

## **AUDIT AND RISK MANAGEMENT COMMITTEE**

**Tuesday, 5 October 2021**

Minutes of the meeting of the Audit and Risk Management Committee held at Guildhall, EC2 on Tuesday, 5 October 2021 at 2.00 pm

### **Present**

#### **Members:**

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

#### **Officers:**

Ben Dunleavy	- Town Clerk's Department
Caroline Al-Beyerty	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Paul Dudley	- Chamberlain's Department
Elisabeth Hannah	- Department of the Built Environment
Ian Hughes	- Department of the Built Environment
Rhiannon Leary	- Town Clerk's Department
Peter Lisley	- Assistant Town Clerk (Culture Mile Director)
Matthew Lock	- Chamberlain's Department
Juliemma McLoughlin	- Department of the Environment
Matthew Pitt	- Town Clerk's Department
Bukola Soyombo	- Chamberlain's
Paul Wilkinson	- City Surveyor

#### **1. APOLOGIES**

Apologies for absence were received from Anne Fairweather, Jeremy Mayhew and Andrien Meyers.

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

Jamie Ingham Clark declared that he sat on the Capital Buildings Committee, which oversees the Major Capital Schemes which were the subject of item 9b.

**3. MINUTES OF THE PREVIOUS MEETING**

RESOLVED, that – the minutes of the meeting held on 13 July 2021 be agreed as a correct record.

**4. OUTSTANDING ACTIONS OF THE COMMITTEE**

Members received the Committee's list of outstanding actions. The following points were noted:

- Deep Dive CR29: Information Management had been scheduled for the meeting on 30 November 2021.

**5. COMMITTEE WORK PROGRAMME**

Members received the Committee's work programme. The following points were noted:

- The forward programme of Deep Dives was confirmed up until the January meeting. Further Deep Dives will be scheduled after the review of the Corporate Risk Register.
- CR24 Operational Security was scheduled for the meeting on 18 January 2022 but was due to be removed from the Deep Dive programme pending decisions made on agenda item 8.

**6. ANNUAL GOVERNANCE STATEMENT 2020/21**

Members considered a joint report of the Town Clerk and Chamberlain relative to the Annual Governance Statement (AGS) 2020/21. It was noted that the AGS remained an open document and that the Committee would be asked to delegate authority to the Town Clerk and Chief Executive, in consultation with the Chairman and Deputy Chairs of this Committee, to amend the AGS for any relevant significant events or developments that occur prior to the date on which the Statement of Accounts is signed by the Chamberlain.

Members discussed several amendments to the AGS, and the Head of Audit was tasked with taking these forward. It was agreed that an updated version with tracked changes would be presented to Members at the next Committee meeting.

The Chairman said that he would like to see a commitment to consider benchmarking in future AGS.

RESOLVED, that – the updated report be deferred to the next Committee meeting.

**7. INTERNAL AUDIT PLAN DELIVERY UPDATE – QUARTERLY REPORT**

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

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

**8. RISK MANAGEMENT UPDATE**

Members received a report of the Chamberlain relative to the Risk Management Update.

Members considered the proposal for the removal of two corporate risks (CR24 Operational Security and CR28 Action Fraud).

A question was raised as to whether CR24 Operational Security should be removed, with immediate effect, given the inherent and continuous threat level. It was understood that a related risk specifically with regard to Terrorism was being developed in October 2022 (mentioned in paragraph 13(a) of the report). In response, the Chamberlain commented that a risk with the characteristics of CR24, i.e. related to a project that has been delivered, would be removed from the Corporate Risk Register if all the actions associated with a risk were completed, which is the case with CR24. The Chamberlain felt it would be inappropriate to tie two different risks together by waiting to replace one with the other. Members noted that the report itself created a linkage between the two risks by mentioning the new Terrorism corporate risk in paragraph 13(a), and that the two risks should be separate and distinct.

RESOLVED, that – the report be received and the following actions be noted:

- The removal of CR24 Operational Security and CR28 Action Fraud from the Corporate Risk Register

## 9. **DEEP DIVE RISK REVIEWS**

### 9.1 **Deep Dive: CR20: Road Safety (DBE)**

Members received a report of the Executive Director of the Environment relative to a Deep Dive of CR20 Road Safety.

### 9.2 **Deep Dive: CR33 Major Capital Projects**

Members received a joint report of the Town Clerk and City Surveyor relative to a Deep Dive of CR33 Major Capital Projects.

A Member raised a concern about the use of optimism bias for City of London Corporation projects, as referred to in paragraph 18. It was confirmed by the Chamberlain and the Chairman of the Finance Committee that only major projects use optimism bias, and that control over optimism bias was held at Committee level.

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

## 10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were none.

## 11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

Members received an update from the Chamberlain that the external auditors BDO had requested a late paper circulation for two papers due to go to the meeting on 30 November.

12. **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.
13. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**  
**RESOLVED**, that – the non-public minutes of the meeting held on 13 July 2021 be agreed as a correct record.
14. **NON-PUBLIC APPENDIX**  
A non-public appendix to item 8 was received.
15. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**  
There were none.
16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
One item of non-public business was heard.
17. **CONFIDENTIAL UPDATE - CHAMBERLAIN**  
The Chamberlain was heard in respect of a confidential matter.

**The meeting ended at 3.55 pm**

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Chairman

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