

NOMINATIONS AND EFFECTIVENESS SUB COMMITTEE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

Thursday, 6 June 2024

Minutes of the meeting of the Nominations and Effectiveness Sub Committee of the Audit and Risk Management Committee held at the Guildhall EC2 at 4.00 pm

Present

Members:

Alderman Prem Goyal, OBE (Chairman)	Deputy Randall Anderson
Gail Le Coz (External Member)	Deputy Elizabeth King BEM JP

Officers:

Dionne Corradine	- Chief Strategy Officer
Matthew Lock	- Chamberlain's Department
Ben Dunleavy	- Town Clerk's Department
Tabitha Swann	- Town Clerk's Department

1. APOLOGIES

Apologies for absence were received from Ruby Sayed.

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

The minutes of the meeting held on 13 March 2023 were approved as a correct record.

4. REVIEW OF COMMITTEE EFFECTIVENESS AND SKILLS - RESULTS

Members received a report of the Town Clerk concerning the review of the Committee's effectiveness and skills.

Members considered the results of the review by each separate section, as laid out in the appendices to the report.

Effectiveness Review

Noting that three Members had scored 'Contributing to the development of an effective control environment' as 'Needs Improvement', the Head of Internal Audit said that he felt it was the application of internal controls that required improvement. During discussion, Members hoped that recent steps to address the resourcing challenges facing the Head of Internal Audit's team would help to address this area.

Although only one Member had scored 'Promoting effective public reporting to the authority's stakeholders and local community and measures to improve

transparency and accountability' as 'Needs Improvement', Members felt that there would be benefit in exploring changes to the presentation of External Audit reports to help convey information more effectively.

Skills Matrix

Members noted that the lowest average scores were on the Internal Audit, Treasury Management and Counter Fraud knowledge areas. The Head of Internal Audit felt that the Committee had good discussions on his Internal Audit reports. There were several areas he would not expect Members to have detailed knowledge of, and a report on the Internal Audit Charter would be coming to a Committee meeting soon, which he hoped would help to address any knowledge gaps.

As Treasury Management had the lowest average score, and it was agreed to consider whether Members of the Committee could be invited to the Treasury Management training sessions provided to Members of the Finance and Investment Committees.

It was agreed that officers should be asked to provide an update on Counter Fraud to address this areas' score.

A Member expressed concern that two Members had scored themselves as only having a 'basic' organisational knowledge. During discussion, the Sub-Committee reflected that these scores may have been from External Members, and the Town Clerk undertook to review the induction process for External Members, and for Members joining the Committee.

Self-Assessment of Good Practice

Considering Question 4 'Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's 2022 Position Statement?' scored as 'Minor Improvement', Members noted that the Committee had a broader remit than the Position Statement. Accordingly, the Chairman requested that the next Terms of Reference review should provide context on any items in the terms of reference that were not in line with the CIPFA position.

Officers undertook to explore how methods to engage with Chief Officers as and when any audit findings or risks in their departments were on the Committee's agenda to help address the 'Moderate Improvement' rating of Question 24 'Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?'

The Chairman said that he would like to see the actions from the meeting as standing item on the Committee's agenda. He would also ask Members at each meeting for their feedback, and if there were any areas where they felt they could benefit from development.

5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE

There were no questions.

6. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There was no other business.

The meeting closed at 4.54 pm

Chairman

Contact Officer: Ben Dunleavy

ben.dunleavy@cityoflondon.gov.uk