

21st May 2020

Annual Performance Review

Purpose of Report

This report presents the outcome of the 2019 / 2020 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 note the outcome of the Annual Performance Review, to consider any subsequent improvement planning and how the Board can contribute to this.

1. Introduction

1.1 As set out in the 2019/20 Annual Performance Review Guidance the review is the formal way by which the Government and each LEP come together to:

- discuss the contribution the LEP has made towards driving forward local economic growth
- to review LEP governance and assurance processes and compliance with the National Assurance Framework
- to look at progress on delivery of key local growth programmes; and
- to discuss the LEP's strategic impact, priorities and challenges for the year ahead

Critically, the Annual Performance Review also acts as a key milestone in the process of confirming LGF payments for the following financial year.

1.2 The review required the submission of a number of preparatory documents as well as compliance "spot checks" and concluded with a formal meeting with the Cities and Local Growth Unit, LEP Chair, Chief Executive and Finance Director plus other key SCR Executive Team members at the end of January.

1.3 As in previous years, the review focussed on three themes: governance, delivery and strategic impact.

For the themes of delivery and governance one of four markings was available: inadequate; requires improvement; good; or exceptional. This year, the theme of strategic impact has been assessed as either "requirements met" or "requirements not met".

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 has attained 'good' for the themes of delivery and governance and 'requirements met' for strategic impact.

2.2 Next Steps

Noting that the indicators for 'exceptional' include, for delivery, all output targets being exceeded and, for governance, the achievement of a 50/50 gender split on the Board, an improvement plan for 2020/21 is being developed. The plan will be broader than indicators identified in Annual Performance Review Guidance and will support the key activities for 2020/21 outlined in the LEP Delivery Plan.

Members are asked to suggest any particular areas of focus for the improvement plan and consider how the LEP Board can feed into the development of the plan.

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

Current Board composition meets the required 33% female membership. The LEP Diversity Policy sets out a commitment to achieving a private sector 50/50 split by 2023. This will be addressed through future recruitment processes.

5. Communications

5.1 None.

6. Appendices/Annexes

6.1 None.

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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