

Meeting Minutes

Meeting: Audit Risk and Assurance Committee

Date: 26th October 2022

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

In attendance

- William Matthews (WM) ARAC Chair, Redress Scotland Deputy Chair
- Lynne Harvie(LH) ARAC Member, Redress Scotland Panel Member
- Colin Spivey(CS) ARAC Member, Redress Scotland Board Member
- Michael Steele(MSt) ARAC Ad-Hoc Interim Member
- Michael Stevens (MS) Redress Scotland Head of Finance and Resources
- Gary Gallacher (GG) Redress Scotland, Head of Operations
- Mel Lowe (ML) Redress Scotland, Policy and Engagement Lead

Agenda item 1. Welcome, apologies and conflicts of interest

The Chair (WM) opened the meeting welcoming those present. WM advised that he had recently attended a meeting of Audit Committee Chairs where he was re- introduced to Gordon Young, Head of Counter Fraud Services at the NHS. WM felt it would be a useful exercise to invite Mr Young to come and talk with the committee and see if there is any advice he can give in relation to fraud.

The committee concurred with extending an invitation to Mr Young and also requested that fraud be added to the risk register.

Action;

1. **Fraud to be added to the risk register, ML/DP**
2. **Gordon Young be invited to attend a future meeting of the ARAC, WM**

1.1 Apologies:

Joanna McCreadie (JM), Redress Scotland Chief Executive

1.2 Declarations of Interest:

There were no declarations of interest to be noted.

Agenda item 2. Minutes of the previous meeting 27th July 2022

The minutes of the meeting held on the 27th July were approved with the following changes.

Page 4 – to read “MSt recommended capturing the time spent on complaints and to specify those areas which are within our gift to influence.”

Page 5 item 9.2 to read “The Chair welcomed this initiative which will support operations and quality assurance.”

Agenda item 3 Matters arising from the previous meeting

There were no specific matters arising not included on the agenda.

Agenda item 4 Governance

ML updated the committee on the governance exercise around the self-assessment of the board advising that this will be discussed at the Oversight Board in November. WM reminded committee members that a similar exercise will have to be undertaken for members of the ARAC. DP will circulate the information we have on self-assessment.

Action; 3 Information on Board Self-Assessment to be circulated to Committee Members, DP

Agenda Item 5 Report from the Head of Operations

GG, Head of Operations provided an overview of the work of Redress Scotland since the last meeting.

In terms of **capacity planning**, GG reported that Scottish Government have undertaken and shared their own work on forecasting level of demand through to 2023/24 providing two scenarios, one based on the current level of applications and the second with a 10% increase. This was the first time Redress Scotland has received any form of forward planning and this was very much welcomed. We are expecting a total of 49 applications this month and to date 44 have been received. Scottish Government have set their own targets and the expectation is that in January we could see an increase to 100 applications. In anticipation of this increase the Redress Scotland Research and Knowledge Lead will undertake a survey of panel members to establish their capacity.

The recruitment tracker was circulated and members advised of the change in organisational structure to one which best meets the current challenges and work focus of the organisation. New posts have been identified and recruited to.

GG continued that the first in person meeting will take place this week. Much work has been done to ensure that there is as little stress on the survivor as possible. Work continues to establish protocols around applicants with previous criminal convictions.

The committee commented on the number of reconvened meetings as this impacts on the total time for processing applications. Redress Scotland has offered it's support to Scottish Government to assist with the pre-screening of applications before submission to a panel and a triage system is being considered to aid the streamlining of our part of the process.

In relation to the capacity of panel members it was noted that 2 panel meetings per month appeared manageable, however it was acknowledged that the process is still unpredictable and dependent on capacity of panel members and the nature of each case. It was noted that is a complex area with a number of variables.

Agenda item 6 Official Documents Reports and Policies Schedule

ML advised that the schedule is a record of all papers, documents and policies required to legitimately fulfil the role of Redress Scotland. ML continued that a number of documents from operations ie letters and templates, are still to be added. The schedule has also captured renewal dates and the process for review.

The committee were asked if there was anything missing from the schedule.

The ARAC felt this was a good piece of work and the only document missing at this stage was the Framework Agreement. WM added that this was still being worked on by the Oversight Board and would be added to the register.

Action 4 Add Framework Agreement to the documents register, ML/DP

Agenda item 7 Financial reports

MS advised that the underspend against budget continues. This is due to a number of factors but primarily due to lower than expected staffing levels and the use of fewer temporary staff that previously predicted. WM advised that at the last meeting of the Oversight Board it was agreed not to pursue a fixed building for operations but to invest in systems to support people and finance.

The adjusted underspend at the end of the year has been declared to Scottish Government with Redress Scotland retaining a balance for any movement in forecasts and investment in systems, training and hire of facilities.

The committee were comfortable with the presentation and the assumptions made within the model.

MSt, noted that given the significant underspend this year the committee should be updated regularly on the ongoing conversations with Scottish Government. MS advised that he had met with the sponsorship team, and long term forecasting has started.

LH asked how rigorous was the process for ensuring that items ordered for panel members were in fact received. MS noted that this was a piece of work yet to be undertaken but it was on the finance work plan.

Audit

MS advised that he is waiting to hear from Audit Scotland regarding the appointment of external auditors. A meeting will be arranged with Audit Scotland and WM will be invited to attend.

The specification for the Internal Audit Team has been submitted to the procurement team in Scottish Government. One expression of interest has been received from TIAA (Transformation, Inspiring Advising & Assuring). It is expected that a direct award will be made.

Corporate accounts

MS highlighted the cover prepared around the draft set of accounts. Trial balances were rerun and MS and the newly appointed finance manager are confident with the figures presented. It was noted that not all information has been included but MS assured members that the template is accurate and ready to populate at the end of the year.

The committee considered areas within the accounts which may require further information and explanation. The accounts will be subject to a number of disclosure requirements particularly around remuneration, environmental reporting etc.

Budget planning

MS confirmed that he has met with sponsorship team. Scottish Government are looking at a 5 year landscape. Due to the unpredictable nature of our panel sittings we will be preparing a budget option paper based on a number of scenarios each with accompanying recommendations. The actual number of sitting panels in any given period will impact significantly on cost. MS and GG have arranged meetings to start planning for panel members sitting days and administrative support.

MS concluded by advising that we were unlikely to meet the target date of 31st October but the draft budget would be presented to the Oversight Board on the 16th November.

Agenda item 8 Strategic Risk register for Redress Scotland

ML advised that the risk register has been split between operational and strategic risks. The operational risks will be kept internally with the SMT however the plan is to publish the strategic risk register. Going forward changes to risk values will be captured and reported on. Both registers will be reviewed monthly at SMT meetings with regular, deep dives on a particular risk reported to this committee.

The committee concurred with the proposal and process as outlined suggesting that the wording should be revisited with a view to external publication and an explanatory report would also be helpful.

Review of Risk in Detail - Communications

ML presented the report prepared by JM asking the committee if they felt there were any gaps in the report, and any mitigations which could be added to the list presented. The committee felt that Internal communications was good but that external communications required more attention. ML advised that the Communications Lead

has been in post for a few weeks and will be focusing on the website and other pieces of external communication. Also being developed is a “roadmap” of the application process to inform survivors what to expect following an application to the scheme.

The committee felt it was an excellent piece of work and asked ML to consider developing an immediate media response plan.

Action; 5 Plan to be developed outlining the organisation's immediate response to media coverage.- ML

Agenda item 9 Complaints and Compliments

GG explained that to date the majority of complaints received have been directed to Scottish Government. Redress Scotland will however continue to monitor and report on these in the event that they reflect a more fundamental failing within our art of the scheme.

Agenda Item 10 Quality assurance and improvement

10.1, 10.2 Work of the Practice Development Group.

GG advised that this group has grown since inception and is comprised of a mix of both staff and panel members. A comprehensive workplan has been agreed and the challenge now is how to bring survivor voice to practice development.

10.3 Survivor Forum

ML updated the committee with the work undertaken to date. Since April the engagement framework has been agreed and signed off. A survey was undertaken by Scottish Government but it was realised that agreement from the participants had not been sought with what to do with the feedback with the results only being circulated to those who participated .

ML continued that Redress Scotland have led on the preparation of the engagement framework which will now be used as the building block for future engagements. A half day work session with Scottish Government has been planned to ensure that workable processes are in place for future survivor engagement.

10.4 Development of quality assurance and improvement in Redress

ML confirmed this was on the workplan adding that as the team becomes established there will be more time to focus on this area of work.

Agenda item 11 Policy Approval

MS presented the **Losses and Special Payments Policy** for approval advising that the risk to the organisation in this area is very low. The committee confirmed the increase in threshold from £15k to £25k where ARAC are to be informed of any loss or special payment.

The policy was approved as presented.

Agenda item 12 -Audit, Risk and Assurance Committee work plan

The highlighted changes to the work plan were discussed and agreed. The committee requested that for the next meeting the work plan be reordered by date rather than work category. It was also requested that ARAC self-assessment be included in the plan.

Action 6 DP to update the workplan by date and add committee self-assessment into the plan.

Agenda item 13 - Any Other Business

There was no other business to note.

Agenda item 14 Review of Meeting

The Chair summarised the meeting confirming that the discussions and papers presented have provided greater assurance on the operations of Redress Scotland. Once auditors are in place there will be the opportunity to follow up on specific areas.

The meeting closed at 12.35 pm