

SCOTTISH CRIMINAL CASES REVIEW COMMISSION

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE ON TUESDAY 13 JUNE 2017 @ 11:30, PORTLAND HOUSE

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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.

Members of the Audit Committee:

Professor Jim Fraser, Chairman
Mrs Elaine Noad
Mr Colin Dunipace

In attendance:

Mrs Liz Maconachie, Senior Audit Manager, Audit Scotland
Ms Pauline Gillen, Senior Auditor, Audit Scotland
Mr Jim Montgomery, Senior Internal Audit Manager, Scottish Government
Mrs Yvonne Meldrum, Senior Internal Auditor, Scottish Government
Mrs Mabel Hall, Internal Audit Manager, Scottish Government
Mr Gerard Sinclair, Chief Executive
Mr Chris Reddick, Director of Corporate Services, SCCRC (minutes)

1.0 Apologies

There were no apologies.

2.0 Minutes of the Audit Committee meeting held on 8 December 2016

The Audit Committee noted the minutes of the meeting held on 8 December 2016, having previously approved them by email. The Audit Committee also noted the version for the publication scheme.

3.0 Matters Arising

There were no matters arising.

4.0 Internal Audit

2016-17 Annual Review

4.1 Mrs Meldrum presented the 2016-17 Annual Review to Members, confirming that this had covered Data Protection/Freedom of Information, Board Functions and Operational Controls. She confirmed that substantial assurance had been given and 1 medium and 2 low level recommendations had been

made and accepted by management. She thanks staff for their assistance throughout the review and invited any questions from the Audit Committee.

- 4.2 Mrs Noad confirmed that this was an excellent report and asked for some additional clarification on some of the recommendations which was provided by Mr Reddick, who confirmed that appropriate management responses and actions had been recorded. The Audit Committee thanked Mrs Meldrum and noted the report.

Follow-up Review

- 4.3 Mrs Meldrum confirmed that a follow-up review of the implementation of recommendations from 2015-16 had been undertaken. She confirmed that the one recommendation made in respect of counter terrorism procedures had been fully implemented.

2016-17 Annual Assurance Report

- 4.4 Mrs Meldrum presented the 2016-17 Annual Assurance Report to the Audit Committee and confirmed that substantial assurance had been provided for the year based on the internal audit work undertaken. Mrs Noad requested that the Audit Committee's thanks to staff be recorded as this was a very good outcome. The Audit Committee endorsed this request and noted the report.

2017-18 Internal Audit Plan

- 4.5 Mrs Meldrum presented the 2017-18 Internal Audit Plan to the Audit Committee and confirmed that this had been put together through discussions with Mr Reddick. She confirmed that equal opportunities, stakeholder engagement and operational financial controls would be covered. Mr Reddick confirmed that the timing of this coverage was particularly good given the Commission's planned enhancements to both equal opportunities and engagement processes. After further discussion the Audit Committee approved the 2017-18 Plan.

5.0 External Audit

2016-17 Draft Annual Accounts

- 5.1 Mr Reddick presented the 2016-17 Annual Accounts to the Audit Committee, confirmed that there had been very few changes in format or accounting policy from the previous year. He took Members through the main points of the accounts included the performance reports and financial statements. He also confirmed that the external audit process this year had been extremely smooth and the handover from the previous auditors was extremely efficient.
- 5.2 He invited questions on the accounts from Members. Mrs Noad referred to the Commission's payment performance for the year and congratulated staff on achieving such a good result. Mr Reddick confirmed that performance had been improving over the past few years against the 10 day target but in any event all invoices had been paid within the contractors' terms. After further discussion the Audit Committee approved the accounts subject to any comment by the external auditors.

2016-17 Proposed Annual Audit Report

- 5.3 Mrs Maconachie presented to the Audit Committee the draft 2016-17 Annual Audit Report, summarising the key messages from the external audit work and the audit opinion, confirming that this was unqualified. She confirmed that a good standard of working papers and draft accounts had been supplied to the auditors within the agreed timeframe which had facilitated a very efficient review of the financial statements.
- 5.4 Mrs Maconachie provided an overview of the significant areas of risk identified as part of the review as well as details of the subsequent three recommendations made, all of which had been accepted by management with appropriate management actions agreed. In respect of the National Fraud Initiative she confirmed that no matters had come to light in respect of matching. She also provided an overview of the sustainability, governance and transparency and value for money sections of the report. She thanked staff for their assistance throughout the audit process.
- 5.5 Mrs Noad noted that this was an excellent report and provided some feedback in respect of the sustainability issues which Mrs Maconachie had confirmed were being covered as standard across all public sector audits. Both Mr Sinclair and Mrs Noad noted the change in format of the audit report and agreed that this was much improved. After further discussion the Audit Committee noted the content of the report.

Proposed Annual Audit Report 2016-17

- 5.6 Mrs Maconachie presented the proposed Annual Audit Report confirming that this would be finalised upon receipt of the appropriate Letter of Representation (ISA580) from the Accountable Officer. She confirmed that an unqualified opinion had been given at that this report would be replicated within the signed version of the annual accounts. After discussion the Audit Committee noted the report.

At this point in the meeting Professor Fraser asked if any Members or Auditors wished to have a private meeting in the absence of management – it was agreed that there were no matters to be discussed in a private meeting.

6.0 Risk Management (name deleted)

- 6.1 Mr Reddick provided the Audit Committee with a full update on the Commission's Corporate Risk Register for quarter 4 and in particular set out the additional control actions and activities that had been undertaken in respect of the specific risks listed. He confirmed that the Board would receive the updated Risk Register in June 2017 following review by the Audit Committee.
- 6.2 Mrs Noad noted that the current register was very focused, particularly given its "top ten" approach. Mr Sinclair confirmed that this change had been introduced a number of years ago and had been operating effectively since.

Professor Fraser requested that Members consider the scoring in respect of risk number 6, which refers to the receipt of cases of an exceptional nature. He noted that the likelihood was still recorded as medium and that this should be increased to high given the anticipated receipt of a further application in one case. Professor Fraser also suggested a change to the title in respect of “Action Taken” detailed on the summary page in order to more accurately reflect its content. Mr Reddick agreed to make the suggested changes and put to the Board in June 2017.

7.0 Business Continuity Plan

- 7.1 Mr Reddick presented the redacted version of the updated Business Continuity Plan, confirming that the majority of updates were in respect of staffing details and contact information. He also confirmed that details of the latest tests of the plan had been recorded within the appendix. He noted that the tests specifically focused on the Commission’s backup arrangements and reinstatement of backed up data and provided additional assurance over these processes.
- 7.2 Mr Noad congratulated Mr Reddick on the production of the plan which she confirmed was very comprehensive yet easy to follow. Mr Reddick confirmed that all Members of the BCP Team had full offsite access to the plan. Mrs Meldrum also confirmed that internal audit had previously looked at the plan and found it to be in line with good practice.

8.0 Best Value Action Plan

Mr Reddick confirmed to Members that the circulated version of the Best Value Plan had been approved by the Board at their meeting in May 2017 and that he had included it on the Audit Committee agenda for noting. He also confirmed that the agreed actions had been incorporated into the Commission’s 2017-18 Business Plan as agreed.

9.0 Any Other Competent Business

- 9.1 Mrs Meldrum noted the imminent changes to Data Protection legislation and asked if the Commission was aware these. Mr Reddick confirmed that these had been brought to the Board’s attention by the Commission’s Head of Casework and that specific work on compliance with the changes would be taken forward.
- 9.2 Mrs Noad referred to Audit Scotland bulletins that are issued periodically and asked if these could be circulated to Audit Committee Members by email as she had previously found these very useful.
- 9.3 Mrs Meldrum confirmed that this was her last meeting with the Commission as she was moving on to different audit clients. She thanked the Audit

Committee for their support and the Management Team for their ongoing assistance throughout the audit process.

10.0 Date of Next Meeting

Mr Reddick agreed to circulate proposed dates for the next meeting.

Chris Reddick
22 June 2017