

20th May 2019

Annual Performance Review

Purpose of Report

This report presents the outcome of the 2018 / 2019 LEP Annual Performance Review

Thematic Priority

Cross cutting.

Freedom of Information and Schedule 12A of the Local Government Act 1972

The paper will be available under the Mayoral Combined Authority Publication Scheme.

Recommendations

LEP Board members are asked to consider the findings and recommendations of the report and identify any issues.

1. Introduction

- 1.1** As set out in the 2018-19 Annual Performance Review Guidance, officials in the Cities and Local Growth Unit undertook a review to look at the performance of each LEP. The review covered three themes: governance, delivery and strategy, with one of four markings: inadequate; requires improvement; good; or exceptional, available for each.
- 1.2** The approach adopted by government in undertaking these reviews is to highlight any areas where there may be need for further development or where good practice could be shared across the LEP Network.
- 1.3** The review has two elements:
- A desk top evaluation against 194 areas of compliance
 - A self-assessment against a series of pre-determined questions
 - A review meeting with the LEP Chair, CEX, S73 Officer, Monitoring Officer and a range of officials from across Government departments including MHCLG, DfT and BEIS.
 - An assurance statement from the LEP Chair / CEX and the S73

2. Proposal and justification

2.1 Review findings

Following the conclusion of the Annual Performance Review it has been confirmed that the Sheffield City Region LEP is compliant with the National Assurance Framework and is considered to be 'good' in all areas of the review.

Section 2.2 – 2.4 sets out the areas where MHCLG have asked the LEP to focus on over the year ahead.

2.2 Theme – Governance

Recommendations from MHCLG included:

- ensuring new governance arrangements are monitored and that MHCLG is updated in the autumn on how the arrangements are working in practice.
- exploiting the opportunities presented by the Skills Advisory Panel to enhance the relationship and partnership working with DfE at local level.

2.3 Theme – Delivery

Recommendations from MHCLG included:

- continuing to monitor programme performance to achieve profile and ensuring the final year-end position is in line with targets.
- re-examining the anticipated outputs from the Growth Deal, particularly 'new homes built'.

2.4 Theme – Strategy

Recommendations from MHCLG included:

- ensuring there is positive and proactive engagement with all key stakeholders in developing a new, shared vision for SCR.
- increasing collaboration with northern Derbyshire and Nottinghamshire.
- engaging with Government the expansion of the 'Advanced Manufacturing Innovation District' and further development of the 'Global Innovation Corridor' concept.

2.5 Next Steps

It is proposed that ahead of an update being submitted to MHCLG in the autumn, the LEP Board receives an update at its meeting 9th September.

3. Consideration of alternative approaches

- 3.1** Compliance with Government guidance is mandatory. However, the arrangements in place are proportionate and reflective of the context of the SCR LEP.

4. Implications

4.1 Financial

Non-compliance with Government's best practice guidance and a poor audit opinion could result in funds being withheld by Government. The findings of the Annual Performance Review demonstrate that SCR's arrangements meet Government requirements, therefore funding will not be affected.

4.2 Legal

As a public private partnership, responsible for the economic growth of the City Region, the LEP has a responsibility to have robust, but proportionate, governance arrangements in place - especially in relation to, funding streams, such as its Growth Deal, that it is responsible for. The findings of the Annual Performance Review provide assurance that current arrangements are fit for purpose.

4.3 Risk Management

Robust governance arrangements form an important risk management mechanism for the public funds the LEP is responsible for. No concerns have been raised through the review relating to LEP's approach to risk management.

4.4 Equality, Diversity and Social Inclusion

No concerns have been raised through the review relating to equality, diversity and social inclusion.

5. Communications

5.1 The outcome of the Government audit will only be made available publicly at a time determined by the Government.

6. Appendices/Annexes

6.1 Appendix A – Letter from Stephen Jones, Director, Cities and Local Growth Unit

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: None