

Meeting Minutes

Meeting: Audit Risk and Assurance Committee

Date: 29th November 2023 1500- 1700

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

Committee Members

- Bill Matthews (ARAC Chair, Redress Scotland Deputy Chair)
- Colin Spivey (ARAC Member, Non -Executive Member of Redress Scotland)
- Lynne Harvie (ARAC Member, Redress Scotland Panel Member)
- Catherine Dyer (ARAC Member, Ad hoc Non- Executive Member of Redress Scotland)
- Neil Mackay (ARAC Member, Non-Executive Member of Redress Scotland)

Participants

- Joanna McCreddie(JM) 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,
- Mel Lowe(MN) Redress Scotland Head of Policy and Improvement

By Invitation

- Martin Ritchie(MR) Director of Audit, TIAA
- Pauline Gillen (PG) Audit Director, Audit Scotland
- Gillian McCreddie Senior Audit Manager, Audit Scotland

Agenda item 1. Welcome, apologies and conflicts of interest

1.1. Welcome and Introductions

WM opened the meeting welcoming all present and introduced Kirsty Darwent (KD) the new Chair of Redress Scotland. Representatives from our auditors, Martin Ritchie from TIAA, and Pauline Gillen from Audit Scotland were also present.

WM thanked CS for his contribution as interim chair while permanent posts were being filled.

CD had formed part of the interim governance arrangements and WM was pleased to confirm that her position has been extended for a further 2 year period. CD's contribution to the work of ARAC is very much appreciated.

1.2. Apologies

There were no apologies noted. Members of the senior management team, GG and MN will attend for their items only.

1.3. Declarations of Interest:

No declarations were made but NM recorded that he had been involved in item 7 Fraud.

1.4. Appoint survivor voice;

CS was appointed meeting reviewer from the perspective of the survivor. CD will take on this next time.

Agenda item 2. Minutes of the previous meeting 14th June 2023

The minute from the 14th June meeting was approved. The meeting noted there was an additional meeting of the committee on the 28th July to review the Annual Report and Accounts prior to the AGM in August. This minute has been circulated and will form part of the corporate record.

Agenda item 2.1 Matters arising from the previous meeting

Members were content that all matters arising from the last meeting were covered in the agenda or associated papers.

Agenda item 3 Governance

3.1 Update from Oversight Board Meeting 27th September 2023

WM noted that the main focus at recent Oversight Board meetings has been on speed of decision making and capacity. Interviews for additional panel members is complete and a request will be sent to ministers to approve formal appointments. The expectation is that we will have an additional 15 panel members before the end of the year. To support these new panel members the board approved a corresponding increase in staff at Redress Scotland. The board were cognisant of the costs of additional resources but were confident this was the best decision to meet the level of applications and address the backlog.

Agenda Item 4 CEO Report

JM presented the key highlights from her report.

The Operations team are managing to coordinate and manage the increased level of applications. This does however create pressure on the team knowing there is an ever increasing backlog developing. CS asked if there was any quantifiable evidence to substantiate the impact on staff. JM advised there was only anecdotal data at this stage.

WM noted that we will have to evidence the impact on staff in terms of workload, the increasing backlog and the impact of the detail within the applications is having on staff. The Committee noted there had been no direction from Scottish Government on the desired capacity for the decision making process.

JM took members through the detail of the dashboard and KPI report noting that since inception we have received 1419 applications and completed 1197 leaving 322 sitting in a queue. In the week commencing 9th Oct we completed more decisions than in the whole of 2022/23. Achieving an output way beyond last year.

We are averaging around 20 decision letters per week but the flow through of applications from SG is 120-130 per month.

The sitting panel planned for October comprise;

- 17 - 3 member panels
- 3 - 2 person panels
- 9 reconvened panels
- 1 in person

The team are working at full capacity. We continue to use 2 member panels where appropriate.

The higher number of reconvened panels reflects the quality of applications coming through; effectively 1 in 5 are being returned for more information.

The percentage of priority applications is 32%. These sit at the top of queue and we are meeting our KPI in terms of turnaround time of 30 days. There is however an impact on the general applications who are seeing their expected wait times extend to 47 working days.

Our forecasting suggests that by January 2024 the average decision time could be 24 weeks with 400 applications in the backlog.

Planning is difficult and we are cognisant of the impact on survivors and the need to provide accurate timescales for processing their applications. Feedback from survivors enquiring about delays is mixed and many are disappointed that it is taking so long. The team and panel members are feeling the impact of this. At a recent panel the applications under consideration were raised in June.

There is also an increase in more difficult types of applications. Applications are much longer and more complex. A recent panel were impacted by hearing of the profound abuse being presented in great detail. JM met with all involved.

WM noted that as we get further into the scheme we will see more detailed applications and documentation which will also impact on preparation and hearing time. This may be a trend.

Joanna continued that although recruitment for additional resource is almost complete it will be at least another 3 months before we see the benefit and it will be several months thereafter before we can make an impact on the backlog.

The members noted JM's concerns and several suggestions were discussed. JM advised that we were bound by statute in the way applications are processed and there is very little we have influence over in terms of change. We can however open up the conversation with survivors as they may have some insights we have not considered.

JM added that each survivor is unique and should be assessed on that basis.

JM continued that at the recent Practice Development Group Meeting there had been discussions around efficiency and vicarious trauma. A working group will come together and look at efficiencies within the guidance. The move from 3 to 2 person panels has made an impact but not all applications are suitable for a 2 person panel. WM noted that we are more efficient now that when we started and welcomed the creation of a working group.

JM advised of an operational change within the case worker team. Every survivor will be allocated a case worker on receipt of their application by Scottish Government. The impact of this change has yet to work its way through to Redress Scotland. The Redress division have asked for additional 10 case workers, a 50% increase in the case worker team. If approved this will significantly impact the flow of applications to Redress Scotland.

Scottish Government are preparing their own data report for publication.

JM advised of a number of recent reports which were presented to the Education, Children and Young people Committee and will circulate the link to all members.

JM reported that progress has been made in other areas of work including.

- The quality assurance plan is moving forward with a focus on self evaluation. The first reports will come to the board early 2024.
- The first draft of the 24/25 budget will be presented later in the meeting.
- The people team are planning for more in person training sessions particularly around vicarious trauma
- Survivor events have provided excellent feedback so far and once the 4 planned sessions are complete a summary report will be prepared.
- Wellbeing framework continues to develop and a calendar of events is established.
- An animated story around the application process is being developed for the website.
- A recommendation will go to the Oversight Board in November for provision of communications support from the preferred provider.

JM concluded by reiterating that the biggest challenge is the pace of decision making and impact on the team.

Action; JM to circulate the reports presented to the Education, Children and Young people Committee

Agenda item 5 Finance

5.1 Period 6 Management Accounts

WM invited MS to present the period 6 management accounts. MS noted that for the period there was an underspend of £47k due mostly to lower board and panel member claims for September than originally profiled.

In forecasting to the end of the year we are likely to have an underspend of £500k. New panel members and staff support will be in place later than anticipated impacting on panel costs and associated expenses. The finance and operations teams are working closely to establish projected figures to the end of the year and will then make a proposal to the Oversight Board for any grant in aid to be returned.

Before hearing from TIAA and Audit Scotland, WM asked that updates from both internal and external auditors becomes a standing item with regular updates and track of recommendations and progress.

5.2 Audit Updates

Internal Audit

MR advised that a planned schedule of reviews is in place. The most recent audit was on records management which is in draft and will come to the next Audit Risk and Assurance Committee meeting. In the meantime MR advised that there was substantial assurance that our records management processes are adequate.

External Audit

PG, acknowledged that due to other planned audits the audit of Redress Scotland is being undertaken very close to the deadline date. Audit Scotland have met with the finance team and confirmed the audit approach and risks. At the moment everything is progressing and there will be a follow up meeting later in year to review the final accounts and findings from the audit.

WM thanked MR and PG for the reassuring update requesting that Audit Scotland provide an early warning of any possible delay and to keep the sponsor unit advised.

6.3 Budget Proposal 2024/25

GG joined the meeting for this item. WM reminded the committee that we are not a finance committee but any observations and recommendations would be shared with the Oversight Board.

MS presented the budget advising that our outturn this year is expected to come in at £4.5m. Next year with increased panel member and staffing costs we can expect this to be in the region of £5.7m.

Members questioned MS on a number of points in particular the investment of £600k in a case management system expressing a concern around our capacity to do this. MS was asked to provide more information on this at the next meeting of the ARAC, including other options. CS advised that the Parole Board are also in the process of developing a case management system and offered to support the investigation.

WM thanked MS and GG for their work on this. Some lines were challenged and the logic behind the cost of making decisions should be clarified before presentation to the Oversight Board.

Action; MS and GG to look again at IT and panel costs before presentation to the Oversight board.

Agenda item 6 Strategic Risk register for Redress Scotland

WM outlined the process for review of the risk register. JM prepares a summary report of the changes. The role of the Audit Risk and Assurance Committee is to consider the report and to undertake a deep dive into a particular risk.

For today's meeting, several risk scores have increased as a result of the increased level of applications received. JM requested that committee members scrutinise and comment on the changes.

Members agreed the paper read well and concurred with the changes made.

The proposed deep dive for the next review is a people risk around vicarious trauma. MN, Head of People, will be part of this review.

Agenda item 7 Fraud External fraud whereby the fees for a non-executive were paid into a 3rd party bank account.

The report, prepared and presented by MS, outlined the incident and the actions which followed. The report also highlighted where improvements have been made to processes. A second attempt occurred but this was following the changes and was picked up thereby confirming the revised process. Police Scotland have been advised.

Members were content with the report and the actions taken to mitigate similar situations arising in the future.

Agenda item 8 Reports on cyber security from 360 Defence

WM noted that several detailed papers from 360 Defence were circulated adding that 360 Defence has also presented their findings to the senior management team. These are for discussion by members with an invitation to make suggestions for the best way to progress this work.

It was also noted that 360 Defence have a contract with Scottish Government thereby making it easy for us to work with them as it is difficult to procure these services out with the Scottish Government framework.

Members agreed that the way forward was for WM, NM and MS to meet with 360 Defence and prepare a summary report identifying what our risks are, the assurances we have given that we work on a government system and highlighting any paperwork we are required to obtain.

Action MS to arrange a meeting and include SL, WM, NM.

Agenda Item 9 Audit, Risk and Assurance Committee action log and work plan

DP highlighted the outstanding actions in the Action Log.

WM advised that the work plan will be updated in conjunction with the workplan for the Oversight Board. Both will be completed by the end of the year.

Agenda item 10 – Any Other Concluding Business

There were 2 items for consideration.

WM advised that the self-evaluation of the Oversight Board would take place on the 15th November. Committee members agreed to extend the November Audit Risk and Assurance Committee meeting to undertake the committee evaluation.

A second confidential item would be covered at the end of the meeting.

Agenda item 11 Review of Meeting and Survivor Voice

CS noted that due to the structure of the agenda most of the content relating to survivors was discussed in the first half. Key matters included the early discussion around priority and non-priority cases and the impact on non-priority applications. The pace of decision making and the impact on survivors was discussed including the impact of sharing realistic timescales with survivors,

The meeting ended at 1220. Members stayed on for a closed discussion with WM.