

**D2N2 Investment Board – 1<sup>st</sup> February 2023**

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Meeting and Date	01 February 2023		
Subject	Audit Services Review of D2N2 Local Enterprise Partnership (LEP)		
Author	D Ashcroft	Total no of sheets (Excluding cover sheet)	1

Papers are provided for:	Approval <input type="checkbox"/>	Discussion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
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<b>Summary and Recommendations</b>
This paper provides a summary of findings following the Audit Services review of the D2N2 LEP for 2021-22.

## D2N2 INVESTMENT BOARD

01 February 2023

### Audit Services Review of D2N2 Local Enterprise Partnership

This Audit Services Report summarises the main findings from the recent Internal Audit review of D2N2 Local Enterprise Partnership (LEP).

The LEP's governance structures remain robust with adequate supporting terms of reference with policy and procedural documents in place. The Derbyshire County Council (DCC) D2N2 Accountant, in conjunction with the LEP's Head of Capital Programmes has provided regular and appropriate reporting to the D2N2 Investment Board detailing project and scheme expenditure, outputs and financial positions. Based on detailed testing of a sample of two Getting Building Fund projects in receipt of funding during 2021-22, the necessary evaluation, approval, monitoring and reporting procedures are being satisfactorily evidenced. The two recommendations raised during the previous Audit Services review, had been implemented.

As part of its responsibilities as Accountable Body to the D2N2 LEP, Audit Services have also certified grant claims in respect of the Growth Hub and Peer Networks grant allocations in accordance with grant terms and conditions.

Based on the findings detailed within this Report, associated recommendations and areas of good practice identified, **Management may draw substantial assurance over the adequacy and effectiveness of the systems and controls in place.** Whilst there is a sound system of governance, risk management and control minor weaknesses have been identified which include non-compliance with some control processes. No significant risks to the achievement of system/audit area objectives have been detected. These will be further improved by the implementation of the recommendations detailed within this Report.

The current Audit Services review raised three recommendations which are primarily the responsibility of the D2N2 LEP.

- 'Lessons learned' are established from recent website issues and that satisfactory controls are in place to mitigate the risk of similar issues arising again (**Medium Priority**).
- Board members signed Declarations of Interest and Codes of Conduct are brought up to date and published to the new D2N2 LEP website as soon as possible (**Medium Priority**).

- Written notice of the one-year extension to the Accountable Body Service Level Agreement is retrospectively made to Derbyshire County Council (**Low Priority**).

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