

Committee: Audit & Risk Management Committee	Date: 13 January 2021
Subject: Terms of Reference and Frequency of Meetings of the Audit and Risk Management Committee	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	N/A
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Town Clerk & Chief Executive	For Decision
Report author: Leanne Murphy, Town Clerk's Department	

Summary

As part of the post-implementation review of the changes made to the Governance Arrangements in 2011, it was agreed that all Committees/Boards should review their Terms of Reference annually. This will enable any proposed changes to be considered in time for the reappointment of Committees by the Court of Common Council.

The current Terms of Reference are attached at appendix 1 to this report for your consideration.

Recommendations

It is recommended that:

- the terms of reference of the Committee, subject to any comments, be approved for submission to the Court in April 2021 as set out in the appendix;
- The Committee continues to meet 6 times a year;
- any further changes in the lead up to the Court's appointment of Committees be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman.

Appendices

- Appendix – Court Order 2020/21 – Audit and Risk Management Committee

Leanne Murphy

Committee and Member Services Officer
Town Clerk's Department

E: leanne.murphy@cityoflondon.gov.uk

Appendix 1

RUSSELL, Mayor	RESOLVED: That the Court of Common Council holden in the Guildhall of the City of London on Thursday 16 th July 2020, doth hereby appoint the following Committee until the first meeting of the Court in April, 2021.
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AUDIT & RISK MANAGEMENT COMMITTEE

1. Constitution

A Non-Ward Committee consisting of,

- ten Members elected by the Court of Common Council* at least one of whom shall have fewer than five years' service on the Court at the time of their appointment
- three external representatives (i.e. non-Members of the Court of Common Council with no voting rights)
- the Chairman and Deputy Chairman of the Finance Committee (ex-officio with no voting rights)
- a representative of the Policy & Resources Committee (ex-officio with no voting rights)

**NB:- The Chairmen of the Policy and Resources, Finance and Investment Committees are not eligible for election to this Committee and the Deputy Chairman of the Audit & Risk Management Committee for the time being may not be a Chairman of another Committee.*

From April 2017 onwards, Members of the Court of Common Council are appointed for terms of three years. The maximum continuous period of service (except when serving as Chairman or Deputy Chairman) shall be nine years in any twelve-year period.

The Committee shall also have a second Deputy Chairman, appointed from the External Membership of the Committee.

2. Quorum

The quorum consists of five Members i.e. at least three Members elected by the Court of Common Council and at least one external representative.

3. Membership 2020/21

- 3 (3) Anne Helen Fairweather
- 10 (3) Ian David Luder, J.P., Alderman
- 3 (1) John Petrie, *for one year*
- 4 (2) Alexander Robertson Martin Barr
- 3 (2) Andrien Gereith Dominic Meyers
- 1 (1) Ruby Sayed, *for two years*
- 4 (1) Randall Keith Anderson
- 4 (1) Christopher Paul Boden
- 1 (1) Alderman Prem Goyal, O.B.E., J.P.
- 4 (1) Paul Nicholas Martinelli

together with three external representatives :-

Caroline Mawhood (*appointed for a three-year term expiring in March 2021*)

Hilary Daniels (*appointed for a three-year term expiring in March 2022*)

Dan Worsley (*appointed for a three-year term expiring in April 2023*)

and together with the Members referred to in paragraph 1.

4. Terms of Reference

Audit

- (a) To consider and approve annually the rolling three-year plan for Internal Audit.
- (b) To consider and approve the annual External Audit Plan.
- (c) To commission and to receive reports from the Chief Internal Auditor on the extent that the City of London Corporation can rely on its system of internal control and to provide reasonable assurance that the City of London Corporation's objectives will be achieved efficiently.

- (d) To meet with the external auditors prior to the presentation of the Accounts to the Court, consider the audited annual accounts of the City Fund and the various non-local authority funds, to receive and consider the formal reports, letters and recommendations of the City of London Corporation's external auditors and to make recommendations relating to the approval of the accounts (to the Finance Committee).
- (e) To meet with the external auditors of the City's various funds at least once in each calendar year prior to the presentation of the financial statements to the Court.
- (f) In addition to (e), to meet with the external auditors of the City's various funds at least once in each calendar year.
- (g) To report back, as necessary and at least annually, to the Court of Common Council.
- (h) To appoint an Independent Audit Panel to make recommendations on the appointment of external auditors to the Court of Common Council.

Risk Management

- (a) To monitor and oversee the City of London Corporation's risk management strategy, anti-fraud and anti-corruption arrangements; and to be satisfied that the authority's assurance framework properly reflect the risk environment.
- (b) To consider all audit or external inspection reports relating to any department at the City of London Corporation and seek assurance that action has been taken where necessary.
- (c) To receive an annual report from the Chamberlain reviewing the effectiveness of the City of London's risk management strategy.
- (d) To consider and report back to the Court on any risks related to all governance issues.
- (e) To undertake periodic reviews of the risk management procedures, financial capabilities, controls, and safeguarding procedures of the City of London School, the City of London School for Girls, the City of London Freemens' School, the City of London Academies Trust (including its embedded academies) and the City Academies which are free-standing entities.