

Coast to Capital

Audit and Risk Committee Meeting

Wednesday 12 January 2022: 1:30 pm – 3:00 pm

By Zoom Video Conference

Committee Members:

- Chair: Amanda Jones (AJ)
- Directors: Anthony Middleton (AM).
- Independent Members: Karen Hayes (KH); Chris Maidment (CM); Mike La Rooy (MR).

Attendees:

- Accountable Body: Stephen Trigg (ST) Nigel Manvell (NM)
- Coast to Capital: Cali Gasson (CG); Nicholas Darwin (ND).

1. Introduction

a) Welcome and Apologies.

AJ welcomed everyone to the Zoom meeting.

It was noted that apologies had been received from:

- Andrew Swayne
- Mark Brunt
- Rosaleen Liard
- Sarah Bosley

AJ explained that the meeting was being recorded for the purpose of minute taking and that the recording would be deleted after the minutes had been recorded.

b) Public Comments

It was noted that no public comments were received in advance of the meeting.

c) Minutes from last meeting and Matters Arising.

The Committee noted that all the actions in the Matters Arising document had been completed.

The committee approved the Minutes of the meeting held on 29 September 2021.

c) Conflicts of Interest

AJ read the conflicts of interest statement and invited any necessary declarations.

CM and KH were noted as having conflicts for Item 6 due to their connections with Crawley Borough Council; CM is the Chair of the Crawley Town deal and KH is the Head of Finance at Crawley Borough Council. As no decisions were to be taken on this item, no further actions were required.

2. Chief Executive Statement

AM updated the committee that Jonathan Sharrock had left the company, and that AM was now a registered Director with Companies House as the Acting CEO. AM noted the delays in the publication of the Levelling Up White paper and how this was adversely affecting the business, alongside some negative press. AM confirmed that core funding had now been received for the remainder of the financial year, along with Local Authorities contributions to Coast to Capital (C2C) .

AM informed the Committee of progress on a value proposition piece of work for C2C following discussion at the Board strategy day held before Christmas, which will set out funding scenarios for C2C going forward. This will be taken to the January Board meeting, following which it will come to the Audit and Risk committee for further scrutiny.

KH asked about the timeline in the value proposition in managing operational costs to which AM gave reassurance that all costs had been considered for the coming months. AJ stressed the value in having a plan for all eventualities to help respond to outcomes of the LEP review. AM noted that the value proposition would seek to identify the level of service provision opportunities with Local Authorities and other stakeholders.

3. Risk

CG presented her report on Risk as per her previously circulated paper. She reported that company risks were being reviewed weekly by the management team in line with the value proposition, and departments were reviewing their risk registers monthly. In addition, top risks continued to be reviewed and were identified and were presented to the Committee.

CG highlighted that the current uncertainty around the LEP review was the top risk and that further mitigating actions were limited. She noted that the value proposition

was seeking to address this and that the conclusion to the LEP review would hopefully help further reduce these current risks.

AJ asked about the risks being brought forward from other committee meetings. AM highlighted the work of the Finance and Resources committee on Local Authority contributions, funding and planning for uncertainty in the budget. The Investment Committee had reviewed the current status of the Crawley Innovation Centre in order to present a clear plan ahead of the Board. AM confirmed there were no issues to raise from the GPF Committee.

4. Audit Review

CG presented her report, previously circulated. She reported that Kreston Reeves had been appointed to undertake an Internal Audit of the outsourced Payroll service. Their report will be presented to the March meeting for review. CG reported that work on formulating a new, 3-year, Internal Audit Plan is planned to be undertaken in February and will be presented for consideration at the March meeting.

AJ noted all potential auditors were proposing a risk-based approach which was timely and relevant. The Committee approved this approach and were pleased with the work being undertaken to improve and act proactively in scrutinising C2C's processes.

5. Governance

ND presented the previously circulated paper on Governance. ND highlighted the regular senior management meetings and good working relationship with the Accountable Body.

ND noted the ongoing work on the Local Assurance Framework. The committee agreed that initial work to amend the document to reflect the new business model and value proposition would be valuable. ND reported that the current lease of the office would expire in April 2022. Work in finding alternative office solutions, as well as the potential cost savings, would be influenced by the value proposition work, and LEP review outcomes.

CM asked about any exit costs for leaving the building. AM reassured the committee that any dilapidation costs would be minimal as the lease terms were favorable. MLR asked whether there were plans for C2C to operate without an office for a period of time, and AM explained this would be addressed in the value proposition, with various options being considered depending on different funding scenarios. AJ noted that this could bring greater opportunity for C2C staff to more regularly meet partners and projects on-site, improving knowledge and strengthening relationships yet further. The Committee approved the pre-emptive work on the Assurance Framework.

6. Lessons Learnt – Innovation Centre

CG introduced the previously circulated paper and explained each of the lessons learnt as considered by the management team. AM provided supplementary information, highlighting key points for note. The Committee offered their input on the various points raised, and recommended that the paper be presented at the January Board meeting, to enable the Board to also have the opportunity to input further .

7. Close

a) AOB

AJ invited ST to provide an overview of the current financial position along with planning and progress towards the financial year end. ST noted that the uncertainty surrounding the outcomes of the LEP review has meant even more careful oversight this financial year. A positive year end result was projected. ST reported that he was currently working with external auditors Kreston Reeves in planning their year-end work.

b) Future Meetings

The next meeting of the Audit and Risk Committee will take place on 3rd March 2022 2.30pm.

Unconfirmed minutes – to be approved at next Audit and Risk Committee

Coast to Capital

Meeting: Coast to Capital Audit and Risk Committee Meeting
Date: 3rd March 2022
Report Title: Matters Arising Schedule
Report by: Nicholas Darwin
Item No: 1 d)
Part: A

Meeting Reference	Action	Lead	Status
1) 12 January (2022)	Value proposition to be taken to Audit and Risk after scrutiny by the Board	AM	Closed
2) 12 January (2022) Item 3	Staff morale risk to have mitigating actions identified in Risk Register	ND	Closed
3) 12 January (2022) Item 4	Audit plan to be presented at March meeting	CG	Closed
4) 12 January (2022) Item 6	Lessons Learnt paper to be present to Board at January meeting	AM	Closed
5) 12 January (2022) Item 7	Finance report to be standing item at Audit and Risk Committee	ST/ND	Closed