

## SCOTTISH CRIMINAL CASES REVIEW COMMISSION

### MINUTES OF THE MEETING OF THE AUDIT COMMITTEE ON THURSDAY 6 JUNE 2013 1.30 PM, PORTLAND HOUSE

In line with the Commission's Disclosure policy, various paragraphs may have been edited or deleted from these minutes as the information contained therein relates to specific case information and/or personnel-related matters. Where the summary of discussion has been edited or the names have been deleted, this is indicated at the start of the relevant paragraph or section.

There have been no edits to these minutes.

#### Members of the Audit Committee:

Mr Stewart Campbell, Chairman  
Professor Brian Caddy  
Mr Gerrard Bann

#### In attendance:

Mr Asif Haseeb, Senior Manager, Audit Scotland

Mr Gerard Sinclair, Chief Executive  
Mr Chris Reddick, Director of Corporate Services

#### 1.0 Apologies

1.1 Miss Thomson from Scottish Government's Internal Audit Division had submitted her apologies.

#### 2.0 Minutes of the Audit Committee meeting held on 20 December 2012

2.1 The Audit Committee noted the minutes of the meeting held on 20 December 2012 having previously agreed them by email.

#### 3.0 Matters Arising

3.1 Mr Reddick referred to 3.1 of the minutes and confirmed that the multi user agreement was still to be implemented and that this would be done once the new desktop PCs had been rolled out.

3.2 Professor Caddy asked for an update on staff surveys. Mr Reddick confirmed that following the last Audit Committee meeting he had investigated inclusion within the Scottish Government survey although this was found to be unsuitable. Mr Reddick reported that the recent Investors in People assessment had included seeking staff views and opinions on training and development and that this had covered some aspects of what typically would be within a survey.

- 3.3 Mr Campbell referred to 5.5 of the minutes and confirmed that the matter had been resolved early in 2013.

#### 4.0 Internal Audit

- 4.1 Mr Reddick provided Members with an overview of the internal audit report on Corporate Governance and Case Management, confirming that **substantial assurance** had been given and that two relatively minor recommendations had been made. In particular, he noted the points raised on page 3 regarding the Management Statement and Financial Memorandum and confirmed that this had been discussed at the last sponsorship meeting where it was confirmed that a new framework had been put in place and this was currently under consideration.
- 4.2 Mr Campbell referred to the recommendation in relation to the use of GPC cards and asked for an update. Mr Reddick confirmed that the recommendation related to the development of operating procedures specific to the Commission and did not relate to any concerns about the use of GPC cards. He confirmed that Scottish Government had different operating procedures for GPC cards as they had specific cards for specific purchase types such as T&S cards. The internal auditors had confirmed that the Commission's use of a single card for all purchases was appropriate because of its size and had therefore recommended that the procedure be documented accordingly.
- 4.3 In relation to the second recommendation regarding contract monitoring reporting for the IT Support Contract, Mr Reddick provided an update and confirmed that updates to the contract were in the process of being agreed and that this would be reported to the Board in due course.
- 4.4 Mr Campbell referred to 2.14 of the report and requested an update on the case management point raised by the auditors. Mr Sinclair provided a full update and confirmed that the operating procedures had been updated accordingly.
- 4.5 Professor Caddy suggested that a cover sheet could be provided to Members in future to cover all of the various acronyms used by the auditors. Mr Reddick confirmed that this would be included within the handbook of materials which would be made available once the Commission moves to paperless Board/Committee papers.
- 4.6 After further discussion the Audit Committee formally noted the content of the Corporate Governance and Case Management report and requested that their thanks be passed on to both the auditors and all staff involved.
- 4.7 Mr Reddick provided Members with an overview of the internal audit report on Counter Fraud activities, confirming that substantial assurance had also been given in relation to the Commission's procedures. The report was formally noted by the Audit Committee.
- 4.8 Mr Reddick referred to the tabled Internal Audit Annual Report, confirming that this provided an update on the follow up review of previous recommendations and an overall opinion on the Commission's risk management, control and governance arrangements. He confirmed that all previous audit recommendations had been fully implemented and that the internal auditors

had provided substantial assurance overall. Mr Haseeb noted that this was an extremely positive outcome and that credit should be given to staff on achieving this level of assurance. He also noted that the internal audit work was of great assistance to the external auditor's governance review. The Audit Committee formally noted the content of the report and again extended their gratitude to staff and the internal auditors for their work.

## **5.0 External Audit**

- 5.1 Mr Reddick provided Members with an updated set of draft accounts and took them through the full content, pointing out any updates in format as a result of previous external audit recommendations. Members discussed the content of the draft accounts and raised a number of presentational points. After further discussion some minor updates in respect of notes to the accounts and the remuneration report wording were agreed.
- 5.2 Mr Haseeb presented his proposed report to those charged with governance on the 2012-13 audit confirming that the audit had been completed within the agreed timescales and that an unqualified opinion had been given. He also confirmed the purpose of his report in terms of recommending to the Audit Committee the signing of the annual accounts.
- 5.3 Mr Haseeb took Members through the individual matters arising as part of the audit, as detailed within his report, and confirmed that satisfactory management resolutions had been agreed for each of these. Mr Haseeb also took Members through the proposed Independent Auditor's Report and the management letter of representation.
- 5.4 The Audit Committee thanked Mr Haseeb for his report and noted that the format and content provided much great assistance and clarity to the Audit Committee, and asked Mr Haseeb to pass on the Audit Committee's thanks to his team. The Audit Committee also asked that its thanks be passed onto staff for their hard work and achieving such a good year end outcome. Mr Haseeb thanked the Audit Committee and staff for all their assistance.
- 5.5 The Audit Committee formally approved the draft accounts for 2012-13, subject to the agreed minor updates, and recommended to the Accountable Officer the signing of the accounts as at 7 June 2013.

**(Mr Haseeb left the meeting at this point having confirmed that he had no issues to raise privately with the Audit Committee. Mr Reddick had also confirmed that Ms Thomson had previously confirmed that she had no matters she wished to raise in private.)**

## **6.0 Best Value Update**

- 6.1 Mr Reddick reported that following the completion of the Best Value Action Plan in 2012-13, which had been developed from a full review undertaken in 2010-11, it had been agreed that a subsequent full review would be undertaken by 31 March 2014. He confirmed that an action plan would then be agreed and this would be monitored at each meeting of the Audit Committee and progress reported to the Board.

## **7.0 Risk Management**

- 7.1 Mr Reddick referred Members to the previous Board Report from February 2013 regarding the proposed changes to the Commission's risk management system and outline how he had subsequently developed two versions of an updated corporate risk register. He confirmed that he had adopted a "top ten" approach for both and the only main difference being in respect of the assessment methodology, one of which had used a scoring methodology with a corresponding risk matrix.
- 7.2 Members discussed the merits of both versions and agreed that the "top 10" approach was a significant improvement. They also agreed that the actual risks identified on the register seemed to be appropriate. After further discussion it was agreed that some additional work was required to the registers before further consideration by the Board and Mr Campbell agreed to meet with Mr Reddick separately to discuss further.

## **8.0 Business Continuity Planning Update**

- 8.1 Mr Reddick provided Members with an update on the Commission's business continuity plan and confirmed that further testing of the plan was about to take place. He reported that both tests would be in relation to the Commission's IT arrangements as follows:
- The Commission's new Uninterrupted Power Supply (UPS) device is being installed on 7 June 2013 at which point a power down of the full network will take place to test both the device and the Commission's ability to restart safely.
  - The Commission's daily and weekly backup tapes will be fully tested to ensure that the Commission can reinstate backed up data fully and effectively.
- 8.2 Professor Caddy asked if risk of unauthorised changes being made maliciously to the Commission's website had been considered. Mr Reddick confirmed that this was considered to be relatively low risk as the current content management system made unauthorised changes difficult. Mr Reddick also noted that the website was due for a refresh in 2013-14 and further security, content management and review arrangements would be considered.

## **9.0 Any Other Competent Business**

- 9.1 There was no other competent business.

## **10.0 Date of Next Meeting**

- Wednesday 4 September 2013 @ 14:30
- Wednesday 4 December 2013 @ 14:30

**Chris Reddick**  
13 June 2013