

## Appendix 2 - Section 151/73 Assurance Statement 2019

The MCA's Chief Finance Officer (CFO) is a key member of the SCR Statutory Officers group, and his deputy attends all meetings of the SCR Senior Leadership Team. The MCA's Finance team is embedded in the SCR Executive and hence provides a high quality, responsive, and integrated service.

The CFO works across the functions of both the LEP and MCA, helping the LEP to develop and implement policy, strategy and resources to deliver the SEP in a way that is sustainable and in the public interest. The financial management arrangements of both the LEP and the MCA are already well established, and comply with the governance requirements of:

- the CIPFA Statement on the role of the Chief Financial Officer in Local Government (2016), and;
- CIPFA's 'Principles for Section 151 Officers in Accountable Bodies Working With LEPs' guide (August 2018).

The MCA's CFO brings influence to bear on all material decisions of the LEP capital and revenue programme. As well as advising the MCA and LEP Boards, he attends meetings of the SCR Capital Programme Group, which is chaired by the Head of Paid Service. The Deputy CFO is a permanent member of the Appraisal Panel on behalf of the CFO. This ensures that immediate and longer-term implications, opportunities and risks are fully considered.

The CFO leads on the promotion and delivery of good financial management, to ensure that public money is safeguarded and VFM assured. The principles within the CIPFA Statement on the role of the CFO are embedded in MCA's LEP governance. The MCA complies with best practice by publishing an Annual Governance Statement (AGS) with its accounts.

Other points for 2018/19:

Audit & Standards Committee (ASC) – 2 new independent members have been co-opted, providing extra scrutiny. A detailed presentation on the LGF Programme was brought to in October 2018

Finance received an 'exceptional' score from the March 2018 LEP compliance audit.

In relation to the 2017/18 statutory accounts, the MCA Group received 4 clean external audit opinions (MCA group & SYPTTE single entity, accounts and VfM), which provides independent assurance that the financial affairs of the LEP are being administered properly.

There is separate planning, monitoring and reporting of the LGF capital programme and MCA / LEP revenue activities distinct from the MCA's transport functions, in order to provide greater visibility. In setting the budget for the following year, financial risks are assessed and are then monitored over the course of the year in accordance with the MCA's reserves strategy.

The CFO continues to work closely with the Head of Internal Audit to develop and deliver an audit plan which is scoped to provide additional assurance as required by the LEP (for instance, the recent audit of the AMP Technology Centre).

The CFO jointly chairs a forum bringing together the Directors of Finance and Economic Regeneration from all 9 authorities across the city region, which discusses key financial and project delivery risks affecting the LGF programme.

The Financial Regulations were updated prior to the start of the 2018/19 financial year to reflect changes to the Constitution following the SCR becoming a mayoral combined authority.

Networking with other MCA CFOs – the Deputy CFO regularly attends the Finance working group jointly organised by the LGA and LEP network, to share best practice and to address emerging issues.

The CFO acknowledges principle 4 from the CIPFA guide (Principles for Section 151 Officers in Accountable Bodies) which recommends that the CFO should report any concerns in relation to governance or transparency. The CFO is pleased to report that there are no such issues or concerns to report.

Signed:

Name: Eugene Walker  
Position: Section 151/73 Officer  
Date: 03/01/18