



Annex B: Section 127 Assurance Statement

The Section 151/73/127 Officer should here provide a report to the Annual Performance Review on their work for the LEP over the last twelve months, and their opinion, with a specific requirement to identify any issues of concern, on governance and transparency. The report should focus on any issues raised in Annex A: Annual Performance Review Preparation. This report should be sent to the Assurance Team via localgrowthassurance@levellingup.gov.uk copying the BEIS Area Lead by **19 January 2023. (max 500 words)**

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

Finance comments are included on all reports to the Board and its sub-groups. I or my senior representative attend Board meetings. Senior managers also attend meetings of LEAP's sub-groups. The finance role encompasses oversight of business case proposals, advice on financial deliverability, and financial due diligence of proposed recipients.

A Deed of Agreement with LB Newham governs the collection, management and application of business rates in the Royal Docks Enterprise Zone (EZ). There is a £212m programme of expenditure utilising business rates retained within the EZ and borrowing from the GLA, the delivery of which is to be extended through to 2032-33 reflecting reductions in the level of forecast business rates. I am currently satisfied that a sufficient level can be generated over the remaining life of the EZ to fund the programme and any GLA borrowing. However, forecasts of the timing of business rates income and any impact from developer partner delivery risk continue to be monitored. Expenditure commitments and delivery plans will continue to be adjusted as necessary to minimise risk for the GLA.

LEAP's Local Growth Fund grant allocation has been fully spent although project delivery will continue beyond 2023. The Getting Building Fund grant allocation, granted directly to the Mayor rather than LEAP, is expected to be fully spent by the end of March 2023. Both grant programmes utilised the freedoms and flexibilities available to the GLA to enable delivery beyond the original grant allocation.

Any project surpluses have been quickly identified and reallocated for other LEAP priorities and returns from maturing capital investments made through the Growing Places Fund are being applied to new projects.



Department for Levelling Up,
Housing & Communities



Department for
Business, Energy
& Industrial Strategy

There is close liaison between 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.

Signed: **D. Gallie**
Name: David Gallie
Position: Section 127 Officer
Date: 16 January 2023