**REPORT TO CHESHIRE AND WARRINGTON LOCAL ENTERPRISE PARTNERSHIP**

**BOARD MEETING 21st March 2018**

Subject: CWLEP Assurance Framework

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Meeting date: 21st March 2018

**Purpose**

1. To clear the attached revised Local Assurance Framework, which takes on board the Ministry for Housing, Communities and Local Government’s (MHCLG) latest requirements.

**Recommendations**

1. The Board is asked to:

* Approve the revised Local Assurance Framework for publication.

**Background**

1. Following the recent publication of the Mary Ney Review into the Governance and Transparency of LEPs, MHCLG is once again revising the National Assurance Framework. LEPs must revise their Local Assurance Framework to incorporate the changes being made in this Framework. The purpose of this Framework is to ensure that LEPs have in place the necessary systems and processes to manage delegated funding from Central Government budgets. While the revised National Assurance Framework will not issue until the Ministerial Review of LEPs has concluded (now most likely after Local Elections), MHCLG has issued a Best Practice Guidance for LEPs at the end of January.
2. The requirements of this Best Practice Guidance have also been incorporated as a condition of funding in future Growth Deal grant offer letters. It requires LEPs to submit a letter from their relevant S151 Officer to DCLG’s Accounting Officer by 28th February each year, certifying that the LEP’s Local Assurance Framework is being implemented and meets the revised standards. This is in addition to the S151 Officer *assurance statement* now required as part of the “Annual Conversation” review process.
3. While our Section 151 Officer has signed off a letter for this year, certifying that our Local Assurance Framework has taken on board the additional requirements, this was on the basis that we would be taking these revisions through the formal Board approval process as soon as possible.

**Discussion**

1. The Cheshire and Warrington Local Assurance Framework has been acknowledged by government as being in good shape, with our transparency and governance arrangements already cited as models of good practice. The changes we have, therefore, had to make have been minimal and largely translate as having to state explicitly the arrangements that we already have in place. In summary, this means we have had to set out the Terms of Reference to all our committees and sub-committees, inclusion of our new Overview and Scrutiny Committee arrangements and setting out our full committee structures.

1. In addition, we have also set out the arrangements around the publication of committee papers. Again, we were already in a good place as the Board had previously agreed that our committees and sub-committees, except for the Appointments and Remuneration committee, should be open to the public and so papers were already being published in advance. The revised Framework also captures the updated R*egister of Interests* form, again the government used our form as the basis for the national model and so this is now being adopted by all LEPs. Board members have also been asked to explicitly sign up to the Nolan principles, which you have all done.
2. Perhaps the most significant addition to our framework has been the inclusion of a Whistleblowing policy, which has been drafted by MHCLG. This policy looks to ensure robust systems are in place to protect those, both within and outside of the LEP, who wish to raise concerns around the operation of the LEP. To ensure we are robust in this regard, we have included the government text in full in our Local Assurance Framework and have also agreed that Warrington Borough Council will operate the policy on our behalf, ensuring any such concerns are dealt with at arm’s length from the LEP.

**Conclusion**

1. It is clear that MHCLG will continue to increase the governance and transparency requirements of LEPs and future funding will be dependent on having robust systems in place. While we are ahead of most LEPs in this regard, we should continue to look to improve our systems and processes, which our Overview and Scrutiny Committee can certainly help with.

**Next Steps**

1. Subject to the Board agreeing to the revised Local Assurance Framework, we will publish this on our website and stand ready to respond to any additional requirements following the final publication of the National Assurance Framework, later this year.