

NORTH LINCOLNSHIRE COUNCIL

**REGENERATION
CABINET MEMBER**

**NORTH LINCOLNSHIRE REGIONAL GROWTH FUND PROGRAMME –
AUDIT REQUIREMENT**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update the Cabinet Member on the success of the North Lincolnshire Regional Growth Fund Programme.
- 1.2 To seek approval to undertake an external audit of the Programme.

2. BACKGROUND INFORMATION

- 2.1 The North Lincolnshire Regional Growth Fund (RGF) Programme was launched in May 2012 making available £10m of Government finance to support economic growth through job creation in the private sector. It aimed to create 500 new jobs.
- 2.2 The programme was one of the first to operate across the country. It has been cited as an example of best practice, that other RGF programmes have subsequently followed.
- 2.3 To date a total of 497 additional jobs will be realised over the three years of the financial investment. Grants totalling £6.3m have been offered to 37 companies. There are a significant number of live enquiries in progress.
- 2.4 The programme is due to close on 31 March 2015. However, there are still monies unallocated for new applications. Expressions of interest are continuing to be made.
- 2.5 As part of the contract for the funds, the council, as accountable body, must undertake an audit of the programme. The councils appointed auditors require that an external auditor is appointed to undertake this work.

3. OPTIONS FOR CONSIDERATION

3.1 The recommendation is that the council appoints an external auditor to undertake an independent audit of the North Lincolnshire Regional Growth Fund programme and to investigate the potential to jointly appoint with another RGF Programme to achieve economies of scale.

4. ANALYSIS OF OPTIONS

4.1 Option 1 will ensure that the contractual conditions with the Department for Business Innovation and Skills are met for the RGF funding programme. Making a joint appointment with another RGF Programme will potentially provide the opportunity to make economies of scale.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 The costs for the audit will be met from RGF Programme monies.

5.2 There are no other resource implications to consider.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 The appointment of auditors does not have any adverse outcomes in relation to the integrated impact assessment.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 Officers have consulted the internal Finance and Audit Teams and externally with both the Department of Communities and Local Government and the Department for Business Innovation and Skills to determine this position.

8. RECOMMENDATIONS

8.1 That the update be noted.

8.2 That the Council appoint external auditors to undertake an independent audit of the North Lincolnshire RGF Programme.

8.3 That opportunities to achieve economies of scale are investigated via working with other RGF Programmes to jointly appoint an auditor.

DIRECTOR OF PLACES

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Background Papers used in the preparation of this report - None