

Coast to Capital

Audit and Risk Committee Meeting

Thursday 12 November 2020: 2:30pm – 4:10pm

By Zoom Video Conference

Committee Members:

- Amanda Jones - Chair (AJ) and Rosaleen Liard.
- Independent Members: Karen Hayes (KH); Chris Maidment (CM) and Andrew Swayne (AS).

Attendees:

- Accountable Body: Kate Edwards (KE).
- Coast to Capital: Cali Gasson (CG); Anthony Middleton (ALRM); Katie Nurcombe (KN) and Jonathan Sharrock (JS).
- Government: Toni Wootton (TW) - Cities & Local Growth Unit, BEIS.
- Guests: Bob Lanzer (West Sussex County Council).

Apologies:

- Mike La Rooy and Lisa Taylor.

1. Introduction

a) Welcome and Apologies

AJ welcomed everyone to the Zoom meeting. Members noted that the Board had agreed to amend the name of the Committee to the Audit and Risk Committee.

Members noted that Julie Kapsalis had formally stepped down from the Committee after becoming Chair of the organisation and expressed their thanks to her for her contributions.

It was noted that Bob Lanzer had been invited to attend the meeting to share his perspective on the risk item.

Apologies had been given by Lisa Taylor who was unable to attend the meeting as the previous day Croydon Council had issued a Section 114 notice.

The Committee expressed their thanks to Hazel Nicholmann who had now left Coast to Capital.

b) Minutes from last meeting and Matters Arising

The Committee noted that all the actions in the Matters Arising document had been completed and approved the Minutes of the September 2020 meeting.

c) Conflicts of Interest

AJ read out the conflicts of interest statement (see Annex 1). It was noted that Rosaleen Liard was conflicted for Item 3, Governance Review, in relation to the Croydon Board membership proposal and would not take part in the discussion or endorsement of the recommendation.

2. Risk Management Report

CG introduced the item.

The Committee noted the Company Risk Register including the changing risks as set out in the papers. Feedback was noted and would be taken forward in particular reflecting the comments set out above in relation to Croydon Council's financial status.

Members also noted the new External Risk Register and commented on how useful this was as the two main risks that have arisen over the past months were external and outside of our control (Coronavirus and Croydon Council's financial status).

The updated Risk Policy and risk appetite was approved subject to final re-formatting changes being addressed. Going forward the operation of the risk policy would ensure that the organisation could identify and manage risks in advance and/or swiftly when they arose.

BL left the meeting.

It was noted that given the ongoing uncertainty and absence of clarity from Government it was difficult to start business planning in an exact way. A number of scenarios would be considered to address this. It was noted that the business plan had to be agile and demonstrate that the organisation had the ability to respond to constantly changing landscape in terms of its capacity and resilience. Finance and reputational risks were identified as the two main risks to address.

3. Governance Review

Committee members noted the progress on the Governance Review and endorsed proposals set out in detail in the paper and annexes which would be presented to the Board for approval including:

- the creation of a Finances and Resources Committee.
- the creation of objectives for Board Sponsor/Champion roles.
- amends to the role and responsibilities of the Vice Chair.
- that all recruitment be considered by the Nominations Committee.

RL left the Zoom call.

The Committee endorsed the recommendation that as the boundary transition period would come to an end as of 31 March 2021 both the Local Authority Board Member for Croydon and Business Representative Board member for Croydon positions would be removed as of April 2021. Two further private sector Director positions would be subsequently added in their place (increasing that representation from eight currently to ten).

RL returned to the Zoom call.

TW confirmed that in her opinion none of the proposed Governance changes were likely to put the LEP's 'Exceptional' rating at risk. It was noted that this was the right time to make these proposed changes to better define the responsibilities of the various committees and the decisions that are within the remit of the CEO.

The Committee approved the principles outlined in the updated Procurement Policy but requested that it was looked at further in relation to aligning with Coast to Capital's values, in particular sustainability. It was noted that the policy should be proportionate and use appropriate terminology.

The Committee noted the updated Assurance Framework and the areas of work that were still to be considered as part of the Governance Review.

4. Audit

KN updated members on the progress of the Audit Plan 2020/21.

Members agreed to postpone the procurement audit until the new Procurement Policy had been in place for 12 months.

The Committee considered if any further agile changes were required to the Audit Plan 2020/21 in response to the risk management process. No further changes were identified; however, this would be kept under review as part of the risk management process.

5. Accountable Body

a) New Accountable Body Recommendation

This item has been redacted.

b) Current Accountable Body Update

Members noted the written update provided by the current Accountable Body in light of the context provided in the introduction. KE agreed to pass on the Committee's best wishes to Lisa Taylor who had expressed her thanks to the Committee for their contributions and support.

KH left the meeting.

It was noted that the Accountable Body had approved the recommendations discussed during the agenda.

6. Close

a) Committee Membership

The Committee noted that Mark Brunt (Leader of Reigate and Banstead Borough Council) had put himself forward to join the Committee as a Board Director member. This would be formally approved by the Board in January 2021.

As part of the Governance Review it had been suggested that Coast to Capital Committee membership should be reviewed annually and the resignation of Julie and future appointment of Mark meant it was a good opportunity to consider this now. It was felt that the Audit and Risk Committee membership was strong and that subject to individual conversations with Independent Members it was proposed to reappoint these members for a further term.

b) Future Meetings

It was noted that the Audit and Risk Committee meetings for 2021 would be confirmed and arranged before the end of the year once the Governance Calendar had been signed off. Four meetings were planned, two full meetings and two additional meetings focused on risk.

Annex 1 - Declaration Statement

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.

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

Coast to Capital

Meeting: Coast to Capital Audit and Risk Committee Meeting
Date: 25 February 2021
Report Title: Matters Arising Schedule
Report by: Nicholas Darwin
Item No: 1 b)
Part: A

Meeting Reference	Action	Lead	Status
1) 12 November 2020 (Item 1a)	<p>Confirm where Coast to Capital funds are held at Croydon Council.</p> <p>Keep the Audit and Risk Committee updated on Croydon Council finance developments.</p>	<p>KE</p> <p>JS</p>	<p>Lisa Taylor has given assurance that Coast to Capital's ring fenced grants and funding are safe and will not be used for Council Services.</p> <p>Completed.</p>
2) 12 November 2020 (Item 2)	<p>Continue to deliver risk management process and update company risks.</p> <p>Finalise Risk Policy.</p>	CG	<p>Ongoing.</p> <p>Completed and published.</p>
3) 12 November 2020 (Item 3)	Finalise Procurement Policy.	KE	Approved by the Audit and Risk Committee and Board.
4) 12 November 2020 (Item 5a)	<p>Inform parties of the new Accountable Body recommendation.</p> <p>Continue Accountable Body project.</p>	<p>JS</p> <p>KN</p>	<p>Completed.</p> <p>Ongoing.</p>
5) 12 November	Express best wishes to Lisa	KE	These have been

Meeting Reference	Action	Lead	Status
2020 (Item 5b)	Taylor.		passed on.
6) 12 November 2020 (Item 6a)	Confirm Mark Brunt's Committee appointment. Follow up with Independent Members on their re- appointment.	KN	Approved by the Board. All confirmed to serve a further term. Approved by the Board.
7) 12 November 2020 (Item 6b)	Confirm Committee meetings in 2021.	KN	Dates have been confirmed.