

London Economic Action Partnership

Section 127 Officer Assurance Statement 2021

The LEAP Board acts in an advisory capacity to the Mayor, which gives it a different role from that of most local enterprise partnerships. All decisions are subject to approval by the Mayor of London and, as such, must comply with the GLA's corporate governance, financial, legal and procurement frameworks and processes and are subject to the same audit and scrutiny. This means that the GLA's finance officers have a close oversight of LEAP programmes and budgets and input to all formal decisions, their financial consequences and subsequent monitoring.

Finance officer comments are included on all reports to the LEAP Board and its sub-groups. I personally attend the LEAP Board wherever possible and I am represented at senior manager level if I need to send apologies. I'm also represented at senior manager level at the Investment Committee, Programme Board and Royal Docks Enterprise Zone Programme Board. The finance role encompasses oversight by senior staff of business case funding proposals, provision of advice on the financial deliverability of project proposals bidding for grant funding, and provision of financial due diligence required of proposed recipients across the range of programmes.

A Deed of Agreement with the London Borough of Newham governs the collection, management and application of business rates in the Royal Docks Enterprise Zone (EZ). This income is insufficient in the early stage of the development of the EZ to provide all the necessary investment required in the EZ, so supplementary forward funding is being made available from the GLA. A £212 million delivery plan programme of expenditure was approved in summer 2018 and, although forecast business rates have since reduced, I am currently satisfied that a sufficient level can be generated over the life of the EZ to fund this programme and any GLA borrowing, in light of the proposed changes to the delivery programme and its extension to 10 years. However, forecasts of the timing of business rates income and any impact from developer partner delivery risk will continue to be kept under close review, and expenditure commitments and delivery plans will be managed and revised accordingly to minimise risk for the GLA.

LEAP's Local Growth Fund (LGF) allocation to 2020/21 has been fully committed. Slippage in capital expenditure against budget remains a risk given the complexity of some funded projects with multiple partners, but I am satisfied that using best of our endeavours it will be possible to spend the full allocation by 31 March 2021 using the freedoms and flexibilities available to the GLA, managing our LGF allocation alongside other capital funding streams deployed by the GLA.

There is close liaison between my finance staff and the client teams responsible for programme expenditure and delivery. There are no issues I wish to raise regarding the governance and transparency of financial decision making and use of funds allocated to LEAP.

David Gallie

Section 127 Officer and Executive Director of Resources, GLA
18 January 2021