

MINUTES: AUDIT & ASSURANCE COMMITTEE MEETING
15 August 2022, The RMA Office

Present

Mr Jim Farish, Ms Jane Davey, Mr Terry Powell

In Attendance

Mr Paul Keoghan (Director Corporate Services), Mr Eddie Kotrys (Head of Effective Practice), Mr Denis Songoro (Finance Administrator), Mr Charles Kelly (Finance Administrator) Gary Gibb (Scottish Government Internal Audit), David Meechan (External Audit, Audit Scotland)

Welcome

1. The Chair called the meeting to order at 9:30 am and welcomed all present.

Apologies

2. The Chair noted an apology from Mr Stephen McAllister.

Declarations of Interest

3. The Chair called for any declaration of interest and noted none were declared.

Approval of Previous Minutes

4. The Committee advised an amended be made on point 9.2 to include 'priority' , before recommendations.
5. The Committee reviewed and approved the minutes of the meeting held on 27 June 2022, subject to the amendment.

Matters Arising

6. There were no matters arising.

Agenda Items

7. Chief Executive Update – Audit Committee Paper 457

7.1. The Committee was advised that there were no updates, and a further update will be provided at the next Committee meeting.

8. Annual Fraud Report – Audit Committee Paper 458

8.1. The Director Corporate Services presented the paper and informed the Committee the RMA has an established Fraud Policy which is reviewed annually.

8.2. The Committee was informed there were no instances of identified or suspected fraud to be reported for the financial year 2021-22

8.3. The Committee noted the Annual Fraud Report.

9. Annual Write Off Report – Audit Committee Paper 459

9.1. The Director Corporate Services presented the paper and informed the Committee that the RMA has an established Debt Management and Write Off Procedure.

9.2. The Committee were informed the RMA incurred no write offs for the financial year 2021-22

9.3. The Committee noted the Annual Write Off Report.

10. Corporate Risk Register – Audit Committee Paper 460

10.1. The Director Corporate Services presented the paper and updated the Committee on the current status of the corporate risk register. There are currently eight risks being treated and no new risks have been added.

10.2. The Committee was informed one risk increased from medium to high. This is the risk of failure to implement an IT based case management system. The Committee was advised management have ongoing engagement with the supplier to resolve issues.

10.3. The Committee noted the Corporate Risk Register report.

11. Risk Register Deep Dive – Verbal

11.1. The Head of Effective Practice presented reputational risk posed by the development of FGTR secondary assurance model.

11.2. The Committee was informed this risk will be terminated when the Memorandum of Understanding covering the FGTR process is signed off by SPS.

11.3. The Committee noted the verbal update on the reputational risk of development of FGTR secondary assurance model.

12. External Audit Recommendations Report – Audit Committee Paper 462

- 12.1. The Director Corporate Services presented the paper and updated the Committee on progress in relation to recommendations contained in the External Auditor's annual report for 2020-21
- 12.2. The Committee was informed the cyber security review is underway, the business continuity strategy with third party suppliers has been collated and work is progressing to ensure RMA is able to rebuild its systems in case of an attack on the SCOTS network.
- 12.3. The Committee noted the update on the external audit recommendations report.

13. Internal Audit Recommendations – Audit Committee Paper 463

- 13.1. The Director Corporate Services presented the paper and updated the Committee on the implementation of recommendations resulting from fieldwork conducted by Internal Audit.
- 13.2. The Committee was informed the 2020-21 review focused on stakeholder engagement within RMA. The Director highlighted the review has one outstanding recommendation which is scheduled for completion in the 3rd quarter of the year.
- 13.3. The Director updated the Committee on recommendations emerging from the 2021-22 internal audit of community readiness for offenders subject to the Order for Lifelong Restriction. The review identified one medium and two low recommendations which were accepted by management. The Committee was informed that agreed actions relating to all three recommendations have been completed and a formal plan presented to the Board on 27th June 2022.
- 13.4. The Committee noted the update report on internal audit recommendations report.

14. Internal Audit – Internal Audit Progress Report – Audit Committee Paper 464

- 14.1. Mr Gibb presented the paper and informed the Committee planning is about to commence for the review of Governance Arrangements which is scheduled to take place in the 3rd quarter of the year.
- 14.2. The Committee was informed the follow up of the community readiness for order for lifelong restriction review has commenced.
- 14.3. The Committee noted the internal audit progress report.

15. Internal Audit – Annual Assurance Report SG Corporate Systems - Audit Committee Paper 465

- 15.1. Mr Gibb presented the paper and informed the Committee to note the Directorate for Internal Audit's annual assurance report for Scottish Government corporate

systems.

15.2. Mr Gibb advised the Committee Internal Audit provided reasonable assurance of their annual audit of SG corporate systems. The assurance rating is relevant to the Committee as the RMA utilises elements of SG corporate systems which include; IT network; Finance; and Payroll services.

15.3. The Committee noted the internal audit annual assurance report on SG corporate systems.

16. Internal Audit – Directorate for Internal Audit & Assurance – Annual Report 2021-22 – Audit Committee Paper 466

16.1. Mr Gibb presented the paper and informed the Committee the report reviews the performance of the Directorate for Internal Audit & Assurance over the last year.

16.2. The Committee noted the annual report for the Directorate for Internal Audit & Assurance.

AOCB

17. The Director thanked Lucy Jackman and Denis Songoro, both of whom are leaving the RMA, for their contribution to the Committee.

18. There being no other business the Chair thanked all in attendance for their contribution and called the meeting to a close at 10:40

Date of Next Meeting

19. The Committee noted the date of the next meeting will be 24 October 2022.