

Welcome and Apologies

Present

Andy Orrey (AO) - Chair
Ian Knowles (IK)

Officers - Ruth Carver (LEP Director), Louise Higham (LH), Laura Spittles (LS) - Minute Taker

Guests - Tim Godson (TG), Michael Lewis (ML) (Duncan & Toplis)

Apologies:

Stephen Deville, Rob Griffiths, Kate Storey, Linsay Hill Pritchard

AO welcomed the first F&A Meeting to be held via MS Teams.

IK declared an interest in any projects related to the West Lindsey District Council Area.

F&A Committee Minutes of Previous Meeting

Action List updated.

Draft minutes from March 2020 approved.

Auditors Report

TG & ML presented the Committee with the findings from the yearly Audit. Duncan and Toplis were commissioned to perform the assurance review of the annual financial reports of the GLLEP for the year ended 31 March 2020.

Due to Covid-19 this review was done remotely for the first time, but all information was readily available when asked. TG thanks The Accountable Body Team for this.

The findings showed a fair representation of the GLLEP Finances, and no significant errors were found. All correct systems are in place and the Auditors were happy with the Financial Year End controls.

As part of the audit a query was raised on the advance payments made to Lincoln medical school and GSRR. It was found that payments were made ahead of the payment profile. The Accountable Body had explained during the audit that these payments were part of the freedom and

flexibilities allowed within the programme. RC explained that the GLLEP sometimes have to make a risk-based approach for some payments so that funding isn't lost. It is done by changing the intervention rates. The Auditors were satisfied on the approach taken.

The Committee asked about the sample size of the evidence audited. ML confirmed that he sampled roughly 50%+ for each area.

The Committee also asked about the hourly rate used for Match Funding and whether this was appropriate. ML confirmed that he had looked into how this was worked out and he was satisfied with the reasoning.

The GLLEP Officers then temporarily left the meeting so a further discussion could take place between the Committee and the Auditors. On resuming AO confirmed that the findings from the report were reiterated and the Committee were happy to sign off the auditor's report.

FYE Draft Financial Statement

RC presented the 19/20 Financial Paper to the Committee. There was a slight underspend of £11,288 in the operational core budget which is recommended to be placed on Reserves. The paper also detailed the amount of income that the LEP had received for specific activities. It is also recommended that any unspent income be put on the cash balance reserve for future years.

Match Funding for 19/20 exceeded the required limit of £250,000 and evidence was collected to show this.

During the year the LEP Board agreed to increase the Feasibility Fund using some cash balance interest. Overall, 13 contracts have been awarded to a value of £389,585. £29,612 has been paid to contracts within the financial year and estimated spend in 2020/21 will be £35,483.

Going forward the Board may look to repurpose some funds that aren't yet committed towards a Covid-19 Recovery Pot. Part of this may also be used for a Sustainability Fund for the LEP Team and their workload.

The Greater Lincolnshire Business Investment Fund held 5 projects contracts to the value of £1.5Million. To March 2020 £1,291,346 of grant has been paid out to the above contracts with match funding of £5,904,738. The outputs have been achieved are 75 new jobs and 20 safeguarded jobs. Within the year £1,155,843 of grant payments have been made.

The balance of the Growing Places Fund on 1st April 2019 was £3,170,208 (with applied interest). Within the year Loan interest was received amounting to £283,906.

Due to the success of the Business Lincolnshire Growth Hub, they have now taken on the role of the Growth Hub Cluster Lead for the East Midlands Areas. They have been engaged in supporting East Midlands areas with the process of EU Exit.

At the end of March 2020, the LEP held contracts with an agreed grant contribution of £119,147,638 against the Single Local Growth Fund Pot. The LEP is 96.36% contracted against its total growth Deal allocation of £123,647,638. A remaining contract of £4.5million is in negotiation and it is expected to be signed as a deed in early 20/21. This remaining contract has now been signed.

IK declared an interest here as a WLDC Project (Hemswell Food Enterprise Zone) was withdrawn as the scheme fell through, and grant paid out was re-couped.

The total cash balance as of 31st March 2020 held on behalf of the LEP by the Accountable body is £10,289,395.

The Committee approved all recommendations detailed in the report.

Covid-19 Briefing

The LEP Team have been extremely busy with the Covid-19 situation and have been working on Data Intelligence within the Economy. Some staff from the LEP Team have been seconded to work with the Business Lincolnshire Growth Hub to provide more support due to the volume of enquiries received since lockdown began in March 2020.

There hasn't been too much of a financial impact on the LEP - it is more an impact of general LEP workload which staff are now beginning to work through.

RC has been actively involved in the Lincolnshire Resilience Forum that has been created since the pandemic began.

LS to circulate the LRF recovery Plan to the Committee.

AOB

None

Date of Next Meeting

TBA