

Agenda Item 1 c) Updated Declarations, Disclosures & Conflicts of Interest Statement (for Chair)

Declaration Statement for Board/Committee Meetings:

Should any Member or employee consider themselves or another present to have a conflict of interest, this must be declared at this point. Should you become aware of an interest during the course of the meeting, this shall be declared at that point within the meeting. Any interests not already on the register need to be included in an updated register within 28 days of you becoming aware of the interest.

Coast to Capital

Audit Committee Meeting

Tuesday 21 April 2020: 3:00pm – 4:00pm

By Zoom Video Conference

Committee Members:

Amanda Jones - Chair (AJ); Julie Kapsalis (JK) and Jonathan Sharrock (JS).
Independent Members: Mike La Rooy (MLR); Karen Hayes (KH); Chris Maidment (CM) and Andrew Swayne (AS).

Attendees:

Cath Goodall (CG) - Cities & Local Growth Unit, BEIS; Lisa Taylor (LT) - Croydon Council.

Coast to Capital attendees: Kate Edwards (KE) – Head of Finance; Cali Gasson (Cali G); Anthony Middleton (ALRM) and Katie Nurcombe (KN).

Apologies:

Rosaleen Liard (RL).

1. Introduction

a) Welcome and Apologies

AJ welcomed everyone to the Zoom meeting which was her first meeting as Chair. The Accountable Body had confirmed that they were content to hold the Audit Committee meeting in this way. AJ thanked MLR for agreeing to remain as an independent member. AJ thanked the team and reflected on the positive 'Exceptional' rating for Governance achieved at the Annual Performance Review.

b) Minutes & Matters Arising

The Committee noted the completed Matters Arising document and approved the Minutes of the last meeting.

In relation to the process to appoint a new Accountable Body by April 2021 it was noted that there was a risk that Local Authorities were currently rightly focused on other priorities at the moment and would not want to engage in the process.

LT confirmed that whilst Croydon was pleased to be delivering the service they would be progressing on the basis of handing over the service in 2021 as they were needing to focus resources on their priorities. This would be considered in June and a decision taken on the best approach.

KH joined the meeting.

c) Conflicts of Interest

AJ read out the conflicts of interest statement (see Annex 1). JK and AS confirmed that they were conflicted in relation to their own Local Growth Fund projects but as this was not to be discussed it was not considered a relevant conflict for the agenda of the meeting.

No other conflicts were identified.

2. Risk (*Part B – this item will be published*)

Cali G gave a summary of the operation of the new risk policy.

Committee members commended the operation of the new risk policy, in particular how useful it had been at this critical time. It was agreed that given the importance of responding to the impact of COVID-19 on the economy this should be treated separately from the company risks. The citizen response and Government response should also be kept in mind as this developed.

Consideration should also be given to medium and longer-term risks using learnings from COVID-19, to risk assess preparing for another catastrophic event.

3. Audit (*Part B – this item will be published*)

a) Audit Plan 2019-20 – Update

Board members noted the update given on the Audit Plan for 2019/20.

The Accountable Body confirmed that the outstanding audits they were responsible for would be completed by the end of June.

Following confirmation that the current headcount for the company was 29 (excluding the Head of Finance who is employed by Croydon Council) and that Coast to Capital undertook a small amount of recruitment, the Audit Committee endorsed the management response to the HR – recruitment audit.

b) Audit Plan 2020-21 – Draft

The Committee agreed the following would be included in a draft Audit Plan 2020/21 for presentation at the June meeting:

- Complete delayed audits from 2019-20 (Q1);
- Complete Procurement Audit as an Internal Audit – (Q1/Q2 once process has been written up);
- Complete an Audit of our Backing Business Grants by an independent auditor (Q2 – once allocation has been spent);
- Undertake an external audit of GDPR (Q3).

The Committee also agreed:

- An annual audit of our HR Working Practices – to be an effective follow up and be individually department focused (Q3);
- That it would be sensible to audit our Finance controls every two years – noting the AB handover – therefore this would be proposed for mid-2021/22. However, there should be an annual review of one of our funding programmes each year.
- That an element of flexibility would be planned into the Audit Plan to respond to the unexpected.

AS left the meeting.

4. Close

a) AOB

Growth Grant Programme

It was agreed that as the Growth Grants Programme was currently under review and Government was to be asked for flexibility in its deployment that the Audit Committee would be sent the Investment Committee paper on this.

Annual Performance Review

CG reflected that Coast to Capital should be proud of a well-deserved 'Exceptional' rating for Governance but that Coast to Capital should keep its arrangements for scrutiny from Local Authorities under review.

Government had reviewed a complaint received by Coast to Capital and was satisfied that the LEP has acted in accordance with the requirements set out in the National Assurance Framework. However, CG reiterated that Coast to Capital should make any dissatisfied parties aware of the Complaints Policy at the earliest opportunity.

b) Future Meetings

The next meeting was confirmed as in the diary for 24 June and further meetings would be kept under review given current circumstances - in case one was required before the November meeting.

Unconfirmed minutes – subject to approval/amendment as necessary at the next Audit Committee meeting.

Annex 1

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Coast to Capital

Meeting: Coast to Capital Audit Committee Meeting
Date: 24 June 2020
Report Title: Matters Arising Schedule
Report by: Hazel Nicholmann
Item No: 1 b)
Part: A

Meeting Reference	Action	Lead	Status
1). April 2020 meeting minutes: Item 2 - Risk Management	<p>COVID-19/economic impact to be treated separately from the company risks.</p> <p>Medium and longer-term risks using learnings from COVID-19 to be considered as part of LEP risk management.</p>	JS/CG	<p>External risks as a result of Covid-19 identified as a result of a dedicated workshop on 8 June. These are now presented to Audit Committee for review and comment. Development of a specific risk register is underway.</p> <p>Risk Management lead is taking this forward.</p>
2). April 2020 meeting minutes: Item 3 - Audits	<p>Progression of various Audit plans: Outstanding Accountable Body: audits under the 2019-20 Audit Plan by the end of June.</p> <p>Items within the draft 2020/21 Audit Plan as follows:</p> <p>Q1: delayed audits from 2019-20;</p> <p>Q1/Q2: Procurement Audit as an Internal Audit (once the process has been written up);</p>	KN/KE	See Agenda item 4 (Governance) for the June meeting.

Meeting Reference	Action	Lead	Status
	<p>Q2: Audit of Backing Business Grants by an independent auditor (once allocation has been spent);</p> <p>Q3: External audit of GDPR;</p> <p>Mid-2021/22: Audit of Finance controls every two years (noting the AB handover)</p> <p>Annual review: Of one LEP funding programmes each year.</p> <p>Annual audit of HR Working Practices – to be an effective follow up and be individually department focused.</p>		
<p>3). April 2020 meeting minutes: AOB - Growth Grant Programme</p>	<p>Request for sight of Investment Committee paper on Growth Grants Programme which would be sent to Government seeking flexibility on the programme.</p>	<p>JS</p>	<p>The request to Government for flexibility issued in April.</p> <p>The Growth Grants Programme is subject to a more recent government review on projects and will be revisited by the Investment Committee at its meeting on 25 June. The Audit Committee will be kept updated.</p>
<p>4). April 2020 meeting minutes: AOB - LEP Annual Performance Review</p>	<p>LEP to keep arrangements for scrutiny from Local Authorities under review.</p> <p>LEP Complaints Policy to be made available to any dissatisfied parties at the earliest opportunity.</p>	<p>KN</p>	<p>Noted by Head of Corporate Affairs. See Governance paper (item 4, paragraph 4) for the June meeting.</p> <p>Procedures are in place including active monitoring of the LEP mailbox/'Contact Us' forms.</p>

Meeting Reference	Action	Lead	Status
			The LEP website also signposts the policy guidance procedures on the Governance pages.