

Meeting Minutes

Meeting: Audit Risk and Assurance Committee

Date: 17th January 2023 0930 - 1230

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

Committee Members

- William Matthews (WM) Audit Risk and Assurance Committee Chair, Redress Scotland Deputy Chair
- Colin Spivey (CS) Audit Risk and Assurance Committee Member, Redress Scotland Board Member
- Neil Mackay Audit Risk and Assurance Committee Member
- Lynne Harvie (LH) Audit Risk and Assurance Committee Member, Redress Scotland Panel Member

Participants

- Joanna McCreadie Redress Scotland Chief Executive
- Michael Stevens (MS) Redress Scotland Head of Finance and Resources
- Gary Gallacher (GG) Redress Scotland Head of Operations
- Michelle Nairn (MN) Redress Scotland Head of People
- Celine Lauter (CL) Redress Scotland, Executive Secretary
- Martin Ritchie, Director of Audit TIAA (Internal Auditors)

Agenda item 1. Welcome, apologies and conflicts of interest

The Chair (WM) opened the meeting welcoming those present. Martin Ritchie, Director of Audit for TIAA was introduced to the meeting. TIAA are our newly appointed internal auditors and Martin is here to observe the meeting. Introductions were made.

WM made special mention of Michael Steele who had for several months been a member of the Audit Risk and Assurance Committee. A letter has been sent to Michael thanking him for his work in helping to establish the Audit Risk and Assurance Committee within Redress Scotland.

1.1 Apologies:

Mel Lowe, Head of Policy and Improvement

1.2 Declarations of Interest:

There were no declarations of interest noted.

Agenda item 2. Minutes of the previous meeting 26th October 2022

The minutes of the meeting held on the 26th of October 2022 were approved with no changes.

Agenda item 3 Matters arising from the previous meeting

The only item arising from the last meeting and not on the agenda was the statement on the process for managing media coverage. The committee were content with the information provided and asked if a supplementary paragraph could be added to address those situations in which we may wish to make a proactive statement about something we anticipate could arise in the public domain. JM advised that weekly meetings are held with Charlotte Street Partners to agree our communications plan.

Action 1. Add a paragraph to the statement to reflect the proactive work being undertaken, ML/SM

Agenda item 4 Governance

4.1 Verbal Update from Oversight Board Meeting 14th December 2022

WM advised that since the last Audit Risk and Assurance Committee meeting the organisation has held its annual conference and a risk management workshop has been undertaken.

Work has also progressed in relation to capacity planning looking at the way panels are constituted and a direction to the executive team to explore further with the sponsor team the possibility of recruiting additional panel members. Changes will be communicated to panel members and a system to track the impact of these changes will also be established.

The policy on Whistleblowing has been approved and further work will take place to engage non-executive support.

4.2 Self-evaluation for board of Redress Scotland

The Board Self Evaluation paper has been circulated combining both board roles and incorporating a separate section for Audit Risk and Assurance Committee members. Discussion ensued around the timing of the self-evaluation, and it was agreed to undertake a slimmed down version before the end of the current financial year with a

full review to be scheduled over the next 12 months. It was also suggested that a couple of free form paragraphs be added.

Action 2 Those sections within the paper which are relevant to a newly established board and committee are to be highlighted for completion this first time round and a couple of free form paragraphs are to be added. WM/JM

Agenda Item 5 CEO Report

JM presented the key highlights under the following sections within the corporate plan,

- **Governance**

JM reported substantial progress in this area since the last meeting. The new non-executive directors have been appointed and are going through induction, and attending meetings and workshops.

The workshop on risk management was held this morning and next week there is a workshop on strategy prior to the meeting of the Oversight Board. From this we can draft the corporate plan for the next 3 years. It was noted that Policy and Improvement will now form part of the plan.

The organisation is required to complete a Strategic Sponsorship Evaluation Form providing feedback on our work with the sponsor team. A recent meeting with the sponsor team confirmed that all areas of work have been agreed with the exception of the Framework Agreement which is being progressed. JM explained that our work together can be marked as green or red.

Ian Donaldson has been appointed as the new Deputy Director, taking over from Tom McNamara.

Operations

JM reported that during a recent parliamentary evidence session John Swinney spoke about the Redress Scheme, specifically mentioning two areas. The first was a question regarding the review of panel decisions which then resulted in higher awards. The second was regarding the group of Fornethy residential school who had been excluded from applying to the scheme because they were not in care for long enough. The suggestion now is that because these survivors were placed there by Glasgow City Council that they would in fact be eligible to apply. Legal experts are investigating the validity of their claim.

The recorded rate of applications have slowed at the start of the year.

Communications meetings with Charlotte Street Partners have resulted in the promotion of the scheme to the legal profession. Scottish Government will also

attend these sessions. Similar awareness raising meetings will also be offered to organisations who support survivors.

Recruitment has proceeded and one temporary post has been filled. Health and Safety consultants are now in place.

The organisation has received a letter from Joe Griffin, Director General, Education & Justice, requesting that we endeavour to make savings where we can. Our plan will be submitted in conjunction with the sponsor team.

Policy improvements include the Records Management Policy, which will be presented to the Oversight Board next week. Development of the Quality Assurance framework is underway, and the Survivor forum is expected to gain momentum in the coming year.

The Dashboard report was discussed briefly, and it was noted that work on developing a key summary was in progress and should be available for the Oversight Board next week for comment.

Agenda item 6 Financial reports

MS presented the monthly accounts for December. There was a recorded £2k overspend on forecast. Total underspend for this year is £410k. Funds will be returned to Scottish Government leaving £160k for contingencies.

Martin Richie, WM, and MS have met and from this meeting it was agreed TIAA would focus on the areas which will be scrutinised by external audit. A thematic plan for the coming year will be developed.

WM advised that Audit Scotland will act as our auditors. WM expressed some concern around timescales for completion of the audit but confirmed that more information will be available once an initial meeting has taken place.

Agenda item 7 Strategic Risk register for Redress Scotland

All the papers presented were discussed at length at the risk management workshop. WM noted it was a very productive session and the comments will work through to the next round of meetings.

Agenda item 8 Quality assurance and improvement

The committee considered the work of the Practice Development Group and were advised that although this group is not part of the governance structure it does provide a forum for discussion and investigation into practice and the issues facing panel members. The last meeting of this group was extended to allow for in depth discussion of the assessment framework and the work undertaken by two panel members on emotional abuse and neglect. As a result, a working group has been established which will report their findings to the governance group for approval.

WM noted that this group provides evidence of continuous improvement within the organisation.

Agenda item 9 Fraud

An in-depth discussion took place around what was within the remit of the organisation to address in relation to fraud. It was acknowledged that there is a fine balance in maintaining the integrity of the scheme while at the same time not causing any further distress to survivors with genuine applications.

Members considered a report on a specific allegation of fraud and the Scottish Government response to the notification from Redress Scotland about the matter.

This item will be added to the risk register, and it was acknowledged that further work needs to be done within the scheme to ensure adequate controls are in place. It was agreed that WM will write to the chair of the Oversight board outlining concerns.

Action 3; WM to write to JG Chair of Oversight Board outlining concerns regarding potential exposure to fraud within the scheme.

Agenda Item 10 Audit, Risk and Assurance Committee work plan

The work plan and action log were noted

Agenda item 11 - AOCB

There were no further items presented for discussion

Agenda item 12 Review of Meeting

LH proved feedback on the meeting with reference to the role of the survivor as part of the discussions. LH positively referenced the development of the whistleblowing arrangements, and that work is underway to safeguard against fraud within the system. The delay in the conclusion of the Framework Agreement gave slight concern but this is being addressed and will be concluded soon.