

## **AUDIT AND RISK MANAGEMENT COMMITTEE**

**Tuesday, 25 May 2021**

Minutes of the meeting of the Audit and Risk Management Committee held at Virtual Public Meeting (Accessible Remotely) on Tuesday, 25 May 2021 at 2.00 pm

### **Present**

#### **Members:**

Alexander Barr (Chairman)	Deputy Jamie Ingham Clark (Ex-Officio)
Hilary Daniels (Deputy Chairman - External)	Gail Le Coz (External Member)
Alderman Prem Goyal (Deputy Chairman - Member)	Paul Martinelli
Rehana Ameer	Jeremy Mayhew (Ex-Officio)
Randall Anderson	Deputy Andrien Meyers
Chris Boden	John Petrie
Anne Fairweather	Ruby Sayed
Marianne Fredericks (Ex-Officio)	Dan Worsley (External Member)

### **In Attendance**

#### **Officers:**

Chloe Rew	- Town Clerk's Department
Giles French	- Town Clerk's Department
Rhiannon Leary	- Town Clerk's Department
Caroline Al-Beyerty	- Chamberlain
Karen Atkinson	- Chamberlain's Department
Paul Dudley	- Chamberlain's Department
Sean Green	- Chamberlain's Department
Aqib Hussain	- Chamberlain's Department
Neilesh Kakad	- Chamberlain's Department
Chris Keesing	- Chamberlain's Department
Matthew Lock	- Chamberlain's Department
Julia Megone	- Chamberlain's Department
Sonia Virdee	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Paul Wright	- Remembrancer's Department
Gary Brailsford-Hart	- City of London Police

#### **1. APOLOGIES**

There were no apologies.

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

There were none.

3. **ELECTION OF A DEPUTY CHAIRMAN**

Members elected a Deputy Chairman (Member) in accordance with Standing Order 30.

RESOLVED, that – being the only Member willing to serve, Alderman Prem Goyal be elected as Deputy Chairman (Member) for the ensuing year.

4. **MINUTES - 23 MARCH 2021**

RESOLVED, that – the public minutes and non-public summary of the meeting held on 23 March 2021 be agreed as a correct record.

5. **MINUTES - 5 MAY 2021**

RESOLVED, that – the public minutes of the meeting held on 5 May 2021 be agreed as a correct record.

6. **OUTSTANDING ACTIONS OF THE COMMITTEE**

Members received the Committee's list of outstanding actions.

7. **COMMITTEE WORK PROGRAMME**

Members received the Committee's work programme, noting the following:

- Deep Dive: CR20 Road Safety would be moved to the October meeting;
- The date for the final meeting of the year would be rescheduled if necessary, depending on the progress of the City's Cash accounts;
- The City Surveyor's Risk Challenge Session would be scheduled for December 2021;
- The Comptroller & City Solicitor's Risk Challenge Session would be scheduled for January 2022.

8. **SUB-COMMITTEES REPORT**

Members considered a report of the Town Clerk & Chief Executive in respect of the appointment of the Nominations Sub-Committee, and the appointments to the resource, Risk and Estates Committee of the Police Authority Board.

RESOLVED, that –

1. the appointment, composition and terms of reference for the Nominations Sub-Committee be agreed, and the following Members be appointed to serve on the Sub-Committee, in addition to the Chairman and Deputy Chairman
  - i. Dan Worsley
  - ii. Gail Le Coz
  - iii. Deputy Jamie Ingham Clark
  - iv. Jeremy Mayhew
2. the Audit & Risk Management Committee representative on Resource, Risk and Estates Committee of the Police Authority Board was considered but no clear preference for external or court member was confirmed; and,
3. Dan Worsley was appointed to the Resource, Risk and Estates Committee of the Police Authority Board.

**9. ANNUAL REPORT OF THE COMMITTEE**

Members considered a report of the Town Clerk & Chief Executive in respect of the Annual Report of the Audit and Risk Management Committee.

RESOLVED, that Members agreed the 2020/21 Annual Report of the Audit and Risk Management Committee for onward submission to the Court of Common Council.

**10. HEAD OF AUDIT AND RISK MANAGEMENT ANNUAL OPINION**

Members received a report of the Head of Audit & Risk Management in respect of the Head of Audit and Risk Management Annual Opinion. It was noted that a benchmarking exercise had been undertaken to compare the extent to which London Authorities had delivered their annual Internal Audit Plans, the City Corporation compared favourably.

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

**11. INTERNAL AUDIT PROGRESS REPORT**

Members received a report of the Head of Audit and Risk Management in respect of Internal Audit work completed, this report being the 12-month, year-end update.

With respect to red and amber assurance ratings, Members were informed that these typically refer to suggested timing of implementation (ie. red assurance ratings required fast action; amber ratings allowed for more time) and reflect criticality of the audited area within the context of the organisation. There might not always be a direct correlation to priority ratings of individual recommendations as these often relate to criticality within the audited area. Officers advised that this distinction would be given further consideration to see if there were better ways to articulate and codify the rationale for determining assurance ratings.

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

**12. ANTI-FRAUD & INVESTIGATIONS - 2020/21 ANNUAL REPORT**

Members received a report of the Head of Audit and Risk Management in respect of the Anti-Fraud and Investigations Annual Report for 2020/21. Members were given further information regarding Covid-safe visit procedures and anti-fraud measures regarding business grants support, and were advised that further information would be circulated following the meeting regarding the National Fraud Initiative.

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

**13. CITY OF LONDON CORPORATION RISK MANAGEMENT POLICY AND STRATEGY**

Members considered a report of the Chamberlain in respect of the City of London Corporation Risk Management Policy and Strategy. With respect to embedding this across the Corporation, the policy and strategies would be

shared across departments, to committee chairmen and available internally on SharePoint.

RESOLVED, that Members –

1. endorse the Corporate Risk Management Policy and Strategy 2021 and authorise the Chairman to sign the Policy Statement on behalf of the Committee; and,
2. agree to receive the Corporate Risk Management Policy/Strategy on an annual basis in future at the Committee's May meeting for review and endorsement.

**14. RISK MANAGEMENT UPDATE**

Members received a report of the Chamberlain in respect of the Risk Management Update. It was noted that CR28 Action Fraud was likely to be removed following the resolution of the contractual dispute.

RESOLVED, that Members note the following:

1. the risk report, including changes to both corporate and top red departmental risk registers since January 2021; and,
2. the COVID-19 Thematic Group summary risk register.

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

There were none.

**16. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

Members discussed an email from a Member of the Court of Common Council regarding Member conduct in a Planning & Transportation Committee meeting. The email had been circulated to the Audit & Risk Management Committee and Policy & Resources Committee, prior to being published on a public blog. External Members led the discussion. The Deputy Chairman (External) noted that the role of the Audit & Risk Management Committee was, amongst other points made, to act as an assurance committee and not to be part of the process, indeed it should sit outside the process, and not sit above the Court of Common Council. Other Members confirmed this view. An external member suggested that the committee might undertake a planning risk review. It was therefore agreed that the matter in question was not in scope of the committee and the matter was closed.

**17. 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.

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

RESOLVED, that – the non-public minutes of the meeting held on 23 March 2021 be agreed as a correct record.

19. **AUDIT PANEL APPOINTMENT (COMMON HALL)**  
Members considered a report of the Chamberlain in respect of the Audit Panel Appointment.

20. **EXTERNAL AUDIT PROCUREMENT**  
Members considered a report of the Chamberlain in respect of External Audit Procurement.

**\* The Committee agreed to extend the meeting \***

21. **DEEP DIVE RISK REVIEWS**

**21. a) Deep Dive: CR16 Information Security Risk**

Members received a report of the Chamberlain in respect of the Deep Dive of CR16: Information Security Risk.

**21. b) Deep Dive: CR34 COVID 19**

Members received a report of the City of London Corporation Gold Group in respect of a Deep Dive of CR34 COVID-19. The Deep Dive was considered in public session.

Members were informed that the COVID situation was rapidly changing and therefore consistently monitored. COVID risks were also captured in CR35 (financial risks) CR02 (business risks) and CR01 (resilience risks). CR34 was rated amber but it was anticipated that it could be moved to a business-as-usual risk in due course. It was noted that the Gold Group was conscious of the need to have contingency plans in case of another wave.

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

22. **RISK MANAGEMENT UPDATE - NON-PUBLIC APPENDICES**

The non-public appendices were received in conjunction with the report of the Chamberlain, Risk Management Update, at item 14.

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

There were none.

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

There was none.

**The meeting ended at 4.32 pm**

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Chairman

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