

Hull and East Yorkshire LEP Board

The Local Assurance Framework

Report to the Board 18th January 2023

Paper E - Report from Andrew Hewitt, Senior Policy & Business Growth Manager

1. Summary

1.1. This report provides details of the Hull and East Yorkshire (HEY) Local Enterprise Partnership (LEP) Assurance Framework.

2. Recommendations

2.1. That the HEY LEP Board reviews the information included within the report and attached Appendix 1 - Assurance Framework and approves the second edition of the HEY LEP Assurance Framework.

3. Background & Purpose

3.1. The HEY LEP Assurance Framework provides surety to Government and Parliament (as well as the residents, businesses and other stakeholders) that there are robust systems and processes in place locally to ensure resources are spent with regularity, propriety and value for money. All LEPs must have a Local Assurance Framework in place in order to maintain compliance with the Department for Business, Energy and Industrial Strategy (BEIS) requirements within the National Local Growth Assurance Framework (NLGAF).

3.2. The HEY LEP produced its first iteration of its Local Assurance Framework in 2021 and Framework document was approved by the board at the July 2021 meeting.

3.3. The letter received from Government on the 31st March 2022 providing guidance on integrating Local Enterprise Partnerships into local democratic institutions outlined the government's intention to review the National Local Growth Assurance Framework for LEPs in the 22/23 financial year, 'to ensure our future requirements of LEPs remain proportionate to their revised role and functions.' Due to this a comprehensive revision of the 1st HEY Local Assurance Framework was held off until this NLGAF review was completed. The HEY LEP were informed at their mid-year review with BEIS on the 16th of November that there was no current timeline for the completion of the NLGAF review and as such review of the Local Assurance Framework for 22/23 financial year should be undertaken.

4. Content

4.1. The 2nd edition of the HEY LEP Assurance Framework updates the previous version in line with the current National Assurance Framework requirements and has been updated to reflect the strategic direction of the LEP laid out in

the Economic Growth and Workforce Wellbeing Strategy published in Feb 2022, alongside external changes such as formation of Humber Energy Board and arrangements for post EU funding of economic development activity through UK Shared Prosperity Fund.

- 4.2. The main body of the AF document outlines the general principles and processes used and is not specific to any one funding stream. Schedules attached to the AF document give the specific information relating to how the Framework will be implemented by applicable funding streams.
- 4.3. The Framework is underpinned by a suite of documents, including terms of reference, schemes of delegation, policies and procedures, which apply to all of the activities in which the HEY LEP is involved – not just those which involve managing public money.
- 4.4. This 2nd edition of the HEY LEP Assurance Framework was also reviewed by the Audit, Finance and Governance Panel at its meeting on 6th December 2022. The Panel recommended that the second edition of the HEY LEP Assurance Framework is formally approved and adopted by the LEP Board.
- 4.5. The AF is a dynamic document and will continue to be updated as and when new policies and procedures are put in place, terms of reference are confirmed and new programmes come on stream. Any substantive changes will return to the Board for review and adoption.

5. Timescales

- 5.1. All LEPs must have an Assurance Framework in place to cover its activities and maintain compliance. In order to ensure compliance the document must be reviewed annually. The document will be formally re-evaluated following the publication of the National Local Growth Assurance Framework review by government or on the 1st October 2023 if no review has been published.