Glasgow City Council Internal Audit Section
Glasgow City Region Cabinet Report
Glasgow City Region City Deal – Shared Prosperity Fund - Assurance Framework Compliance

1 Introduction

1.1 As part of the agreed Internal Audit plan, we have carried out a review of the UK Shared Prosperity Fund (SPF) Assurance Framework compliance arrangements across Glasgow City Region (GCR).

1.2 SPF is administered by the UK Government (UKG) and provides funding for local investment by March 2025, with all areas of the UK receiving an allocation from SPF via a funding formula rather than a competitive process.

1.3 The GCR is the only area in Scotland to adopt a regional approach to SPF, receiving in the region of £73m over the 3-year period between April 2022 and March 2025. While the GCR Programme Management Office (PMO) has overall programme responsibility as the Lead Authority, delivery will take place, in the main, at the Member Authority level, with a small number of projects being administered at a regional level. A SPF GCR Assurance Framework was created to support member authorities in the administration of SPF and outlines the key requirements that should be adopted throughout the course of the 3-year funding period.

1.4 The objective of the audit was to ensure that that member authorities are complying with the requirements outlined in the SPF Assurance Framework and that an adequate audit trail is maintained to support this. The scope of the audit included:

- Documented policies and procedures, roles and responsibilities.
- Governance and monitoring arrangements.
- Reporting activities to track the progress and adherence to the SPF Assurance Framework.
- The Change Control process.
- Reporting requirements to the GCR PMO and UKG, and
- Record keeping arrangements to maintain an audit trail.

1.5 This audit did not include a review of the governance arrangements for individual SPF funded projects at both a regional or member authority level. The review focused on the governance and reporting arrangements between the member authorities and the GCR PMO.

2 Audit Opinion

2.1   Based on the audit work carried out, assurance can be taken that the control environment is satisfactory.

3 Main Findings

3.1   We are pleased to report that a number of key controls are in place and generally operating effectively. The SPF Assurance Framework was developed by the PMO, in partnership with UKSPF Lead Officers from each member authority, when the funding initiative was first introduced and rolled out by the UK Government in 2022. Key officers responsible for SPF within both the PMO and member authorities are fully aware of their role in the process and the requirements that are outlined in the Framework. All relevant officers at each member authority were provided with details of the document and this has been made readily available to all appropriate staff.

3.2   We noted that there are appropriate monitoring and reporting activities in place across the GCR and within each member authority. This includes internal reporting within each organisation and more widely across the different GCR Support Groups. Member authorities are also required to submit returns to the PMO on both a quarterly and 6-monthly basis. We were satisfied that these were submitted as required and any discrepancies are appropriately investigated by the PMO.

3.3   Although there has been no requirement for the PMO to complete a formal Change Control process to date, we were satisfied that staff were aware of the thresholds and occasions where a formal change control should be adopted. We also noted that there were appropriate arrangements in place across the Region to ensure that documents relating to SPF were adequate retained for audit purposes and where required these were restricted to relevant staff.

3.4   The audit has been undertaken in accordance with the Public Sector Internal Audit Standards.

3.5   We would like to thank officers involved in this audit for their cooperation and assistance.

3.6   It is recommended that Cabinet notes the content of this report.