
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 25 September 2019

Subject: **Corporate Performance Report**

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1. Purpose of this report

- 1.1 To provide the LEP Board with an update on a range of corporate and governance matters.

2. Information

- 2.1 As previously agreed a corporate performance report is now being submitted to each meeting of the LEP Board, to provide information on budgets, performance management, risk, audit, scrutiny and any other matters that emerge. This is in line with recommended practice as set out in the Strengthened Local Enterprise Partnerships document and in line with the commitments in the Assurance Framework.

Budgets

- 2.2 A summary of the 2019/20 current spend to budget as at June 2019 is attached at **Appendix 1**. A RAG rating has been included to identify budgets that need further review. There are no 'red' areas of concern to report.
- 2.3 The approved annual budget included a £1.2m deficit to be funded from general reserves. Periodic forecasting is being undertaken during the year to track performance against this budgeted position.
- 2.4 Work is underway on the Medium Term Financial Strategy and a progress report will be brought to future meetings of the Combined Authority, the LEP Board and to the members' Budget Working Group.

Statutory accounts 2018/19

- 2.5 There is a statutory requirement for approval of the annual accounts by 31 July each year. The 2018/19 accounts were presented on time for audit and Mazars (external auditor) reported their findings to the Governance and Audit committee on 23 July 2019. An unqualified audit opinion, without modification,

was given on the financial statements and also an unqualified value for money conclusion. The accounts were published by 31st July 2019.

2019/20 Corporate Plan and LEP Annual Delivery Plan

- 2.6 In line with the requirements of the Strengthened Local Enterprise Partnerships agenda, the first LEP Annual Delivery Plan was published in May 2019. This Delivery Plan sets out the detailed proposals and targets for the LEP in 2019/20 financial year.
- 2.7 The LEP Annual Delivery Plan has been designed as a standalone document, but also forms an integral part of the organisation's overarching Corporate Plan, which sets out the priorities for the Combined Authority and the LEP as a whole. The wider Corporate Plan is structured around four overarching corporate priorities of Boosting productivity, delivering 21st Century transport, enabling inclusive growth and supporting clean growth.
- 2.8 A comprehensive suite of performance indicators has been developed to measure the organisation's specific contribution towards achieving these four overarching corporate priorities. An assessment of progress against these indicators for the financial year to date has been undertaken and a summary of the results of this is provided in **Appendix 2** as part of the wider corporate performance snapshot.
- 2.9 Although the result for some of the key performance indicators (KPIs) are not yet available, the analysis of performance to date reflects a positive position. The majority of the KPIs are green, indicating objectives supporting the strategic aims and themes for the region are on track to being achieved.

Corporate risk update

- 2.10 In line with the provisions of the Corporate Risk Management Strategy, regular review of the key strategic risks affecting the organisation continues to be undertaken and the corporate risk register updated accordingly. A summary of the headline strategic risks currently contained within the corporate risk register is provided at **Appendix 1**
- 2.11 The updates to the Corporate Risk Register since the last reporting period are as follows:
- Following discussion at Senior Leadership Team meeting, risk SP1 has been **closed**. It was felt that all mitigating actions and countermeasures were now well established, and the residual risks had been adequately captured within other remaining risks.
 - Following discussion at Senior Leadership Team meeting, risk SD1 has been **superseded** by risk PC5. It was felt that the risk faced related more closely to the demonstration and communication of the outputs and contribution of the CA and LEP to the Leeds City Region.
 - It was recommended by the Head of HR that risk HR1 has **reduced** in both probability and impact, due to mitigating action. This was agreed

during the last corporate risk register review at Senior Management Meeting.

- It was recommended that the risk F2 have its impact **increased** from 'Moderate' to 'Major Disruption'. In addition, due to the risk's cross-cutting impact the Director of Policy, Strategy and Communications has been included as an additional Risk Owner. The overall risk rating remains **unchanged** at 'High'.

2.12 A Members risk workshop took place on 23rd July involving nominated members of the Combined Authority and the Governance and Audit Committee. The purpose of the workshop was to consider the key strategic risks affecting the organisation and to ensure that these are adequately captured, in order that mitigation plans can be further developed.

Audit

2.13 The internal audit plan as approved by the Governance and Audit Committee of the Combined Authority covers the activities of the whole organisation. To date no audit assignments specifically on LEP activities have yet been completed for 2019/20 although reports on wider corporate health – including corporate governance, GDPR and gifts and hospitality - have been undertaken and received either reasonable or substantial assurance.

3. Financial Implications

3.1 As set out in the report.

4. Legal Implications

4.1 None arising directly from this report.

5. Staffing Implications

5.1 None arising directly from this report.

6. External Consultees

6.1 None.

7. Recommendations

7.1 That the LEP Board note the corporate performance information provided.

8. Background Documents

8.1 None.

9. Appendices

Appendix 1 – 2019/20 revenue spend against budget

Appendix 2 – 2019/20 Corporate performance update