



ACCOUNTABLE BODY STATEMENT

AGREED BY GREATER LINCOLNSHIRE LEP AND LINCOLNSHIRE COUNTY COUNCIL

Publication Strategy: This statement should be agreed by both parties, published on the LEP website, and reviewed annually.

Background

Greater Lincolnshire LEP is a partnership between the business community, the Higher Education sector, two Unitary authorities, seven district councils and one county council, all of whom are actively working together to secure a more prosperous and sustainable future for the Greater Lincolnshire area. These make up a fully- elected board of up to 20 Directors.

The LEP is registered as a company limited by guarantee and is dormant and it was incorporated in September 2014. In keeping with the Articles of Association and in accordance with company law, an appointments committee is in place to manage the process for appointing directors and company members to the Board of Greater Lincolnshire Local Enterprise Partnership Ltd thus ensuring that we have a robust, transparent and accountable delivery structure in place.

Effective provisions for timely and binding decision-making are a central component of the Greater Lincolnshire LEP Strategic Economic Plan (SEP) and the EU Structural Investment Fund (EUSIF) Strategy. In pursuance of this and to ensure that the strategy and investments are effectively aligned, the Greater Lincolnshire LEP Board has established an Investment Board to make decisions on all project and programmes.

Lincolnshire County Council (the Council) act as the accountable body for the LEP: the Council's Section 151 Officer provides financial and governance oversight, and the LEP team, who provide strategic, and logistical support, is staffed by Lincolnshire County Council employees and or secondees. These officers promote the objectives of the LEP, and act for the purposes of the company, while having the authority to administer funds held by the Council as accountable body under the supervision of the Section 151 officer.

LEP's should have a single accountable body, and the LEP and the Accountable

Body should collaborate to ensure that the terms of the statement are met.

Purpose of this Statement

This statement sets out how the Council will provide support and operational supervision, and how it will conduct itself as accountable body for the LEP related projects and activities. The term of the agreement will be three years from April 2019 to March 2022. It will be reviewed annually by both parties.

Role of the Council as Accountable Body

The LEP conducts its business in accordance with its Articles of Association, National and Local Assurance Framework and local enterprise partnership governance and transparency: best practice guidance.

The accountable body shall provide the following services:

- Secretariat support to the LEP
- Expert advice and staffing resources
- Financial services
- Financial Audit services
- Research and data services
- Legal support
- Procurement framework and advice.

This also incorporates use of robust accountable body policies covering:-

- Financial procedures and practice
- Funding drawdown and clawback
- Information governance (FOI, Conflicts of interest, data protection, complaints)
- Local government transparency code

In delivering its overall service the accountable provides the following functions to the LEP.

- a) A finance function involving holding public funds paid by Government on behalf of the LEP
- b) An oversight function, ensuring public funds are handled in line with relevant procedures and grant conditions and that funds are used with propriety, regularity and deliver value for money. This includes an oversight function of the processes such as LEP governance and transparency arrangements compliant with that National and Local Assurance Framework, and agreement on scrutiny arrangements, to ensure that the checks and reporting requirements of the Section 151 Officers are met, this includes retaining appropriate documentation on decision around funding and project monitoring and evaluation.
- c) The Accountable Body is also responsible for escalating concerns around non-

delivery and/or mis-management. Where this cannot be resolved at the local level, the Accountable Body should report any concerns to the Cities and Local Growth unit through localgrowthassurance@communities.gov.uk and

- d) A support function providing technical advice on the relevant law discussing risks associated with pursuing a particular course of action for the LEP Board to consider and drafting funding agreements and contracts.

Role of the S151 Officer

The Section 151 Officer has financial and governance oversight of decisions made by all the Greater Lincolnshire LEP decision making Boards, on behalf of the Accountable Body. The Section 151 Officer is the Executive Director of Resources at Lincolnshire County Council, and the Accountable Body is provided by Lincolnshire County Councils' Enterprise Service Area.

The Section 151 Officer should ensure that their oversight of the proper administration of financial affairs with the LEP is carried out throughout the year. In addition to providing an assurance statement as part of the annual performance review by 28th February 2018 each year, the Section 151 officer is required to submit a letter to MHCLG Accounting Officer, which should include

- Details of the checks that the S151 Officer or deputies has taken to assure themselves that the LEP has in place the process that ensure proper administration of the financial affairs of the LEP
- A statement outlining whether, having considered all the relevant information, the Section 151 Officer is of the opinion that the financial affairs of the LEP are being properly administered and
- if not, information about the main concerns and recommendations about the arrangements which need to be implemented in order to get the LEP to be properly administered.

The role of the S151 officer will be undertaken within the principles of the CIPFA developed guidance on the role of the S151 Officer. (<https://www.cipfa.org/policy-and-guidance/reports/principles-for-Section-151-officers-working-with-leps>).

Roles and Responsibility

The Council will:

- Hold funds and makes payments to delivery bodies, maximising interest bearing opportunities for the Greater Lincolnshire LEP in line with the reserves policy
- Ensure the separable accounting for LEP related funds and complete financial elements of grant returns and claims for funding;
- Provide financial statements to the LEP together with a quarterly review of

the progress to date against approved revenue and capital programmes and produce a summary set of financial statement within a reasonable period to be presented to the Chief Executive of the LEP;

- Update the LEP Board and Finance and Audit Committee at each meeting with a report on progress to date against approved revenue and capital programmes for the current financial year up to the relevant month end;
- Ensuring through the Section 151 Officer, that resources are subject to the usual Local Authority checks and balances which includes the financial duties and roles imposed on Councils;
- Conduct due diligence in relation to applicants and relevant third parties;
- Monitor funds to ensure that they are used appropriately;
- Monitor the compliance of LEP business in accordance with the relevant assurance framework, local enterprise partnership governance and transparency and best practice guidance.
- Manage the independent audit of LEP related funds and activity and ensuring, with the LEP, an appropriate response;
- In relation to schemes for which the Council is accountable body, be responsible for the supervising the integrity of decision-making, and for taking and defending legal proceedings;
- Provide a comprehensive accountancy service to the LEP including the filing of accounts with companies' house.
- Provide all HR and recruitment services for the LEP.
- Provide and maintain LEP IT Infrastructure.
- Respond to all Freedom of Information Requests on behalf of the Greater Lincolnshire LEP.
- Undertake independent audits of specific matters in line with the LEPs Complaints policy in relation to any concerns raised regarding potentially illegal, unethical or immoral conduct.

Resolution

If a decision cannot be reached then within 14 days a meeting will be held between a senior officer of LCC and the Chairman of the relevant LEP board to attempt to reach resolution. Should resolution not be reached then within 7 days a meeting will be held between the Chairman of the LEP Board and the nominated officer of LCC to

attempt to resolve the dispute. Should agreement not be reached between the LEP decision and the Accountable Body, then the decision of the LEP will not proceed.

The LEP is currently subject to scrutiny arrangements through the LCC's Environment and Economy Scrutiny Committee.

The Chief Executive of Lincolnshire County Council is a Board Director of the LEP, and represents the Accountable Body, and the S151 officer attends LEP Board meetings in an observational capacity.

The Greater Lincolnshire LEP will:

- Formulate strategy, and policy, to further the LEP Company objectives
- Manage the oversight and delivery of projects
- Review and report to the LEP Board, Investment Board and or relevant Board in line with the Scheme of Delegation included within the Greater Lincolnshire LEP Assurance Framework and local enterprise partnership governance and transparency: best practice guidance, on funding applications
- Promote and manage project funding applications
- Maintain and manage a risk register to cover all areas of LEP activity on a regular basis
- Provide all information required by the Council in relation to management of FOI, Complaint and Audit processes
- Maintain a detailed audit trail of each stage of the assurance process.
- Ensure the LEP CX takes decisions in accordance with the scheme of delegation of the accountable body
- Ensure that funding decisions are in accordance with the policies and procedures set out in this Assurance Framework.
- Will ensure it complies with the 7 principles of public economic life and complies with accountable body requirements.

Policy 13: Accountable Body Statement
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Policy Lead Officer: Linsay HillPritchard