**RISK MANAGEMENT AUTHORITY**

**AUDIT & ASSURANCE COMMITTEE MEETING**

**15 February 2021, Video Conference**

**MINUTES**

**Present**
Mr Stephen Swan, Chair
Mr Terry Powell, Board Member
Mr Chris Hawkes, Board Member
Mr Stephen McAllister, Board Member

**In Attendance**
Mr Paul Keoghan, Director Corporate Services
Mr Mark McSherry, Chief Executive
Mr Denis Songoro, Finance Administrator
Ms Lucy Jackman, Governance Officer
Ms Julie Taylor, Internal Auditor, Scottish Government Internal Audit
Mr Jim Montgomery, Internal Audit Manager, Scottish Government Internal Audit
Mr David Meechan, External Audit, Audit Scotland
Mr Jim Rundell, External Audit, Audit Scotland

**Welcome**

1.      The Chair called the meeting to order and welcomed all present.

**Apologies**

2.      The Chair noted no apologies were submitted.

**Declarations of Interest**

3.      There were no declarations of interest.

**Approval of Previous Minutes**

4.      The Committee reviewed and approved the minutes of the meeting held on the 19th October 2020

**Matters Arising**

5.      There were no matters arising.

6. **Governance Statement – Audit & Assurance Committee Paper 393**

    6.1. The Director Corporate Services introduced the paper and informed the Committee that the annual report and accounts require the compilation of a corporate governance report, and good practice is for the committee to review the governance report separate from the accounts.

    6.2. The Director Corporate Services advised the Committee that the content of the report includes Corporate Governance Report, Statement of Accountable Officer's responsibilities, Governance statement, assessment of Corporate Governance and Risk Management Arrangements.

    6.3. The Committee reviewed the contents of the draft corporate governance report and no amendments were proposed.

7. **Corporate Risk Register – Audit & Assurance Committee Paper 394**

    7.1. The Director Corporate Services introduced the paper and updated the Committee on the current status of the corporate risk register. The risk register contains a total of 25 risks – 12 Corporate risk and 13 Operational risks.   RMA.

    7.2. The Committee was advised that since the register was last reviewed in October 2020 , two new risk items have been identified which are:

        i.   Failure by Lead Authority to provide all information relevant to risk within Risk Management Plan and AIR.
        ii.  Accredited Assessors are unable to access all information relevant to risk to inform RAR.

    7.3. The Committee was informed the new risks emerged following contact with SPS colleagues, in which it was established that information regarding terrorist related concerns appears not to have been shared for three individuals currently subject to an OLR. This is due to intelligence only being shared with those who have the appropriate level of security clearance. The risk for those currently on the OLR is that when RMPs/AIRs are being evaluated and approved, the RMA will not have access to all relevant risk related information. The risk for the RAR process is that only one accredited assessor currently has the required level of security clearance to access intelligence.

    7.4. The Chief Executive also advised the Committee of the proposed Counter Terrorism and Sentencing Bill and reviewed the level of impact it may have upon the RMA. The Committee was further advised that the Bill is schedule to be discussed at the Board on 15th February 2021. Thereafter if need be, the Audit & Assurance Committee might be reconvened before the next scheduled meeting to discuss the implications of this Bill.

    **Action: Chair**

    7.5. The Committee noted the Corporate Risk Register report.

8. **Internal Audit – Internal Audit Plan 2021-22 – Audit & Assurance Committee Paper 395**

   8.1. Ms Taylor introduced the paper and informed the Committee of the proposed risk based Internal Audit Plan for 2021-22 for the RMA. The proposed coverage involves one main assurance review and one advisory review. This proposals are;

      i. Community readiness for order for lifelong restrictions -The proposed scope is to review procedural elements of release, following review of existing processes by RMA.

      ii. New ways of working(advisory) – The proposed scope is to review home working policies, health and safety , cyber security and staff wellbeing.

   8.2. The Committee was also informed of details of other suggestions discussed with the Accountable Officer but where it was agreed to defer them to a future audit; this included the following;

      i. Cyber Security
      ii. Governance
      iii. Accreditation Scheme

   8.3. Mr Jim Rundell brought the Committee's attention to the risk of Cyber Security, and advised that Audit Scotland are highlighting it to all organisations as a risk that should be looked into in detail. The Committee was informed that The RMA are looking at ways to support staff on awareness of cyber security threats and scams and it is a high priority to the organisation.

   8.4. The Committee noted the draft Audit Plan for 2021-22


9. **Internal Audit  – Internal Audit Progress Report – Audit & Assurance Committee Paper 401**

   9.1. Ms Taylor introduced the paper and updated the Committee that in the meeting held in February 2020, the Audit & Assurance Committee approved the Internal Audit Plan for 2020-21 . This plan included one main audit review, which was Stakeholder Engagement and Communications. A draft report has been issued, and it's planned to be presented to the next Audit Committee.

   9.2. The Committee was also updated on the follow up plan for 2020-21 which related to GDPR. The report issued to management in October 2020 had 5 recommendations, four have been successfully implemented with one low recommendation outstanding. The low recommendation was that RMA  should populate the gaps in the information audit spreadsheet and develop a data flow map. The Committee were informed that item was expected to completed in Q1.

   9.3. The Committee was informed that from 2021-22, to improve integrated assurance, Internal Audit may share final outputs with the wider Directorate of Internal Audit and Assurance colleagues, Digital Assurance Office and Portfolio Programme and Project Assurance.

9.4.    The Committee noted the internal audit progress report.

10.    **External Audit – External Audit Plan - Audit & Assurance Committee Paper 396**

10.1.    Mr Rundell introduced the paper and informed the Committee that it gives an update of current developments within Audit Scotland and current audit activity at a local level. This includes the impact of Covid-19 on public sector audit, and that Audit Scotland have legacy issues from last year's audit which has had an impact on this year's audit and that timescales have had to be revised.

10.2.    The Committee was advised that Audit Scotland plan to issue a streamlined audit plan before the next committee meeting. The Committee were also advised that audit resources may not be available until end of October 2021 to complete the RMA's audit.

10.3.    The Committee noted the external audit plan update.

11.    **Review Internal Audit Recommendations – Audit & Assurance Committee  Paper 397**

11.1.    The Director Corporate Services introduced the paper and informed the Committee that the 2019-20 plan comprised of one main assignment, which is General Data Protection Regulation, which has been delivered in full.

11.2.    The Committee was advised that one low recommendation which was for the RMA to populate the gaps and develop a data flow map to enable identification of interdependencies and ensure documents are aligned is still on going. This project is scheduled for completion in Q1.

**Action: DCS**

11.3.    The Committee noted the internal audit recommendations report.

12.    **Review External Audit Recommendations 2019 -20 - Audit & Assurance Committee Paper 398**

12.1.    The Director Corporate Services introduced the paper and updated the Committee on the progress in relation to External Auditor's annual report for 2019-20 which identified one recommendation for management consideration which was agreed on.

12.2.    The Committee was advised that the recommendation was the RMA revise the 5 year financial plan to reflect alternative scenarios which might apply in the medium term as a result of Covid-19. This has been completed and is scheduled to be presented to the Board in April 2021.

12.3.    The Committee noted the external audit recommendations 2019-20 report.

13. **Committee Self Evaluation Report  - Audit & Assurance Committee Paper 399**

    13.1. The Director Corporate Services introduced the paper and advised the Committee that the report is for members to conduct a self-evaluation of the committee's performance.

    13.2. The Committee was informed that the self-assessment framework contains 32 questions to evaluate Committee's performance. The draft return with the exception of Q31 have been prepopulated on behalf of the Committee members.

    13.3. The Committee noted the Committee Self Evaluation report and did not provide any feedback in relation to Q31.

14. **Committee Terms of Reference – Audit & Assurance Committee Paper 400**

    14.1. The Director Corporate Services introduced the paper for members to review the Committee's Terms of Reference and Membership.

    14.2. The Committee was informed to note calendar of meetings scheduled for 2021-22 which was appended to the report.

    14.3. The Committee was updated that with regard to the current membership, one Board member's term will end in May 2021 . The Committee was informed that interviews for the new board member had now been completed, and a decision is expected to be made soon. The Chair thanked the Committee member whose term was ending for the work he has done for the Audit & Assurance Committee.

    14.4. The Committee noted the report and proposed no changes to the Terms of Reference or Membership.

**Date of Next Meeting**

15. The Committee noted the date for the next meeting 21 June 2021

**AOCB**

16. The Chair asked if there was any other competent business.

17. There being no other business the Chair thanked all in attendance for their contributions and called the meeting to a close.