

Meeting Minutes

Meeting: Audit Risk and Assurance Committee

Date: 26th June 2024 0930-1230

Minuted by: Diane Piper (DP), Governance Secretary, Redress Scotland

Committee Members

- Bill Matthews(WM) Audit, Risk and Assurance Committee Chair, Redress Scotland Deputy Chair
- Colin Spivey(CS) Audit, Risk and Assurance Committee Member, Non – Executive Member of Redress Scotland
- Neil Mackay(NM) Audit, Risk and Assurance Committee Member, Non-Executive Member of Redress Scotland
- Jane Gordon (JG) Redress Scotland Audit, Risk and Assurance Committee member, Panel Member

Participants

- Joanna McCreadie(JM) Redress Scotland Chief Executive- In part
- Gary Gallacher (GG) Redress Scotland Head of Operations
- Michael Stevens(MS) Redress Scotland Head of Finance and Resources

By Invitation

- Martin Ritchie (MR) TIAA
- Gillian McCreadie(GM) Audit Scotland

Apologies

- Catherine Dyer(CD) Audit, Risk and Assurance Committee Member, Non- Executive Member of Redress Scotland

Agenda item 1. Welcome, apologies and conflicts of interest

1.1 Welcome

WM opened the meeting and welcomed all present.

1.2 Apologies

Apologies were received from CD and it was noted that JM would have to leave at 1000 and NM would be leaving at 1100.

1.3 Declarations of Interest:

No declarations were made.

1.4 Appoint survivor voice;

JG was appointed as the meeting reviewer from the perspective of the survivor.

In light of the apologies WM proposed moving to items 6 and 7 and that the meeting with TIAA would be carried forward to the next ARAC in September.

Agenda Item 6 CEO Reports

6.1 CEO Report

JM was pleased to advise that all the new panel members and new staff are in post and teams are working well. New panel member preparation times, which were initially high, are starting to reduce. There has been a lot of positive feedback on the conduct of meetings, the buddy system and the role. Those observing panels have also reported that the meetings continue to be conducted to the high standard set by previous cohorts.

The expectation is for 104 panels to be held in June. The number of applications received in May was 148 which is higher than expected to come from Scottish Government. This has been the trend for the last 3 months. We continue to keep an eye on availability and see if the new panel members have greater capacity although it is expected as with previous cohorts that it will take time for the new cohort to increase availability. The Operations team continue to monitor this and a more detailed report will come to the next Oversight Board meeting in July. The aim is to be ahead of any capacity challenges and issues. JM further reported that we are receiving double the number of applications as forecast by Scottish Government however this is slowing down. There are 400 applications in the queue, with a reconvened rate of around 8%.

A number of applications are requiring a lot of communication with Scottish Government because of a lack of information in the application pack. One suggestion for improvement would be to have greater rigor at the screening phase within the Scottish Government.

JM noted a commensurate increase in complex applications in relation to both volume and content.

Work with Scottish Government has progressed on the draft Statutory Guidance on Previous Convictions and the process for managing errors is still under discussion. There is a lot of exchange between the organisations.

KD is meeting today with the Deputy First Minister. There is a full agenda for the meeting which will include an update on the work of Redress Scotland and the pace of decision making. The Minister is keen to hear about our work and has already asked for information prior to the meeting.

JM advised that the evidence session with the Petitions Committee appeared to go well. We confirmed that we are required to follow the legislation and regulations and have due regard to the statutory guidance. JM was asked to consider if it would be worth offering the committee further opportunities to hear more about the work of Redress Scotland.

Action; JM to consider the possibility of meeting with individual members of the committee.

6.3 – Cyber security

JM updated members on the work around cyber security advising that a new internal group on cyber security has been established. The planned work of the group will increase awareness and resilience across Redress Scotland. Some formal assurance has now been provided by the Scottish Government in relation to both digital and cyber security. Over the next months we would expect the work in this area to develop further and updates on this will be provided to both governance committees.

Members felt that the paper was very useful and took comfort in the assurances provided by Scottish Government. The next step will be to develop this work into a few clear actions and tangibles. It was further suggested to cross reference this work with the internal audit reports. Members also agreed that we should progress accreditation for cyber essentials plus and outline responsibilities between RS and SG.

Action; Progress accreditation for Cyber essentials plus – JM /MS

Action; Cross reference the work we are undertaking with audit reports -JM/MS

Action; Outline responsibilities between RS and SG – JM /MS

Agenda item 7 Strategic Risk Register

JM advised that the paper and risk register presented reflect the notes taken at the May risk workshop. The request of members is to confirm that the register reflects current risks or if further refinement is required. This will then go to the Oversight Board for final sign off.

The following suggestions were made for consideration

- Place survivors further up the list of risks
- A number of typos to be corrected

- Update cyber risk with current Scottish Government assurances
- Include survivor trust and confidence within our perimeter of responsibility and reference the role of Scottish Government
- Remove the owner column as OB owns all risks

WM thanked members for their contributions and subject to the above changes the risk register can be presented to the Oversight Board in July.

Action; JM to amend the risk register giving consideration to the noted comments and present to the July meeting of the OB

7.3 Risk Management – Deep Dive

WM presented a short paper providing suggestions for “deep- dives” over the coming year. WM adding that these are useful exercises to refresh thinking around these areas. Members were also asked to consider where each would fit with the ARAC cycle of meetings thereby highlighting priorities. The following suggestions were made

- Communications, internal and external and link to quality assurance, complexity of joint communications with Scottish Government
- 3rd party contracts in relation to organisational life cycle, contracts and people.
- Wait for internal audit report on Survivor engagement.
- Capacity planning/management , inherent part of our credibility.
- People and capacity –impact of 2.5 years in relation to vicarious trauma

Action: WM to discuss suggestions for deep dives with JM and GG and agree priorities.

Agenda Item 2 Minutes of the previous meeting 10th April 2024

The minute from the meeting on the 10th April was approved as a true reflection of the discussions.

Agenda Item 3 Matters arising from the previous meeting

The action log was presented for approval. No changes were made.

Agenda item 4 Governance

4.1 Draft Oversight Board Minute 22nd May 2024

The draft meeting from the Oversight Board meeting on the 22nd May was presented for information and will go for approval to the July meeting of the board.

4.2 ARAC report on Activity to the oversight board

WM noted the report has captured the activity of the ARAC for the year to 31st March 2024. Members agreed it was a good report and reflected the work undertaken during the year. There were no changes and the report will now go to the July meeting of the Oversight Board.

Action; Activity report to be tabled at the July OB meeting.WM/DP

Agenda Item 5 Report from the Chair

WM advised that he meets regularly with KD and JM. There is always a full agenda which covers the audit reports and recommendations, As previously noted KD is to have the first meeting with the Deputy First Minister. Key discussions will focus on capacity and suggestions for improvement.

WM has input into the preparation of a set of new charts which form the dashboard report. Reduction in data and clarity of presentation. Couple of minor tweaks. First chart outlining backlog and where this sits is very helpful.

Agenda Item 8 Audit Updates

MR, TIAA, provide an update on the undernoted pieces of work

- Stakeholder engagement where the fieldwork is currently underway. So far everything looks good and there are lots of positives reflecting progress in this area over the past year. No significant concerns at the moment and not many actions to note. The final report will come to the next ARAC meeting.
- The Governance report circulated is the final report including management response. We received substantial assurance in this area and no further action is required.
- Annual report on activity undertaken
This report on TIAA work for 2023/24 provides good assurance to members with 3 areas of audit receiving substantial assurance and 2 areas with reasonable assurance. An excellent outcome.
- Follow up review of outstanding actions
There is an independent expectation from TIAA that actions are followed up and validated through audit. One revised recommendation was noted in relation to data and several items have moved on. Creditor payments is linked to new finance system hence the unavoidable delay.
- Proposed audit plan for 2024/25 for approval. This is slightly late in coming for approval but in the interim it was agreed to commence stakeholder

engagement. MR has met with JM and identified and confirmed key areas for audit. Not much change from initial proposal. Given current work with cyber security this has been pushed to 2025/26. In its place additional work on Payroll and Expenses and Business Continuity will proceed. The scope for each area is included in appendix B however MR advised that each one will be refined prior to audit.

Members of ARAC agreed the audit plan for the forthcoming year and expressed their thanks to Martin and TIAA.

Action; TIAA report on Stakeholder Engagement to come to the September ARAC meeting. MR/MS

GM, Audit Scotland, provided a brief outline of the work to date reminding members that the 2023/24 audit plan was approved at the last meeting. Since then the team have completed interim work looking specifically at the internal control environment – payroll – local controls, remaining systems, all done,

The full audit will commence in September and work has commenced on the textual arrangements of the annual report.

MS reported that we have received a pension notice advising that My PSP will move to Capita and a holding notice has been issued.

MS updated members with progress since the last meeting on audit recommendations. Of the 26 listed recommendations 8 still have outstanding actions. Once the new payroll and finance system is in place we will have greater functionality and will include a procurement system. The remainder of the recommendations will be worked through.

Agenda Item 9 Papers for Information

The management accounts for the 2023/24 were presented for information. MS advised that no further changes were expected and it can therefore be assumed these will be used in our annual report and accounts. MS added that these were presented to the board in May.

Also included are the most recent management accounts for Period 2, May 2024, again for information only.

MS reported a year end underspend of £8.1k, 2.1% must be within 3% following end of year adjustments.

P1 showed an underspend of £50k due to a reduction in panel sitting days. In P2 £61.9k underspend again mostly related to panels. Any underspend will be used to tackle the

backlog. This does of course depend on panel member capacity £112k underspend – which will be used to tackle the backlog.

Agenda Item 10 Audit, Risk and Assurance Committee forward plan

WM advised that the forward plan is a new addition to the standard papers to keep track of the work of the committee so members can see what is scheduled for future meetings. Deep dives and the private discussion with audit will be added for the next meeting.

Members were also asked to note that an additional meeting to consider the annual report and accounts will be required post audit.

Action; Deep dives and closed audit meeting to be added to the forward plan. DP

Agenda item 11 AOB

No further business was noted.

Agenda item 12 Review of Meeting Survivor Voice

JG provided some key reflections noted during the meeting.

The Chief Executive report focussed on capacity and the size of the backlog noting the impact of the delays on survivors and wider team.

Members considered the survivor voice around Fornethy and the need for Scottish Government to confirm the legislative position.

Cyber security was also discussed in depth because of the data we hold on survivors. Reassurances from Scottish Government provided a good level of comfort.

There was discussion on risk register resulting in an agreement to move survivor related risk is to move to top of list.

Internal audit are currently reviewing our processes on stakeholder engagement and early feedback confirmed that we are progressing well in this area.

Members were content that following the recruitment of more panel members and panel support coordinators that the quality of decisions is being maintained.

WM closed the meeting at 1103.