

Meeting Note

12.00pm, 6 June 2019

LWARB
69 Wilson Street
EC2A 2BB

*Approved at the LWARB Audit Committee
Meeting on 28 November 2019*

Signature:
Bassam Mahfouz, Committee Chair

Committee Members Present

Cllr Bassam Mahfouz (Chair)
Barbara Anderson
Cllr Ian Wingfield

Also Present

Wayne Hubbard, LWARB
Adam Leibowitz, LWARB
Eddie Confoy, LWARB
Chris Harris, TIAA/Ankura
Tina James, Grant Thornton

1. Introductions and apologies for absence

Those present introduced themselves.
Apologies were received from Cllr Feryal Clark

2. Declarations of interest

No declarations were made over and above those already noted in the Committee's register of interests.

3. Minutes of the previous meeting (7 February 2019)

Minutes of the previous meeting were approved.

4. General update (verbal update)**Staffing**

The Committee noted the outcome of the organizational restructure; the departure of two staff whose positions were made redundant and the recruitment of a Head of Programme – Circular London, James Close, who is due to start with LWARB on 17th June. The appointment of Anna Szeler as a business advisor in the Advance London team was also noted.

Pay award

The Committee noted that the second year of the two year pay settlement agreed in 2018 (in line with the National Joint Council for local government), of 2% had been implemented for 2019/20.

Funding

The committee noted the confirmation of Horizon 2020 funding of £1m from the EU, and the uncertainty over the ability of London to remain in the programme, and therefore receive the funding in the event of a no-deal Brexit.

The Committee noted that the confirmation of the ERDF Advance London funding was still awaited, but expected at some point in early June.

The possibility of a re-design of the programme, and its relationship with LWARB's accelerator programme was discussed.

5. Finance Reports (Jan - March 2019) and update to draft accounts

The Committee noted the revised budget approved by the Board on 16 May, including a £60k allocation for communications work.

The Committee approved the Jan-March 2019 finance report. EC reported that there were a few changes to the final position reflected in the published draft accounts due to the re-evaluation of investments.

6. Internal Audit Reports

The Committee noted the Internal Audit reports presented covering:

- Key Financial Controls
- IT Security & Data Protection
- Risk Management
- Scheme of Delegation

CH reported that "Reasonable Assurance" was given in all areas.

Overall, CH said that internal auditors were pleased with their audits and nothing dramatic had been highlighted. A total of 19 recommendations were made across all the audits, of which all but one was considered to be a routine or operational matter.

7. External Audit

The Committee noted the external audit fee letter for 2019/20 presented by Grant Thornton (fee unchanged from 2018/19).

The letter of representation from the Committee in response to the auditors request for information on how the committee gains assurance on the financial statements was approved by the Committee.

8. Risk Register

The Board's Risk Register was reviewed and the following amendments made:

Risk 1 (Insufficient resources to deliver the post 2020 business plan): Likelihood reduced to 3 as funds there are available to deliver a post 2020 programme, though the scope of the programme is limited by the funds available.

Risk 8 (Inability to demonstrate measurable impact): likelihood reduced to 2.

Risk 10 (Brexit): Likelihood increased to 5.

9. Review of Governance Procedures

The Committee reviewed the Board's Standing Orders, Scheme of Delegated Authority and Committee Terms of Reference.

The Committee approved amendments to the Scheme of Delegated Authority to reflect the recent staff restructure (subsequently approved by the Board).

The Committee approved an increase in the threshold for declaration of gifts and hospitality from £25 to £50 in the Code of Conduct (Standing Orders).

The Terms of Reference and membership of the committees were approved, and the need to re-consider the necessity/role of the Investment Committee was noted.

10. Any other business

No further business was discussed.