

MARCHES LEP PERFORMANCE RISK & MONITORING COMMITTEE (PRMC) MEETING	
9th May 2022	9.00 – 11.00
Virtual Meeting	

ATTENDANCE LIST		
Chair	Sonia Roberts	Deputy Chair of the MLEP Board
Vice Chair	Sara Williams	Board Member
	Frank Myers	Board Member
Supporting Officers	James Walton	Section 151 Officer, Shropshire Council
	Andrew Lovegrove	Section 151 Officer, Herefordshire Council
	Ken Clarke	Section 151 Officer, Telford & Wrekin Council
	Karen Morris	Deputy nominated by Section 151 Officer, Herefordshire Council
	Dainy Runton	Deputy nominated by Section 151 Officer, Telford & Wrekin Council
	Rachel Laver	Marches LEP Chief Executive
	Nicholas Alamanos	Marches LEP Head of Programmes
	Kathryn Jones	Marches LEP Head of Partnerships and Strategy
	Jo Grivell	Marches LEP Office Administrator
	Lisa Ashby	Marches LEP Project Officer
	Yasmin Sulaman	Growth Hub Programme Manager
	Oliver Hindle	Assistant Director, Cities & Local Growth Unit

AGENDA				
Item	Time	Description	Lead	Paper
1	9.00 am	Welcome and apologies Declarations of interest	SR All	
2	9.05 am	Draft minutes of last meeting on 09.03.22 and matters arising	SR	✓
3	9.10 am	PRMC Terms of Reference - Board Confirmation	SR	✓
4	9.15 am	Review Integration of LEP's	RL	
5	9.35 am	Risk Registers a) Corporate Risk Register b) Programme Risk Register i. Oxon Link Road Update	NA	✓
6	9.50 am	LEP Finances a) 2022/23 – budget and core funding b) Cash flow	RL	✓
7	10.05 am	Performance Monitoring a) Growth Deal update b) Getting Building Fund update c) MIF/Energy Fund d) Growth Hub e) Key Account Management (KAM) f) Skills Support	NA NA RL YS KJ KJ	✓ ✓
8	10.20 am	Any Other Business		

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Distribution:

Sonia Roberts, LEP Board member (Chair)
Sara Williams, LEP Board Member and Private Sector Representative (Deputy Chair)
Frank Myers, LEP Board Member and Private Sector Representative
Ken Clarke, Telford & Wrekin Council, s151 Officer
Andrew Lovegrove, Herefordshire Council, s151 Officer
Josie Rushgrove, Herefordshire Council, Head of Corporate Finance
James Walton, Shropshire Council, s151 Officer
Claire Ward, Herefordshire Council, Solicitor to the Council
Rachel Laver, Marches LEP CEO
Nick Alamanos, Marches LEP Head of Programmes
Kathryn Jones, Marches LEP Head of Partnerships and Strategy
Lisa Ashby, Marches LEP Project Officer
Yasmin Sulaman, Growth Hub Programme Manager

cc:

Mandy Thorn, Marches LEP Chair
Ollie Hindle, BEIS, Cities and Local Growth Unit
Karen Morris, Herefordshire Council, Finance
Nicky Higgins, Shropshire Council, Finance
Sharron Stubbs, Shropshire Council, Finance
Dainy Runton, Telford & Wrekin Council, Finance
Ross Cook, Herefordshire Council, Economy & Environment
Katherine Kynaston, Telford & Wrekin Council
Mark Barrow, Shropshire Council
Mark Pearce, Herefordshire Enterprise Zone
Ennis Vingoe, Marches LEP Executive Assistant
Jo Grivell, Marches LEP Office Administrator

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Draft Minutes of the Marches LEP Performance, Risk & Monitoring Committee (PRMC) Wednesday 9 March 2022

Present

Sonia Roberts (Chair)	SR	Deputy Chair of the Marches LEP Board
Sara Williams	SW	Marches LEP Board Member
Mandy Thorn	MT	Marches LEP Board Member and Chair
Frank Myers	FM	Marches LEP Board Member
James Walton	JW	Section 151 Officer, Shropshire Council
Karen Morris	KM	Deputy nominated by Section 151 Officer, Herefordshire Council
Dainy Runton	DR	Deputy nominated by Section 151 Officer, Telford & Wrekin Council
Rachel Laver	RL	Marches LEP Chief Executive
Nick Alamanos	NA	Marches LEP Head of Programmes
Kathryn Jones	KJ	Marches LEP Head of Partnerships and Strategy
Jo Grivell	JG	Marches LEP Office Administrator
Alex Collins	AC	Deputy Area Lead, Cities & Local Growth Unit
Yasmin Sulaman	YS	Growth Hub Programme Manager
Oliver Hindle	OH	Assistant Director, Cities & Local Growth Unit

ITEM		ACTION
1	<p>Welcome and apologies The Chair welcomed everyone to the meeting. Apologies received from Ken Clarke. SR welcomed MT as an observer and to give and update on the LEP network meeting</p> <p>Declarations of interest MT declared an interest in Item 9, DIT Strategy, as president of Shropshire Chamber of Commerce.</p>	
2	<p>Minutes of the last meeting and matters arising The minutes of the last meeting on 16th December 2021 were reviewed, checked for accuracy, and approved as an accurate record of the meeting.</p> <p>Updates on actions as follows:</p> <ul style="list-style-type: none"> • NA provided update on the Wetlands. Have agreed a way forward, it went to the LEP Board through a dedicated authority decision and was ratified at the January Board Meeting. The funding agreement variation has now been fully signed off. • RL has previously been advised Marches LEP could not use the Growing Places funding (Marches Investment Fund - MIF) towards operating costs if no core funding was received. Several other LEPs are using it. RL sought clarification. OH advised that it is a decision for the LEP and S151 Officer. MT confirmed that other LEPs have used GPF to ensure they can continue to deliver support where there is no Growth Hub funding available. RL will write to JW requesting approval to use MIF. JW asked for RL to set out details of what is planned and advised there will be terms and conditions associated with the funding which will need to be complied with. • The funding agreement for Stronger Communities has been signed/sealed by all parties. • Regarding MIF, RL has written to Mark Barrow several times re jointly funding an Access to Finance study. As the work does not seem to be progressing at this time, the £7,500 allocation for the study will be taken out of GH budget and reallocated. • Recruitment of a new Board Member has been stalled by uncertainty of the role the LEPs will play. As soon as is feasible, the LEP will go out to advert for a new board member. • The agreement to publish minutes of the PRMC on the LEP website is in the proposed terms of reference (TORs). The new TOR's will need to be agreed by LEP Board, see 	RL

	Agenda Item 3.	
3	<p>PRMC Terms of Reference</p> <p>RL stated it has been discussed with the Board that it would be beneficial to enable the PRMC to make decisions so the Board can concentrate their time on more strategic matters.</p> <p>The proposed changes to the TORs are:</p> <ul style="list-style-type: none"> • If there is a change to an already approved project that it can be dealt with by the PRMC without taking it to Board for the decision. The PRMC will approve the changes. • In addition, that PRMC can approve new projects up to £1,000,000 if there are two Board members present at the PRMC, and the S151 Officer agrees a compliant process has been followed. <p>FM highlighted a potential conflict for the S151 Officer to ratify a decision and be responsible for making the decision. JW confirmed that he is not there to make decisions but to confirm that due process has been followed appropriately.</p> <p>RL agreed to revise the wording around the S151 role.</p> <p>RL to obtain approval to the change of PRMC TORs from the LEP Board.</p>	<p>RL</p> <p>RL</p>
4	<p>Levelling Up White Paper and Implications</p> <p>RL provided an update on the Levelling Up white paper, stating that LEPs will continue to exist. Where there are mayoral combined authorities (MCAs), the LEPs will be integrated as part of the devolution strategy. The Marches is a rural LEP which will continue to exist for the time being as the three authorities are not part of current devolution plans.</p> <p>A letter to confirm the Marches LEP's future role and funding is still awaited.</p> <ul style="list-style-type: none"> • RL stated that there are mixed messages from different channels and that communications from the Departments needs to be more consistent. The overall delay is damaging to the LEP, and for the staff. Requested that OH feedback on communication issues. • RL updated the group that the future of LEPs and Growth Hubs is being treated separately. There is a clear position statement in those areas where there will not be MCA. Where LEPs are not in a devolved area they will continue to deliver key functions in bringing a private sector perspective to strategic economic planning and the development of projects. It is understood that the anticipated letter will not include detail about Growth Hub funding. • OH confirmed the need to wait until the letter is out for more detail. • RL requested local authority representatives in attendance to encourage their teams to continue to engage with the LEP. There is a future for LEPs and there are continued benefits for local authority collaboration. 	<p>OH</p> <p>All LA partners</p>

5	<p>Marches LEP Annual Performance Review feedback</p> <p>The Annual Review took place in January 2022, it was reported LEP's performance would be moderated centrally, and final ratings attributed. RL confirmed feedback was positive, with MLEP judged to have 'Met' their obligations around governance, strategy, and delivery. An official grading should be formally received early in April 2022. RL thanked the team for the good outcome during a challenging year.</p>	
6	<p>Risk Registers</p> <p>Members were informed a comprehensive review and reformatting exercise had been undertaken by the Programme Team in relation to both Risk Registers. It was explained moving forward PRMC would be presented with an overview document for each register, highlighting the Top 5 as well as any new/emerging risks – ensuring members can immediately focus on any critical issues.</p> <ol style="list-style-type: none"> i. The Strategic Risk Register has been renamed Corporate Risk Register. This has been formatted from high to low risks. There is a new risk related to Growth Hub funding. Red signifies where the text has been updated. FM raised the fact that normally the ratings go from 1-5 not 1-3. NA agreed to restructure it to be 1-5 and add the rating key to the document. SR highlighted that 4 out of 5 Top risks relate to Levelling up and delays in information being received from government. ii. Programme Risk Register has also been restructured. There are 25 new risks added. The programme risk register was previously focused on Local Growth Fund (LGF) and Getting Building Fund (GBF), but it was decided that all delivery programmes (Skills Advisory Panel, Careers Hub, and Growth Hub etc) should be included for transparency. Each delivery programme now has its own risk register which can be shared with their governance/reporting structures – if appropriate. NA highlighted the Growth Hub risk of University of Wolverhampton potentially withdrawing accommodation and technical support for the Marches Growth Hub - Telford. Similarly, risks around Growth Hub funding are now in the Corporate Risk Top 5. 	NA
7	<p>LEP Finances</p> <p>RL gave the following overview:</p> <ul style="list-style-type: none"> • The LEP has made two posts redundant. The budget for 22/23 provided in the papers excludes core grant funding from Cities and Local Growth Unit. The LEP can continue to trade through the FY without this, but it will continue to trade at a loss and so is not sustainable beyond the end of 22/23. • Staff contracts have been extended to March 2023 (except for the Marches Careers Hub posts). • The budgets for Business Boards support have been reduced. • Redundancy costs are ring fenced to ensure that the LEP can meet this potential liability. • Depending on the Levelling Up letter outlining the Marches LEP's future mandate, RL will approach the local authorities for additional contributions so that the LEP can continue to trade <p>MT highlighted that there will be a considerable amount coming in from the Telford Land Deal. RL confirmed the intention to write paper to the board suggesting how the money can be used to greatest effect. Action to discuss on the Board Away Day on 22 March.</p>	RL RL

8 Performance Monitoring

a) Growth Deal (LGF) updates

NA highlighted that the data presented related to January 2022 not February 2022, due to the PRMC meeting being pushed back to March 2022. Members were informed of the following:

- Stronger Communities – the LEP had reviewed and processed the full amount of grant.
- Hereford Enterprise Zone (HEZ) – Project confirmed they can spend all the grant by 31 March 2022.
- Oswestry Infrastructure Works – The LEP undertook a Finance Meeting with the project lead on 24 February 2022, where confirmation was received that the full amount of grant would be spent by 31 March 2022 – a risk relating to the Spine Road element of work was raised. An email received on 2 March 2022, stated this may result in an underspend of £91,495, however the project was working on a solution.
- Bishop Castle Business Park – To date no grant had been claimed. On 16 February 2022, the LEP received an email from the Project Lead (due Finance Meeting being cancelled), confirming the project was able to spend all its LGF allocation by 31 March 2022.
- Shrewsbury College (Automotive Project) – The LEP undertook a Finance Meeting with the project lead on 17 January 2022, confirmation was received that the full amount of LGF grant would be spend by 31 March 2022.
- Capitalisation – The claim with the Accountable Body for review, the £50,000 allocation would be fully utilised
- Clear message to all projects that money must be spent in this Financial Year (31 March 2022).
- Freedoms and Flexibilities (F&F) values; three projects had utilised F&F. The HEZ project has offset its value, with confirmation received that the Tannery and Connecting Shropshire project would be offset in March.

b) i. Getting Building Fund (GBF) update

The structure of the document has changed, a new column has been included reflecting the LEP Board approved spend profile in 2022/23 for the three projects who had their contracts varied – Integrated Construction Wetlands (ICW), Hereford City Centre Improvements (HCCI) & Stronger Communities. The Programme Team has met with each project promoter to confirm if they are able to spend their grant allocation as profiled within the spreadsheet.

- ICW – Herefordshire Council are working towards their recently agreed re-profile (as presented at the last PRMC meeting). KM advised planning agreed on the first site and starting construction next week, agreed Heads of Terms with another purchase and on target.
- Pride Hill Remodelling - The LEP undertook a Finance Meeting with the project lead on 17 January 2022, where confirmation was received that the full amount of grant would be spent by 31 March 2022. As set out in Risk 3.22 of the Programme Risk Register the LEP is working with SCC on the future of the project, including design and scope. This updated delivery proposal will go to the next LEP Board if appropriate.
- Tackling Fuel Poverty – The LEP undertook a Finance Meeting with the project lead on 17 January 2022, where a risk was raised in relation to timescales on the final completions. The LEP are meeting regularly with the project to mitigate these risks.
- HCCI - At a meeting held on the 28 January 2022, the project provided assurances to the LEP that they were able to meet their revised spend profile.
- NMiTE – The project has received their Grant allocation, with Herefordshire Council acting as Project Accountable Body.
- Stronger Communities - Are spending against their recently revised profile.
- Freedoms and Flexibilities – confirmation received from projects that all values will all be offset by 31 March 2022.

ii. Quarter 3 GBF Return 2021/22

NA shared the Quarter 3 return, outlining the position up to 31 December 2021. It was reported this was the first time PRMC had been presented the data in this format as the

returns had moved away from the web-based Delta platform and is now in an excel spreadsheet, which should provide a clearer overview of performance.

- It was confirmed for the Q3 period spend of £7.2m had been generated, which included F&F values offset during the current FY.
- It was explained that this position has already changed during January 2022 (as set out in agenda item 8 (b) i), with confirmation received from all projects that they will hit their agreed profiles – including a F&F value of £2.6m which will be bankrolled by the LEP's Accountable Body in 2021/22 FY and claimed by projects in arrears in 2022/23 FY.
- Members were informed a formal change request would need to be submitted by the LEP to Government in relation to the ICW project. As part of the contract variation, it was confirmed the project would be creating 500 Construction Jobs and not 500 Jobs. This will reduce Jobs outputs by 500 but increase Construction Jobs by 500.

c) MIF

RL advised there is almost £5 million available and plans to use it will be discussed at the Board Away Day on 22 March.

d) Growth Hub

YS provided the following update. On track with spend for this year. Expecting final Qtr4 claims from the three physical Growth Hub. Working closely with them and there are no concerns about underspend.

YS was asked what the cluster has heard regarding funding. The Cluster leads provide updates of their meetings with BEIS, who have had a 3-year settlement but there is no news on the funding for Growth Hubs.

e) Key Account Management (KAM)

KJ provided the following update: KAM is a Department for International Trade (DIT) funded project to help foreign owned businesses with their expansion and investment plans.

The project, delivered by the local authorities, is on target with the number of businesses being account managed and should have 3 project wins verified (against a target of 5) by the end of March 2022.

DIT have been awarded a three-year settlement from HM Treasury but is currently unclear about what the business case process will be for any future funding to the LEP. The uncertainty around LEPs is also creating a barrier to having meaningful conversations about future delivery.

f) Skills Support

KJ provided the following update: The Marches Careers Hub is delivered in partnership with the local authorities and is currently funded until 31 August 2022. The new Careers Hub Lead, Andriané Usherwood-Brown, started with the Marches LEP in January 2022 and is developing the Hub's operational delivery plan. There is still a vacancy in the Telford & Wrekin team, but the short-term nature of the contract is a challenge to recruitment.

- The Skills Advisory Panel's funding of £75K from the Department for Education supports a range of policy development and data and intelligence work. This has included the updating of the Marches Local Skills Report <https://www.marcheslep.org.uk/wp-content/uploads/2022/01/2022-Marches-Local-Skills-Report-Update-Final-270122.pdf>. Graham Guest is now Chair of the Skills Advisory Panel and is keen to refocus the group on the right strategic priorities, in line with the Skills and Levelling Up white papers.

KJ has no sight of funding for SAP for the next FY which is a concern as it is the only skills policy and research budget that the LEP has access to.

<p>9</p>	<p>Department for International Trade Draft Strategy</p> <p>RL shared DIT’s strategy of how they would like to operate across the Marches area. RL stated that what they have proposed is sensible and they provide a very good package of support businesses.</p> <p>MT asked how they are going to deliver this on the ground considering changes to how the DIT team would be operating. RL advised that staff that were previously based in the Chambers will now be working from home and will continue to support the local area. She understood that there was no reduction in staff resource.</p> <p>MT asked how people would contact the DIT advisers and raised a concern that changes to delivery structures and the uncertainty of Growth Hub may prevent local businesses from being able to access the support they needed.</p> <p>RL confirmed there is continual messaging to Government regarding the impact of removing frontline support to businesses if Growth Hub funding does not come through. If the Growth Hub service is moved to a national model, being nationally supported, the loss of local knowledge could have a negative impact on support for businesses. The importance of local knowledge should not be underestimated.</p>	
<p>10</p>	<p>Any Other Business</p> <p>FM raised the concern from the hospitality sector in Herefordshire that their plans for investment and expansion are held back as they used their resources to survive. Is there any advice or funds for capital investment?</p> <p>RL/YS advised of the existing programmes such as Business Energy Efficiency Programme, Small Equipment Grant, Marches Building Investment Grant, Low Carbon Opportunities Programme, R&D tax credits etc. There is also loan only through Midlands Engine Investment Fund. Lyndsay Francis from the Marches Growth Hub -Herefordshire has access to all the support programmes and should be first port of call for businesses.</p> <p>YS to share the existing list of EU funded business support already available with FM and will look at anything new. There is a new Life Sciences Innovative Manufacturing Fund (LSIMF) grant.</p> <p>MT highlighted that there is very little support options for the tourism and hospitality sector. Some of the energy efficiency schemes are not applicable in rural areas.</p> <p>MT stated there is a new UK government sponsorship scheme being launched to support Ukrainians who have been forced to leave their homes. Businesses can sponsor someone who does not have established family ties. There are skills gaps in the region, and there is an opportunity to resolve the gaps by sponsoring individuals. This will be promoted on the LEP website.</p> <p>FM stated there is also a Community Fund being set up in Herefordshire to support all refugees.</p>	<p>YS</p>
<p>Next Meeting of the Marches LEP PRMC: 28th April 2022 14:00-16:00</p>		

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**Marches LEP
Performance, Risk and Monitoring Committee (PRMC)
Terms of Reference (TORs)**

Roles and Responsibilities:

A sub-group of the Marches LEP Board which operates under the following delegations and responsibilities from the Board.

Performance Monitoring:

- Monitoring the delivery, outputs and spend of the projects and programmes managed by the Marches LEP and agreeing changes to projects where the projects have already been approved by the Board, including reprofiling of funding and outputs.

- Making recommendations on courses of action if projects are delayed, underperforming and/or not spending to profile. The committee has the delegated power to approve changes to projects up to the value of £1m on projects already approved by the LEP board. Changes above £1m will be considered by the committee with recommendations made to the board. The section 151 officer or deputy will be required to confirm that due processes have been followed. Cancelling/ withdrawing funding from projects will remain within the remit of the Board.

- Approving projects full business cases where the Board has already given outline approval.

- Approving funding for new projects up to the value of £1m.

- Monitor the operating budgets of the LEP including the income streams and maintaining strategic oversight of all the Marches LEP led expenditure to ensure that it is appropriately spent and represents value for money.

Governance:

The Marches LEP is a Company Limited by Guarantee (Company No. 11822614) and the LEP Board is its ultimate decision-making authority. The Performance, Risk and Monitoring Committee (PRMC)'s accountabilities for Governance include:

- Monitoring the Marches LEP legal and statutory compliance e.g. data protection, health and safety, FOI, complaints, declarations of interest, gifts and hospitality.

- Ensuring the Marches LEP Corporate and Programme Risk Registers are reviewed regularly, any agreed mitigation actions are up to date and appropriate to maintain risks at an acceptable level and high level risks are brought to the attention of the Board with recommendations for action.

- Receiving regular independent internal audit reports and assurance checks, undertaken or commissioned by the Accountable Body or Government, to verify that the Marches LEP is operating effectively and within the terms of its agreed

Accountability and Assurance Framework. If concerns are identified in any audits, making recommendations to the Board on the actions required to remedy any shortcomings identified within any such audit and who is responsible for undertaking such actions.

- Dealing with Stage 2 complaints, as per The Marches LEP Enquiries, Comments, Compliments and Complaints Policy (Appendix 13, Accountability and Assurance Framework).
- Appointing new LEP roles in the absence of a remuneration and appointments committee.
- Authorising the LEP Executive to bid for new funds up to £1m. Board approval is required for bid above this amount.

The PRMC:

- Is chaired by a private sector Marches LEP Board Member and comprises of three Board members, ensuring representation of each of the three local authority areas.
- Presents exception reports at Board meetings, in order for them to fulfil their monitoring programme finance and output metrics, including other essential information on individual project performance and risk management.

Meets between Board meetings. For voting purposes, a PRMC meeting is deemed quorate if at least two Board members (excluding any that have declared a conflict of interest are present and the accountable body s151 officer or deputy is present.

The Membership and Chairmanship of the PRMC and its TORs are reviewed on an annual basis by the Board.

PRMC Members receive meeting papers from the Secretariat and other supporting officers four working days before a meeting and minutes of the meetings are circulated within ten working days after every meeting. All papers will be published on the LEP website, except where they are commercially sensitive.

PRMC are open to the public who may attend as observers. Any member of the public wishing to attend a meeting must confirm in writing three days before the meeting. They should also submit any questions they wish to raise:

jo.grivell@marcheslep.org.uk

Where matters are due to be discussed at the meeting which are commercially sensitive, these will be deal with in Part b of a meeting and members of the public will be asked to leave the meeting.

Membership:

Role	Name	Job Title and Organisation
Chair	Sonia Roberts	Deputy Chair of the LEP
Vice Chair	Sara Williams	Board Member
	Frank Myers	Board Member
	Vacancy	Board Member
Supporting Officers	James Walton	Section 151 Officer, Shropshire Council
	Andrew Lovegrove	Section 151 Officer, Herefordshire Council
	Ken Clarke	Section 151 Officer, Telford & Wrekin Council
	TBC	Deputy nominated by Section 151 Officer, Shropshire Council
	Karen Morris	Deputy nominated by Section 151 Officer, Herefordshire Council
	Dainy Runton	Deputy nominated by Section 151 Officer, Telford & Wrekin Council
	Rachel Laver	Marches LEP Chief Executive
	Nicholas Alamanos	Head of Programmes
	Kathryn Jones	Head of Partnerships and Strategy
	Jo Grivell	Marches LEP Office Administrator
	Lisa Ashby	Marches LEP Project Officer
	Oliver Hindle	Assistant Director, Cities & Local Growth Unit

*Version 3
Updated March 22*

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MARCHES LEP CORPORATE RISK REGISTER
Last updated: 03 May 2022

Risk No.	Risk Description	Description of Potential IMPACT (quantified wherever possible)	Current controls	Residual Risk Ratings			Rationale for Risk Changes	Risk Mitigation	Direction of Travel
				LIKELIHOOD Rating (Very Low 1, Low 2, Medium 3, High 4, Very High 5)	IMPACT Rating (Minimal 1, Minor 2, Significant 3, Major 4, Critical 5)	RISK Rating			
TOP 5 RISKS - In order of Risk Rating (High to Low)									
2.7	Due to potential funding issues (as set out in Risk 2.4) the LEP may not have the capacity or resources to meet its contractual obligations in managing the Local Growth Fund (LGF), Getting Building Fund (GBF) and Marches Investment Fund (MIF) programmes. The LGF & GBF Programmes have deliverables forecasted up to 31 March 2025.	The LEP may not have the staffing resources to fulfil its obligations with Government in monitoring and managing contracted deliverables as a consequence of the considerable investment made through the LGF (£105m), GBF (£14m) and MIF (£7m) programmes. Exposure to underperformance across all programmes and risk of clawback.	Ongoing discussions with DLUHC to ensure LEP's contractual obligations will continue to be met should this risk materialise. The Head of Programmes will be leaving the LEP in June 2022. The LEP currently has a Project Officer who will maintain the monitoring role of projects and provide continuity of service.	4	4	16	N/A	The LEP to consider ring fencing funds, ensuring the organisation has capacity for this function moving forward. Since 2020 the LEP Team have been proactive in capitalising eligible Programme Management costs for work undertaken on developing new projects. At the 9 March PRMC Meeting a discussion was held around utilising MIF to cover the LEP's core operating costs. It was explained other LEP's have set the precedence in using their Growing Place Fund for this purpose. It was agreed due to a lack of clarity on the future funding of LEP's that the LEP CEO would work with the LEP's S151 Officer in exploring this. The LEP has also now received a reduced core allocation figure of £350k, as set out in risk 2.4.	↔
2.9	The LEP are unable to recruit new Board Members (including Chair) due to a lack of clarity around the future role of LEP's.	The LEP would not be able to recruit to vital positions within its Board. These provide: •Specific areas of expertise •geographic representation for the Marches Region •key governance roles relating to quoracy and decision making - posing potential disruption to the LEP's core business moving forward.	The LEP currently has Board vacancies. At the 26 April 2022 meeting LEP Board members agreed to start the recruitment process in identifying a new Chair (who is due to stand down in September 2022) enabling an effective handover period.	3	5	15	N/A	Please see current controls.	*
5.5	A shortfall in operating budgets due to VAT/TAX implications of new company status.	A shortfall in the operating budget would impact on running costs and the financial sustainability of the LEP.	As part of becoming a company limited by guarantee, legal advice has been sought on VAT/TAX implications. A dialogue with HMRC on the possibility of recovering some VAT did not bring any positive outcomes.	3	4	12	N/A	Previous risk mitigation archived - The LEP CEO is currently proactively looking at options around VAT/Tax in relation to the sustainability/financial viability of the Marches LEP. A Board paper was tabled at the 26 April 22 LEP Board meeting which sets out the options and viabilities of employing LEP staff directly which would minimise the impact caused by paying VAT/Tax on the LEP's core/staffing budget. The LEP CEO has also raised the VAT issue again with the LEP Network and it has also been added to one of the working groups.	↔
2.4	The operational Core Funding from Government for the LEP is either delayed or reduced.	Loss of members of staff, impacting on the LEP's ability to deliver its core business as set out within its delivery plan. This includes economic growth, delivering business support, skills and employment support, physical and infrastructure development, transport and energy strategy.	Regular communication with the LEP's Area Lead from Government in relation to the future of LEPs and impact on future funding of the organisation. Close working relationships with the 3 Local Authorities within the Marches region - including regular meetings through the Operations Group.	3	4	12	The LEP has now received a reduced Core Funding allocation of £375k.	Previous risk mitigation archived . On 31 March 22 LEP Chairs and CEO's received a letter from Neil O'Brian MP and Paul Scully MP in relation to integrating LEP's into Local Democratic Institutions. This signalled an conclusion to the ongoing LEP Review, confirming an indicative allocation of £375k per LEP for the 22/23 FY - reflecting their revised roles and functions subject to business case approvals. The LEP has also recently undertaken a staffing restructure, enabling core business to be undertaken during 22/23 FY.	↓
6.4	Changes to government policy regarding LEPs.	Altered LEP role/responsibilities. Board members could become disenfranchised. Impact on stakeholder relationships could occur leading to a failure to deliver expected economic benefits across the Marches geography in the areas of business support, skills and employment support, physical and infrastructure development, transport strategy and energy strategy.	Communication with Area Lead to understand Government's current position, in light of the Levelling Up White Paper, Skills White Paper and LEP Review. Work with LEP Network to highlight the role and benefit of LEPs and how LEPs can evolve and adapt to address the changing demands of local economic growth. Local stakeholder management including liaison with MPs.	3	4	12	On 31 March 22 the LEP Chairs and CEO's received a letter from Neil O'Brian MP and Paul Scully MP in relation to integrating LEP's into Local Democratic Institutions.	Previous risk mitigation archived. On 31 March 22 the LEP Chairs and CEO's received a letter from Neil O'Brian MP and Paul Scully MP in relation to integrating LEP's into Local Democratic Institutions, signalling a conclusion to the ongoing LEP Review and confirmed an indicative allocation of £375k per LEP for the 22/23 FY. This reflects their revised roles and functions subject to business case approvals.	↓
NEW RISKS - In order of Risk Rating									
2.9	The LEP are unable to recruit new Board Members (including Chair) due to a lack of clarity around the future role of LEP's.	The LEP would not be able to recruit to vital positions within its Board. These provide: •Specific areas of expertise •geographic representation for the Marches Region •key governance roles relating to quoracy and decision making - posing potential disruption to the LEP's core business moving forward.	The LEP currently has Board vacancies. At the 26 April 2022 meeting LEP Board members agreed to start the recruitment process in identifying a new Chair (who is due to stand down in September 2022) enabling an effective handover period.	3	5	15	N/A	Please see current controls.	*

Direction of Travel Key	
↑	The risk has increased since last review date
↓	The risk has decreased since last review date
↔	No change in the risk
*	New risk
Red text denotes text which has changed or been added since the Risk Register was last reviewed by the Board/PRMC.	

Likelihood	Marches LEP - Risk Matrix				
	Impact				
	Minimal - 1	Minor - 2	Significant - 3	Major - 4	Critical - 5
Very High - 5	5	10	15	20	25
High - 4	4	8	12	16	20
Medium - 3	3	6	9	12	15
Low - 2	2	4	6	8	10
Very Low - 1	1	2	3	4	5

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Item 5b

MARCHES LEP PROGRAMME RISK REGISTER
Last updated: 03 May 2022

Risk No.	Risk Description	Description of Potential IMPACT (quantified wherever possible)	Current Controls	Residual Risk Ratings			Rationale for Risk Changes	Risk Mitigation	Target Risk Rating			Risk Owner	Annual Review Date	Live/ Closed	Date Closed	Direction of Travel
				LIKELIHOOD Rating (Very Low 1, Low 2, Medium 3, High 4, Very High 5)	IMPACT Rating (Minimal 1, Minor 2, Significant 3, Major 4, Critical 5)	RISK Rating			LIKELIHOOD Rating (Very Low 1, Low 2, Medium 3, High 4, Very High 5)	IMPACT Rating (Minimal 1, Minor 2, Significant 3, Major 4, Critical 5)	Target RISK Rating					
Governance																
1.8	Single monitoring system to oversee programme and project monitoring is not in place.	Government lacks confidence in LEP's ability to monitor programme. LEP, PRMC & LEP Board unable to track progress/manage programme.	A new and comprehensive programme management system and process has been established and implemented by the LEP team. The new system will allow more effective management of the overall programme and information will be easier to access. Reporting to the Government will also be made easier. Programme and project management has been checked as part of the internal audit undertaken in 19/20 by Shropshire Council Audit Services. The LEP has moved up 2 assurance levels from Limited to Good with sound systems of control in place to address relevant risks and controls being applied consistently.	3	3	9	No changes to residual risk ratings	Please see Current Controls	2	2	4	LEP CEO	01.04.22	Live		↔
1.12	Government sets call deadlines which may not allow time for the LEP to follow processes set out in the Assurance and Accountability Framework.	Risk of funding being awarded to projects within limited timescales set by Government which may impact on LEP processes and procedures. There could be a risk of challenge by unsuccessful projects due to the perception of a less robust appraisal and selection process.	The LEP always adheres to the AAF working with the S151 Officer, PRMC and the LEP Board to ensure processes are followed.	2	4	8	No changes to residual risk ratings	Please see Current Controls	3	3	9	LEP CEO	01.04.22	Live		↔
1.13	Marches Career Hub - External (Careers Hub Steering Group) and internal government processes fail to strategically direct project to meet contractual and local needs	Funder (Careers & Enterprise Company CEC) lacks confidence in Marches LEP's ability to deliver project effectively and efficiently	Careers Hub Steering Group established and strategic delivery framework agreed with local authorities for contract period Sept 2021 - August 2022. This will allow more effective decision making to shape delivery priorities in line with CEC and local needs	3	3	9	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.09.22	Live		↔
1.14	Skills Advisory Panel - Skills Advisory Panel fails to meet national (DfE) and local needs	Loss of influence for the Marches LEP and failure to engage with skills issues that drive inclusive economic growth	Chair (Graham Guest) seeking to 'future-proof' the SAP membership and ToRs in anticipation of guidance from DfE.	3	4	12	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.04.22	Live		↔
1.15	Key Account Management - Failure to meet contractual obligations (held by Marches LEP) through local authority delivery	Funder (Department for International Trade (DIT) lacks confidence in Marches LEP's ability to deliver project effectively and efficiently. This could negatively impact on any potential funding for future years	Monthly project review to monitor progress against targets to meet DIT reporting schedule. Each LA has confirmed agreed targets and financial allocation for FY21-22 which are reviewed on a monthly basis.	3	3	9	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live		↔
1.16	Peer Networks - Failure to meet contractual obligations outlined in BEIS funding agreement through contracted delivery partners	Funder (BEIS) lacks confidence in Marches LEP's ability to deliver project effectively and efficiently	Regular review through project dashboard - on schedule to meet contracted targets and budget.	2	3	6	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live		↔
1.17	Marches Growth Hub - Potential conflict of interest relating to the MBS Steering Group	This leaves the LEP open to criticism and challenge. Loss of reputation.	A Members Register of Interest form is not required from Steering Group members who are LEP Board members, LA partners and LEP PR & Marketing Consultants as agreed with the LEP CEO. All other Steering Group members complete a form on an annual basis. At each meeting, Members are asked to declare any conflicts with regards to the agenda. A form is issued before the meeting and the Chair asks Members to declare interests as part of a standing agenda item.	2	2	4	n/a	Register of interest forms for February 2022- February 2023 have been requested from relevant members ahead of the next MBS Steering Group meeting on 17 March 2022. Updated Register of Interest forms have been received from all members except one. This has been chased to ensure all forms are complete by the MBS Steering Group meeting on 28 April 2022. All Register of Interest forms have now been completed and are on file for February 22/23.	2	2	4	LEP CEO / MGH Programme Manager	01/04/2022	Live		↔
1.18	Marches Growth Hub - The MGH web providers' systems are compromised including the risk of cyber crime impacting on the front door MGH website and data collection systems.	Businesses are unable to contact Growth Hubs, access services or make enquiries, loss of data collections.	Hosting & maintenance contracts tracks and reports any incidents.	2	3	6	n/a		2	3	6	MGH Programme Manager	01/04/2022	Live		↔
Resources																
2.2	Lack of capacity in Finance Team.	Financial reports not prepared in a timely manner leading to inability to monitor spend & delays to programme.	Previous risk responses have been archived. The LEP Accountancy Assistant role has now been filled.	2	3	6	No changes to residual risk ratings	Shropshire Council has undertaken a restructure merging Workforce and Transformation, Finance, Governance and Assurance, and Legal and Democratic Services into one Resources Directorate. As part of these changes the Director of Finance, Governance and Assurance (Section 151 Officer) has been appointed as Interim Executive Director of Resources, with Toyin Bamidele appointed as Interim Director of Strategic Finance - adding capacity to all Strategic Finance workstreams including the Marches LEP. The Finance Team has also recently recruited a new Assistant Financial Accountant who will be also be working with the LEP Team. Toyin Bamidele - Interim Director of Strategic Finance has left the Local Authority. Shropshire Council will keep the LEP updated on her replacement and interim arrangements. A panel interview was held on the 25 April 2022 for the Deputy Section 151 Officer.	2	3	6	LEP CEO/ S151 Officer	01.04.22	Live		↔
2.3	Reduced capacity in the LEP Team due to absence, members of the team leaving or lack of funding.	Continuity of service could be impacted. Delays due to lost knowledge & lack of capacity to monitor projects.	Previous risk responses have been archived. The Head of Programmes will be leaving the LEP in June 2022. The LEP currently has a Project Officer who will maintain the monitoring role of projects and provide continuity of service.	3	4	12	Impact rating has been increased by 1 due to the Programme Team now being reduced to one member of staff.	Previous risk mitigation archived. The Head of Programmes will be leaving the LEP in June 2022. The LEP currently has a Project Officer who will maintain the monitoring role of projects and provide continuity of service. See Risk 2.4 and Risk 2.7 of the Corporate Risk Register.	3	3	9	LEP CEO, Chairman & PRMC	01.04.22	Live		↑
2.5	Appropriate project resources are not allocated by all project delivery organisations.	Delay in completing tasks leading to delays to the programme.	The LEP Team work closely with project managers and monitor project progress regularly including through quarterly monitoring meetings.	3	3	9	Decreased due to the LEP having a linked Officer for the LEP to work with and the LGFand GBF programmes closing	Please see Current Controls	2	3	6	LEP CEO	01.04.22	Live		↓
2.6	Project costs escalate since outlined in the Strategic Economic Plan (March 2014) for Growth Deals 1 and 2; and since Growth Deal 3 project proposals.	Local match funding no longer available & projects cannot be delivered.	Project Managers provide detail to LEP prior to contracting, via monthly project claim forms and quarterly monitoring meetings.	3	4	12	No changes to residual risk ratings	LGF and Getting Building Fund projects continue to be managed through the claims and monitoring process.	2	3	6	LEP CEO	01.04.22	Live		↔
2.7	Local authority and other partners lack funds to bring forward new priority projects.	New priority projects stall. LEP has no viable project pipeline.	LA and other partners to work with LEP to ensure match funding is available. LEP capacity funding is being used to encourage project development	3	3	9	Decreased due to LGFand GBF programmes closing	Government announced in the March 2021 Budget that Local Authorities would be the conduit for the Levelling Up Fund.	3	3	9	LA Partners/ LEP CEO	01.04.22	Live		↓
2.8	LA partner capacity reduced due to funding cuts and no continuity plan in place.	Individual projects not delivered within the programme and delays due to loss of staff time and knowledge.	LA partners required to provide named project manager for each priority project promoted by the LEP.	3	3	9	Decreased due to the LEP having a linked Officer for the LEP to work with and the LGFand GBF programmes closing	Please see Current Controls	3	3	9	LA Partners	01.04.22	Live		↓

2.9	A company defaults on their MIF loan	In short term, loan would not return to LEP for recycling and interest would be lost. Project outcomes and outputs would not be delivered	Detailed due diligence is undertaken on all applicants including checks with Companies House. The contract with the applicant confirms that the accountable body will activate a charge on property and either sell or complete the project to recoup the loan and interest.	2	3	6	No changes to residual risk ratings	Please see Current Controls	2	3	6	LEP CEO	01.04.22	Live	↔
2.10	Lack of knowledge/training on the cloud based system.	Work may be lost and/or stored in a less secure place than the cloud, could result in loss of confidential or commercially sensitive information.	Team trained on 27th June 2016, will be refreshed as required. New team members were trained on 27th October 2017. The LEP has a dedicated IT partner at Shropshire Council and staff received training on cloud based system on 28th January 2020. A review of the SharePoint system and filing has recently been undertaken.	3	4	12	No changes to residual risk ratings	The Accountable Body have set up a Project SharePoint system to aid due diligence process. Further guidance and training on this is being sought from the Accountable Body. The Sharepoint system with Shropshire Council has been implemented and used to manage the recent funding agreement and contract variation process.	2	2	4	LEP CEO	01.04.22	Live	↔
2.12	Insufficient capacity in LEP team due to increased workload associated with the additional £14m Getting Building Fund.	Delays in contracting so projects have reduced time to deliver against spend profile; displacement of other activity leading to delays to Growth Deal Project Engagement Visits or monitoring meetings which could impact on delivery.	On 4 August 2020 government announced accelerated funding of £14m Getting Building Fund to six Marches LEP projects which are now being contracted. Additional resource has been provided by Shropshire Council to support pre-contract Due Diligence work. Legal support has been secured from Bevan Brittan to utilise expertise from the Growth Deal. Five of the projects are with existing Growth Deal contract holders and the same processes and template funding agreements have been adopted for the Getting Building Fund to facilitate contracting.	3	3	9	No changes to residual risk ratings	Capacity is being reviewed in light of the additional workload associated with the £14m Getting Building Fund programme (See 2.3). Additional legal capacity was procured from Bevan Brittan to support the LEP team during the Getting Building Fund contracting and variation process. Effective capacity planning within the team ensured projects were contracted and Project Engagement Visits held in January/early February. Work to develop GBF contract variations and GBF Freedoms & Flexibilities agreements was managed within existing capacity.	3	3	9	LEP Board/Director	01.04.22	Live	↔
2.14	Marches Career Hub - No project funding allocated beyond current period (31 August 2022)	Impossible to deliver - project closure would be necessary	Regular communication with CEC Regional Lead to assess funding beyond current contract period	3	4	12	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.09.22	Live	↔
2.15	Marches Career Hub - Inadequate staff resources to deliver project successfully	Potential delivery failure, unable to make best use of project budget and additional pressure on Marches LEP and dispersed Marches Careers Hub team	New Hub Lead now in post (wef Jan 2022) and Shropshire part time post to be filled wef March 2022. Opportunities to support priorities across the Marches identified by new Careers Hub Lead. Support offered to recruit to vacant T&W post.	3	3	9	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.09.22	Live	↔
2.16	Skills Advisory Panel - No SAP funding allocated by DfE for FY 22-23	No investment in data and research possible to support LEP and wider partners in developing business cases for future funding	Regular communication with LEP Network and DfE to understand future funding position	3	4	12	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.09.22	Live	↔
2.17	Skills Advisory Panel - Lack of partnership working to develop Marches wide projects under SPF	Inconsistent provision across the Marches and failure to build on good practice developed under Marches wide ESF delivery	Communication with Local Authority Skills Leads to determine delivery priorities for SPF	3	4	12	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.04.22	Live	↔
2.18	Key Account Management - No project funding allocated beyond current period (31 March 2022)	Impossible to deliver - project closure would be necessary	Regular communication with DfT to assess funding beyond current period. Local Authorities kept informed	3	4	12	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live	↔
2.19	Key Account Management - Failure for Local Authorities to meet expenditure targets	Funder (Department for International Trade (DIT) lacks confidence in Marches LEP's ability to deliver project effectively and efficiently	Communication with local authorities to maximise eligible spend. Monthly reconciliation carried out to assess expenditure against income claimed from DIT	3	4	12	n/a	Please see current controls	3	3	9	Head of Partnerships & Strategy	01.04.22	Live	↔
2.20	Peer Networks - No project funding allocated beyond 31 March 2022	Lack of support available for local businesses	Businesses signposted to Marches Growth Hub partners to access alternative national and local support	2	2	4	n/a	Please see current controls	2	2	4	Head of Partnerships & Strategy/Business Support Lead	01.04.22	Live	↔

2.21	Marches Growth Hub - Reduction of Marches Growth Hub (MGH) funding, including contributions from Local authorities.	Failure to deliver expected economic benefits across the Marches geography through business support delivered by the MGH programme	See Risk 2.8 of the Corporate Risk Register	3	4	12	n/a	On 30 March 2022 the LEP received a letter of comfort from BEIS confirming Growth Hub funding of £231k for 2022/23, a 50% reduction on the core budget from 2021/22. The grant funding letter and details of funding requirements is awaited for the LEP CEO to discuss delivery requirements with Local Authority partners. In addition the LEP CEO is working with other West Midlands LEP CEOs/Chairs/Growth Hub leads to share best practice.	3	3	9	LEP CEO	01/04/2022					↔
2.22	Marches Growth Hub - Change of resources or restructures within Local Authorities impact on capacity for Growth Hub activity.	Disruption of MGH programme in the local authority area and settling in period	Regular on-going contact between the LEP and 3 physical Growth Hub Managers. Bi-monthly MGH Operations Group meetings are held for Growth Hub leads to raise any internal issues with the LEP which may impact on Growth Hub operations.	2	2	4	The new structure at Telford & Wrekin Council is now in place. The LEP has not been made aware of any other planned restructures.	At the MGH Operations Group meeting on 16 February 2022 the LEP was advised that the Telford delivery team is going through a restructure to be implemented on 1 April 2022. Telford & Wrekin have given assurance to the LEP that there will be no risk to the MGHP. The MGH Project Lead will remain in post. The restructure will see the integration of two teams which will streamline activity and create more flexibility, some delivery mechanisms will therefore be adapted, however the Growth Hub will continue to offer a high quality service to businesses. The new structure at Telford & Wrekin Council is now in place. At a meeting on 16 March 2022 TWC provided an update on roles supporting the Growth Hub.	2	2	4	LEP CEO / MGH Programme Manager	01/04/2022					↓
2.23	Marches Growth Hub - The University of Wolverhampton withdraws accommodation and technical support for the Telford & Wrekin Growth Hub.	Disruption of MGH programme in local authority, cost implication of accommodation	Regular on-going contact between the LEP and 3 physical Growth Hub Managers. Bi-monthly MGH Operations Group meetings are held for Growth Hub leads to raise any internal issues with the LEP which may impact on Growth Hub operations.	2	2	4	The LEP has been assured plans are in place to ensure continuity even in the event of relocation. The use of technology and online delivery would minimise disruption.	At the MGH Operations Group meeting on 16 February 2022 the LEP was advised that the University of Wolverhampton is reviewing accommodation and technical support provided to the Telford Growth Hub. A medium to long term plan is being developed for the possible relocation of the hub at Telford and the Local Authority is working with the University in the short term to ensure that it stays in its current location.	2	2	4	LEP CEO / MGH Programme Manager	01/04/2022					↓
2.24	Marches Growth Hub - Closure of West Midlands Growth Hub Cluster model	Impact on LEP resource to deliver short-term/long term funding programmes	Weekly communication with WM Growth Hub Cluster Lead to assess any potential changes to the model.	2	2	4	Risk reduced following confirmation by BEIS that the cluster model will remain.	In letter of comfort of 30 March 2022, BEIS confirmed that £40k has been allocated to Coventry and Warwickshire LEP to support the cluster model.	2	2	4	MGH Programme Manager	01/04/2022					↓

Programme Management															
3.1	LGF, GBF & MIF Programmes are too loosely managed, allowing timeline slippage and inconsistent record keeping.	Programme timeline becomes unrealistic and key milestones are missed. Transparency is negatively affected, opening the LEP up to criticism and making the programme harder to replicate in future plans.	Previous risk responses have been archived. Programme managed in accordance with provisions of the Assurance Framework. PRMC meets bi-monthly to review milestones and spend against profile. Project claim forms submitted monthly. New systems and procedures implemented March 2018 in response to Shropshire Council Audit report. Programme and project management has been checked as part of the internal audit undertaken in 19/20 by Shropshire Council Audit Services. The LEP has moved up 2 assurance levels from Limited to Good with sound systems of control in place to address relevant risks and controls being applied consistently.	2	3	6	No changes to residual risk ratings	Please see Current Controls	2	3	6	LEP CEO/ PRMC	01.04.22	Live	↔
3.2	Delivery partners fail to complete LGF & GBF project status reports by the required deadline.	PRMC receive insufficient notice of any project issues and/or underspend and money is lost from the programme (if processes in 3.1 and 1.7 not followed).	Forward programme of deadlines provided to project managers with updates as required. All projects are required to submit monthly reports and claims, (except broadband projects which report quarterly due to their contractual arrangements), and to have quarterly monitoring meetings with the LEP. LGF projects which have completed their grant spend are required to submit quarterly status reports and to have quarterly monitoring meetings with the LEP assessing progress against delivery of match and outputs.	3	3	9	Decreased due to grant being fully claimed. Projects have moved to quarterly reporting on outputs.	The LEP has developed a Project Tracker to monitor reporting and associated actions. In anticipation of the LGF March 31 st 2021 and GBF 31 st March 2022 spend deadline the LEP team are issuing reminders to projects to return project status and spend reports, enabling issues to be dealt with quickly using risk mitigation measures such as Freedoms and Flexibilities (F&F) etc.	2	3	6	PRMC/LEP CEO	01.04.22	Live	↓
3.3	Project scope is not agreed, clarified & communicated to the LEP team.	Proposed projects do not deliver against SEP priorities and identified business needs. Expected benefits are not realised.	Project scope, deliverability and benefits identified through the business case prepared at the outset of the project, and appraisal by ITE verifies this and communicates it with the LEP team. Projects update project status reports monthly which the LEP Team monitor; the process is included in the Accountability and Assurance Framework. A more robust process to monitor and record project outputs has been signed off by the LEP's accountable body and will be implemented in Q4 2017/18. See risk 1.8.	2	3	6	No changes to residual risk ratings	Please see Current Controls	1	3	3	Project manager	01.04.22	Live	↔
3.4	Delivery partners fail to deliver projects on time & to budget leading to underspend against government annual LGF & GBF profiles.	Slippage in projects & programme, milestones not achieved, leading to withdrawal of funding.	Previous risk responses have been archived. Monthly reporting and claims by most projects (quarterly for broadband projects). Bi-monthly reporting to PRMC by the LEP Team & risk registers. Effective reporting mechanisms in place between PRMC, LEP Board & government. Programme management approach to funds seeks to minimise loss of LGF & GBF funds	3	3	9	Risk has been reduced due to projects spending their allocations. Three projects have GBF allocations for 22/23 utilising F&F	Previous risk responses have been archived On 7th September 2021 the LEP Board agreed additional funding for five existing LGF projects (Oswestry, HEZ, Stronger Communities, Bishops Castle and Advanced Manufacturing) to complete spend by 31 March 2022. The projects will submit monthly claims and progress reports and have quarterly monitoring meetings with the LEP to monitor grant spend. Interim monthly finance meetings are being held through Q4 of 2021/22 to monitor the newly contracted LGF spend as well as any outstanding Freedoms & Flexibilities ahead of the spend deadline of 31 March 2022.	3	3	9	PRMC/ LEP Board	01.04.22	Live	↓
3.8	The NMITE project represents a large proportion of the Growth Deal 3 allocation (36%). Match funding has not yet been fully secured, without the match it may not be possible to continue to fund the project with Growth Deal funding. The spend profile for the project does not reflect the profile given to the LEP by the Government.	If the match funding is not confirmed, there will be no match funding for Growth Deal funds which is a requirement by DCLG. If the project goes ahead, the Growth Deal funds coming to the LEP from the Government will be insufficient to cover its planned spend profile in 2018/19 & 2019/20.	Work was undertaken with NMITE as part of their £400k top up variation to determine their progress against their match profile. This included an approach agreed by the Accountable Body S151 Officer and Marches LEP CEO to reprofile their match funding as part of the variation.	3	4	12	No changes to residual risk ratings	Previous risk responses have been archived. Please see current controls	3	3	9	LEP Board, LEP CEO, NMITE	01.04.22	Live	↔
3.10	Partners fail to spend the required level of match funding, or fail to report on match funding spend and/or outputs from the project delivery.	The government response is unknown, but could include claw-back of funds.	A quarterly monitoring process has been drafted by the LEP Team and now agreed with Shropshire Council Finance Team and S151 Officer.	3	3	9	No changes to residual risk ratings	Quarterly monitoring meetings are undertaken with all projects. Progress against match and delivery of outputs is reviewed at these meetings.	2	2	4	LEP Board, LEP CEO, project managers	01.04.22	Live	↔
3.12	LGF & GBF projects are not able to deliver against their contracted outputs.	Underperformance relating to the achievement of outputs would result in the LEP underperforming against their LGF & GBF programmes. This would have an impact on our reputational at a national level, whilst also negatively impacting on our ability to attract future grant allocations to the region.	Please refer to current controls in 3.10	3	4	12	No changes to residual risk ratings	Please refer to Risk Response in 3.10	3	3	9	LEP Board, LEP CEO, project managers	01.04.22	Live	↔
3.15	Revenue funding gap relating to the Marches Centre for Manufacturing and Technology (MCMT) project.	The funding gap may impact on the ability of MCMT to operate. Should the project cease it would leave a number of LEP contracted outputs undelivered and a number of capital items not being utilised.	Delivery will be monitored by the LEP team through the regular monitoring process.	3	3	9	Decreased due to funding agreement expiring	Previous risk response archived. The second Deed of Variation was fully sealed on 31 March 2021. Delivery will be monitored by the LEP team through the regular monitoring process.	3	3	9	LEP Board, LEP CEO, project managers	01.04.22	Live	↓
3.16	Limited time for the LEP to consider Grant Funding Agreement variation requests from Growth Deal 3 projects in line with the timescale for spend.	Projects are not able to spend to profile leading to an underspend on LGF by the end of the programme funding period of 31 March 2021.	The LEP has worked closely with Bevan Brittan solicitors to develop a Variation template to respond to LGF projects requesting variations.	3	3	9	No changes to residual risk ratings	The LEP has worked closely with Bevan Brittan solicitors to develop a Variation template in response to a number of LGF projects requesting variations. Requests have been received from the HEZ, Tannery, Oswestry IP and Allied healthcare projects. As variations may require LEP Board approval and an Emergency LEP Board was convened for 24 th February to outline the position. Variations were signed-off by 31 March 2021 enabling LGF spend by the end of the funding period. A new funding agreement for the Bishops Castle workshop project was signed-off by 31 March 2021 to utilise underspend from the Tannery project by programme closure. Freedoms & Flexibilities have been utilised by the following projects - ensuring LGF spend by 31 March 2021: Connecting Shropshire £319,011.06, Tannery £11,501.73 and Hereford Enterprise Zone £500,000	2	3	6	LEP Board, LEP CEO, project managers	01.04.22	Live	↔

3.17	Limited time for the LEP to consider Grant Funding Agreement variation requests from Getting Building Fund projects in line with the timescale for spend.	Projects are unable to spend and the LEP is unable to meet its contractual commitments for the 2021 financial year, risking the LEP not receiving its allocation for 21/22.	The LEP has worked closely with Bevan Brittan solicitors to develop a Variation template in response to a number of GBF projects requesting variations. At the Emergency LEP Board on 24th February the Board approved the utilisation of the Marches Investment Fund as a cashflow facility for the Getting Building Fund, ensuring the LEP was able to meet its contractual commitments during the 2020/21 Financial Year.	3	3	9	No changes to residual risk ratings	The LEP has worked closely with Bevan Brittan solicitors to develop a Variation template in response to a number of GBF projects requesting variations. Requests have been received from the Pride Hill Remodelling and Tackling Fuel Poverty projects. As variations may require LEP Board approval an Emergency LEP Board was convened for 24th February to outline the position. The variations were signed-off by 31 March 2021 enabling the LEP to meet spend commitments. Freedoms & Flexibilities have been utilised by the Stronger Communities (£1,190,000) and Hereford City Centre Improvement (£1,389,000) projects - ensuring 2020/21 GBF allocations were spent by 31 March 2021 in line with contractual commitments. See Risks 3.18, 3.21 and 3.22.	3	3	9	LEP Board, LEP CEO, project managers	01.04.22	Live	↔
3.18	The Integrated Construction Wetlands project is unable to negotiate the purchasing of land from owners, impacting on the projects ability to spend their Getting Building Fund allocation.	The total GBF funding allocation of £1,000,000 is not spent in the 2022/23 financial year resulting in the potential for reputational damage and impacting on the LEP's delivery rating and credibility with DLUHC. If the project is unable to meet the spend target for 21/22 this could result in them being unable to draw down funds for 22/23. This could potentially lead to tension and difficulty in completing the project if funding has to be withdrawn.	The LEP continues to work with Herefordshire Council on this Strategically Important project. Please see Risk Response.	3	4	12	No changes to residual risk ratings	Previous risk response has been archived. The period 11 claim of £210,603.48 has been processed for payment by the LEP/Accountable Body with the 12 claim of £223,856.71 having queries which have been passed onto the project lead. This will result in a GBF expenditure value of £403,118.80 - against a profile of £377,372. The project has a balance of £596,881.20 to claim in the 2022/23 FY. The LEP continues to work closely with the project on the delivery of this strategically important project.	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.19	Projects do not fulfil their obligations in relation to the utilisation of Freedoms & Flexibilities.	Projects have utilised Freedoms & Flexibilities as a way of ensuring the LEP met its 2020/21 spend obligations with Government in relation to the LGF & GBF Programmes. Projects may not be able to provide the necessary evidence relating to the agreed Freedoms & Flexibilities values paid.	The LEP has worked closely with Bevan Brittan solicitors to develop a Freedoms & Flexibilities template which is a variation to existing Funding Agreements. This includes clauses ensuring if the terms and conditions of the variation are not adhered to projects must pay back the value of Freedoms & Flexibilities claimed. Project spend to offset Freedoms & Flexibilities is monitored through the monthly or quarterly financial claims process and through quarterly monitoring visits to monitor progress on offsetting commitments by the end of the 2021/22 FY.	3	3	9	No changes to residual risk ratings	Please see Current Controls Interim monthly finance monitoring meetings are being held through Q4 2021/22 to monitor the position closely ahead of the deadline of 31 March 2022.	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.20	Proposed merger of the Oxon Link Road with the Shrewsbury North West Relief Road (NWRR) may impact on the delivery of its contracted deliverables - including Match Funding, Milestones and Outputs.	Timelines are uncertain and milestones may slip meaning match funding and outputs are not delivered, exposing the LEP to the risk of not meeting its commitment to Government.	The LEP continues to monitor the project through the quarterly monitoring process and also request updates.	4	4	16	No changes to residual risk ratings	Previous risk response archived. On 2 March 2022 the LEP Team met with Shropshire Council, the project lead confirmed the information requested for the Funding Variation would be worked on as well as an updated position on the delivery for the LEP Board to consider at its April LEP Board meeting. At the 26 April 2022 LEP Board Meeting members agreed to approve the de-linking of the OLR project from the NWRR and to approve the detail relating to the revised Funding Agreement (not amending the values approved by LEP Board on 21 May 2019) be delegated to the first PRMC following Shropshire Councils Planning Determination Meeting (currently projected for June 2022).	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.21	The Hereford City Centre Improvements project may not spend their Overall GBF Grant allocation by 31 March 2023.	The project becomes undeliverable within the timescale resulting in clawback of GBF funding.	Previous current control archived. The project is being monitored as part of the LEP's performance monitoring programme against its varied contractual commitments.	4	3	12	The residual risk rating has decreased to amber to reflect a funding agreement variation now being in place.	Previous risk response archived. The project has met its contracted GBF spend profile for 2021/22 FY with a value £1,450,043 to claim in the 2022/23 FY. The LEP continues to work closely with the project on the delivery of this strategically important project - receiving regular claims and undertaken monitoring meetings.	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.22	The delivery of the Pride Hill Remodelling GBF project may be impacted following a decision by Shropshire Council on 23 September 2021 to pause the project while a review of the Pride Hill, Civic Accommodation and Riverside Development and further market testing is carried out.	The project, as set out in the funding agreement, is not delivered, impacting on GBF spend and delivery of match funding and outputs.	Delivery of the project is monitored through the monthly claims and reporting process and quarterly monitoring visits. Interim meetings are held for the project to keep the LEP updated on the re-scoping process and any associated risks to delivery.	3	4	12	No changes to residual risk ratings	Previous risk response archived. Updated post PRMC 9 March 22 - the LEP has received partial confirmation from Cabinet and is currently awaiting the decision notice. The LEP can confirm that the project has spent its full GBF allocation and are currently awaiting the revised delivery proposals which will need to come to PRMC enabling the funding agreement to be varied.	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.23	The completion of the Hereford City Centre Transport Package (HCCTP) impacting on the achievement of contracted LGF deliverables.	The project is unable to deliver its deliverables including housing outputs and Match Funding values set out within the project's LGF Funding Agreement, impacting on the Growth Deal programme.	The LEP undertakes quarterly monitoring visits with all LGF projects assessing delivery against contracted activity and managing risk to the overall Programme.	3	3	9	No changes to residual risk ratings	Previous risk response archived. On 2 December 2021 the LEP Team met with Herefordshire Council representatives. It was explained a new Interim Capital Delivery team has been put in place by Herefordshire Council to deliver the HCCTP project. In addition to the regular quarterly monitoring process, it has been agreed that interim meetings will be convened between the LEP and Herefordshire Council to review the implementation of the Cabinet decision, the trajectory of outputs and any associated risks to delivery. Once delivery elements of the project have been finalised a varied Funding Agreement will be drafted, reflecting the revised project. The LEP are meeting the team on the 4 April 2022 for a formal update where next steps will be agreed in relation to varying the funding agreement.	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.24	External factors or changing market conditions create delays or constrain delivery of projects.	Project promoters are unable to spend LEP funding and deliver projects in accordance with their Funding Agreement.	Each project has a Funding Agreement which sets out an agreed position in relation to the delivery of the project - including outputs, milestones and expenditure. Through the LEP's Programme Management processes and procedures all projects claiming grant funds are required to submit monthly claim & progress reports and also undertake quarterly monitoring visits. This enables both the Project promoter to provide accurate information relating to delivery and the LEP to understand the risk to the overall grant programme.	3	3	9	No changes to residual risk ratings	See current controls.	2	3	6	LEP CEO/Finance/ senior project sponsor	01.04.22	Live	↔
3.25	The LEP is unable to achieve the Outputs agreed with Government as part of its Growth Deal Programme (1, 2 & 3)	The LEP does not achieve the Jobs, Homes, Apprenticeship, New Learners & Broadband outputs as agreed with Government. This could see the Government Clawback funding from the LEP in relation to underperformance.	The LEP receives claims from projects on monthly/quarterly basis (depending on if the project is drawing down LGF Funds) where projects report progress on the achievement of contractual outputs, including the submission of evidence to substantiate these figures. In addition to this the LEP also undertakes Quarterly monitoring visits, to understand progress. The team also has a project tracker document and delivery plan where we monitor progress against our Growth Deal targets with Government.	3	4	12	n/a	Currently, the LEP has achieved its Homes, Apprenticeship, New Learners & Broadband outputs as agreed with Government. The current risk relates to the performance of the Jobs Created Output, which the LEP are focusing their efforts on through monitoring visits.	3	3	9	LEP CEO/Finance/ senior project sponsor	01.04.23	Live	↔
3.26	Marches Career Hub - Failure to deliver project priorities in a cohesive manner across the Marches	Inconsistent delivery and performance between local authority areas	Reviewed by the Strategic Planning Group and Hub Lead using performance data to drive consistency and focus resources accordingly. Standardisation of approaches being undertaken led by Careers Hub Lead using CEC guidance and best practice.	3	2	6	n/a	Please see current controls	2	2	4	Head of Partnerships & Strategy/Hub Lead	01.09.22	Live	↔
3.27	Skills Advisory Panel - Loss of partnership working to oversee implementation of the Marches Local Skills Report action plan	Missed opportunities to deliver deepened economic impact across the Marches through strategic oversight of skills provision	Regular communication with LEP Network and DfE to understand future position/liaison with Local Authority Skills Leads	3	3	9	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.04.22	Live	↔

3.28	Key Account Management - Failure to deliver project priorities in a cohesive manner across the Marches	Inconsistent delivery and performance between local authority areas	Reviewed on a monthly basis	3	3	9	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live	↔
3.29	Peer Networks - Failure to close down project in an effective manner	Inability to meet BEIS requirements	Exit plan agreed with BEIS and with delivery partner	2	2	4	n/a	Please see current controls	2	2	4	Head of Partnerships & Strategy/Project Support Officer	01.04.22	Live	↔
3.30	Marches Growth Hub - Monitoring systems to oversee MGH programme are not in place.	The programme does not meet BEIS expectations and the Growth Hubs underperform	The MGH Programme is overseen by the Marches Business Support (MBS) Steering Group which meets quarterly and reports to the LEP Board 6 monthly in accordance with the Marches AAF. The 3 physical Growth Hubs and virtual hub provide progress/data reports to the LEP on a monthly (light touch) and 6 monthly basis (medium & high). Light touch monitoring data is fed into the Power BI system hosted by the Back Country Consortium. This information is reported to the MGH Operations Group (bi-monthly) and the MBS Steering Group (quarterly). A Bi-Annual and Annual Report is provided to BEIS reporting on grant spend and performance against the BEIS framework. The 2021/22 Q1/Q2 Bi-Annual report was submitted on 29 October 2021 and published on the LEP and MGH website. The 3 Growth Hubs provide monitoring updates to the LEP which are reported at the bi-monthly MGH Operations Group meetings.	3	3	9	n/a	Please see current controls	2	3	6	MGH Programme Manager	01/04/2022		↔
3.31	Marches Growth Hub - Local authority Growth Hub partners do not spend their BEIS funding by the end of the financial year.	Underspend and return of BEIS monies.	Spend is monitored through the quarterly claims process to identify any potential risk of underspend. The LEP works with partners to manage risks and ensure full allocations are spent.	3	4	12	n/a	The Growth Hubs have submitted final (Q4) claims. Herefordshire have spent their full allocation. Shropshire have a £12 underspend. Telford & Wrekin are currently reporting a £4,280 underspend. The LEP has been working with TWC to review any additional eligible spend that could be claimed.	3	3	9	MGH Programme Manager	01/04/2022		↔
3.32	Marches Growth Hub - Virtual hub does not spend BEIS funding by the end of the financial year.	Underspend and return of BEIS monies.	Spend is monitored monthly to identify any potential risk of underspend.	2	2	4	n/a	The funding will be fully committed. Any potential underspend will be allocated to LEP costs associated with the Growth Hub.	2	2	4	MGH Programme Manager	01/04/2022		↔
3.33	Marches Growth Hub - Risk of local authorities promoting programmes to build a pipeline before funding has been fully secured or grant offer letters issued.	Financial risk to local authorities spending at risk, reputational risk of promoting programmes that cannot be delivered.	Regular contact with LA partners for the LEP to understand the priority for promoting programmes on the website or in campaigns.	3	4	12	n/a		2	3	6	MGH Programme Manager	01/04/2022		↔
3.34	Marches Growth Hub - MGH processes need to be adapted in line with findings of the Growth Hub Network Evaluation and new data framework due to be published early 2022/23.	Impact on LEP and Growth Hub capacity to introduce new processes and re-training. Possible delay in the collection of new data.	Weekly meeting/communication with BEIS/Cluster to ensure timely receipt of network evaluation final report and new data framework.	3	4	12	n/a	To agree SLA/Offer Letter T&Cs with partners setting out LEP requirements with regard to service/data reporting in 2022/23. This will reflect the new data framework. The LEP is awaiting the grant funding letter and details of funding requirements from BEIS. Once this is received delivery requirements will be discussed with Local Authority partners.	2	3	6	MGH Programme Manager	01/04/2022		↔
3.35	Marches Growth Hub - Lack of SLA/Offer Letter T&Cs with Local Authority partners results in physical Growth Hubs not meeting LEP KPI/requirements for data reporting or service delivery.	Under delivery of LA partners, lack of consistency in service levels across the 3 physical Growth Hubs, data does not reflect activity or demand across the Marches area, medium and high data is not in line with BEIS firm level framework.	Grant offer letters set out the KPIs to be delivered by Growth Hubs. Performance is monitored through the monthly, quarterly and annual reports provided to the LEP by the Growth Hubs. Template and framework with guidance is shared at the beginning of the financial year. Updates to template are shared as and when required.	3	4	12	n/a	To agree SLA/Offer Letter T&Cs with partners setting out minimum requirements with regards to data reporting, resources, events activity, 1:1 support, referrals and customer satisfaction surveys for 2022/23. A training session will be organised to ensure partners understand requirements. The LEP is awaiting the grant funding letter and details of funding requirements from BEIS. Once this is received delivery requirements will be discussed with Local Authority partners.	2	3	6	LEP CEO	01/04/2022		↔

Stakeholder, Reputational, Communications & Marketing

4.3	The LEP receives a number of requests for information from residents in Herefordshire particularly relating to planning and road projects.	Confusion relating to project details is a reputational risk for the LEP.	The LEP ensures it has clarity on projects aims and outputs, clear communication with stakeholders and is clear on governance processes. Local transport authority stakeholder engagement is undertaken in line with DIT requirements.	2	3	6	No changes to residual risk ratings	Requests for information and Freedom of Information requests are answered quickly and accurately, with support sought from partners when required.	2	3	6	LEP CEO/Finance/senior project sponsor	01.04.22	Live	↔
4.4	The LEP website and the Growth Hub website can easily become out of date and not provide clear or accurate information to stakeholders.	Inaccurate, misleading and or out of date information could be accessed from the website.	A member of the LEP team will be trained on updating the websites so that updates are timely.	3	4	12	No changes to residual risk ratings	Members of the LEP team have been tasked with undertaking monthly reviews of the LEP and Growth Hub websites to check for out of date text and overly complex text. The LEP Programme Team has supplied completed Templates with the latest project overviews to Kensa to use on the new website. The LEP team are currently reviewing the proposed content and format of the new website. The new Marches LEP website was launched on 29 March 2021.	2	3	6	LEP CEO	01.04.22	Live	↔
4.5	The NMITE project is due to receive some of its match funds in the form of private/philanthropic contributions. There is a risk that the LEP may not know where this funding comes from.	There is a reputational risk to the LEP if any funding were to be provided from an inappropriate source. There is an additional risk to the project that its funding stream is curtailed.	Due diligence is undertaken as part of the contracting process and match is monitored through the quarterly monitoring process.	3	4	12	No changes to residual risk ratings	Previous risk responses have been archived. The Marches LEP team undertook a recent monitoring visit with NMITE as part of their Phase 1 contract. Assurances were sought from project on the source of match and their ability to bring it forward and achieve their spend profile. In relation to Phase 2 it has been agreed that Shropshire Council (LEP Accountable Body) would delegate responsibility for managing this grant and the relationship with the applicant (NMITE) to Herefordshire Council.	2	3	6	LEP CEO/S151 Officers (Shropshire and Herefordshire Councils)	01.04.22	Live	↔
4.6	Projects do not use the approved branding on their websites, publicity materials or hoardings, so do not comply with BEIS guidance.	BEIS produced guidance for Growth Deal funded projects and the LEPs and require projects to use the branding; the LEP would be criticised if projects do not follow the guidelines.	Publicity and planned publicity is reviewed as part of quarterly monitoring meetings with projects. LGF and GBF Branding Guidelines are provided to projects with examples of signage/asset tags.	3	3	9	No changes to residual risk ratings	Projects are invited to send any upcoming design work or publicity material to the team to check for compliance with guidelines.	2	2	4	LEP CEO	01.04.22	Live	↔
4.7	Marches Career Hub - Failure to demonstrate a 'one-team' delivery approach and ethos to funders and other stakeholders	Missed opportunities to deliver deepened impact across the Marches	Reviewed by the Strategic Planning Group and Hub Lead to drive consistency. Communications Plan in place to confirm key internal and external messages. Planning meetings being held with key stakeholders to deliver a consistent message to the business community.	2	3	6	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy/Hub Lead	01.09.22	Live	↔
4.8	Marches Career Hub - Breach of CEC branding guidelines	Non compliance with contract requirements	Contained within Communications Plan and within grant funding agreements with Local Authorities	2	2	4	n/a	Please see current controls	2	2	4	Head of Partnerships & Strategy/Hub Lead	01.09.22	Live	↔
4.9	Skills Advisory Panel - Loss of legitimacy for the Marches LEP to support skills agenda and convene local partners	Missed opportunities to deliver deepened economic impact across the Marches through strategic oversight of skills provision	Regular communication with LEP Network and DfE to understand future funding position	3	4	12	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live	↔
4.10	Key Account Management - Failure to demonstrate a 'one-team' delivery approach and ethos to funders and other stakeholders	Missed opportunities to deliver deepened impact across the Marches	Reviewed on a monthly basis	2	3	6	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live	↔
4.11	Peer Networks - Perceived lack of support available for businesses	Marches Growth Hub fails to engage business community with alternative support services	Marches Growth Hub Leads briefed on end of Peer Networks and encouraged to refer to alternative support	2	3	6	n/a	Please see current controls	2	2	4	Head of Partnerships & Strategy/Business Support Lead	01.04.22	Live	↔
4.12	Marches Growth Hub - The LEP, Growth Hub partners and WM Growth Hub Cluster do not comply with BEIS branding guidance.	The LEP is non-compliant with BEIS branding guidelines	Compliance with BEIS branding guidelines was built into the design of the MGH website. All LEP and BeBold staff updating the website are aware of the guidelines. Staff in the Growth Hubs are provided with the branding guidelines and protocols for promotional material. BEIS branding guidelines are normally received at the beginning of the financial year and any updates are shared with partners.	2	3	6	n/a	Updated guidance will be shared with BeBold and partners as received.	2	3	6	MGH Programme Manager	01/04/2022	Live	↔
4.13	The Marches Growth Hub website becomes out of date and does not provide relevant up to date information to stakeholders.	Information is not available to businesses, businesses miss out on opportunities for support or events	LEP team and BeBold update the website with any new information as it is received. Subscriptions to updates from relevant organisations and established links with partners ensure that information is received as soon as published. regular audits are carried out on information/links/contacts on the website to ensure information is still current.	2	2	4	n/a	An audit of the MGH website started at the beginning of March 2022 to be completed by April. The website audit is ongoing to ensure information on provision is current.	1	2	2	MGH Programme Manager	01/04/2022	Live	↔

Financial and Legal															
5.1	Delays in LEP contracting with project delivery partners.	Project delivery partner delays the project start date and fails to meet key milestones and spend profile.	A wholesale review of funding agreements has been carried out, incorporating lessons learnt from previous contracts. A standard funding agreement template has been developed with solicitors for future contracting.	3	4	12	No changes to residual risk ratings	All Growth Deal 1 and 2 projects have been contracted; all Growth Deal 3 projects will be contracted as soon as possible. External legal support is being procured to prepare funding agreements. Contracting of the Growth Deal 3 contracts has progressed supported by the LEP's procured legal advisors Bevan Brittan. The decision of MHCLG to withhold payment of 1/3 of the allocation has caused some slippage while contracts were amended to reflect the change. Further work to satisfy Due Diligence has also caused some delay but is necessary to ensure the contracts are robust. Spending will be closely monitored through monthly reporting. The £27m Growth Deal projects have now been contracted and the template funding agreement is being utilised to contract the Getting Building Fund projects. Please see 2.12 Risk Response in relation to capacity. The Getting Building Fund projects have all been contracted and LGF/GBF contract variations signed-off by 31 March 2021.	2	3	6	s151 Officer	01.04.22	Live	↔
5.2	Projects are not compliant with State Aid/Subsidy Control regulations.	Clawback of funding leading to projects not having adequate funds to proceed without delays to programme. Reputational risk to LEP.	Project Managers to obtain specialist advice on compliance as part of project development work.	2	3	6	No changes to residual risk ratings	LEP sought advice from Pinsent Mason in August 2015. LEP to ensure all contracts reflect the requirement for projects to comply with State Aid requirements. The LEP will review controls in light of Brexit.	2	3	6	Project delivery partners / s151 Officer	01.04.22	Live	↔
5.3	Procurement procedures are not compliant with EU legislation.	Project stalls. Clawback of funding leading to projects not having adequate funds to proceed.	Project managers to seek/procure specialist advice on compliance.	2	3	6	No changes to residual risk ratings	LEP contracts reflect the requirement for projects to meet EU legislation in respect of procurement procedures. The LEP will review controls in light of Brexit.	2	3	6	Project Managers/ s151 Officer	01.04.22	Live	↔
5.4	Reports to LEP board are delayed due to required input on finance and legal issues.	Decisions are not made in a timely manner which puts the programme of work at risk.	Regular finance meetings held and sufficient time is built into the reporting timetable.	3	3	9	No changes to residual risk ratings	Please see current controls	2	2	4	LEP CEO	01.04.22	Live	↔
5.5	Marches Career Hub - Lack of budget to commit to match funding (Marches LEP and Local Authorities)	Impossible to deliver - project closure would be necessary	LEP match funding is costed into core budget for FY 21-22 and FY 22-23. Regular communication with Local Authorities Skills Leads to assess funding beyond current contract period.	3	4	12	n/a	Please see current controls	2	3	6	LEP CEO/Head of Partnerships & Strategy	01.09.22	Live	↔
5.6	Marches Career Hub - Changes to delivery model, e.g. bringing project in house, would increase Marches LEP's financial and legal obligations.	Potentially increased staff management responsibility, need to comply with TUPE obligations and additional redundancy liability etc.	To be considered and fully costed as part of an options analysis exercise	3	4	12	n/a	Please see current controls	3	3	9	LEP CEO/Head of Partnerships & Strategy	01.09.22	Live	↔
5.7	Skills Advisory Panel - No SAP contribution to fund data tools for stakeholders	No financial contribution and loss of Marches LEP role in driving evidence based provision	No financial commitments made by Marches LEP beyond current financial year	3	3	9	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live	↔
5.8	Key Account Management - Lack of budget allocation for FY22-23	Impossible to deliver - support to businesses would need to be provided through LA funding	No commitments made beyond March 2022	3	4	12	n/a	Please see current controls	2	3	6	Head of Partnerships & Strategy	01.04.22	Live	↔
5.9	Peer Networks - Failure to submit final claims	Marches LEP exposed to final stage delivery costs approx. £17k	Timetable for final claims agreed with finance team and delivery partners	2	3	6	n/a	Please see current controls	2	2	4	Head of Partnerships & Strategy/Project Support Officer	01.04.22	Live	↔
5.10	Marches Growth Hub - SLA's/MOU's/DSA's with local and national partners (NBSH) are not in place	Without a framework and DSA, risk of partners not meeting agreed LEP requirements (KPI's) and NBSH not being able to share customer information with LEP.	SLA's with partners have been parked due to pending BEIS/LEP/NBSH MOU and DSA.	3	3	9	n/a	To agree with the LEP on Grant Offer Letter or SLA option with partners (LA). BEIS in the process of developing a template BEIS/LEP/NBSH MOU and DSA.	3	3	9	LEP CEO / MGH Programme Manager	01/04/2022		↔

Direction of Travel Key	
	The risk has increased since last review date
	The risk has decreased since last review date
	No change in the risk
	New risk
Red text denotes text which has changed or been added	

Marches LEP - Risk Matrix					
Likelihood	Impact				
	Minimal - 1	Minor - 2	Significant - 3	Major - 4	Critical - 5
Very High - 5	5	10	15	20	25
High - 4	4	8	12	16	20
Medium - 3	3	6	9	12	15
Low - 2	2	4	6	8	10
Very Low - 1	1	2	3	4	5

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Item 6 Financial monitoring and budget

Core Team Funding	Core Team Funding: LEP Running Costs & Project Development									
	2016/17	2017/18	2018/19	2019/20	2020/21	Original Budget	2021/22		Carry Forward to future years	2022/23
	YTD Actual	YTD Actual	YTD Actual	YTD Actual	YTD Actual		YTD Actual	Projection		
£	£	£	£	£	£	£	£	£	£	
Income										
Funding brought forward from unspent balances										
Carry Forward from previous year		(1,104,214)	(1,209,033)	(1,140,606)	-1,142,629		(1,165,220)	(1,165,220)		(985,597)
Grant Funding										
CEC salary funding					(23,187)	(72,790)				
Transfer of Capacity Grant to Core					(91,553)					
Core Funds	(250,000)	(350,000)	(150,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)		(375,000)
DfT Transport Delivery Excellence Scheme	(47,958)									
Energy Grant							(15,000)	(15,000)		
Grant Income KAM					(57,870)					
Freight Strategy	(36,000)	(18,446)								
Grant Funding Total	(333,958)	(368,446)	(150,000)	(500,000)	(672,610)	(572,790)	(515,000)	(515,000)		(375,000)
Interest on Balances held										
Interest on Core Funds held			(9,209)	(9,139)						
Interest on Capacity Funds held										
Interest on Getting Building Fund					(13,997)	(20,000)		(14,500)		(1,800)
Interest on Marches Investment Funds	(47,616)	(32,781)	(59,932)	(73,726)	(31,154)	(20,000)		(15,000)		(10,000)
Interest on Growth Deal Funds held	(137,312)	(18,689)	(49,054)	(89,622)	(98,610)					(200)
Interest on Balances Total	(184,928)	(51,471)	(118,195)	(172,487)	(143,760)	(40,000)		(40,500)		(12,000)
Contributions' from Local Authorities										
Cash Match	(99,901)	(96,085)	(102,000)	(83,022)	(83,000)	(85,000)	(85,000)	(85,000)		(85,000)
Enterprise Zone Contribution	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)		(100,000)
Hereford EZ PR Contribution			(4,320)	(5,760)	(5,760)	(5,000)	(12,960)	(12,960)	7,960	(12,960)
Contributions' from Local Authorities Total	(199,901)	(196,085)	(206,320)	(188,782)	(188,760)	(190,000)	(197,960)	(197,960)	7,960	(197,960)
Total Income	(718,787)	(1,720,216)	(1,683,548)	(2,001,876)	(2,147,760)	(802,790)	(1,878,180)	(1,918,680)	7,960	(1,570,557)
Expenditure										
Salary Costs:										
Salaries incl NI superann	260,967	266,972	337,540	365,095	426,588	723,107	545,870	545,870		515,860
Salaries Costs Total	260,967	266,972	337,540	365,095	426,588	723,107	545,870	545,870		515,860
Operating Costs:										
Office Costs incl stationery, doc management system	30,097	37,147	43,481	38,484	33,478	48,720	35,393	41,850	6,870	42,000
Training & Dev, excl secondees	348	1,010	300	489		3,660	4,843	4,843	(1,183)	11,000
Website/Shared Space Hosting	1,640	17,923	-		16,084	2,880	1,644	1,644	1,236	2,000
Business Meetings/Events	9,471	18,841	6,513	2,782	7	9,000	616	616	8,384	2,000
Travel & Subsistence	6,115	5,591	5,561	4,156	925	4,200	448	448	3,752	2,500
PR & Marketing	53,397	40,910	54,054	64,499	56,230	72,000	53,037	58,480	13,520	65,100
LEP Network Costs	5,000	6,246	6,000	7,000	7,000	8,400	8,400	8,400	-	8,500
research & Strategy						30,000			30,000	
Legal/Professional Fees	840	550	8,692	25,658	8,096	6,000	16,823	16,823	(10,823)	6,100
Legal					57,352	54,000	24,215	24,215	29,785	-
Staff Recruitment	12,696	920	3,110	6,333	610	24,000	23,454	23,454	546	-
LA Support Allocation	37,616	34,376	32,692	53,538	77,591	152,880	116,586	126,075	26,805	110,000
Contingency Running Costs										
Redundancy Costs						107,252			107,252	136,300
Business Board admin support					8,134	45,600			45,600	12,000
External Audit/External Accounts				8,100	7,800	15,600	2,421	9,000	6,600	9,550
Audit of Corporation Tax					300					370
Corporation Tax				35,991	27,219	8,000	-96	5,865	2,135	2,280
VAT				202,121	111,785	3,221			3,221	-
Growth Hub audit Costs					34,473	3,000		1,500		1,500
Total Operating Costs	157,220	163,514	160,403	449,152	448,083	598,413	287,784	323,213	273,700	411,200
Project Spend										
KAM expenditure					57,870					
KPMG Spend					5,000					
Energy-Regional Green Zones								15,000		
Delivery of the Midlands Engine Initiative	20,000	20,000	20,000	20,000	20,000	20,000	24,000	24,000	(4,000)	24,000
West Midlands Combined Authority	25,000	21,250	25,000	25,000	25,000	25,000	25,000	25,000	-	25,000
Project Spend Total	115,958	80,696	45,000	45,000	107,870	45,000	49,000	64,000	(4,000)	49,000
Total Expenditure	534,145	511,183	542,942	859,247	982,541	1,366,519	882,654	933,083	269,700	976,060
In year Net Position	(184,642)	(104,819)	68,427	(2,023)	(22,590)	563,729		179,623	277,660	391,100
Cumulative Net Position	(184,642)	(1,209,033)	(1,140,606)	(1,142,629)	(1,165,220)	563,729	(995,526)	(985,597)	277,660	(594,497)

~ 2021-22 as at 31st March 2022 - 21/22 Still to be finalised

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Current Profiles including the slippage/brought Forward					
Project Name	2021-22		OVERALL PROGRAMME TOTAL	Notes	
	Profile	LGF Claimed			
Growth Deal 1, 2 & 3					
1	DfT South Wye Package		£ 1,543,610		
1	Telford Growth Package		£ 13,900,000		Project has completed its LG F spend . Outputs to collect
1	Hereford City Centre Transport Package		£ 16,000,000		Project has completed its LGF spend. Match and outputs to collect
1	Telford Eastern Gateway		£ 3,600,000		Project has completed its LGF spend . Outputs to collect
1	Telford Bus Station		£ 1,300,000		Project has completed its LGF spend . Outputs to collect
1	SITP		£ 6,000,000		Project has completed its LGF spend . Match and outputs to collect
1	OLR		£ 4,199,421		Project has completed its LGF Spend. Match and outputs to collect
Skills Capital					
1	GD 1 skills project		£ 3,245,498		The Growth Deal 1 Skills projects have ceased. With the exception of the MCMT, where the delivery of outputs has been extended up to 31 March 2022.
Broadband					
2	Connecting Shropshire		£ 5,016,556		The project had a Contracted Value of £5,022,000.The final outturn figure for the project is £5,016,555.52 representing an underspend of £5,444.48. This overall outturn figure includes a Freedoms & Flexibilities value £319,011.06 - Please see Freedoms & Flexibilities tab.
2	Superfast Telford		£ 1,004,000		Spend Finished.
2	Fastershire		£ 1,673,989		Spend Finished.
Investing in Our Future Workforce					
3	Marches Skills Capital- Shrewsbury Colleges Group		£ 209,079		Spend, Match Funding & Outputs completed.
3	Marches Skills Capital - North Shropshire College		£ 423,833		Spend, Match Funding & Outputs completed.
3	Marches Skills Capital - Telford College		£ 508,546		Spend, Match Funding & Outputs completed. £11,780 was reimbursed to LEP as a result of an Asset not being delivered.
3	Marches Skills Capital - Derwen		£ 313,501		Spend, Match Funding & Outputs completed.
3	Marches Skills Capital - Hereford and Ludlow College		£ -		On 16 June 2020 the LEP received correspondence stating, 'having considered the risks of continuing with this project very carefully the college has concluded that sadly it is unable to continue'. At the 21 July 2020 meeting the LEP Board were notified that this project would be removed from the LGF Programme.
3	Shrewsbury Colleges Group, Advanced Manufacturing Engineering and Automotive Expansion Project		£ 200,000		A new Growth Deal project from the Skills Underspend pot. Project has spent its full LGF allocation, with outputs being collected to 31 March 2025.
3	Herefordshire, Ludlow & North Shropshire College: Energy Training Centre		£ 70,000		A new Growth Deal project from the Skills Underspend pot. Project has spent its full LGF allocation, with outputs being collected to 31 March 2025.
Growth Deal 3 - Capital Builds					
3	NMiTE		£ 8,399,992		At 24 March 20 LEP Board Meeting it was agreed to allocate The Phase 1 Project an additional £400,000 during 2020/21. Variation complete. The Funding Agreement for Phase 2 between Herefordshire Council (Project Accountable Body) and NMiTE has been signed off (11 June 2020) with the grant allocation of £5,660,000 being transferred from Shropshire to Herefordshire Council. Project has spent its full LGF allocation.
3	Flaxmill		£ 2,000,000		Project has spent its full LGF allocation.
3	H Centre for Cyber Security		£ 3,000,000		Project has spent its full LGF allocation.
3	Newport I&EP		£ 7,400,000		Project has spent its full LGF allocation.
New Growth Deal Projects - 2020/21					
	Primary Care Centre at the Tannery (Phase 2)		£ 1,328,124		Newly approved project at 24 March 20 LEP Board Meeting. At the 23 March 2021 LEP Board meeting it was reported the project would be underspent by £733,527.45. The final outturn is an underspend position of £736,008.90. This includes a Freedoms & Flexibilities value £11,501.73 - please see Freedoms & Flexibilities Tab.
	HEZ Infrastructure and Building Investment		£ 5,432,000		Newly approved project at 24 March 20 LEP Board Meeting. The project utilised a freedoms and flexibilities value of £500,000 - please see Freedoms & Flexibilities Tab.
	Marches CoE in Health Allied H&S Care		£ 3,500,000		Newly approved project at 24 March 20 LEP Board Meeting. Project has spent its full LGF allocation.
	Oswestry Infrastructure Works		£ 5,000,000		Newly approved project at 24 March 20 LEP Board Meeting. Project has spent its full LGF allocation.
	Stronger Communities Regeneration Sites		£ 7,000,000		Newly approved project at 24 March 20 LEP Board Meeting. Project has spent its full LGF allocation.
	Bishops Castle		£ 194,568		At the 23 March 2021 LEP Board meeting it was reported the due to a underspend position on the Tannery project and Capitalisation pot the LGF programme had a projected under commitment value of £194,568. As a consequence the Bishops Castle was approved - due to it being ranked first in the approved LGF Project Reserve List (24 March 2020, LEP Board Meeting). Project has spent its full LGF allocation.
New Growth Deal Projects - 2020/21					
	Capitalisation		£ 124,790		At 24 March 20 LEP Board Meeting The LEP Board agreed to support the proposal that the Accountable Body Section 151 Officer be asked to utilise Growth Deal Funds to cover the Growth Deal Programme costs in 20/21. An indicative figure of £300,000 was ringfenced, subject to the detail being deemed eligible by the LEP's Section 151 Officer.
Additional Funding - 2021/22					
	Stronger Communities Regeneration Sites	£ 685,950	£ 685,950	£ 685,950	Project has spent its full LGF allocation.
	HEZ Infrastructure and Building Investment	£ 675,000	£ 675,000	£ 675,000	The project has claimed its full LGF allocation. Period 11 & 12 claims have been reviewed by both the LEP/Accountable Body and processed for payment.
	Oswestry Infrastructure Works	£ 711,200	£ 711,200	£ 711,200	The project has claimed its full LGF allocation. Period 11 & 12 claims have been reviewed by both the LEP/Accountable Body and processed for payment.
	Shrewsbury College- Automotive Project	£ 116,250	£ 116,250	£ 116,250	The project has claimed its full LGF allocation. Period 11 & 12 claims have been reviewed by both the LEP/Accountable Body and processed for payment.
	Bishops Castle	£ 61,600	£ 61,600	£ 61,600	The project has claimed its full LGF allocation. Period 11 & 12 claims have been reviewed by both the LEP/Accountable Body and processed for payment.
	Capitalisation	£ 50,000	£ 50,000	£ 50,000	At 7 September LEP Emergency Board Meeting it was agreed to support the proposal that the Accountable Body Section 151 Officer be asked to utilise Growth Deal Funds to cover the Growth Deal Programme costs in 21/22. An indicative figure of £50,000 was ringfenced, subject to the detail being deemed eligible by the LEP's Section 151 Officer. During February 2022 the LEP submitted a claim of £50,000 against the Capitalisation budget.
Overspend from 2016/17				£ 3,758,850	
Total Growth Deal Projects (1, 2 & 3)		£ 2,300,000	£ 2,300,000	£ 104,887,505	
				£ -	

DfT South Wye Package Income			
DfT South Wye Package			£ 27,000,000
Growth Deal 1 & 2			£ 55,977,505
Growth Deal 3 profile			£ 21,910,000
S Wye 16/17			
Total Income			£ 104,887,505

Freedoms & Flexibilities Values 2020/21			
Project Name	Freedoms & Flexibilities Claimed (£)	Current Values Offset as at 31st March 2022	Notes
Connecting Shropshire	£ 319,011	£ 319,011.00	An offset claim was submitted in Quarter 4 2021/22 for the value of £319,011. Financial checks are currently being finalised. A verbal update to be given at PRMC on 9 May 2022 to confirm status of claim & final value.
Primary Care Centre at the Tannery (Phase 2)	£ 11,502	£ 11,502.00	An offset claim was submitted in Quarter 4 2021/22 for the value of £11,502. This has been reviewed by both the LEP/Accountable Body and processed for payment.
HEZ Infrastructure and Building Investment	£ 500,000	£ 500,000.00	This has been completed.
Total	£ 830,513	£ 830,513.00	

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Getting Building Fund Overview									
Project Name	2020/21				2021/22		2022/23	Overall GBF Programme Total	Notes
	Original 2020/21 Profile	GBF Claimed	Freedoms & Flexibilities	Total Outturn	Updated Profile	Total Claimed	Updated Profile - As approved by LEP Board		
Integrated Construction Wetlands	£ 500,000.00	£ -	£ -	£ -	£ 377,372.57	£ 377,372.57	£ 622,627.43	£ 1,000,000.00	On 21 February 2022 a Funding Agreement Variation had been sealed by all parties. The Financial profile has now been amended to reflect this. The approach approved by the LEP Board confirms the value of £622,627.43 in Financial Year 2022/23 will be 'bankrolled' by the LEP's Accountable Body through Freedoms & Flexibilities, subject to the project meeting their expenditure profile for 2021/22. The period 11 claim of £210,603.48 has been processed for payment by the LEP/Accountable Body. A period 12 claim of £233,856.71 has been received by the LEP, queries on elements of the claim have been passed onto the project lead to resolve. This will result in a revised claim for a lower value of £192,515.33, resulting in a total 2021/22 FY claim of £403,118.80 - against a revised contractual profile of £377,372. It has been agreed with the LEP's Accountable Body for accounting purposes £377,372 will be attributed to 2021/22 FY with the balance of £27,746.23 in 2022/23 FY - as reflected in this spreadsheet.
Pride Hill Remodelling	£ 2,917,000.00	£ 3,525,803.00	£ -	£ 3,525,803.00	£ 1,494,197.00	£ 1,494,197.00	£ -	£ 5,020,000.00	A decision was taken at the 23 September 2021 Council meeting to pause work on the current proposal in relation to the repurposing of the Pride Hill Centre. Assurances have been given that the decision taken will not impact on the projects ability to spend GBF Grant by 31 March 2022 (due to relating to vacant possession), but could delay the achievement of Outputs and Match Funding values. An update was provided to the LEP on the 2 February 2022 in advance of Shropshire Councils next cabinet/council meeting, once agreed and officially notified of the decision the LEP Board will consider varying the project Funding Agreement - which will require a formal charge request once a revised profile for the delivery of Match Funding & Outputs has been determined. The project has met it's GBF spend allocation.
Tackling Fuel Poverty Through Zero Carbon Innovation	£ 600,000.00	£ 509,839.00	£ -	£ 509,839.00	£ 490,161.00	£ 490,161.00	£ -	£ 1,000,000.00	On 27 August 2021 the GBF Funding Agreement was varied enabling the project to change sites for the construction of eleven Non-Passivhaus houses. The project has met it's GBF spend allocation.
Hereford City Centre Improvements	£ 1,505,744.00	£ 160,957.00	£ 1,389,000.00	£ 1,549,957.00	£ -	£ -	£ 1,450,043.00	£ 3,000,000.00	On 20 December 2021 a Funding Agreement Variation had been sealed by all parties. The Financial profile has now been amended to reflect this. The Financial profile has now been amended to reflect this. The approach approved by the LEP Board confirms the value of £1,450,043 in Financial Year 2022/23 will be 'bankrolled' by the LEP's Accountable Body through Freedoms & Flexibilities, subject to the project meeting their expenditure profile for 2021/22. The project has met it's contracted GBF spend profile for 2021/22 FY.
NMITE - Skydon Park Campus Development	£ 1,000,000.00	£ 800,000.00	£ -	£ 800,000.00	£ 800,000.00	£ 800,000.00	£ -	£ 1,600,000.00	On 5th January 2021, a decision was taken by Herefordshire Council to accept responsibility for managing the £1.6m GBF project.
Stronger Communities - New College, Wellington and surrounding sites	£ 1,190,000.00	£ -	£ 1,190,000.00	£ 1,190,000.00	£ 640,000.00	£ 640,000.00	£ 550,000.00	£ 2,380,000.00	On 21 February 2022 a Funding Agreement Variation had been sealed by all parties. The Financial profile has now been amended to reflect this. The approach approved by the LEP Board confirms the value of £550,000 in Financial Year 2022/23 will be 'bankrolled' by the LEP's Accountable Body through Freedoms & Flexibilities, subject to the project meeting their expenditure profile for 2021/22. An update on the current use of F&F is provided in the Freedoms and Flexibilities tab. The LEP received and processed both the period 11 claim (£481,345.82) and 12 claims (£328,250.48). This has resulted in £661,844.98 of claims received in 2021/22 FY against a revised contractual profile of £640,000. It has been agreed with the LEP's Accountable Body for accounting purposes £640,000 will be attributed to 2021/22 FY with the balance of £27,746.23 in 2022/23 FY - as reflected in this spreadsheet.
Total	£ 7,712,744.00	£ 4,996,599.00	£ 2,579,000.00	£ 7,575,599.00	£ 6,424,401.00	£ 3,801,730.57	£ 2,622,670.43	£ 14,000,000.00	

Freedoms & Flexibilities Values 2020/21				
Project Name	Freedoms & Flexibilities Claimed (£)	Amount Offset up to 31 March 2022	Remaining Balance	Notes
Hereford City Centre Improvements	£ 1,389,000	£ 1,389,000	£ -	Freedoms and Flexibilities have now been fully offset.
Stronger Communities - New College, Wellington and surrounding sites	£ 1,190,000	£ 1,190,000	£ -	Freedoms and Flexibilities have now been fully offset.
Total	£ 2,579,000	£ 2,579,000.00	£ -	

**Freedoms & Flexibilities – a process enabling Local Authorities to manage spend between years in the scenario where a project cannot spend all of its annual allocation.*

End