

AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 2 June 2020

Minutes of the meeting of the Audit and Risk Management Committee held via videoconference on Tuesday, 2 June 2020 at 2.00 pm

Present

Members:

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

In Attendance

Officers:

Chloe Rew	- Town Clerk's Department
Peter Lisle	- City of London Corporation GOLD Group
Andrew Buckingham	- Town Clerk's Department
Hayley Hajduczek	- Town Clerk's Department
Kerry Nicholls	- Town Clerk's Department
Devika Persaud	- Town Clerk's Department
Kate Smith	- Town Clerk's Department
Peter Kane	- Chamberlain
Paul Dudley	- Chamberlain's Department
James Gibson	- Chamberlain's Department
Matthew Lock	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Richard Woolford	- City of London Police

Also in attendance

Alderman Prem Goyal	- Court of Aldermen
Fiona Condon	- External Auditor, BDO
Leigh Lloyd-Thomas	- External Auditor, BDO

1. OPENING REMARKS - WELCOME TO NEW EXTERNAL MEMBER

The Chairman opened the meeting welcoming Dan Worsley and formally moved a vote of thanks to Kenneth Ludlam.

RESOLVED UNANIMOUSLY, that – Members of the Audit and Risk Management Committee wished to place on record their sincere appreciation to:

KENNETH LUDLAM, who stood down from the Committee after the conclusion of his third term. He was a most active and diligent member of the committee and one of this Committee's representatives on the Police Authority Performance Sub Committee, where his contribution was also greatly valued. In taking their leave of Kenneth, his colleagues on the Audit & Risk management Committee wished to express its sincere thanks to him for his valuable contributions over the past nine years, and hope that he looks back with pleasure at his association with the City of London Corporation.

2. **APOLOGIES**

Apologies were received from Alderman John Garbutt.

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

There were none.

4. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED – that, the public minutes and non-public summary of the previous meeting held 28 January 2020 be agreed as a correct record.

Matters arising:

With respect to item 12: City of London Police Freedom of Information Requests Update, the Chairman confirmed that there was no longer a backlog of Freedom of Information requests.

5. **COMMITTEE WORK PROGRAMME**

RESOLVED – that the amended Committee Work Programme be agreed, noting the following updates provided in the meeting:

1. the September 2020 meeting has been rescheduled to 1 October 2020;
2. the informal risk challenge sessions would be reintroduced from October 2020;
3. the Chamberlain advised that although the dates in the work programme for accounts production, audit and sign off were on track, there was a possibility that new factors relating to the COVID-19 crisis could cause delays, however the Chamberlain's department was working to adhere to deadlines. The Chairman noted that the government had relaxed deadlines.

6. **ANNUAL GOVERNANCE STATEMENT 2019/20**

Members considered a joint report of the Town Clerk & Chief Executive and the Chamberlain relative to the Annual Governance Statement 2019/20 (AGS). Members agreed the AGS subject to amendments with respect to fire enforcement notices referenced at paragraph 68; and, an additional paragraph regarding the COVID-19 crisis.

RESOLVED, that Members:

1. approve the AGS set out in Appendix 1 for signing by the Chair of the Policy and Resources Committee and the Town Clerk and Chief Executive;
2. note that the AGS will be published alongside the 2019/20 City Fund and Pension Funds Statement of Accounts;
3. note the future work programme in paragraph 105 of the AGS to improve the governance framework; and,
4. delegate authority to the Town Clerk and Chief Executive, in consultation with the Chairman and Deputy Chairmen of this Committee, to amend the AGS for any significant events or developments relating to the governance arrangements that occur prior to the date on which the Statement of Accounts is signed by the Chamberlain.

7. 2019/20 ANNUAL REPORT OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Chairman presented to the Committee the 2019/20 Annual Report of the Audit and Risk Management Committee. Members proposed amendments which would be included prior to presentation to the Court of Common Council on 18 June 2020.

RESOLVED – that Members agree the 2019/20 Annual Report of the Audit and Risk Management Committee for onward submission to the Court of Common Council.

8. RISK UPDATE

Members received for discussion a report of the Chamberlain relative to the Corporate Risk Update. The following points were noted:

- CR01 Resilience Risk to be reviewed, re-rated, and reported back to Committee;
- CR34 COVID-19 (Response) to be reworded to reflect recovery phase; financial impact of COVID-19 to be assessed separately;
- CR25 GDPR Compliance Risk has been de-escalated to departmental risk;
- CR26 Brexit risk to be reviewed in light of upcoming government statement;
- Increase of risks across the Corporation from 344 to 393 not solely related to COVID-19, as new departmental risk register has been developed in the Town Clerk's (ie. Cultural and Visitor Development division);
- With respect to risk appetite, the level of risk Members would be prepared to accept may become an issue going forward, for example with respect of investments. Reduction in risk appetite may impact re-budgeting in the future. Will need to strike balance with Resource Allocation Sub-Committee and Chamberlain's will bring this issue back to this Committee in the future.

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**

There was one item of other business with respect to membership of the Nominations Sub-Committee which would reconvene in the coming months to recruit for an external member vacancy.

RESOLVED – that, Dan Worsley be appointed to the Nominations Sub-Committee.

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.

Item	Paragraph
12-14	3

12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

RESOLVED – that, the non-public minutes of the previous meeting held on 28 January 2020 be agreed as a correct record.

13. **DEEP DIVE - CR34 COVID-19**

Members received for discussion a report of the City of London Corporation Gold Group relative to a Deep Dive of Corporate Risk 34: COVID-19.

14. **NON-PUBLIC APPENDIX TO THE RISK UPDATE REPORT**

Members received the non-public appendix in conjunction with the report of the Chamberlain at agenda item 8.

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

There were no questions.

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

There was no other business.

The meeting ended at 3.05 pm

Chairman

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