



## **Coast to Capital Audit and Risk Committee**

Tuesday 16 August 2022, 10:00am-12:00pm

Zoom Call (see calendar invite for instructions)

### **Attendees**

#### **Chair**

Amanda Jones

AJ

#### **Board members**

Mark Brunt

MB

Anthony Middleton

AM

#### **Independent Members**

Andrew Swayne

AS

Chris Maidment

CM

#### **External Presenter**

Richard Spofforth – Kreston Reeves LLP

RS

#### **Accountable Body**

Nigel Manvell

NM

Wendy Mc-Rae Smith

WMS

#### **Coast to Capital**

Hannah Gosling

HG

Jake Daniels

JD

David Smith

DS

Carli Foster

#### **Apologies**

Adam Szczotka, Mike La Rooy, Rosaleen Liard, Karen Hayes.

## Agenda

Time	Item	Agenda item	Action	Owner	Part
10:00a m	<b>1</b>	<b>Introduction:</b> a) Welcome and Apologies b) Conflicts of Interest c) Public Comments d) Previous meetings minutes from 3 <sup>rd</sup> March	Record	AJ	<b>A</b>
10:05a m	<b>2</b>	<b>Matters Arising</b>	Note	AJ / AM	<b>A</b>
10:10a m	<b>3</b>	<b>Chief Executive Update</b> (verbal update)	Note	AM	<b>B</b>
10:20a m	<b>4</b>	<b>Financial Statement &amp; External Audit</b> a) Year-End Financial Statements b) Audit Findings Report	Recommend	RS / DS / CF	<b>B</b>
10:50a m	<b>5</b>	<b>Audit</b> a) <b>Payroll Audit</b> b) <b>Internal Audit Plan progression</b>	Note / Approve	RS / CF	<b>A</b>
11:20a m	<b>6</b>	<b>Finance</b>	Note	DS / CF	<b>B</b>
11:30a m	<b>7</b>	<b>Risk Management</b>	Note	HG	<b>B</b>
11:40a m	<b>8</b>	<b>Governance</b>	Note	HG	<b>A</b>
11:50a m	<b>9</b>	<b>Close:</b> a) AOB b) Next Meeting – 22 <sup>nd</sup> September	Note	ALL	<b>A</b>

**Meeting:** Coast to Capital Audit and Risk Committee Meeting  
**Date:** 16 August 2022  
**Report Title:** Matters Arising Schedule  
**Report by:** Hannah Gosling  
**Item No:** 2

Meeting Reference	Action	Lead	Status
1) 3 <sup>rd</sup> March (2022) Item 2	Update on Government funding to be given to Committee once available.	AM	Close. Addressed in Item 3 and Item 5.
2) 3 <sup>rd</sup> March (2022) Item 3	Completed Payroll audit from Kreston Reeves to be circulated by email once completed.	CG/HG	Closed. Addressed in item 4.
3) 3 <sup>rd</sup> March (2022) Item 3	Work on Board training / Refresher sessions to be developed and brought back to the next committee.	AM /HG	Closed. Discussed at Board. Discussion taking place.
4) 3 <sup>rd</sup> March (2022) Item 3	Work to be continued with RSM on internal audit strategy.	HG	Closed. Addressed at Item 4.
5) 3 <sup>rd</sup> March (2022) Item 4	Progress on conversations with Local Authorities over funding contributions to be fed back to the Committee.	AM	Closed. Addressed at Item 3 and Item 5
6) 3 <sup>rd</sup> March (2022) Item 6	Assurance Framework Version 9.1 to be taken to Board for approval.	HG	Closed. Approved and uploaded to website.

**Meeting:** Coast to Capital Audit & Risk Committee Meeting  
**Date:** 16 August 2022  
**Report Title:** Management Response to Payroll Audit  
**Report by:** Hannah Gosling  
**Item No:** 5a

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## Recommendation:

The Committee is asked to:

- **Note** and **agree** the recent payroll audit conducted by Kreston Reeves.
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### 1. Context

The Audit & Risk Committee appointed Kreston Reeves in January 2022 to undertake a payroll audit to ensure Coast to Capital has the necessary assurances given that this service is currently outsourced to Knill James.

Coast to Capital has now received the final report (**Annex C**) from Kreston Reeves albeit being delayed as it was due back for the March Audit & Risk Committee.

The report is being shared at the August Audit & Risk Committee and Kreston Reeves will be attending the meeting to go through the findings.

Below sets out the queries and concerns from the management team on this report.

### 2. Feedback from Management Team and Chair of the Audit & Risk Committee on the first draft of the report and the status

- Disappointed there was not an overall rag rating. On review of the report, it is likely to be a 'green' rating as the recommendations are just best practice. We would have also expected some form of assurance statement. – **RAG ratings were addressed in the final report.**
- Disappointed that Kreston Reeves did not request Coast to Capital's assistance in obtaining the data section (6). – **now obtained through Coast to Capital's assistance.**
- There is not a section in the report that asks for management team comments which is what we should expect to see in a report like this. – **Now addressed.**
- Sections of the report were poorly worded, especially page 5. – **Now addressed.**
- Not understood what they mean by Service Level Agreements under the Engagement letter section. – **Now addressed.**

- Coast to Capital reached out to Knill James to complete section 6 of the report (data), this is not our job to do this. We need an explanation as to why Kreston Reeves were unable to seek the information to complete this section. - **Received**
- No comment on that the payroll is conducted by chartered accountants.
- The key findings section is not logical. It assumes the reader knows the service inside out. It is too brief and uses acronyms that will not be understood by the reader. Kreston Reeves needs to re-write this section to make it understandable, particularly the recommendations. – **Now addressed.**
- It isn't clear whether there are minor or major issues that need to be addressed.

Following receipt of the report, Coast to Capital went back to Kreston Reeves outlining the concerns from the management team, a revised report was received addressing most of these concerns.

### 3. Next Steps

Kreston Reeves will be attending the August Audit & Risk Committee meeting to go through the findings. The payroll audit needs to be approved by the Committee.



# Payroll Internal Audit

May 2022

CONFIDENTIAL

Payroll

# Introduction

This report is a summary of the results of the findings of our work. The specific areas reviewed were set out in our proposal and engagement letter.

This report is provided to the Risk and Audit Committee of Coast to Capital

## Audit Objectives

The audit objectives were to cover:

- ▶ Adequacy of policies and procedures relating to Payroll with clear details around responsibilities of both parties.
- ▶ Contract / Service Level Agreement to help ensure the adequacy of service provision.
- ▶ Adequacy of the contract management arrangements such as regular performance meetings to address any issues.
- ▶ Testing of a sample of starters, leavers, changes, deductions and payments to assess adequacy of controls in place around payroll.

## Internal Audit Approach

We adopted a systems based internal audit approach, which involved structured analysis and evaluation of the specific systems and controls under the responsibility of Coast to Capital and Knill James Chartered Accountants (KJ).

This was achieved by considering the internal audit requirements and risk with Coast to Capital's expectations of how the systems should operate; together with our cumulative experience of payroll operations..

During the internal audit, consideration is given to the existence and adequacy of the control procedures implemented within the organisation to mitigate the risks to Coast to Capital, this includes testing to ensure those control procedures relevant to areas of significant risk are being completed by staff efficiently and effectively.

Instances where deviation from the prescribed systems and controls were identified have been noted and included in this report. The controls in place were considered for their adequacy in achieving the objectives of the system and any potential enhancements to the system have also been noted and included in this report.

Our internal audit procedures have been conducted on a test basis and thus we are unable to provide a comprehensive statement of all weaknesses which may exist in the accounting and internal control systems or of all improvements which may be made. We can only address those matters which have come to our attention as a result of the audit procedures which we have performed. In giving this assessment, it should be noted that assurance cannot be absolute.

# Introduction

## Key Findings

We have set out our key findings in Section 1 of our report. Our report sets out our work in a number of key areas:

- Process Review
- Engagement Letter Review
- Tests of Operational Effectiveness
  - Starters/Leavers/Statutory Payments/Calculations Reviews
  - Data Transfer
  - Review and Payment Controls
  - Data

In each section we have allocated a priority level to assist management with prioritising the action necessary to implement the recommendations. The colours used represent the following.



On the basis of the results of the work undertaken some remedial action is required as a matter of urgency.



On the basis of the results of the work undertaken, some remedial work is required but not considered to be a matter of urgency.



On the basis of the results of the work undertaken systems are working as expected.

Our work established that the processes were broadly as expected and are set in our process flow chart. The payrolls we tested were correctly processed. The Engagement Letter, Standard terms of Business need to be updated to reflect current payroll legislation and the General Data Protection Regulations.

We have been unable to establish how KJ secure your data nor what disaster recovery/business continuity plans they have in place.

## Responsibility of management and internal audit

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. It is trustees' responsibility to ensure that those systems and procedures are operating effectively. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems. Internal audit should be seen as the role of an independent, trusted "critical friend".

However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected. Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist, unless we are requested to carry out a special investigation for such activities in a particular area.

# 1 Key findings

# 1. Summary of key findings

	Findings	Management Response
Process Review	<ul style="list-style-type: none"> <li>▶ We have prepared a flow chart of the end to end payroll process and this is as expected and is suitable ( Section 3)</li> </ul>	
Engagement Letter	<ul style="list-style-type: none"> <li>▶ The engagement letter was issued in 2013 and is bound by the Standard Terms of Business at that date. We recommend that a new engagement letter is requested covering the current legislation (4.1 – 4.4).</li> <li>▶ Clear timetables and Service Level Agreements should be obtained (4.3).</li> </ul>	<ul style="list-style-type: none"> <li>▶ Agreed</li> </ul>
Operational Effectiveness	<ul style="list-style-type: none"> <li>▶ Notice periods and notice pay should be submitted to KJ for all leavers to ensure that Post-Employment Notice Pay is clear (5.1).</li> <li>▶ There should be clearer documentation on the basis for December pay and also for starters/leavers and other pay variations to allow for good controls (5.2)</li> <li>▶ Confirm that you no longer need to provide student loan and tax code notices to KJ as they should have direct access to these (5.3).</li> <li>▶ There should be review process over changes to personal data, starters and leaver and others changes (5.4)</li> <li>▶ Prefer portal transfer over passworded e-mails as this is more secure (5.5).</li> <li>▶ Ensure that portal communications, particularly messaging, outside of the portal are retained in case you no longer have access to this system (5.6).</li> <li>▶ Manual checking of all alterations to the previous month (5.6)</li> <li>▶ Ensure that there is sufficient over review and approval (5.7).</li> <li>▶ Ensure that all changes are correctly reflected in Aegon (5.8).</li> <li>▶ We recommend increased review of pension calculations (5.8).</li> </ul>	<ul style="list-style-type: none"> <li>▶ Leaver notice, this is provided when applicable.</li> <li>▶ Agreed</li> <li>▶ This detail is checked at KJ.</li> <li>▶ This is performed by C2C, explanations requested if required</li> <li>▶ This is individually checked by 2 &amp; approved by 2.</li> <li>▶ This is checked on upload &amp; any variances checked. Auto enrol is in place</li> </ul>
Data	<ul style="list-style-type: none"> <li>▶ We have not received any responses to our enquiries in respect of data. We recommend that you follow up these questions directly with Knill James (Section 6).</li> </ul>	<ul style="list-style-type: none"> <li>▶ This has been provided to you directly by KJ.</li> </ul>

# 1. Glossary of terms

Term	Definition
C2C	Coast to Capital
HMRC	Her Majesty's Revenue and Customs
KJ	Knill James Chartered Accountants
Aegon	Aegon – your work place pension provider
PAYE	Pay as you earn
NIC	National Insurance Contributions
RTI	Real Time Information (filed with HMRC for each pay period)
YTD	Year to Date
P11D	Form P11D Return of Expenses and Benefits
E89	NIC Holiday form
E92	NIC Holiday Annual Return
BACS	Bankers' Automated Clearing System
EDI	Electronic Data Interchange



## 2 Scope of Work

## 2 Scope of work and summary of work undertaken

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### 2.1 Scope of work

Documentation of current arrangement with the outsourced payroll provider.

A review of the letter of engagement and any service level agreements and commentary in relation to that.

We will test a sample of payroll months to ensure that controls are operating as described in terms of data and authorisation controls as well as recording any key dates required for the timely and accurate submission of the payroll.

We will review correspondence between Coast to Capital and the payroll provider to understand how smooth the process is.

We will review the Coast to Capital employee on-boarding and exit procedures and how they are communicated to the payroll provider.

For on-boarding we will include a review of the process for Auto Enrolment.

We will review the process for salary changes to include but not limited to pay reviews, changes in contracted hours, additional hours, sick leave, maternity leave and parental leave.

For starters and leavers will carry out standard test to ensure that new employees are set up correctly and the first 2 months pay is correct (this is important for mid month starters). For leavers we will check that the final pay is correct including any holiday adjustment. We will also check that they are not on the following months payroll.

### 2.2 Work undertaken

We have, by enquiry, determined the end to end payroll process and this is set out in the flow chart in section 3.

We have reviewed the engagement letter and our findings and recommendation are set out in section 4.

We carried out detailed testing of the payroll for June and December 2021 based on the inputs and the reports provided by KJ.

Our findings are set out in section 5.

Correspondence via the portal had been provided by KJ and reviewed in line with processes.

Starter data and Auto Enrolment communications passed to KJ were reviewed

Aegon payment summaries provided by you for starters/salary changes were reviewed.

Salary increases were reviewed (no maternity or paternity in the past 3 years). Sickness processed was reviewed and was processed in line with the staff sickness policy.

Leavers details were reviewed, starter details also reviewed for accuracy of pro-rating.

# Scope of work and summary of work undertaken

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## 2.1 Scope of work

For a sample of employees we will perform deduction tests. Where there are deductions other than PAYE and NIC we will check these back to source documents.

Where possible we will check that the net pay was made to the employees nominated bank account.

For a sample of payrolls we will agree these to the RTI filings and that the payments were made, by the due dates in accordance with the payroll.

## Data and Business Continuity

The following were *outside* the scope of our proposal:

We will not undertake any work in respect of the General Data Protection Regulations around the holding, processing and retention of data.

We will not review the Business Continuity or Disaster Recovery processes of Coast to Capital nor the payroll provider.

## 2.2 Work undertaken

PAYE, NIC, Pension and student loan recalculations carried out on a sample payslips

Correspondence and evidence was reviewed for processes

RTI logs provided by KJ were reviewed to the payments made via the reports for year to date (YTD) accuracy checks.

We have asked KJ for the following:

Policies on access to the payroll system and user restrictions.  
Restrictions on access to personal data held on site (outside of the payroll software).  
Data back up policy, frequency, location and how often the back up is tested.

The disaster recovery policy.

Whether the backups are cloud based.

Whether KJ have completed your Third Party Data Handling Agreement.

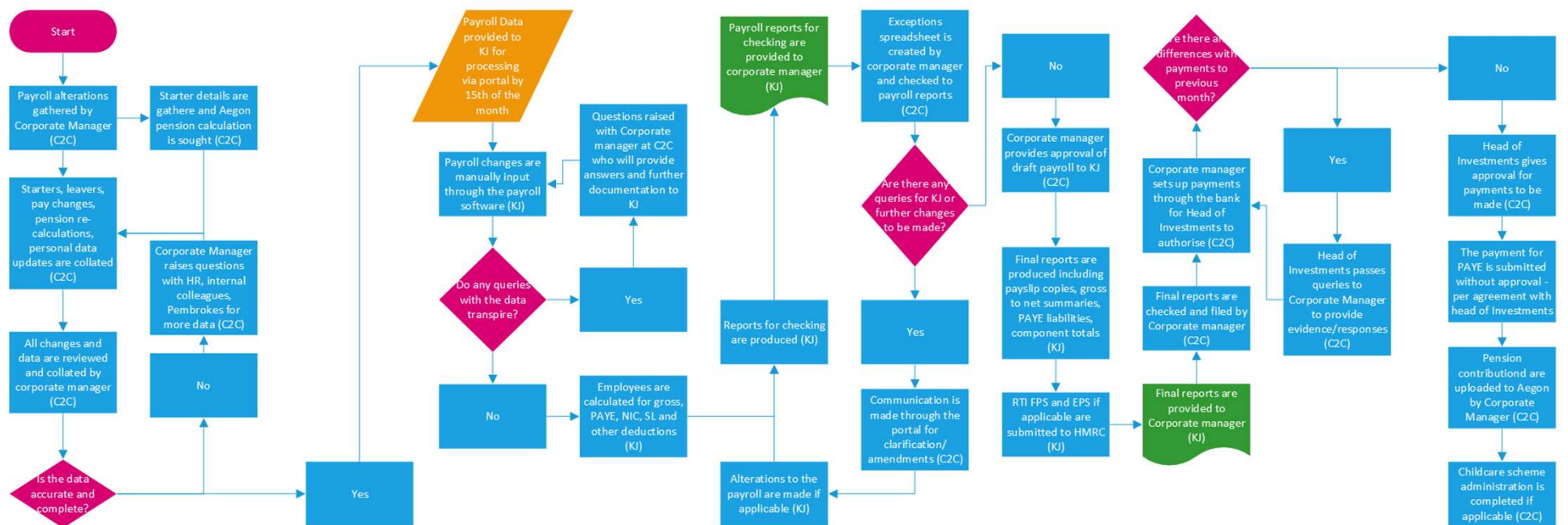
KJ did not respond to any of our requests or follow ups in this area



## 3 Process Review

# 3 Process Review





## Process Flowchart






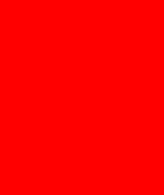
## 4 Engagement Letter Review

## 4 Engagement Letter Review

Current Position	Commentary	Recommendation	RAG
<p>4.1 You were issued an engagement letter by KJ on 1 April 2013 which refers to their Standard Terms of Business in force at the time.</p> <p>The engagement letter covers:</p> <ul style="list-style-type: none"> <li>• Payroll services being provided</li> <li>• Your responsibilities</li> <li>• Subcontractors</li> <li>• P11D</li> <li>• Employment law</li> <li>• Data Protection Act 1998</li> <li>• Notice</li> <li>• Limitation of Liability</li> <li>• Agreement of Terms</li> </ul> <p>We have not been provided with the Standard Terms of business in force in April 2013.</p>	<p>The engagement letter is out of date.</p> <p>The letter refers to procedures with HMRC (E89 and E92) that were withdrawn in 2013.</p> <p>Under the wording of the engagement letter it is the Standard Terms of Business that apply at the date of the engagement letter rather than any later versions. The current Standard Terms of Business are dated 28 June 2021.</p>	<p>You should request a new engagement letter that is up to date and covers the current legislation in particular protection and the General Data Protection Regulations 2018.</p> <p>The Standard Terms of Business in April 2013 are unlikely to appropriate or up to date in 2022.</p>	  
<p>4.2 The engagement letter sets out that you are responsible for reviewing the payroll and notifying KJ of any alterations before the next payroll run</p>	<p>With the implementation of Real Time Information (RTI), payroll changes should be notified before pay day or before a payment is made. Similarly, in order for RTI to be submitted, it is good practice to have in the agreement that approval should be given in writing before RTI is submitted which is on or before pay day. Approval seems to be written in practice but not the arrangement set out in the letter.</p>	<p>The new engagement letter should include best practice for RTI requirements.</p>	

## 4 Engagement Letter Review

### Engagement Letter Review

Current Position	Commentary	Recommendation	RAG
<p>4.3 You are responsible for the accuracy of the payroll data transferred to KJ and starters should be provided before pay day. Visas and right to work checks are the your responsibility. Failure to meet deadlines and timelines may result in late processing of payroll.</p>	<p>There does not appear to be a set timetable to include a firm date that you transfer data to KJ, KJ return reports to you, you to give approval and KJ to submit payroll and provide final reports to you.</p>	<p>A clear timetable or service level agreement is recommended. The Service Level Agreement should clearly set out the key dates for the provision of data by you to KJ, the timescales for the processing of the payroll, payroll approval, payroll finalisation, salary payments and the payment of PAYE and NIC.</p>	
<p>4.4 Auto enrolment, re-enrolment, The Pension Regulator compliance, BACS payments, payroll benefits, Apprenticeship Levy, Employment Allowance and gender pay gap reporting are not covered in the letter of engagement.</p>	<p>Whilst some of these may not be relevant a list of the payroll information required by KJ should be included to ensure that you provide the relevant details for all areas of payroll information.</p>	<p>We would expect these to resolved by an up to date engagement letter.</p>	



## 5 Tests of Operational Effectiveness

# 5 Operational Effectiveness

## Starters and Leavers/Statutory Payments/ Calculation Reviews

Findings	Commentary	Recommendation	RAG
<p><b>5.1 Starters and leavers</b></p> <p>The basis of the data provided by you to KJ to process starters and leavers is sufficient and enables KJ to accurately process the payments.</p> <p>The staff handbook gives sufficient information around the policies for maternity and sickness such that it can be processed accurately through payroll.</p> <p>Maternity payments were not reviewed as the last maternity case was over 3 years ago from the date of the audit.</p> <p>Starters and leavers were calculated under the 260 working day rule. Pro-rata salary increases were done with the same, uniform method.</p> <p>Leavers information shows good understanding of holiday balances for employees along with additional payments such as redundancy payments if applicable. Leave dates are provided to K J as part of the regular processing.</p>		<p>An indication of notice periods and notice pay when submitting leaver information to KJ would be advisable to ensure it has been given the correct consideration.</p> <p>KJ will then be able to establish if Post-Employment Notice Pay or other such payments should be calculated in addition to salary.</p>	<div></div> <div></div> <div></div> <div></div> <div></div>

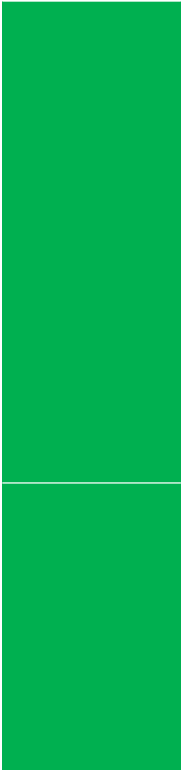
# 5 Operational Effectiveness

## Starters and Leavers/Statutory Payments/ Calculation Reviews

Findings	Commentary	Recommendation	RAG
<p><b>5.2 Christmas</b></p> <p>Based on correspondence, KJ offered two options for a salary calculation in the month of December.</p>		<p>We recommend that all calculations are completed using the same rule for consistency. If not already documented, the calculation methods for starters, leavers, pay rises, hours changes, maternity pay pro-rata/top-ups should be documented and provided to KJ to avoid doubt and enable a good checking control.</p>	
<p><b>5.3 Electronic Data Exchange</b></p> <p>KJ has in place an Electronic Data Interchange (EDI) link to enable electronic transfer of tax code and student loan notices from HMRC to KJ your on behalf.</p>	<p>With an EDI link in place it is not necessary to forward on student loan and tax code notices from the Employer PAYE Dashboard as it is identical data to that which is received by KJ via the EDI.</p>	<p>We recommend that you confirm with KJ that you no longer need to do this.</p>	
<p><b>5.4 Processing Controls</b></p> <p>The processing checklists were provided by KJ to Kreston Reeves (KR) as part of the data transfer.</p>	<p>We note that KJ did not document an internal review process on the payroll.</p>	<p>We recommend that starters, leavers, manual changes, personal details alterations, bank details changes and statutory payments are reviewed internally by KJ or they provide full personal details reports to enable you to make these checks.</p>	

# 5 Operational Effectiveness

## Data Transfer

Findings	Commentary	Recommendation	RAG
<b>5.5</b> <b>Transfer of Data to and from you and KJ</b>  The transfer of data and reports was reviewed as part of the audit. It appears that all payroll data is transferred through the 'Prologue' portal. It is possible to document a discussion through the portal. The portal is assumed to be secure for transfer of data.		<p>Ensure that all data is transferred securely. Personal details such as new addresses, pay figures and calculations and attachments should always be transferred through the portal. If data such as, but not limited to, these items, is transferred by email then we recommend it goes by password attachment. No sensitive data should be provided in the body of an email, to be compliant with The General Data Protection Regulations 2018.</p> <p>We also comment that password secured documents are less secure than portal transfers which have better encryption and less risk of diversion. Also communication via a secure portal is less likely to be susceptible to malicious e-mails that appear to come from C2c or KJ.</p>	
<b>5.6</b> Data is transferred through the portal by the Corporate Manager to KJ. Approval of the payroll appears to be submitted through the portal in the same way.		<p>Ensure there is suitable governance or oversight of the information provided through the portal by the Corporate Manager so that payroll approvals can be tracked.</p> <p>Governance of the portal information and documentation thereof should be held outside of the portal for review if ever needed or the event of a change in payroll or portal provider.</p>	

# 5 Operational Effectiveness

## Review and Payment Controls

Findings	Commentary	Recommendation	RAF
<p><b>5.6 Payroll Reviewing by you</b></p> <p>A payroll reconciliation spreadsheet and reports are provided by KJ to C2C were reviewed in detail.</p>	<p>It was clear that a thorough review took place to compare gross to net calculations, gross input compared with the data provided to KJ and the previous month of payroll were performed. Payslips are provided to be manually checked.</p> <p>It was not clear how often payslips were reviewed.</p>	<p>A manual check of all itemised alterations between the current and previous month is recommended to ensure accuracy of processing by KJ.</p> <p>Highlight to KJ any differences that cannot be reconciled or where no explanation has been provided by KJ in advance of checking.</p>	
<p><b>5.7 Staff and PAYE Payment Controls</b></p> <p>Detailed reports, evidence, and correspondence around payment setup for employees and PAYE payments was reviewed. It was clear that the payments are set up and approved by different responsible individuals. A count of numbers of employees is performed compared with a previous month. Exceptional differences between the current and previous month payments were also highlighted.</p>	<p>There is no second approval on the monthly PAYE payment.</p>	<p>Ensure that there is sufficient governance over the payroll review and approval process before KJ finalise the payroll then such payment approval is not necessary, if internal controls are met in relation to size of the payment.</p>	

# 5 Operational Effectiveness

## Review and Payment Controls

Findings	Commentary	Recommendation	RAG
<p><b>5.8 Pension Controls</b></p> <p>The transfer of data between Aegon, you and KJ was reviewed. The pension contribution calculations are accurately processed based on the sample. The contributions are uploaded to Aegon after the payroll has been approved.</p> <p>Pension communication letters to employees were reviewed and from the sample, appear to meet with The Pensions Regulator requirements and are provided to new employees on time.</p> <p>Pension contributions are not reviewed by way of head count and exception control when the payroll is checked</p>	<p>From our testing it was inconclusive that a new process for checking pension contributions may have been established during the period of the sample.</p>	<p>Where calculations are relied upon via Aegon for each starter, leaver or salary change, it is advisable to perform a check that all elements of pay that alter have a matching Aegon calculation that is applied in the correct month.</p> <p>If employees become eligible it would be advisable to establish whether the responsibility lies with KJ or you as to the auto enrolment monthly assessment.</p> <p>Some employees may need a communication before they become an eligible job holder or revert to a non-eligible or entitled worker due to a change in pay or circumstance.</p> <p>We recommend that these checks are performed before payroll is approved to ensure there be no issues when the pension upload is completed.</p> <p>Comparison to Aegon calculations should be made to ensure all differences are reconcilable. It appeared on review that some employees may not have been enrolled or had contribution amounts altered.</p>	<div></div> <div></div> <div></div>



## 6 Data

## 6 Data

### Data

	Enquiries	Commentary	Recommendation	RAG
6.1	<b>Access Controls</b>  Please set out your policies on access to the payroll system, user restrictions and whether access is limited to the payroll team.	No response received.	Provided directly to you	
6.2	<b>Personal Data</b>  Please set out your policies on the restriction to personal data held on site (outside of the payroll software).	No response received.	Provided directly to you	
6.3	<b>Data Back Ups</b>  Please set out your policies on data back up, frequency, location and how often the back is tested to ensure that it has worked.	No response received.	Provided directly to you	
6.4	<b>Disaster Recovery</b> Please set out your disaster recovery policy.	No response received.	Provided directly to you	
6.5	<b>Offsite Back Ups</b>  Please provide the location of any offsite backups and whether these are cloud based and if so where are these located.	No response received.	Provided directly to you	
6.6	<b>Third Party Data Handling Agreement</b>  Have Coast to Capital asked you to complete the attached Third Party Data Handling Agreement	No response received.	Provided directly to you	



## A Engagement Letter

# Letter of engagement



Kreston Reeves LLP  
Springfield House, Springfield Road, Horsham, West Sussex RH12 2R  
Tel: +44 (0)1403 253 282  
horsham@krestonreeves.com  
www.krestonreeves.com

Our ref RCPPS/40035700

4 January 2022

The Directors  
Coast to Capital  
Second Floor  
Pacific House  
Hardwick Avenue  
Three Bridges  
Crawley  
RH10 1EX

Dear Sir/Madam

## Basis of instruction

The Institute of Chartered Accountants in England and Wales recommends that its members should confirm the terms of a professional engagement in a formal letter. The purpose of this Engagement Letter and the accompanying Standard Terms of Business is to set out the basis on which we are to act for you and to clarify our respective responsibilities. The Standard Terms of Business are subject to change from time to time. The latest version is available on our website at [www.krestonreeves.com](http://www.krestonreeves.com). Please read these Terms and talk to the person looking after your work if anything is unclear.

### 1 Internal audit service – payroll

- 1.1 The role of internal audit is to provide management with an objective assessment of whether systems and controls are working properly to achieve management's objectives. It is a key part of the internal control system because it evaluates the adequacy and effectiveness of other controls.

#### Appointment

- 1.2 You have appointed us to carry out the internal audit of the outsourced payroll in accordance with our proposal.

#### Your responsibilities: provision of information by you

- 1.3 You will provide us with the appropriate level of access to your personnel, premises, documents, records and information as necessary for us to fulfil our responsibilities.

#### Our responsibilities

- 1.4 Our responsibility is to report to the management any significant weaknesses in, or observations on, the systems that come to our attention of which we believe the directors should be made aware.
- 1.5 Our reports are prepared solely for your confidential use, and solely for the purpose of informing Management by enabling the assessment of business systems and controls. They may not be relied upon for any other purpose whatsoever. The reports must not be recited or referred to in whole or in part in any other document. The reports must not be made available, copied or relied to any other party without our express written permission, excepting the group's external statutory auditors and compliance auditors. We neither owe nor accept any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our reports.

#### Scope of our work

- 1.6 An audit includes examining, on a test basis, evidence for the operation of the systems and controls. Because of the limited nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material shortcomings may remain undiscovered.
- 1.7 The nature and extent of our tests will vary according to our assessment of the company's internal control systems, and will cover aspects of the business's operations as directed by you.
- 1.8 In order to ensure that there is effective two-way communication between us we set out below the expected form and timing of such communications.
- We shall contact an appropriate representative of the organisation prior to the commencement of our work for preliminary discussions concerning the internal audit.
  - We will discuss the forthcoming internal audit prior to the expected start date.
  - We will arrange a meeting to discuss any matters arising from the internal audit.
- 1.9 While the work plan reflects current plans, we may modify it in response as we gather additional information throughout this audit. We will communicate any material changes to you and the appropriate personnel.

Other offices in London, Brighton, Canterbury, Chatham, Chichester, Ditchley Park and Worthing. If not a member, services are available at the address below. Registered to carry out audit work in the UK, and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. Kreston Reeves is a limited liability partnership registered to England & Wales with registered number 12222717. Registered office: 37 St Margaret's Street, Canterbury, Kent CT1 2TU.

- 1.10 You will receive a draft copy of our audit report following completion of our site work. After you have reviewed the draft report and any matters arising are dealt with, we will issue our final report.
- 1.11 Once we have issued a report we will have no further direct responsibility in relation to it. You will deal with feedback to departments take any action required in response to findings.
- 2 Your agreement of terms
- 2.1 The terms set out in this letter and in the attached Standard Terms of Business shall take effect from your countersigning this letter and returning it to us. Please countersign this letter and return it to us now. It is preferable for both of us to record your positive acceptance of this engagement letter. If you do not return a signed copy, and you do not withdraw your instructions to us, you will be deemed to have agreed the scope of work and accepted the terms from the start.
- 2.2 Once it has been agreed, this letter will remain effective until it is replaced.
- 2.3 Either party may terminate our appointment under this Engagement Letter without penalty by notice in writing to the other, stating the date with effect from which the appointment terminates. If no date is specified, termination shall be the date on which notice is received. In the event of the termination of our instructions for any reason we shall be entitled to be paid for any services we have already provided notwithstanding that the purpose of the engagement may not have been achieved.

Please confirm your agreement to these terms by signing one copy of this letter and returning it to us immediately.

Yours faithfully

Kreston Reeves LLP

I/We confirm that I/we have read and understood the contents of this letter and agree that it accurately reflects the services that I/we have instructed you to provide.

If you are signing as an officer, trustee, etc. on behalf of an entity, for instance a company, partnership, LLP, pension fund, society, charity, trust etc, please also enter here the name of the entity you are signing for and on behalf of. Where this applies, you agree that any advice given pursuant to this engagement letter is exclusively for the benefit and information of the entity and that no rights are conferred upon the signatory personally.

Signed \_\_\_\_\_ Dated \_\_\_\_\_

For and on behalf of \_\_\_\_\_

Internal use only	Date returned	Received by



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# Coast to Capital

**Meeting:** Coast to Capital Audit & Risk Committee Meeting  
**Date:** 16 August 2022  
**Report Title:** Update on Internal Audit Plan  
**Report by:** Hannah Gosling  
**Item No:** 5b

---

## Recommendation:

The Committee is asked to:

- **Agree** to undertake the internal controls audit and to put on hold until next financial year the financial planning audit and Governance audit.
- 

## 1. Context

At the March 2022 Audit & Risk Committee, an audit strategy (**Annex D**) was provided from RSM regarding the three recommended areas for the internal audit. These were; Governance, Internal Controls/Approval Processes and Financial Planning and Management.

However, in light of the uncertainty of income streams, it is recommended that we focus on just the internal controls audit for the meantime.

Due to the organisation moving towards revenue operations, it is being recommended to not undertake the Financial Planning audit and is also recommended that we move the Governance Audit into the 23/24 financial year.

## 2. Next Steps

If the Audit & Risk Committee agree to the recommendation, the team will contact RSM to progress with the internal controls audit.



# COAST TO CAPITAL

## Draft Outline Internal Audit Strategy 2022-24

Presented at the Audit & Risk Committee meeting of 3 March 2022

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.



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# EXECUTIVE SUMMARY

We were requested to undertake an exercise on behalf of Coast to Capital to review their assurance needs with a view to outlining a proposed internal audit programme over the next three years. This document therefore attempts to identify the assurance needs of the Organisation, taking account of the risks faced, the recent White Paper around Levelling up which acknowledged the role of Local Economic Partnerships (LEPs) and previous internal audit work planned and/or undertaken. The key points to note from our plan are:



**Levelling up White Paper:** Whilst the White paper on Levelling up does not provide great detail on the role of LEPs, it does outline an expected role for LEPs and therefore offer greater assurance around the medium to long-term viability of LEPs. Not only does this help to reduce some of the most imminent and largest risks facing the LEP it permits a greater potential for more medium and long-term planning.



**Internal Audit work to date:** Where internal audit work has been conducted to date this has tended to focus on a single risk and to be conducted, often by External Audit at an operational level. Whilst this is important in offering assurance that systems are designed and operating suitably it does not offer assurance to the Board around some of the more strategic risks facing Coast to Capital.



**Assurance Priorities:** When considering the potential focus for Internal Audit, it is recognised that for a relatively small organisation the ability to commit resource to large numbers of independent reviews to provide assurance may be limited. It is therefore important for Coast to Capital to consider how else it may get assurance, even if that is in the form of management or Committee challenge or risk deep dives.



**Focused areas for review :** In determining our understanding of your assurance priorities we have used your risk registers and cross referenced the areas where you may wish to consider internal audit reviews.

# 1. BACKGROUND AND METHODOLOGY

Our approach to developing your internal audit plan is based on analysing your corporate objectives, risk profile and other factors affecting Coast to Capital in the year ahead, including changes within the sector.

## Risk management processes and other Documentation

We have not formally assessed your risk management processes but as part of planning we have reviewed your Company Risk Register (January 2022). We have also used various sources of information to confirm our understanding of your risks and your assurance requirements. These include:

- Coast to Capital Business Plan;
- Minutes and papers to Board meetings 2021-22
- Minutes and papers to Audit & Risk Committee 2021-22
- Minutes and papers to Finance & Resources Committee 2021-22
- Internal Audit programme, scopes and reviews since 2019

We would like to thank the following for their time and assistance in discussing the assurance needs facing the Organisation and whose views and comments have been reflected in the internal audit and assurance programme which follows:

- Julie Kapsalis (Chair)
- Amanda Jones (Audit & Risk Committee Chair)
- Richard Hopkins (Finance & Resources Committee Chair)
- Anthony Middleton (Acting Chief Executive)
- Matt Wragg (Acting Head of Regional Projects)
- David Smith (Head of Investment)
- Kristel Smith (Head of Operations)
- Kirsten Trussell (Head of Skills & Innovation)
- Carli Foster (Head of Finance)
- Cali Gasson (Acting Head of Business Support, Programmes, & Assurance)
- Nick Darwin (Governance Officer)

Based on our understanding of the organisation, the information provided to us by stakeholders, and the regulatory requirements, we have outlined a proposed internal audit programme but have also set out other areas where you may wish to seek to undertake an internal review or a deep dive to consider the assurances available over risks in specific areas of the business.

## 2. INTERNAL AUDIT PLAN 2022/23 – 2024/25

The table below shows each of the reviews that in our view should be considered to enable the Board to attain the required assurance that controls are operating sufficiently to mitigate the principal risks to the achievement of your objectives. All of the risks cited within the document below are held within the Company's Risk Register, presented to the January 2022 Board.

Considering the resources available to support Internal Audit and the assurances available, we have limited the proposed numbers of individual reviews to three per year, augmented by some internal assurances and reviews via Committees and deep dives which will support the LEP's aim for continuous improvement. We would also propose ongoing monitoring of recommendations made as part of previous reviews, identified for follow up.

Objective of the review (Strategic risk)	Proposed timing
<b>Governance – Effectiveness</b> <b><i>Risk: Coast to Capital fails to meet compliance and/or governing procedures</i></b> <b><i>The Skills 360 Board is not compliant as a Skills Advisory Panel (SAP) and funding is withdrawn or future funding is not awarded</i></b> Coast to Capital needs to be clear on its strategic objectives and a road map to their achievement. Governance arrangements need to support the Organisation in working towards the objectives whilst helping to protect the Organisation and prevent risks from materialising. A review could consider the following: <ul style="list-style-type: none"> <li>• Are terms of reference for the Committees and Board clearly set out and aligned to requirements of the business and containing appropriate membership to achieve its aims?</li> <li>• Information assessment – is each Committee and the Board receiving the information it requires to fulfil its remit – could include questionnaire approach of key stakeholders and members?</li> <li>• Data Quality and underlying assumptions – building on the information assessment or potentially conducted as a standalone review – to consider the quality of the information presented to Board and key sub-committees – is the information based on robust underlying data and is information presented in such a way as to enable effective decision-making to take place. <b>In particular a focus on the financial information and projections presented to ensure suitable visibility and robustness of data.</b></li> </ul>	<b>Priority 1 – 2022/23</b>
<b>Internal Controls – Single point of failure</b> <b><i>Risk: Coast to Capital suffers a breakdown of internal control and/or approval processes</i></b> A review to consider the critical processes within the business and how control is maintained. Coast to Capital rightly seeks to run a lean organisation meaning that separation of duties and hierarchical control can be difficult to apply at all places. Where this is recognised this can be partially mitigated through suitable escalation processes, review processes, analytical review etc. This review would work with Management and the Board to understand the critical decisions undertaken and to confirm how these are undertaken and how risks are mitigated.	<b>Priority 1 – 2022/23</b>

Objective of the review (Strategic risk)	Proposed timing
<b>Financial Planning and Management</b> <p>To consider the robustness of the budget setting process and any underlying assumptions. Critically this may include a workforce review and how the LEP is ensuring it has identified the right resource to deliver its business plan. Potentially this review could link to elements of the Governance review and the robustness of the financial information could be considered here.</p>	<b>Priority 1</b> <b>2022/23</b>
<b>Projects and Income</b> <p><b>Risk: Local projects do not create sufficient additional income for the LEP.</b>  <b>2 x Programme management risks per Skills &amp; Innovation section of Company Risk Register</b></p> <p>The LEP has sought to diversify its income streams and provide commercial offerings based around consultancy support. The review would consider the robustness of the financial plan and the underlying assumptions, including the resources and skills required to deliver the plan. Depending upon the number and nature of projects underway, the review could also consider the project management processes in place to determine their suitability and walk through some projects to review their effectiveness and look to recommend where improvements to process could help improve outcomes. This could include any lessons learnt from major projects to help drive improvements for future projects.</p> <p>Also the potential to review some of the programme management risks to determine for instance whether the Skills action plan is being delivered as planned or whether the Careers Hub and EAN programmes are meeting their KPIs.</p>	<b>Priority 2</b> <b>2023/24</b>
<p><b>Compliance with Legislation and Reputation Management</b> <i>(potential for some overlap with the review identified above concerning Internal Controls – Single Point of Failure)</i></p> <p><b>Risk: Health and safety breach causing actual or potential impact on employees or the organisation.</b>  <b>Risk: Selection of regional projects and perceived success in delivery undermines reputation and, ultimately, role and sustainability of LEP.</b>  <b>Risk: Data breach including commercially-sensitive personal data and staff confidential information</b>  <b>Risk: Loss of reputation through negative publicity</b></p> <p>To consider whether the LEP has identified the critical legislation with which it must comply and to determine what assurance is in place to ensure compliance. The review could be expanded to consider the most critical risks which if materialised could severely undermine the reputation and consider what controls are in place to prevent the likelihood of these materialising. Examples of areas that may be considered might include:</p> <ul style="list-style-type: none"> <li>• Health and Safety;</li> <li>• GDPR</li> </ul>	<b>Priority 2</b> <b>2023/24</b>

Objective of the review (Strategic risk)	Proposed timing
<ul style="list-style-type: none"> <li>• Anti-fraud and bribery;</li> <li>• Data Protection</li> </ul>	
<b>Financial Controls</b> <b><i>Risk: Breakdown of relationship with Accountable Body resulting in service levels not meeting requirements</i></b> <p>Most of the transactional financial controls are conducted on behalf of the LEP by the accountable body. From the LEP's perspective a short review to determine whether it is receiving value for money / the services being paid for including suitability of service provision and required information on a timely basis. It would also be useful to determine if Coast to Capital is receiving the information expected on a regular basis, which should include some indication of level of service.</p> <p><b>n.b – as part of the service provision it would be useful to understand what independent assurance could be provided to the LEP by the auditors of the Accountable body.</b></p>	<b>Priority 2</b> <b>2023/24</b>
<b>Risk Management</b> ( <i>although included as a 3<sup>rd</sup> year audit – some earlier internal assurance could be achieved through reviews and consideration, including individual deep-dive reviews</i> ) <p>There is a Company Risk Register in place which is updated and split out across key areas of the business. It would be useful to review the risk management process from two different perspectives – top down and bottom up in the Organisation. Does the Board focus on the strategic risks to the achievement of the objectives, are these suitably documented and is it clear where responsibility and accountability sit and how assurance on their management is overseen? Conversely are there processes within the LEP to update the risk register, to identify new risks and to demonstrate active management of those risks on the Register.</p>	<b>Priority 3</b> <b>2024/25</b>
<b>Business Continuity</b> (whilst an important area – key elements could potentially be reviewed earlier through either the review of Single Point of Failure or the Compliance with Legislation reviews) <b><i>Risk: Coast to Capital is no longer able to achieve its business critical operations</i></b> <p>Whilst the recent Levelling up white paper provides some assurance on the sustainability of the LEP, there remain threats due to both external political factors, as well as internal factors, such as critical IT failure. The review would focus on the actions taken to reduce the impact of a critical incident should it arise and to reduce the likelihood of a single issue arising. Focus may include elements of IT, Disaster Recovery, failure of key stakeholders and emergency planning.</p>	<b>Priority 3</b> <b>2024/25</b>

Objective of the review (Strategic risk)	Proposed timing
<b>Investment</b> <i>Risk: Grant recipients do not meet terms of funding agreements leading to the funding withdrawal protocol being invoked</i> Number of risks – could be covered by deep dive Review may focus on investment decisions undertaken and how delivery of agreed outputs against the terms are determined and followed up where issues are identified. Potential to deep dive specific elements of the investment programme to follow through as to whether agreed outcomes are being achieved and where not the case the actions that the LEP are taking.	<b>Priority 3</b> <b>2024/25</b>
<b>Regional Projects</b> Number of risks – could be covered by deep dive. Some risks covered in abovementioned reviews.	<b>N/A</b>
<b>Skills &amp; Innovation</b> Number of risks – could be covered by deep dive – also see section on Projects & Income above	<b>N/A</b>
<b>Business Engagement</b> Number of risks – could be covered by deep dive	<b>N/A</b>
<b>Workforce</b> – <i>Some follow up of previous reports and could link in with Financial Management or Financial Controls work above</i> Despite the Workforce only numbering 30, there are a number of Workforce risks, ranging from failure to recruit the right people at the right time, failure to retain good people, failure to recognise challenges to wellbeing exacerbated by the effects of the pandemic, failure to provide adequate growth and development opportunities. There has been previous internal audit coverage in audits of Recruitment and Working Practices and no major issues outstanding.	<b>N/A</b>
<b>Procurement</b> – <i>could link in with Financial Controls work above</i> A recent audit has been undertaken into Procurement, which should be followed up to ensure that any issues identified are resolved.	<b>Follow up</b>
<b>Information Technology &amp; Systems</b> – <i>could link to compliance with legislation and reputational management review for areas such as Cyber and Data Security risks. Some consideration also within Projects reviews above.</i> Follow up of the GDPR audit to ensure that actions identified have been suitably resolved.	<b>Follow up</b>
<b>Payroll</b> – Payroll is provided by an outsourced provider – a review is being undertaken in 2022 to cover key controls by Kreston Reeves. Proposed follow up of any key issues arising – any critical elements could be covered in Financial Controls review identified above.	<b>Follow up</b>

<b>Follow up</b> Annual review to follow up on all actions.	To meet internal auditing standards, and to provide assurance on action taken to address recommendations previously agreed by management.	Annual plus more regular Management update
<b>Management</b>	This will include: Annual planning; Preparation for, and attendance at, audit committee; Regular liaison and progress updates; Liaison with external audit and other assurance providers.	-
<b>Total</b>		
<b>Contingency</b>	Not allocated presently – to be used as agreed with Management should short-term risk require assurance	
<b>Total (at budget)</b>		

A detailed planning process will be completed for each review, and the final scope will be documented in an Assignment Planning Sheet. This will be issued to the key stakeholders for each review.

## 2.1 Working with other assurance providers and seeking other assurances

The Audit & Risk Committee is reminded that internal audit is only one source of assurance. As detailed above we would advocate considering whether any additional assurance could be provided by auditors of those organisations to which you have outsourced elements of your business – this may give additional assurance for instance over controls at the Payroll provider or at the Accountable body who provide financial services for the LEP. Whilst independent assurance is considered to provide the strongest level of assurance and often referred to as part of the third line of defence, we would propose you consider undertaking some deep dives of risks via the Audit & Risk Committee and potentially via the Finance & Resources Committee. We can provide material to support you with a proposed methodology for undertaking risk deep dives.

## FOR FURTHER INFORMATION CONTACT

**Nick Atkinson, Partner – RSM UK Risk Assurance Services LLP**

Email: [nick.atkinson@rsmuk.com](mailto:nick.atkinson@rsmuk.com)

Telephone: 07730 300 307

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Coast to Capital, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM UK Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

**Meeting:** Coast to Capital Audit & Risk Committee Meeting  
**Date:** 16 August 2022  
**Report Title:** Governance  
**Report by:** Hannah Gosling  
**Item No:** 8

---

## Recommendation:

The Committee is asked to:

- **Note** the paper regarding governance activity.
- 

## 1. Context

With the letter from Government now received and confirming the funding for the next financial year, alongside the LEP's mandate, the team has been working to adjust to this shift in aims. Funding has been cut by 25% for Core functions and the Growth Hub has had a 50% cut. Management team meetings have still been taking place weekly and the executive team are working to establish the future of the LEP in light of these changes.

Since the March Audit and Risk Committee the following meetings have been held:

- Growing Places Fund Committee (7 March)
- Investment Committee (21 March)
- Finance & Resource Committee (31 March)
- Special Finance & Resource Committee (20 April)
- Board Meeting (28 April)
- Local Authority Meeting (3 May)
- Team Away Day (7 June)
- Local Authority Meeting (7 June)
- Board Meeting and Strategy Afternoon (5 July)

A new organisational structure was presented to the team on 7 June and to the Board on 5 July. (**Annex G**)

At the April Board meeting the budget for 2022/23 financial year was approved. The amended version of the Assurance Framework was also approved and has been uploaded to the website. Karen Dukes was formally appointed as Vice Chair of the

Board and Jamie Arnell was appointed as a Board Director for the second term. This Board was also Martin Harris last Board meeting. The Board agreed that it would be looking at the future management of Growing Places Funds and how to use the remaining sums. It was agreed that the Growing Places Fund Committee was dissolved and the executive team take on the responsibility.

The July Board was kept concise, Richard Hopkins, Amanda Jones and Claire Mason were all re-appointed as Board Directors for their second three year term. The Board also approved the recommendation to remove the funding withdrawal protocol from the Railway Quay project. The main focus when the Board met in July was on the strategy afternoon session where Tony presented on the future direction of Coast to Capital where all members contributed to a worthy discussion.

The Business Plan was reviewed at the July Strategy Board session, amendments were then made and has been circulated to the Board via correspondence.

## **2. Assurance Framework**

Our Current Assurance Framework still remains compliant with the National Assurance Framework and Coast to Capital still adheres to the Assurance Framework. It has been acknowledged that the Local Assurance Framework will require changes so that it is in line with the current organisational structure. We have been informed by Government that they will be publishing a new National Assurance Framework in the future, but the date is unspecified. The team will be reviewing the Assurance Framework once further direction is given from Government regarding the National Assurance Framework.

## **3. Office**

Coast to Capital still remains a fully virtual organisation. There are scheduled team meetings in the diary where the team meet face to face at locations in the Coast to Capital area. All Board meetings are still taking place face to face. We continue to rely on our partners to host us on these certain events.

## **4. Accountable Body**

As things currently stand there are no issues with the Accountable Body to be reported to the Audit and Risk Committee and Brighton and Hove City Council are still undertaking their functions as per the agreement published on our website. This agreement will last until 3 years and will next be reviewed in 2024.

## **5. HR**

It should be noted that Carli Foster and Cali Gasson are starting their return to work from being on maternity leave. Both working one FTE day a week.

Ryan Davies who was a Growth Hub Account Manager has now left the organisation.

We are currently recruiting for two Business Account Managers to work in the Growth Hub and a Project Delivery Officer.

Jake Daniels is currently supporting with the Governance workstream.

