, supply chain and transforming skills. These will be brought back to subsequent board meetings for discussion and decision.
- 2.6 The LEP will continue to use earmarked reserves for existing committed activity e.g. Enterprise Skills, LEP review, manufacturing grant etc. and will hold a core reserve of Circa £300K as agreed previously by the F and A committee.

## 3 LEP Finances - Spend overview April - September 2020

- 3.1 The LEP have received £32.405 million of funding within the year including its core funding allocation of £500k and the 5<sup>th</sup> tranche of £18 million of Single Local Growth Fund following a successful annual conversation sign off. They have also received the first of two payments for the Getting Building Fund. The table below shows the income and expenditure from the period April to September 2020.

| Area                            | Income to September 2020 | Expenditure to September 2020 |
|---------------------------------|--------------------------|-------------------------------|
| LEP Operation Core              | £500,000                 | -£193,110                     |
| Enterprise Co-ordinator         | £95,773                  | -£68,376                      |
| Skills and Employment Manager   | £0                       | -£22,935                      |
| EM Manufacturing                | £0                       | -£50,000                      |
| EM Ambassador Network           | £0                       | -£5,004                       |
| LEP Review                      | £0                       | -£5,010                       |
| Future Proofing Coastal Tourism | £286,290                 | -£27,107                      |
| Skills Advisory Panel           | £75,000                  | £0                            |

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|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Career Learning(balance) | £0                 | -£28,273           |
| Feasibility Fund         | £0                 | -£24,286           |
| Business Investment Fund | £0                 | -£27,702           |
| Invest to Grow Loan Fund | £54,888            | -£164,772          |
| Single Local Growth Fund | £18,492,802        | -£2,639,933.00     |
| Getting Building Fund    | £12,900,000        | £0                 |
| <b>TOTAL</b>             | <b>£32,404,753</b> | <b>-£3,256,508</b> |

Expenditure for the period Q2 amounts to £3.257million. The revised budget is £1.431million and an exercise is currently underway to assess the expected outturn although current indication is that it will be between £970K and 1.2Million. This takes account of recruitment and procurement timeframes for particular activity.

## 3.2 The table below provides a summary on the main LEP finances:

£500k was received in year. Spend to September 2020 is £193K broken down as £109k LEP core staffing and other company expenditure £84k.

**Core Operational Budget** The spend % aligns with previous years at this time and the Accountable Body have requested that the budget forecast be revisited for the October - March period incorporating the additional monies from the Re-purposed COVID recovery Fund.

|            |   |
|------------|---|
| Core Other | <b>1.0 LEP Enterprise Advisor Network / Skills and Employment manager</b>   |
|            | £96k has been received in grant income payments following submission of activity claims. To date £68k has been spent on the Enterprise Co-ordinator initiative and £23k following the successful recruitment of the skills manager. |
|            | <b>2.0 Future Proofing Coastal Tourism</b>  |
|            | £286k has been received in income with 27K expended to September.   |
|            | <b>3.0 East Midlands Ambassador Network</b>   |

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|   |  |
|---|--|
|   | <p>A Small amount of spend £5,004 against the 50K reserve has been expended.</p> <p><b>4.0 SAP</b></p> <p>75k of income has been received but there has been no spend allocated to date. A budgeting forecast has been requested from the skills lead.</p>   |
| Feasibility Fund                              | <p>Two payments have been made this financial year:</p> <ul style="list-style-type: none"><li>• £9,258 - Cleethorpes</li><li>• £15,029 - E factor</li></ul> <p>This sees the conclusion of the current feasibility contracts. There is a balance left of £9,646 from the original fund that will now be merged with the commissioned fund resulting in a balance of £201,580. This fund will be moved as part of the COVID recovery fund.</p>  |
| Greater Lincolnshire Business Investment Fund | <p>Within 2020/21, 1 project has been approved and contracted to a total value of £340,000.</p> <p>A management fee of 15K (Greenborough) and project payments to the value of £12,702 have been made in the period.</p>   |
| SLGF  | <p>With the first quarter the LEP has received its final tranche of SLGF. The allocation is £18.492m. This was split in 2 payments with the second payment being received following a successful mid-term review.</p> <p>Project claims have been submitted for the April to June period and these have now been processed by the team. The Quarter 1 Dashboard was submitted to government on the 22nd August following claim reviews.</p> <p>£2.640 m has been expended to Sept 2020 but this only accounts for the quarter 1 claims. Claims have now been received for quarter 2 and are currently under review. From an initial assessment grant claims are down by £3Million for that period.</p> |
| Invest and Grow Loan                          | <p>Long term investment Loans are currently £4,085,228 as follows:</p> <ul style="list-style-type: none"><li>• £3.5m - Chestnut Homes - Boston Quadrant</li><li>• £585,228k - The Lincolnshire Bomber Command</li></ul>  |

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## Memorial.

We have received 50K in loan repayment back from IBCC and the balance of interest related to period to £4,888. The figures above have also been adjusted following the decision to convert £164,772 of Loan into grant for IBCC.

£1,908,428 is available for Loan. MHCLG has confirmed that we have greater flexibility with the Loan Funding but it must be for capital purposes. This will be considered further by the LEP Board.

£1,492,711 had been identified as available for grant/flexibility and this will form part of the wider COVID Recovery Fund once business cases have been received.

A further £182,839 of interest payments is estimated from projects by year end.

The LEP have continued to promote the loan fund via the website and through wider marketing activities. This generated 12 enquiries but only one of these converted to an actual Expression of Interest application which the board approved, but ultimately the project did not require a loan.

The LEP has also specifically targeted high priority and high/medium priority projects in the GLLEP Project Pipeline, contacting them directly with details about the availability of the loan fund. None of these projects have submitted an Expression of Interest, generally because they are seeking grant and not loan funding.

## 4 Highlight on funding areas

### 4.1 Greater Lincolnshire Business Growth Fund

The table below provides a breakdown and detail of the contracts awarded to date. To date the projects have created 79 new jobs (39% of total contracted) and safeguarded 21 (95% of total contracted).

| Company              | Location | Project Summary  | Grant    | Intervention rate |
|----------------------|----------|--|----------|-------------------|
| Tong Engineering Ltd | Spilsby  | To create a new production facility, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by ensuring the business meets its growth aspirations. | £500,000 | 20%               |

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|                                  |                |   |            |     |
|----------------------------------|----------------|---|------------|-----|
| SDG Access Ltd                   | Navenby        | To build a new bespoke business premises, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by enabling the company to deliver against their growth aspirations.   | £151,346   | 30% |
| Wolds Manufacturing Services Ltd | Louth          | To build a new manufacturing facility, enabling the company to significantly improve production efficiency ensuring they have the capacity to meet increasing customer demand and deliver against future growth plans.  | £327,653   | 30% |
| Sleaford Building Services       | Sleaford       | To purchase and develop a new building consolidating all of their 3 current sites into one. This will allow SBS to increase their manufacturing output and help the business achieve their long term growth plans.  | £298,072   | 30% |
| Wise Software (Orderwise)        | Saxilby        | To build a robotics production unit and a full scale warehouse facility for the testing and demonstration of their robotics package, including a picker warehouse automation system - a new arm to the business. This will increase their product portfolio and sustain the long term growth plans for a major employer in the area.  | £218,806   | 20% |
| ParkAcre Enterprises Limited     | Hemswell Cliff | To build of a new warehouse facility and the development of an Innovation centre. The new warehouse will allow the Recipient to increase their manufacturing facility, removing the bottlenecks that are stunting business growth and develop an Innovation Centre for long term new product development. This will allow ParkAcre to increase their production output and help the business achieve their long term growth plans, critical for a major employer within the area. | £500,000   | 20% |
| Genfrost                         | Boston         | The project is to get Genfrost ready for expansion and growth and be primed ready to exploit new market opportunities. The project is split in to 2 elements. Element 1 involves developing the office block to take on more staff and element 2 sees the investment in significant capital equipment to ramp up manufacturing.   | £340,000   | 30% |
| Total grant award                |                |   | £2,037,805 |     |



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£1.339million has been paid in grant to date and £812K remains in the fund to be released to project applicants. SBS Ltd has been withdrawn from the programme and is under review following an appeal from the applicant.

## 4.2 Commissioned Feasibility Fund

The LEP entered into 12 contracts with a contracted value of £802,670 providing £339,585 of grant. These 12 contracts have all now financially completed and saw a final spend of 587,120 receiving 239,558 grant. The Advance Food Factory Scheme project has since received funding from the SLGF and so this Feasibility Grant funding (£50,000) was not needed. The A15/A46 scheme did not come forward.

The fund has helped two projects go on to receive SLGF funding, these are the Holbeach FEZ and Huttoft Visitor Boat Shed. The Gradus Business Centre also went on to submit an Outline Business Case to MHCLG for ERDF funding.

Other success stories include the Verge Biomass project which had a successful trial, appearance on BBC's Countryfile and are now still working on improvements and upgrades to the machine with a further 2 trials are anticipated and the Utility Feasibility Option Appraisal project which saw Greater Lincolnshire provided with £40K of funding from BEIS to develop an energy strategy for Greater Lincolnshire.

The table below provides a grant breakdown of contracted schemes.

| Project   | Contracted value | Claimed value     | Underspend        |
|---|------------------|-------------------|-------------------|
| Grantham Enterprise Village   | 50,000           | 25,616.18         | 24,383.82         |
| Grimsby Western Access Route - Strategic Road Link (SRL)              | 25,000           | 21,600.00         | 3,400.00          |
| Beevor Street, Lincoln (Lincoln Science and Innovation Park)          | 50,000           | 26,656.31         | 23,343.69         |
| Utility Feasibility Option Appraisal                                  | 37,500           | 37,500.00         | -                 |
| Holbeach Food Enterprise Zone   | 34,000           | 17,627.90         | 16,372.10         |
| Feasibility Project for an Online Course for Self-Employment          | 5,000            | 1,699.60          | 3,300.40          |
| British Steel Scunthorpe Development Feasibility Study and Masterplan | 20,000           | 1,970.00          | 18,030.00         |
| Verge Biomass Harvesting for energy generation                        | 50,000           | 50,000.00         | -                 |
| Cleethorpes Station Quarter   | 35,000           | 30,325.00         | 4,675.00          |
| Huttoft Boat Shed Visitor Centre                                      | 4,534            | 4,534.00          | -                 |
| Gradus Business Centre  | 7,000            | 7,000.00          | -                 |
| E-Factor Incubator  | 21,551           | 15,028.80         | 6,522.20          |
| <b>Total</b>  | <b>339,585</b>   | <b>239,557.79</b> | <b>100,027.21</b> |

## 4.3 Growth Deal Summary

The contractual commitments in place total £362.4m with £123.7m relating to growth deal grant funding. We have £34m of grant left to spend on the programme by 31 March 2021, when we take into consideration the repayment of monies in previous years and reconcile adjusted projects.

Nine of the projects (Boole Technology Centre, Tentercroft Street Growth Corridor, Go Skegness Sustainable Transport, Sutterton Roundabout, Holbeach peppermint Junction, NEP 7, Lincoln Transport Hub, Bishop Burton College, Grantham Technology and Innovation Centre) have completed with a total investment of £66.060 and received £34.60 million of SLGF grant enabling £31.46 of match funding. In addition, eight of the nine housing schemes within the Unlocking Rural Housing Programme have fully completed along with two of the four projects under the auspices of the Skills Capital Investment Fund Programme (EMAT, Boston and Digital Skills Hub, Stamford).

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We continue to monitor projects with regards outputs and to date these projects have achieved

- 579Jobs
- 3,430 Sq. ft. of skills space
- 1,204 new learners
- 5,472 Sq. ft. commercial/employment space
- In addition they have supported over 150 businesses and helped 11 business expansions and evidenced additional private/public sector investment of £3.4million.

In addition two of the project programmes have seen success. The Unlocking Rural Housing Programme has delivered 8 of their 9 schemes and the Skills programme has completed 2 of 4 schemes. This sees further investment of £34million with £5.5Million of grant spend.

When Covid-19 took effect several Growth Deal schemes were unavoidably delayed, however most schemes are now progressing on site or have clear revised programmes for delivery. Grant recipients continue to be very helpful in keeping GLLEP fully informed of impacts, programme changes and progress being made.

Although 21 schemes remain on track to deliver fully by 31 March 2021 and will release circa 19Million of grant in 2021 a few projects advised that spend would slip.

We identified that 5.82% of the total programme grant will be spent post March 21 and it was recommended and agreed with the Investment Committee that this be covered by Offset.

All projects had a monitoring visit in September prior to claim submissions. The visits had highlighted some additional delays in spend for the Q2 period and also potential impacts on output delivery. This is under review as we process the claims and will report a position to board in November.

## 4.4 Future proofing the Coastal Economy - Coastal Community Fund

The primary focus of the 370K project is to fill skills gaps in the coastal community around seasonal needs, improve the quality of life of residents on the coast and provide a quality year round visitor economy, which allows local businesses to grow and become sustainable with a local supply of skilled reliable staff.

- Supporting coastal visitor economy businesses to survive and thrive
- Supporting coastal communities to access employment, and develop their careers, through raising aspirations and up- skilling
- Training provision and support will be for both employed and unemployed individuals
- It must not duplicate training that is already available

6 Coastal Champion Videos have been produced and distributed to showcase young people who have undertaken on-going skills training with their businesses and progressed through the company. These videos have been produced to highlight the career opportunities available in the Visitor Economy Sector.

A program of courses had been procured to commence with learners in 2020. COVID 19 has impacted dramatically on the Visitor Economy Sector on the Coast and all face to face training had to stop. Lincolnshire Chamber have been procured to work with the Coastal BID to develop an online learning portal for businesses to access training online, this should be available by winter 2020. In the interim the National Caravan Council has uploaded all their courses online for our

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caravan businesses to continue training and work is being undertaken with providers to put units of their courses online where applicable.

## 5 Reserves

The LEP holds a number of reserves to allow a response to operational pressures and deliver their agreed business plan priorities - a number of which are required to be accessed in this financial year. The table below shows the amounts of reserve that are currently held in each of the 3 identified classifications:

| Name of Fund  | Balance at 31st September 2020 |
|---|--------------------------------|
| Cash Balance 1 - Core Funding, Reserves and other cash balances | £2,291,639                     |
| Cash Balance 2 - Growing Places Fund ( Invest to Grow)          | £4,616,367                     |
| Cash Balance 3 - Single Local Growth Fund                       | £32,529,633                    |
| <b>Total</b>  | <b>£39,437,639</b>             |

The Accountable Body is working with the finance team to align the reserves following the re-purposing exercise. Funds in Cash balance 1 and 3 are committed. Cash balance 2 has a combination of committed funds and uncommitted but as identified above these will change when the next phase of re-purposing is undertaken.

## 6 Getting Building fund

The LEP have been awarded £25.8 million for six schemes under the Getting Building Fund. Each scheme will flow through the application process and due diligence prior to review and decision making by the Investment Board in November. All monies to be spent by March 2022 and we have been advised through the Grant determination letter that the first Tranche of monies to be spent by March 21 is £12.9 million. The team are working with government to assess the use of freedom and flexibilities to ensure the spend target is reached.

### 6.3 Six schemes allocated funding are:

- The Centre for Innovation in Rural Health - The brand new state-of-the-art category two laboratory will be located within the University of Lincoln's Medical School and will act as an investment magnet to support high skills jobs, and drive the growth of the health and care sector. UOL
- Holbeach Food Enterprise Zone - Investment into this project will be focused around supporting infrastructure and helping the South Lincolnshire FEZ to capitalise on the nationally significant food-tech and agri-tech sectors. While supporting Greater Lincolnshire's largest industry, this project will create 973 new jobs. LCC

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- Skills Capital Investment Programme - This project will help Greater Lincolnshire to address potential job losses, enabling up-skilling and diversification. The programme will occupy a 3,800 sqm new training space, help to support 988 new learners and provide 390 new training places. A call for scheme closed on 8<sup>th</sup> September.
- Lincoln Science and Innovation Park (Phase Two) - At the core of this campus will be an R&D institute, funded by this project, jointly developed with the University of Lincoln with a focus on intelligence, surveillance, reconnaissance, digital communications and cyber technologies, helping to assist 125 new learners all while creating 50 new jobs. Science Park
- Killingholme Pumping Station - ABLE Marine Energy Park - A new pumping station and other drainage infrastructure will be built to facilitate further development of the South Humber Bank, creating 1,500 new jobs.
- Greater Lincolnshire Cycling Programme - Scheme 1 - The Immingham to Grimsby Cycle Superhighway - This scheme will provide a high quality and safe off-road cycle link to allow sustainable access to employment sites and training opportunities across the South Humber Bank between Grimsby and Immingham.

# Paper 2 - Financial Audit Future Years

|               |                                    |     |          |     |             |  |
|---------------|------------------------------------|-----|----------|-----|-------------|--|
| Publication   | Public Paper (published)           |     |          |     |             |  |
| Meeting date: | 22nd October 2020                  |     |          |     |             |  |
| Agenda Item:  | 4                                  |     |          |     |             |  |
| Item Subject: | Financial Audit Future Years       |     |          |     |             |  |
| Author:       | Linsay Hill Pritchard/ Kate Storey |     |          |     |             |  |
| For:          | Discussion                         | Yes | Decision | Yes | Information |  |

## 1 Summary

- 1.1 In order to procure services and pre-book audit dates, the audit scope needs to be agreed in advance.
- 1.2 The committee is asked to
- Agree the scope of the Audit
  - Agree to the selection of the Auditor through a procurement process
  - Agree to make the decision on Auditor selection through written procedures
  - Following the decision make a recommendation to the LEP Board and subsequently the AGM.

## 2 Audit scope and Selection

- 2.1 The audit of the LEP finances has been undertaken by Duncan and Toplis for the last 2 years. Their term has come to an end following a procurement exercise undertaken in 2018/19.
- 2.2 To ensure on-going value for money, it is proposed that we obtain 3 quotations for services to undertake the LEP audit for the next 2 years.
- 2.3 Due to the timeframes for meetings the Finance and Audit Committee are asked to select the auditor following the procurement exercise via written procedures in order for the secretariat to complete the engagement and book audit dates for July 2021.
- 2.4 The Scope of the audit has remained consistent through several years and has included:
- A review of activity for the financial year period
  - Determine if revenues are reasonable and are properly controlled and appropriately recorded
  - Review project accounts expenditure and determine if they are compliant with LCC policies, grant agreements and financial regulations
  - To ensure that the organisation properly and effectively discharges its responsibilities with regards to financial management.
  - Review of the relevant assurance documentation and ensure that it is fit for purpose including a Project file walkthrough.
- 2.5 The Audit will primarily look at the financial report that is produced on all funds held by the Accountable body on behalf of the LEP. This report is agreed in draft by this committee and

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is recommended to board following the audit. Details of this are used to inform the Annual Report document and are published to ensure full transparency on the LEP finances.

- 2.6 The Committee should note that the LEP hold many more funding sources from a variety of channels each with prescriptive requirements to enable audit sign off. The last audit identified that this caused an increase in the number of days needed to complete the audit and we should expect that the costs of the audit are likely to increase on previous years.
- 2.7 To enable appropriate quotes it is advised that the procurement exercise should include general scope and a full table of all funding areas that will need audited. Aligned to this will be to build in some contingency should further funds be allocated to the LEP.
- 2.7 Final audit reports are reviewed by the committee and placed on the Greater Lincolnshire LEP website. The latest audit report and financial statement can be found in the Corporate Governance section.

## LEP Strategic Programme - Risk Register

16-Oct-20

| Ref | Category / Theme          | Description   | Consequences   | Current likelihood | Current impact | Overall level | Mitigating actions   | Owner                                       | Residual likelihood | Residual impact | Residual level | Status | Next review |
|-----|---------------------------|---|--|--------------------|----------------|---------------|--|---|---------------------|-----------------|----------------|--------|-------------|
|     | Geography                 | Failure to achieve a timely resolution to the LEP transition issue  | Lack of compliance with government requirements<br><br>Unable to draw down funds   | Possible (3)       | Medium (3)     | Amber         | Focus on areas of collaboration and joint working to achieve common objectives.<br><br>Bring in additional resource to develop appropriate governance structures.<br><br>Acknowledge all scenarios until decision made.                        | <b>Ruth Carver</b><br>Chief Executive       | Unlikely (2)        | Medium (3)      | Amber          | Open   | 15-Jan-21   |
|     | Funding                   | Changes to LEP boundaries reduces the amount of ESFA funding available (as it is linked to ESF / ILRs)  | Unable to draw down funds until geography issue resolved.<br><br>Future funding is reduced.  | Unlikely (2)       | Medium (3)     | Amber         | Early decision on boundaries.<br><br>Early assessment of funding implications.   | <b>Clare Hughes</b><br>Skills Manager       | Unlikely (2)        | Medium (3)      | Amber          | Open   | 08-Nov-20   |
|     | Resources                 | New developments, particularly the pandemic place a significant pressure on the small teams ability to maintain the running of the LEP and deliver on the strategy for the Board. | Missed deadlines.<br><br>Lack of compliance.<br><br>Unable to draw down funding.   | Likely (4)         | Major (4)      | Red           | Use the programme plan to identify gaps and pinch-points.<br><br>Use capacity funding to buy in specialist capacity and expertise.<br><br>Secure temporary support where possible.<br><br>Re-allocate tasks to ease pressure on the core team. | <b>Ruth Carver</b><br>Chief Executive       | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Performance               | Annual Performance Review results in a Requires Improvement (RI) rating   | Enhanced scrutiny during 2019/20<br><br>Additional effort required to evidence improvement<br><br>Funds held back.   | Possible (3)       | Medium (3)     | Amber         | Agree improvement plan with government.<br><br>Bolster arrangements around the RI elements   | <b>Ruth Carver</b><br>Chief Executive       | Unlikely (2)        | Minor (2)       | Green          | Open   | 01-Feb-21   |
| 4   | Change of National Policy | A political change in policy caused by election or other political event at both national and local level provides difficult circumstances for LEP operation.                     | Change in policy leads to diminished support and finance available for LEPs  | Possible (3)       | Major (4)      | Amber         | Embedding LEP activity into national and local political landscape and economic environment.<br><br>Planning ahead to predict and respond to the changes.<br><br>Maintain a reflection of national policy in LEP programmes.                   | <b>Ruth Carver</b><br>Chief Executive       | Possible (3)        | Minor (2)       | Amber          | Open   | 15-Dec-20   |
| 8   | IT System                 | Loss or reduction of IT systems   | Complete failure or reduction of IT system would make LEP operations extremely difficult as all systems are IT based.                                      | Possible (3)       | Major (4)      | Amber         | Maintain and oversee contract with IT provider.<br><br>Ensure compliance with regulations.<br><br>Provide, where possible, adequate backup systems.<br><br>Utilise technology to lessen risk   | <b>Kate Storey</b><br>Comms and Ops Manager | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
| 10  | LEP Mergers               | Loss of independence through LEP merges.  | That merger with other LEPs leads to a decrease in the economic benefits that Greater Lincolnshire currently receive through the existing GLLEP structure. | Unlikely (2)       | Minor (2)      | Green         | Maintain a leading role and good profile with government to ensure best positioning.<br><br>Maintain open and positive dialogues with neighbouring LEP Partners to ensure good relationship exists to build upon if merger occurs.             | <b>Ruth Carver</b><br>Chief Executive       | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |

# LEP Strategic Programme - Risk Register

16-Oct-20

| Ref | Category / Theme  | Description   | Consequences   | Current likelihood  | Current impact | Overall level | Mitigating actions  | Owner  | Residual likelihood | Residual impact | Residual level | Status | Next review |
|-----|---|---|--|---------------------|----------------|---------------|---|--|---------------------|-----------------|----------------|--------|-------------|
| 1   | Stakeholder and Partner Risk                                  | Partnership breakdown – lessened engagement and support from a wide range of stakeholders.  | LEP becomes less effective in achieving its objectives through a partnership approach.   | Unlikely (2)        | Major (4)      | Amber         | <p>Ensure relationship with partner is good.</p> <p>Identify high and low risk partnerships.</p> <p>Operate systems to maintain relationships</p> <p>To learn from good partner relationships</p>   | <p>LEP Board</p> <p><b>Ruth Carver</b><br/><i>LEP Director</i></p>                                     | Unlikely (2)        | Medium (3)      | Amber          | Open   | 08-Nov-20   |
| 7   | LEP Delivery  | Loss of confidence in LEP delivery  | Factors such as reduced staff capacity or loss of funding lead to a lack of delivery of LEP programmes and targets   | Unlikely (2)        | Major (4)      | Amber         | <p>Ensure LEP is focused on a particular range of deliverable actions and critical success factors.</p> <p>Utilise overarching strategies to set clear objectives and targets for the LEP.</p>  | <p><b>Halina Davies</b><br/><i>Programme Manager</i></p>   | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
| 15  | Growth Deal programme support withdrawn/reduced by government | Central Government have limited obligations beyond 2015/16 with the Growth Deal and funding allocations currently only cover one year at a time.  | <p>Pipeline projects would need to be notified of funding changes and would need to consider whether the schemes can be revised and proceed without support, or if the project has to be delayed/not go ahead.</p> <p>Autumn Spending Review announcements may impact on existing growth deal allocations..</p> <p>Potential value engineering by project leads.</p> | Unlikely (2)        | Major (4)      | Amber         | Key government policy is to grow the economy and encourage greater productivity – Growth Deals therefore remain a high priority for delivery  | <p><b>Halina Davies</b><br/><i>Programme Manager</i></p> <p>Cathy Jones<br/><i>Housing Adviser</i></p> | Unlikely (2)        | Medium (3)      | Amber          | Open   | 08-Nov-20   |
| 19  | External impacts on the Growth Deal Programme                 | <p>Retained Growth Deal Programme schemes will be determined by DFT and for Greater Lincolnshire this currently applies to £13m of its overall £82.3m growth Deal allocation.</p> <p>Factors such as Judicial reviews can result in potential time delays and thus have a knock on effect on delivery of the Programme.</p> | Projects withdrawn or delayed. Substantial levels of reforecasting required.   | Highly Unlikely (1) | Major (4)      | Amber         | <p>Forward planning of programme delivery to identify which contracted/pipeline schemes can be brought forward if necessary.</p> <p>Development of a priority list for appraisal should initial mitigation, measures not be possible.</p> | <p><b>Halina Davies</b><br/><i>Programme Manager</i></p> <p>Cathy Jones<br/><i>Housing Adviser</i></p> | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
| 21  | VAT   | VAT advice changes to suggest the LEP is required to pay VAT on transactions  | Reduced overall core funding available.  | Highly Unlikely (1) | Major (4)      | Amber         | <p>Continue to monitor how transactions occur and relationship with accountable body.</p> <p>Maintain professional advice from Accountants.</p>   | <p><b>Kate Storey</b><br/><i>Commissioning Officer</i></p>   | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
|     | Formal documentation  | Annual delivery Plan and/or LIS not fit for purpose   | <p>Lack of compliance</p> <p>Additional effort required</p> <p>Funds held back</p>   | Highly Unlikely (1) | Major (4)      | Amber         | <p>Track trailblazers and emerging guidance.</p> <p>Close liaison with government colleagues to maintain correct focus.</p>   | <p><b>Ruth Carver</b><br/><i>LEP Director</i></p>  | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Other concerns  | Delivery is king, a key performance criterion, but the LEP doesn't directly deliver anything.   | <p>Adverse assessment in annual performance review.</p> <p>Funding withheld.</p> <p>Overly-conservative programming.</p>   | Likely (4)          | Medium (3)     | Amber         | <p>Maintain close working relationship with BEIS reps.</p> <p>Agree improvement plan.</p> <p>Maintain regular and robust engagement with projects.</p> <p>Provide robust evidence of performance against improvement plan targets.</p>    | <p><b>Halina Davies</b><br/><i>Programme Manager</i></p> <p>Cathy Jones<br/><i>Housing Adviser</i></p> | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |



## LEP Strategic Programme - Risk Register

16-Oct-20

| Ref | Category / Theme                       | Description  | Consequences   | Current likelihood | Current impact | Overall level | Mitigating actions   | Owner   | Residual likelihood | Residual impact | Residual level | Status | Next review |
|-----|--|--|--|--------------------|----------------|---------------|--|---|---------------------|-----------------|----------------|--------|-------------|
| 5   | Staff Capacity                         | Staff resources are not adequate to deliver the LEPs remit   | Reduced or inadequate staffing levels cause reduced productivity of the LEP and a failure to meet targets.   | Possible (3)       | Medium (3)     | Amber         | Maintain a planned and focused LEP delivery and resource allocation through the Operations Plan.<br><br>Manage staff and HR in a professional manner to benefit staff conditions.<br><br>Outsourcing is fully assessed and used when necessary.<br><br>Maintain good relationships and resource provision arrangements with Local Authorities. | <b>Ruth Carver</b><br><i>LEP Director</i>   | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
| 14  | Growth Deal Project Slippage           | Delays in growth deal project delivery.  | This would impact on delivery of our Strategic Economic Plan and affect our reputation for delivery, which in turn could affect future growth deal funding.                                  | Possible (3)       | Medium (3)     | Amber         | Using risk and performance committee to manage Growth Deal projects.<br><br>Working with projects to overcome barriers to delivery.<br><br>Reallocate funding to other projects on the project pipeline.   | <b>Halina Davies</b><br><i>Programme Manager</i><br><br>Cathy Jones<br><i>Housing Adviser</i> | Possible (3)        | Minor (2)       | Amber          | Open   | 31-Oct-20   |
| 17  | Individual Growth Deal project failure | Individual projects fail to deliver within the mix.  | Overall programme forecasts are affected.<br><br>Funding allocated to the scheme is withheld by LCC until a decision can be made in terms of meeting the forecast expenditure for the scheme | Possible (3)       | Medium (3)     | Amber         | Work with delivery partners to ensure ongoing spend profiles/delivery and outcomes along with Assurance Framework security.  | <b>Halina Davies</b><br><i>Programme Manager</i><br><br>Cathy Jones<br><i>Housing Adviser</i> | Unlikely (2)        | Minor (2)       | Green          | Open   | 31-Oct-20   |
| 20  | Succession Planning                    | Staff are recruited elsewhere or move through own decision to other roles  | Expertise and knowledge lost.  | Possible (3)       | Medium (3)     | Amber         | Ensure a clear and adequate software library and systems and include procedures for regular saving and easily located retrieval.<br><br>Maintain strong links with Accountable Body re staffing/ budget and restructure proposals.<br><br>Regular appraisals with staff to maximise motivation and job satisfaction                            | <b>Ruth Carver</b><br><i>LEP Director</i>   | Unlikely (2)        | Medium (3)      | Amber          | Open   | 31-Dec-20   |
|     | Board composition                      | Unable to appoint candidates because of uncertainty over geographical boundaries                                   | Lack of compliance with government requirements<br><br>Additional effort required to recruit replacements  | Possible (3)       | Medium (3)     | Amber         | Engage with neighbouring LEPs to identify options.<br><br>Submit proposals to government.  | <b>Ruth Carver</b><br><i>LEP Director</i>   | Unlikely (2)        | Medium (3)      | Amber          | Open   | 30-Nov-20   |
|     | Evidence                               | LIS requires a long-term view, but forecasting that far ahead can be Difficult with some datasets                  | Lack of compliance<br><br>Additional effort required<br><br>Funds held back  | Possible (3)       | Medium (3)     | Amber         | Gather data from multiple sources to give a broad perspective<br><br>Engage a range of experts in interpreting data, trends and forecasts.<br><br>Carry out structured horizon-scanning sessions with relevant experts   | <b>James Baty</b><br><i>Policy &amp; Research Manager</i>                                     | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Dec-20   |
|     | Evidence                               | Evidence base judged by government to be insufficient to develop targets & milestones                              | Lack of compliance<br><br>Additional effort required<br><br>Funds held back  | Unlikely (2)       | Medium (3)     | Amber         | Use in-house research & policy expertise.<br><br>Engage an external economist to provide assurance.  | <b>James Baty</b><br><i>Policy &amp; Research Manager</i>                                     | Unlikely (2)        | Minor (2)       | Green          | Open   | 31-Dec-20   |
|     | Evidence                               | Failure to secure sufficient data of the right quality to carry out meaningful analysis (e.g.. businesses, skills) | Lack of compliance<br><br>Additional effort required<br><br>Funds held back  | Unlikely (2)       | Medium (3)     | Amber         | Identify data requirements.<br><br>Map data sources and gaps.<br><br>Identify actions required to plug gaps.   | <b>James Baty</b><br><i>Policy &amp; Research Manager</i>                                     | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Dec-20   |

LEP Strategic Programme - Risk Register

16-Oct-20

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|-----|------------------------------------|---|---|---------------------|----------------|---------------|--|--|---------------------|-----------------|----------------|--------|-------------|
| 2   | Loss of Funding                    | A withdrawal of funding from bodies providing the finance for LEP operations and programmes.  | LEP not able to deliver the financial commitments made to partners and businesses.<br><br>LEP operations reduced or cease due to lack of finance to cover costs.<br><br>A loss of funding continuity which would be detrimental to LEP activities | Likely (4)          | Minor (2)      | Amber         | Be mindful of party political activity approaching election, referendum and other political events.<br><br>Maintain high quality financial management.<br><br>Utilise funding within timescales provided for its allocation.<br><br>Ensure LEP lending is protected.<br><br>Identify thresholds of financial risk.<br><br>Maximise income opportunities. | Kate Storey<br>Comms and Ops Manager   | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Resources                          | LEP staff being pulled into non-LEP work  | Additional pressure on staff<br><br>Missed deadlines  | Possible (3)        | Minor (2)      | Amber         | Signpost where possible.<br><br>Look for alternative / interim capacity to share the load  | Ruth Carver<br>LEP Director  | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Programme management               | Failure to fully understand and effectively manage the complex landscape  | Duplication of effort.<br><br>Missed opportunities<br><br>Missed deadlines  | Possible (3)        | Minor (2)      | Amber         | Produce a visual map of all the components and how they hang together.<br><br>Group exercise to identify interdependencies, opportunities and risks.<br><br>Co-production of the project plan covering all workstreams.<br><br>Single programme manager with oversight of all workstreams.   | Kate Storey  | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Programme management               | Failure to effectively manage the diverse specialisms within the core team  | Sub-optimal knowledge-sharing.<br><br>Potential for missed opportunities.<br><br>Lack of resilience   | Possible (3)        | Minor (2)      | Amber         | Co-production of the project plan covering all workstreams.<br><br>Group exercise to identify interdependencies, opportunities and risks.<br><br>Introduce mechanisms to routinely share intelligence.   | Kate Storey<br>Commissioning Officer   | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Programme management               | Failure to maintain proper version control on documents   | Confusion and mis-information.<br><br>Wasted effort<br><br>Loss of credibility / reputation   | Possible (3)        | Minor (2)      | Amber         | Establish a shared workspace on a suitable collaboration site (e.g.. SharePoint, IMP)<br><br>Hold all master versions of draft and final documents in shared workspace.<br><br>Share links to master versions rather than emailing as attachments.   | Comms and Ops Manager  | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Scrutiny & assurance               | Pete Moore (s151) is key to LAF assurance and sign-off, but he retires in July - the new incumbent may want a different way of working. | Additional effort required to establish a new relationship and agree ways of working.<br><br>New structures and processes may be required.  | Possible (3)        | Minor (2)      | Amber         | Ensure that there are sufficient handover sessions between Pete and the new incumbent to agree the way forward.<br><br>Linsay to provide the new incumbent with a full briefing / induction.   | Linsay Hill-Pritchard<br>Principal Officer<br>Accountable Body                           | Unlikely (2)        | Minor (2)       | Green          | Open   | 08-Nov-20   |
| 3   | Relationship with Accountable Body | The relationship between LEP and Accountable Body becomes difficult.  | Less effective management of LEP finances and in worst case a failure to release funds for LEP operations,<br><br>Financial processes and release of finances cannot be agreed.   | Highly Unlikely (1) | Medium (3)     | Green         | Maintain good communication and processes between LEP and Accountable Body which minimise any risk in the financial managements process.   | Kate Storey<br>Comms and Ops Manager<br><br>Justin Brown<br>Head of Economic Development | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |

# LEP Strategic Programme - Risk Register

16-Oct-20

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|-----|--|--|--|---------------------|----------------|---------------|---|---|---------------------|-----------------|----------------|--------|-------------|
| 6   | Reputation and Brand                                   | Loss of Brand Quality and Reputation.  | Poor brand and communication management leads to loss of good profile.<br><br>Leads to less finance being secured by the LEP.<br><br>LEP fails to utilise communication opportunities. | Highly Unlikely (1) | Medium (3)     | Green         | Develop a Communications Strategy<br><br>Promote good communication both internally and externally as a mitigation factor for all other risks.                  | <b>Kate Storey</b><br><i>Commissioning Officer</i><br><br>Jez Ashberry<br><i>Optima</i>       | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |
| 9   | Data Protection  | Protection of Data is compromised.   | The LEP breaks Data Protection Laws and becomes liable to legal challenge over malpractice.  | Highly Unlikely (1) | Medium (3)     | Green         | Maintain strict adherence to all aspects of recommended Data Protection Act measures and other relevant legislation and processes.                              | <b>Kate Storey</b><br><i>Comms and Ops Manager</i>  | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
| 11  | Risk Management  | Lack of risk management has consequences for the LEP.  | Lack of risk management leads to a lack of identification of issues in the strategic and operational planning of the LEP and consequent reduction in the delivery of programmes.       | Highly Unlikely (1) | Medium (3)     | Green         | Maintain the risk register.<br><br>Identify a risk management cycle including risk identification, assessment and reporting to the Board.                       | <b>Kate Storey</b><br><i>Comms and Ops Manager</i>  | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |
| 13  | Growing Places Fund                                    | Loan not being repaid by projects  | A loan not being repaid impacts on GLLEP's ability to fund other projects through the Growing Places Fund – which has a knock on effect on project delivery.                           | Highly Unlikely (1) | Medium (3)     | Green         | Processes need to be put in place to mitigate the impact of a delay in loan repayments or non-repayment of loan.  | <b>Cathy Jones</b><br><i>Housing Adviser</i>  | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |
| 16  | Loss of control over delivery of Growth Deal programme | Local authority projects can be controlled and delivered within known tried and tested methodology whereas greater risk exists with private sector delivery partners | Project delays on site and outputs not achieved within agreed timeframes as a result.  | Highly Unlikely (1) | Medium (3)     | Green         | Finalise individual project contract frameworks based on conditional offers and ensure legal services input.<br><br>Ensure clarity around clawback obligations. | <b>Halina Davies</b><br><i>Programme Manager</i><br><br>Cathy Jones<br><i>Housing Adviser</i> | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |
|     | Board composition                                      | Insufficient volume of private sector candidates of the right calibre.   | Lack of compliance with government requirements<br><br>Additional effort required to recruit replacements  | Highly Unlikely (1) | Medium (3)     | Green         | Active engagement with the business community to demonstrate the value of the LEP and encourage candidates to come forward.                                     | <b>Ruth Carver</b><br>Chief Executive   | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
|     | Board composition                                      | Insufficient candidates with the right gender mix are interested in joining the LEP Board.   | Lack of compliance with government requirements<br><br>Additional effort required to recruit replacements  | Highly Unlikely (1) | Medium (3)     | Green         | Continuous improvement of the recruitment process and communications.<br><br>Consider the use of local head-hunters.  | <b>Ruth Carver</b><br>Chief Executive   | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
|     | Board composition                                      | Recruitment & appointment process becomes protracted.  | Lack of compliance with government requirements  | Highly Unlikely (1) | Medium (3)     | Green         | Revised Local Assurance Framework introduced a new process which can deliver in much shorter timescales.  | <b>Ruth Carver</b><br><i>LEP Director</i>   | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
|     | Board composition                                      | Defined term limits - Failure to agree appointments  | Lack of compliance with government requirements<br><br>Additional effort required to recruit replacements  | Highly Unlikely (1) | Medium (3)     | Green         | Appointments committee to make recommendations to the LEP Board if necessary.   | <b>Ruth Carver</b><br><i>LEP Director</i>   | Highly Unlikely (1) | Medium (3)      | Green          | Open   | 08-Nov-20   |
|     | Scrutiny & assurance                                   | Failure to agree the revised Articles  | Lack of compliance<br><br>Funds held back<br><br>Additional time, effort & cost required to get them rewritten and approved.   | Highly Unlikely (1) | Medium (3)     | Green         | Engage Legal advice to help rewrite the Articles and provide assurance.   | <b>Ruth Carver</b><br><i>LEP Director</i>   | Highly Unlikely (1) | Minor (2)       | Green          | Open   | 08-Nov-20   |

LEP Strategic Programme - Risk Register

16-Oct-20

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|-----|---------------------------|--|--|---------------------|----------------|---------------|--|---|---------------------|-----------------|----------------|--------|-------------|
|     | Legal personality         | Working Group or Board fail to agree the direction of travel in the options paper.   | Lack of compliance<br><br>Funds held back<br><br>Additional time, effort & cost required to secure a solution              | Highly Unlikely (1) | Medium (3)     | Green         | Establish a working group to explore the options and make recommendations.<br><br>Take Legal advice on the pros & cons of each option and advise on the best way forward | <b>Ruth Carver</b><br><i>LEP Director</i>                                 | Highly Unlikely (1) | Medium (3)      | Green          | Closed |             |
|     | Legal personality         | Accountable Body and LEP fail to agree on the transfer of staff, or staff are not willing to transfer across to the incorporated body. | Lack of compliance<br><br>Funds held back<br><br>Additional time, effort & cost required to secure a solution              | Highly Unlikely (1) | Medium (3)     | Green         | Establish a working group to explore the options and make recommendations.<br><br>Take Legal advice on the pros & cons of each option and advise on the best way forward | <b>Ruth Carver</b><br><i>LEP Director</i>                                 | Highly Unlikely (1) | Medium (3)      | Green          | Closed |             |
|     | Local Assurance Framework | LEP and accountable body cannot agree on roles & responsibilities in line with the new NAF.  | Lack of compliance<br><br>Funds held back<br><br>Additional time, effort & cost required to get it rewritten and approved. | Highly Unlikely (1) | Medium (3)     | Green         | Establish an officer working group to ensure that there is ongoing discussion on roles and responsibilities.   | <b>Ruth Carver</b><br><i>LEP Director</i>                                 | Highly Unlikely (1) | Minor (2)       | Green          | Closed |             |
|     | Local Assurance Framework | Delays to publication of National Assurance Framework delay sign-off and implementation of LAF   | Puts additional pressure on staff when other priorities are pressing.  | Highly Unlikely (1) | Medium (3)     | Green         | As soon as NAF is published, extract all actions to the programme plan.<br><br>Commission an Internal Audit review of compliance and produce a RAG-rated action plan.    | <b>Linsay Hill-Pritchard</b><br><i>Principal Officer Accountable Body</i> | Highly Unlikely (1) | Medium (3)      | Green          | Closed |             |
|     | Local Assurance Framework | LEP Board rejects roles & responsibilities   | Lack of compliance   | Highly Unlikely (1) | Medium (3)     | Green         | Ensure that roles & responsibilities align with NAF  | <b>Ruth Carver</b><br><i>LEP Director</i>                                 | Highly Unlikely (1) | Medium (3)      | Green          | Closed |             |
|     | Accountable body          | LEP Board refuses to accept the proposal that LCC continues as the single accountable body.  | Lack of compliance<br><br>Funds held back<br><br>Additional time, effort & cost required to secure a solution              | Highly Unlikely (1) | Minor (2)      | Green         | Secure early Board agreement to LCC continuing as the accountable body.  | <b>Ruth Carver</b><br><i>LEP Director</i>                                 | Highly Unlikely (1) | Medium (3)      | Green          | Closed |             |