

Coast to Capital

Audit and Risk Committee Meeting

Thursday 3rd March 2022: 2:30 pm – 4:00 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 (MLR); Andrew Swayne (AS).

Attendees:

- Accountable Body: Carli Foster (CF) Nigel Manvell (NM)
- Coast to Capital: Cali Gasson (CG); Nicholas Darwin (ND); Hannah Gosling (HG).
- Guests: Nick Atkinson – RSM (NA)

1. Introduction

a) Welcome and Apologies.

AJ welcomed everyone to the Zoom meeting.

It was noted that apologies had been received from:

- Andrew Swayne would leave the meeting at 3:20 pm.

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.

AJ introduced CF to the Committee as it was her first meeting. CF introduced herself and explained she will be responsible for the Head of Finance role in the short-term.

b) Public Comments

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

c) Conflicts of Interest

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

AS declared a possible conflict concerning the Greater Brighton Economic Board at Item 4a, but this was not deemed a conflict by the Committee for the purposes of the planned discussions at the meeting.

KH declared a possible conflict in respect of the Innovation Centre, but this was not deemed a conflict against any items on the agenda by the Committee.

d) 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 12 January 2022.

2. Chief Executive Statement

AM notified the committee that the Levelling Up White Paper had been published on the 2nd of February. Whilst this did give some certainty on the LEP's future, it did not possess sufficient detail on the funding and functions of LEPs. AM outlined C2C's planned next steps and actions to address funding uncertainties. AM closed the item by confirming that more information is expected shortly.

3. Audit

CG presented her Audit paper as previously circulated. It was noted that RSM had been invited to develop an Internal Audit Strategy and would join the meeting to present this. Kreston Reeves had been commissioned to undertake an audit on Payroll but this was not yet ready for presentation to the Committee. The report was due to be finalised in the next couple of weeks and it was proposed this be circulated to, and discussed by, the Committee by correspondence upon completion. This was agreed.

CM raised a question around financial controls in response to which AM and CF reassured the committee regarding the controls that are in place and explained that enhanced organisational changes have enabled better oversight from the management team.

NA from RSM UK joined the meeting to give an overview of the proposed Internal Audit Strategy. NA outlined how this strategy has been developed using the Risk Register as a central guide. AJ asked about the proposed financial management audit, to which NA noted how a review of costs in the current budget would be useful. The Committee further discussed the Audits presented for the next financial year and agreed on their importance.

A potential audit of C2C's governance was discussed given the current uncertainty on existing governance systems. NA confirmed that this type of work could be embraced. AJ suggested that a refresh/training for the Board in this area may be beneficial and NA confirmed this could be delivered through training sessions alongside the audit review.

The Committee agreed the proposed Strategy and that CG/HG should continue working closely with RSM UK to prepare audit scopes for the proposed areas of work, subject to confirmation over the financial position of Coast to Capital. NA thanked committee members for their openness on this subject and the Committee thanked NA for his work.

4. Finance Update

a) Value Proposition

The Committee discussed the Value Proposition and noted the progress.

b) Finance Update

The Committee noted the finance update for Coast to Capital.

5. Risk Management Report

CG presented her Risk Management Report previously circulated. AJ noted the quality of the paper and invited questions.

Given the depth of discussions regarding risks throughout the meeting, no further questions were raised. AJ acknowledged the reassurance of RSM UK utilising the Risk Register to develop the Internal Audit Strategy, which was a significant strength of the process.

6. Other

CG presented proposed minor amendments to the Assurance Framework 2022, as highlighted in the previously circulated paper. CG noted that the changes approved by the Board in September meant we fully comply with the National Assurance Framework, but that these additional changes were to ensure our current framework reflects the business as it is since the publication of the 2021/22 Business Plan. There would be a larger update later in the year once we have clarity on the LEP's functions and funding following the publication of the Levelling Up White Paper.

The Committee noted the proposed changes and recommended this version for approval by the Board. The Committee noted that, once the requirements for the LEP

are known, there will likely be further changes made to the Local Assurance Framework.

7. Close

a) AOB

CM asked about current Committee membership and its alignment to the existing Terms of Reference. AM agreed to look at this further.

There were no other items of business raised.

b) Future Meetings

The next meeting of the Audit and Risk Committee will take place on 25th May 2022 at 2.30 pm.

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