



Wimbledon and Putney Commons

Audit and Risk Committee Annual Report 2022/23

1. PURPOSE OF THE AUDIT AND RISK COMMITTEE

Following the Conservator elections in 2018 the Wimbledon and Putney Commons Conservators (WPCC) established a new Audit and Risk Committee (ARC). Terms of reference were approved by the Board in May 2018 and reconfirmed in May 2019, December 2020 and April 2022 when they were slightly revised.

The role of ARC is to review and scrutinise WPCC corporate governance, financial reporting, internal control and risk management. In doing so it ensures, through proper process and challenge, that integrated governance principles are embedded and practised across all WPCC activities and that they support the achievement of the Charity's objectives. ARC must be assured that WPCC has the required policies and procedures in place in the areas they are examining, that these policies and procedures are fit for purpose and achieve their intended purpose and that they are operational thereby providing independent assurance on them to the Board of WPCC. ARC prepares an annual report to the Board setting out how its terms of reference have been met during the financial year. This annual report is published as an annex to the WPCC Annual Report and covers the period April 2022 to the end of March 2023.

2. TERMS OF REFERENCE AND MEMBERSHIP

ARC is a committee of the WPCC Board. Its Terms of Reference can be found on the WPCC web site at: www.wpcc.org.uk/ARCToR and were approved at the WPCC Board meeting held on 11th April 2022.

2.2 Frequency of Meetings

Under its terms of reference, ARC is required to meet not less than three times a year. During 2022/23 the Committee met on four occasions (see Appendix 1 for meeting dates and attendees).

2.3 Membership

The Committee members are appointed by the Board and currently comprise one Appointed Conservator, two Elected Conservators and support by one member of the public with the relevant experience and professional background. The Chairman of ARC is elected each year by its members and this recommendation is put to the Board for approval. Meetings require the attendance of two Conservator members in order to be quorate. The members of the Committee throughout the year together with their other committee memberships were:

- Michael Rappolt, Appointed Conservator – to 30.08.2022 (Chair)
- Michael Johnston, Elected Conservator, Wildlife and Conservation Forum
- Peter Hirsch, Elected Conservator
- Sarah Wilton (FCA), Co-opted member
- Peter Shortt, Appointed Conservator, Constitution Committee - from 18.10.2022

Michael Rappolt stepped down as chair of the committee on 30.08.2022 following the completion of his period of appointment as the Ministry of Defence appointed conservator. The Committee would like to record their thanks for his diligent and committed service to both this Committee and the wider Board. He was replaced as Chair of the Committee by Peter Shortt, the newly appointed MoD Conservator, at the ARC meeting of 18.10. 2022.

2.4 Agenda and Timetable

Following the new risk based integrated work plan, established in November 2021, covering the Committee's business for much of 2022 and beyond and continues to inform the content of the Committee's work. The main headings in the plan are:

1. Governance including Risk Management
2. Governance Support
3. Natural and Cultural Heritage
4. Access and Recreation
5. Community Engagement
6. Communication and Promotion
7. Committee Business

2.5 Appointment of External Auditors

The current external auditors, Kreston Reeves were appointed after a competitive open tender in February 2018. Kreston Reeves were recommended to be re-appointed by ARC in February 2022. It is not the Committee's intention to review the auditors appointment in the current financial year.

The Audit Committee actively assesses the effectiveness of Kreston Reeves by reviewing key performance indicators (KPIs) highlighting their performance.

3. WORK DONE BY THE AUDIT AND RISK COMMITTEE

3.1 General

The Committee performs its work based on a risk prioritised Audit and Risk Committee Work Plan which supports the WPCC strategy. A systematic action follow-up (Action Tracking) arrangement is used, to ensure outstanding issues and external audit recommendations and actions are brought back to the next appropriate meeting and followed up. The operation and maintenance of this tracking system is the responsibility of Chief Executive and progress on the action list is reviewed at each meeting.

ARC members are satisfied that the External Auditors have received the necessary assistance from Trust Executives, managers and staff when carrying out their audit and no limitations have been placed on the scope of the work carried out by the auditors.

3.2 External Audit

ARC reviewed and where necessary approved, reports including the Audit Plan 2021/22; several Progress Reports and the Auditor's Report.

3.3 Meeting ARC Terms of Reference

The ARC believes it has fulfilled its main duties as set out in its terms of reference as follows:

3.3.1 Financial

ARC reviewed:

- Compliance with accounting standards and practices and any changes being proposed;
- The draft financial accounts for WPCC for the 12 months to 31 March 2022;
- Issues arising from the Audit of the accounts;
- The External Auditor's Annual Letter;
- The WPCC Annual Report;
- The proposed Audit Plan for the 12 months to end March 2023; and recommended the accounts to the Board subject to a number of amendments.

3.3.2 Internal Control, Risk Management and Compliance

At each meeting ARC reviews:

- a) Tender waivers and write offs – none this year
- b) Debt write offs – none this year
- c) The top ten risks and any changes to them
- d) The full Risk Register and Risk Management Processes once a year.
- e) The actions arising from previous meetings and the progress with them.

In addition, ARC reviewed the following:

- a) Conflicts of interest reporting and policy
- b) Password usage and wider Cybersecurity issues
- c) Progress with the IT strategy
- d) HR Policies and processes including a review of the revised staff handbook
- e) Revised work plan for 2022/23
- f) Fire safety improvements
- g) Charity Governance Code action plan
- h) Safeguarding policies and procedures
- i) Conservators' annual register of interest and declarations

3.3.3 Whistleblowing

At each meeting A&RC reviews the Whistleblowing reports of which there were none in the period under consideration

3.4 Reporting to the Board

Minutes of ARC meetings are received by the Board during its meetings throughout the year. The Top Ten Risks from the Risk Register are a standing item at each Board

meeting. In addition, after each ARC meeting, the ARC Chair provides either an oral or a written report to the subsequent Board meeting on significant conclusions, concerns and recommendations arising from the Committee's work.

Amongst the issues highlighted to the Board this year were the following:

- a) that risks associated with the future funding of the charity and in particular work around the rebasing of the levy needed to be highlighted in the top 10 risk register;
- b) ARC agreed the External Auditors' Audit Plan for 22/23 and also its increased fee represented value for money in light of the additional workload;
- c) The addition of the insurance status of each risk to be added to the Risk Register was still outstanding

4. CONCLUSIONS

The Audit and Risk Committee believes that it has, to the best of its ability, met its terms of reference. It gratefully acknowledges the excellent support it has received from WPC staff without which it could not have fulfilled its remit.

PETER SHORTT

Chair of the Audit and Risk Committee

APPENDIX 1 2021/22 AUDIT COMMITTEE ATTENDANCE

	17/05/22	26/07/22	18/10/22	21/03/23
Michael Rappolt	X	X	N/A	N/A
Peter Hirsch	X	X	X	
Michael Johnston	X	X	X	X
Sarah Wilton	X	X		X
Peter Shortt	N/A	N/A	X	X
Stephen Bound	X	X	X	X