

| Area of Assurance | Assurance Request | ALEO Response and Hub Commentary | Hub Risk Rating |
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| Governance | Assurance on the on-going training and development of Board members including any changes to Board structure, rationale for any structure changes, and training plans for Board members. | <p>The Hub noted that there had been no change to the Board structure and the Chair had been reappointed at the Board meeting in March 2023.</p> <p>With regard to training for Board members, this remained the responsibility of the shareholders and had been discussed at recent Board meetings. Cyber risk had been identified as a training strength for BP and there had been a request to organise some training for the Board when appropriate. The Hub noted that a Hydrogen safety session had been delivered for the Board at the end of 2022.</p> | Very Low |
| | Assurance that the board has clear policies and procedures for its members to ensure that potential conflicts of interests are identified, declared and acted upon. | <p>The Hub noted that declarations of interest were handled by the company secretary and were recorded in the minutes of Board meetings.</p> <p>With regard to the T&E policy which had been requested, the Hub was advised that it would be written once the year end process had concluded; T&E policies from both shareholders had been obtained in order to prepare a suitable policy for bpAHEL. The Hub agreed to request a copy of the T&E policy once it had been written and approved.</p> <p>In terms of Accounting Policy, the Hub noted that BP was following UK GAAP. There was no intention to create an accounting policy for bpAHEL, however conformance with UK GAAP would be asserted through the statutory audit process.</p> | Medium |
| | Assurance that ALEOs articles of association are clear, remain up-to-date, and reflective of how the ALEO functions and operates. | The Hub noted that data protection training was being discharged through the shareholder organisations. With regard to ISO 9001 accreditation, the Hub was advised that this would be considered by the Board, along with the establishment of appropriate timing. The Hub agreed to request an update for its next meeting. | Medium |

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| Risk Management | Assurance that risks are being regularly reviewed in accordance with the organisation's agreed risk management policy. The assurance will be provided through a short written summary of ALEOs current risk environment, including risks that been added, escalated or de-escalated rather than through provision of the risk register. This will also include an overview of activity and controls in place across the three lines of defence. | <p>BP provided a copy of the current risk register which was last reviewed by the Directors in March 2023. The risk register format remains unchanged since the last review and contains risk detail, ratings and mitigations.</p> <p>The risk register reflects the risks within the current operating environment and is reviewed on a quarterly basis.</p> <p>BP provided an overview of the Three Lines of Defence established within the area of finance where BP and JCCA teams work together as “do-ers” (first line), with review and approval helpers (second line) being the senior team members. Third line assurance is coming in the form of external audit. A full second line, including internal audit, will develop as the organisation grows in size.</p> <p>BP confirmed that a Business Continuity Plan will be completed in readiness for the commercial operation date. The Hub will monitor progress in this area.</p> | Very Low |
| | <p>Assurance that ALEOs have risk-based internal and external audit plans in place and a process to address and close out audit recommendations to completion.</p> <p>Assurance that there have been no internal control failures or that any failures have been addressed and/or notified if they are of significance to the Council.</p> | BP confirmed that external financial audit will be performed by Hall Morris. Internal audit arrangements are not applicable at this stage of the business's development. | Medium |
| Finance | Assurance that accounts are being managed within budget, that the level of financial risk to the Council is low and that there is compliance with the Following the Public Pound Code of Practice. | Monthly Management Accounts packs are produced and form part of the regular Board Meetings agendas for discussion.. Board papers confirm regular updates and extensive discussions on various aspects of the project. | Low |
| | Assurance that ALEOs undertake medium-term financial planning or have incorporated medium term planning into a Business Plan to provide assurance that ALEOs are prepared for core funding pressures. Again this ensures compliance with the Following the Public Pound Code of Practice. | The Hub confirmed a 5 year Business Plan plus annual work programme/budget are in place and these have been reviewed by the Board. | Low |
| | Assurance that accounts are being managed within budget, are in line with statutory requirements and Following the Public Pound Code of Practice, and that the level of financial risk to the Council is low. | The start date of the project precludes audited accounts in respect of financial year 2021-22. Discussions are currently taking place around audit requirements for 2023-24. | Low |