

SCOTTISH CRIMINAL CASES REVIEW COMMISSION

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE ON
WEDNESDAY 8 APRIL 2015, 12.30PM, PORTLAND HOUSE**

**FOR DISCLOSURE VIA THE PUBLICATION SCHEME
(There have been no edits to these minutes)**

Members of the Audit Committee:

Professor Brian Caddy, Chairman
Mr Gerrard Bann

In attendance:

Mr Jim Montgomery, Internal Audit Manager, Scottish Government
Mr William Wilkie, Senior Internal Auditor, Scottish Government
Mr Asif Haseeb, Audit Manager, Audit Scotland
Mr Gerard Sinclair, Chief Executive, SCCRC
Mr Chris Reddick, Director of Corporate Services, SCCRC
Mrs Jean Couper CBE, Chairman, SCCRC

Observing:

Professor George Irving CBE, Board Member, SCCRC
Mrs Karen Kneller, Chief Executive, CCRC

1.0 Apologies

Mr Campbell had submitted his apologies and in his absence Professor Caddy chaired the meeting.

2.0 Minutes of the Audit Committee meeting held on 2 December 2014

The Audit Committee noted the minutes of the meeting held on 2 December 2014 having previously been approved. A number of minor typos were however noted.

3.0 Matters Arising

3.1 Mr Reddick referred to 3.3 of the minutes and provided an update on the submission of the 2014-15 pension data to MyCSP. He confirmed that this had been submitted directly to MyCSP rather than through Scottish Government as had been the procedure in previous years. He also confirmed that MyCSP had established a timetable for production of pension figures based on individual organisation's reporting timescales which meant that the Commission's figures will be produced and supplied in advance of the external audit in May 2015.

- 3.2 Mr Sinclair referred to 9.0 of the minutes and confirmed that a subsequent test of the Business Continuity Plan had not been taken forward in 2014-15 because of the real life test which had occurred mid-year. He confirmed that further testing of the plan would occur in 2015-16.

4.0 Internal Audit

- 4.1 Mr Montgomery provided Members with a general update on Scottish Government's Internal Audit Directorate reporting that the current Head of Internal Audit had taken early severance and that no successor had been appointed to date. He also confirmed that internal audit are currently looking at audit reporting with the aim of producing more efficient and concise documents as a result of the need to achieve more with less. He confirmed that the Commission should see the outcome of this work in the next reporting year.

Annual Internal Audit Report

- 4.2 Mr Wilkie provided an overview of the annual internal audit report confirming that the overall level of assurance provided was substantial and only two low level recommendations had been made, both of which had been accepted by management. He invited questions in respect of his report.
- 4.3 Mrs Couper referred to 2.4 of the report and confirmed that the Commission's Business Continuity Plan had also been endorsed by the Board.
- 4.4 Mr Reddick referred to 2.5 which gave rise to recommendation 1 and clarified that this related to security classifications specifically, suggesting that this should be clarified within the report. He also referred to recommendation 2 and provided Members with some additional information on the Commission live and test case management systems.
- 4.5 Mrs Couper referred to 4.3.6 of the report and noted that the auditor had identified that no declarations of hospitality had been recorded on the Board minutes which wasn't accurate. Mr Reddick confirmed that he had also noted this point and suggested that the wording wasn't clear and this may have meant within the sample period. Mr Wilkie agreed to revisit this and either clarify that this related to a sample period or else review some specific minutes where declarations had been made and update the wording accordingly.
- 4.6 The Audit Committee thanked Mr Wilkie for his report which they agreed had been extremely useful and thorough. In particular they confirmed that the additional work in respect of data security had been very reassuring.

Follow-up Minute 2013-14

- 4.7 Mr Wilkie provided a summary of the follow-up minute for 2013-14 and confirmed that out of the 6 recommendations, 5 had been fully implemented and 1 had been superseded. He confirmed that the superseded recommendation related to an accessibility review of the Commission's website which was no longer relevant given that the Commission is planning on implementing a new website during 2015-16 which will address this issue.

Annual Assurance 2014-15

- 4.8 Mr Wilkie provided a summary of the annual assurance report for 2014-15 confirming that this identified the basis for the assurance provided and that substantial assurance had been provided. After discussion the Audit Committee noted the content of the report and thanked Mr Wilkie and Mr Montgomery for the comprehensive audit work and reports.

5.0 Audit Committee – Terms of Reference

- 5.1 Mr Reddick confirmed the Audit Committee's Terms of Reference had been circulated earlier in the year as the document was due for review and he had identified a number of required updates through discussion with Mr Campbell. In particular he identified that the Audit Committee Work Programme, contained within appendix A, should be updated to more accurately reflect the timing of meetings throughout the year and the agenda items to be considered as part of these meeting.
- 5.2 Mr Reddick also referred to the reporting requirements set out on page 1 of the Terms of Reference and in particular the Audit Committee's annual report to the Board and the Accountable Officer. He noted that this had until now been less formal than the Terms of Reference suggest and recommended that a pro-forma annual report be produced in future which pulled together the annual activities undertaken by the Audit Committee and sources of assurance relied upon.
- 5.3 After full discussion it was agreed that Mr Reddick would produce and circulate a draft update to the Terms of Reference and a pro-forma annual report.

6.0 Risk Management – Corporate Risk Register

- 6.1 Mr Reddick confirmed that the Corporate Risk Register would normally be considered formally by the Audit Committee in June although as Mrs Kneller from CCRC was attending the meeting it had been suggested that this may be of general interest. The Audit Committee discussed the main developments in the Commission's risk management arrangements over the years and agreed that the current format was much improved.

6.2 Mrs Couper noted that management had been taking forward work in respect of the development of operational risk registers which would be extremely useful in the overall risk management process. Mr Reddick confirmed that each member of the management team had drafted an operational register based on their job descriptions and specific areas of responsibility. He also confirmed that the individual registers would now be reviewed and combined before being approved and the impact on the corporate register considered. He agreed to provide a full update at the next meeting in June 2015.

7.0 Best Value Update

Mr Reddick confirmed that a full Best Value update would be provided at the meeting in June 2015 once all year-end activities had been concluded. He did however confirm that the current best value actions had been fully incorporated within the 2014-15 Business Plan Objectives and noted that implementation of these had been very successful during the year.

8.0 Audit Committee Effectiveness

Mr Reddick circulated copies of a pro-forma Audit Committee Effectiveness Questionnaire and confirmed, as set out within the Terms of Reference, that the Audit Committee was required to periodically review their own effectiveness. He noted that the pro-forma was based on the version included within the Audit Committee Handbook which forms part of the Scottish Public Finance Manual. He asked that all Members complete this and return to him within 4 weeks so that a summary report could be prepared for the meeting in June 2015. After further discussion it was agreed that the Accountable Officer, the Director of Corporate Services and the internal and external audits should also complete the questionnaire in order to obtain further feedback.

9.0 AOCB

Mr Reddick provided Members with an update on the Commission's Business Continuity Planning arrangements confirming that the plan had been updated to reflect all changes to personnel and key contacts. He also confirmed that a real life test of the plan had been undertaken in respect of reinstating backed up data and that this had been successfully achieved with minimal disruption. He also confirmed that a further planned test would be undertaken prior to year-end.

10.0 Date of Next Meeting

It was agreed that the date of the next meeting would be 4 Jun2 2015 @ 14:30.

Chris Reddick
16 April 2015