

AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 14 July 2020

Minutes of the meeting of the Audit and Risk Management Committee held at Virtual Public Meeting (Accessible Remotely) on Tuesday, 14 July 2020 at 2.00 pm

Present

Members:

Alderman Ian Luder (Chairman)	Marianne Fredericks (Ex-Officio)
Hilary Daniels (Deputy Chairman)	Paul Martinelli
Alexander Barr (Deputy Chairman)	Caroline Mawhood (External Member)
Randall Anderson	Jeremy Mayhew (Ex-Officio)
Chris Boden	Andrien Meyers
Deputy Jamie Ingham Clark (Ex-Officio)	John Petrie
Anne Fairweather	

Officers:

Chloe Rew	- Town Clerk's Department
Rofikul Islam	- Town Clerk's Department
Kerry Nicholls	- Town Clerk's Department
Peter Kane	- The Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Paul Dudley	- Chamberlain's Department
James Gibson	- Chamberlain's Department
Sean Green	- Chamberlain's Department
Chris Keesing	- Chamberlain's Department
Matthew Lock	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Gary Brailsford-Hart	- City of London Police
Chris Pelham	- Department of Community and Children's Services

Also in attendance:

Alderman Prem Goyal	- Court of Common Council
Ruby Sayed	- Court of Common Council
Fiona Condron	- External Auditor, BDO
Leigh Lloyd-Thomas	- External Auditor, BDO

1. APOLOGIES

The Chairman opened the meeting thanking Alderman Nick Anstee and Alderman John Garbutt for their service on the Committee, as they would not be seeking reappointment following the end of their terms.

Apologies were received from Dan Worsley.

2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

3. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED, that – the public minutes and non-public summary of the previous meeting held on 2 June 2020 be agreed as a correct record.

4. **OUTSTANDING ACTIONS OF THE COMMITTEE**

Members received the Committee's list of outstanding actions, noting that the outstanding action regarding Brexit assessments would be removed.

5. **COMMITTEE WORK PROGRAMME**

Members received the Committee's work programme, noting that changes to the informal risk challenge session arrangements would be agreed for the accompanying report at item 10a).

6. **INTERNAL AUDIT UPDATE REPORT**

Members received a report of the Head of Audit and Risk Management relative to Internal Audit.

RESOLVED, that – the report be received and the following points be noted with respect to project management:

- 1) Members expressed concern regarding Corporate Wide Project Management at paragraph 3 of the report, and the Head of Audit and Risk Management confirmed that officers were working with internal audit to reach a solution;
- 2) Members requested that this report be brought to the Projects Sub-Committee;
- 3) The Chamberlain would work with the Head of Audit and Risk Management and the Town Clerk to ensure Chief Officers were aware of the need to undertake internal audit work and the importance of resuming full delivery of the Internal Audit Plan as restrictions from the COVID-19 pandemic ease.

7. **CORPORATE RISK UPDATE**

Members considered a report of the Chamberlain relative to the Corporate Risk Register. The report sought approval for a new risk, CR35 Unsustainable Medium-Term Finances risk, to be added to the Corporate Risk Register, into which other risks could be incorporated.

Following discussion, Members did not agree to incorporating CR23 Police Funding into CR35 as this would minimise the focus on the risks and issues specific to the Police.

RESOLVED, that – Members agree the following:

- 1) to endorse the inclusion of CR35 Unsustainable Medium-Term Finances risk on the corporate risk register;
- 2) to not incorporate CR23 Police Funding into CR35;
- 3) to incorporate CR31 Fundamental Review risk into CR35;

- 4) to note the de-escalation of CR27 Change Management to the departmental level (Town Clerk's)

8. OFSTED INSPECTION 2020

Members received a report of the Director of Community & Children's Services relative to the 2020 Ofsted Inspection, noting that children's social services received an 'Outstanding' judgement.

RESOLVED, that – the report be received and its contents noted.

9. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

10. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

a) FUTURE ARRANGEMENTS FOR THE INFORMAL RISK CHALLENGE SESSIONS

Members considered a report of the Chamberlain relative to future arrangements for the Informal Risk Challenge Session, requesting that the sessions be disaggregated from the Grand Committee meetings in order to hold more regular sessions, therefore ensuring all departments would participate in the sessions within two years.

RESOLVED, that – Members agree the following:

- 1) that the Chief Officer Informal Risk Challenge (IRC) sessions be held separately from the cycle of Committee meetings with effect from September 2020;
- 2) that the IRC sessions be held on a more frequent basis, with up to two sessions between each Committee meeting, depending on the Committee meeting date schedule;
- 3) that the schedule of IRC sessions gives due consideration to the potential risk exposure of the City Corporation of both existing and new risk areas, as well as the effectiveness of the departmental risk management arrangements. The duration of each IRC will be proportionate to risk exposure and effectiveness of each departmental risk management arrangements – up to one hour maximum per IRC session;
- 4) that lighter-touch IRC sessions take place where the Committee is satisfied that there are effective risk management arrangements in place. This proportionate approach would be reviewed on a regular basis, subject to the continued effectiveness of departmental risk management arrangements and the overall and up-to-date risk profile of departments;
- 5) agree that, subject to the views of the Committee in relation to the above, the IRC administrative working arrangements be approved by the Chairman and Deputy Chairmen;

- 6) that further consideration be given to incorporating the session note into the Grand Committee agenda, aiming to balance the public interest with the candid nature of the discussion.

b) ANY OTHER BUSINESS

The Deputy Chairman (Member) raised one item of business, noting that this was Alderman Luder's last meeting as Chairman of the Committee, and expressed thanks on behalf of the Committee for the Chairman's contributions. A formal tribute would take place at the following meeting.

11. EXCLUSION OF THE PUBLIC

RESOLVED, that – under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

12. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED, that – the non-public minutes of the previous meeting held 2 June 2020 be agreed as a correct record.

13. DEEP DIVE - CR16: INFORMATION SECURITY RISK

Members received a report and presentation of the Chamberlain relative a Deep Dive of CR16 – Information Security.

RESOLVED, that – the report be received and its contents noted.

14. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

15. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There was one item of other business discussed in confidential session.

The meeting ended at 4.00 pm

Chairman

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