

## SCOTTISH CRIMINAL CASES REVIEW COMMISSION

### MINUTES OF THE MEETING OF THE AUDIT COMMITTEE ON MONDAY 4 JUNE 2018 @ 10:30, PORTLAND HOUSE

#### FOR DISCLOSURE VIA THE PUBLICATION SCHEME

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:

Mrs Elaine Noad (Acting Chair)  
Mr Colin Dunipace (by conference call)

#### In attendance:

Mrs Liz Maconachie, Senior Audit Manager, Audit Scotland  
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

Professor Fraser had submitted his apologies and appointed Mrs Noad to act as Chair for the meeting.

#### 2.0 Conflicts of Interest/Declarations of Interest/Gifts & Hospitality

Members were asked to declare any known conflicts of interests or gifts and hospitality.

There were no declarations of conflicts, gifts or hospitality.

#### 3.0 Minutes of the Audit Committee meeting held on 22 February 2018

The Audit Committee noted the minutes of the meeting held on 22 February 2018, having previously approved them by email. The Audit Committee also noted the version for the publication scheme.

#### 4.0 Matters Arising

There were no matters arising.

## 5.0 Internal Audit

### 2017-18 Annual Review

- 5.1 Mrs Hall presented the 2017-18 Annual Review to Members, confirming that this had covered Equal Opportunities, Stakeholder Engagement and Operational Financial Controls. She confirmed that reasonable assurance had been provided overall and a total of two medium and three low priority recommendations had been made, all of which had been accepted by management. She thanks staff for their assistance throughout the review and invited any questions from the Audit Committee.
- 5.2 Mrs Noad noted the recommendation in respect of the completion of fee claims by Board Members and agreed that they should all take direct responsibility for the completion of these within agreed timescales. Mr Reddick confirmed that he would raise this with Members from June and provide them with some additional training. After further discussion Members formally noted the internal audit report.

### 2017-18 Annual Assurance Report

- 5.3 Mrs Hall reported that the annual assurance report had still to be produced with the delay being a result of some outstanding core audit yet to be signed off. Mrs Maconachie stressed that external audit relied upon the assurance report from internal audit and she would be unable to finalise the Annual Audit Report until this had been received and reviewed. Mrs Hall confirmed that she would pass this back to her manager and aim to get this to the Commission as soon as possible. Mr Reddick confirmed that he would circulate this to Members as soon as it was received and it could be noted by correspondence.
- 5.4 Mrs Hall also provided Members with a summary of the following reports:
- ACC Handbook
  - Internal Audit Directorate Strategy 2018-20
  - Internal Audit Directorate Charter 2018
  - Internal Audit Directorate – Quarterly Bulletin

Mrs Noad noted that the ACC Handbook did not appear to have changed significantly and confirmed that the internal audit self-assessment questionnaire continued to be used by the Audit Committee and was useful for small organisations. Mrs Hall confirmed that there had only been minor updates to the ACC Handbook.

- 5.5 Mrs Noad thanks Mrs Hall and her team for their detailed audit work and also thanked Mr Reddick for another successful year-end assessment from the internal auditors.

## 6.0 External Audit

### 2017-18 Draft Annual Accounts

- 6.1 Mr Reddick presented the draft 2017-18 Annual Accounts to the Audit Committee, confirming that there had been a few presentational changes in format but not in 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 new team had provided some excellent support in the production of the Annual Accounts. He noted that there were a number of minor updates to be made and checked off by the external auditors before the accounts could be signed, although this was still all on target.

### 2016-17 Proposed Annual Audit Report

- 6.2 Mrs Maconachie presented to the Audit Committee the draft 2017-18 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.
- 6.3 Mrs Maconachie provided an overview of the significant areas of risk identified as part of the review as well as details of the subsequent recommendations made, all of which had been accepted by management with appropriate management actions agreed. She reported that testing had identified a number of errors in the recording of the timing of expenditure although these had all been rectified, with amendments to pre-payments being processed. The outcome was therefore not material. She thanked staff for their assistance throughout the audit process.
- 6.4 Mrs Noad noted that this was an excellent report and thanked Mrs Maconachie and her team for their work. Mr Sinclair specifically commented on the clarity of the audit report and noted that this had been significantly improved over the past few years and was now concise and clear. Members noted that management had accepted the recommendations made by the auditors and also noted the comments made in respect of sustainability.

### Proposed Annual Audit Report 2017-18

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

## **7.0 Audit Committee**

### **Terms of Reference**

- 7.1 Mr Reddick confirmed that he had reviewed and updated the Audit Committee's Terms of Reference document as part of the year-end process. He noted that there were no significant changes being proposed.

### **Draft Annual Report 2017-18**

- 7.2 Mr Reddick also provided members with a summary of the draft Audit Committee's Annual Report for 2017-18 in which they document the various sources of assurance that they have received throughout the year to facilitate their recommendation to the Accountable Officer that the annual accounts be signed, subject to all of the earlier agreed updates and amendments. He confirmed to Members that he would update this report as soon as the internal audit assurance report was received and agreed with Members.

## **8.0 Risk Management: Corporate Risk Register**

- 8.1 Mr Reddick presented the updated quarter 4 version of the Commission's Corporate Risk Register, confirming that there had only been one scoring change since the last version was reviewed. He referred members to risk number 8 in respect of court actions, and based on discussions by the Board at the last review of the register, he was suggesting that the likelihood of this risk materialising be reduced from high to medium. After full discussion Members agreed to recommend this change to the Board.
- 8.2 Mr Reddick agreed to update the Corporate Risk Register and present to the next meeting of the Board on 29 June 2018 for approval.

## **9.0 Business Continuity Plan (edited)**

- 9.1 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.
- 9.2 Mrs Noad asked how the plan was made available to Members of the Business Continuity Planning Team. Mr Reddick confirmed the position.

**At this point in the meeting the Chief Executive and the Director of Corporate Services left the meeting so that members could have a private meeting with the auditors.**

## **10.0 AOCB**

There was no other competent business.

## **11.0 Date of Next Meeting**

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

**Chris Reddick**  
21 June 2018