

**COPFS and QLTR Audit and Risk Committee**

**Minutes of the meeting held on 3 March 2022**

**(via MS Teams)**

**Present:**

**Members**

Robert Tinlin	Non-Executive Director (Chair)
David Watt	Non-Executive Director
Vanessa Davies	Non-Executive Director

**In Attendance**

David Harvie	Crown Agent, Chief Executive and COPFS Accountable Officer
Robert Sandeman	QLTR Accountable Officer
Ian Walford	COPFS Deputy Chief Executive
Gillian Woolman	Audit Director, Audit Scotland
Esther Scoburgh	Senior Audit Manager, Audit Scotland
Keith Dargie	COPFS Chief Digital Officer and Head of Business Services
Neil Reid	Audit Scotland COPFS Lead
Katie Gibson	Audit Scotland QLTR Lead.
Jim Montgomery	Audit Manager, SG Internal Audit Directorate
William Wilkie	Senior Auditor, SG Internal Audit Directorate
Marlene Anderson	COPFS Director of Finance and Procurement
Nikolas Koutris	COPFS Head of Financial Accounting & Finance Systems
Sharon Davies	COPFS Head of Management Accounting and Planning
Clair Lumgair	COPFS Finance and Procurement Division
Ian Palmer	COPFS Secretariat

**Apologies**

Steve Scott	COPFS Procurement Division
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**1.**

**Welcome / Apologies / Introductions / Declarations of Interest and Feedback on pre-meetings**

The Chair welcomed the group and noted this was the first ARC meeting attended by NR and KG. Neil is the new Audit Scotland lead for COPFS and Katie for QLTR

There were no declarations of interest.

There was no feedback of any pre-meetings.

It was noted that this will be the last ARC meeting attended by IW as he retires in April 2022. On behalf of ARC, RT (Chair) thanked Ian for his sterling contribution to the work of ARC and wished him well for his retirement. DH (CA) and the rest of the group echoed these sentiments.

MA was congratulated on her recent permanent promotion to Director of COPFS Finance and Procurement Division.

It was noted that KD has added Head of COPFS Business Services to his current portfolio.

**2.**

**Minutes of the Previous Meeting**

The draft minutes of the ARC meeting held on 24 November 2021 were approved.

**Action: Secretariat to arrange for the approved minutes to be published on COPFS website.**

3.

### **Matters Arising / COPFS ARC Action Tracker**

In relation to cyber-security, KD reported that additional vigilance is being exercised in light of the unfolding events in Ukraine. ARC agreed that they will continue to monitor this through updates from the Risk Management Group.

Following on from the HM Inspectorate Report relating to COPFS management of Criminal Allegations Against the Police (CAAP), a tracker has been devised to monitor COPFS progress in relation to the report's recommendations. Stephen McGowan (DCA Serious Casework) has been appointed as lead.

#### **Action:**

**Secretariat to invite Stephen McGowan to attend next ARC meeting to give a COPFS progress update on HMI CAAP recommendations.**

4.

### **Audit Action Tracker**

The audit tracker was reviewed. It was agreed that actions on the undernoted topics had been completed and could be removed from the tracker:

Finance Division Service Level Agreement

Wellbeing Dashboard

Wellbeing Risk Register

Wellbeing Strategy Action Plan

Wellbeing Diversity and Inclusion Expenditure Plan.

Progress with the remaining actions was noted and where extensions to the completion target date had been requested, these were granted.

5.

### Finance Update 2021-22 and 2022-23

MA presented paper **ARC 2022 (04)** and gave an overview of contents.

This included:

The anticipated year end position being in line with expectations.

Recruitment of staff to fill vacant budgeted posts progressing well.

Monitoring of all departmental expenditure continues.

The overspend in overtime currently being funded through savings from delays in recruitment.

SAB Report (Strategic Approach to Budgeting) has been submitted to SG and work continues on Resource Spending Review to be submitted later in March 2022.

ARC noted the paper.

### Procurement Update

MA presented paper **ARC 2022 (05)** and gave an overview of its contents.

From September 2021 to December 2021 the Central Procurement Team (CPT) has undertaken and awarded 72 procurement exercises with a total value of almost £22m.

In the year to date, 128 contracts totalling almost £28m have been tendered and awarded. Savings for the year to date total £1.418m comprising cash savings of £914k and non-cash Savings of £504k.

A COPFS Procurement Business Partner (Estates) took up post in November 2021 and has been identifying potential cost savings.

Preparatory work being considered for COPFS PCIP assessment anticipated to take place at some point this calendar year.

ARC noted the paper.

An update report in relation to COPFS off-contract expenditure is being prepared for the August meeting of ARC.

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6.

### **Forensic Pathology and Toxicology Contracts Procurement**

Due to absence through illness Steve Scott could not present this item and he will issue a report by email.

**Secretariat to send group a copy of report on Forensic Pathology Procurement by Steve Scott once completed.**

7

### **COPFS Update**

DH (CA) gave a verbal update which included:

Work continues in Court Recovery planning with positive progress being identified.

COPFS Communications Director post is to be filled and resources being prioritised from within the COPFS budget.

General update on serious and high-profile casework.

Lyndsey Miller (DCA Operational Support) has been seconded for 6 months to an external legal project. Anthony McGeehan will cover most aspects of Lyndsey's work for this period.

8.

### **QLTR Update**

BS gave a general update including:

Property Transfer Scheme – 6 geographical locations have been selected for a possible pilot commencing in May 2022. These issues will be further discussed at a separate meeting of ARC.

QLTR are still carrying some vacant posts, but this is expected to be resolved in due course.

9.

### Audit Scotland Update

The paper **ARC 2022 (06)** on the impact of COVID 19 on Scottish Public Finances was noted.

GW presented paper **ARC 2022 (06A)** - Audit Scotland COPFS Annual Audit Plan 2021/22. After general discussion this was approved subject to a further meeting to be held regarding Forensic Pathology and Toxicology Contracts.

It was noted that the Annual External Audit charge will rise by 2% in line with the fee proposed for other public bodies.

ES presented paper **ARC 2022 (06B)** Audit Scotland QLTR Annual Audit Plan 2021/22.

After general discussion this was approved.

10.

### Internal Audit Update

WW presented paper **ARC 2022 (07)** ARC COPFS Progress Report 21/22 which was noted.

Paper **ARC 2022 (07A)** IA COPFS Draft Annual Audit Plan 2022/23 was agreed subject to further discussion on one issue at an additional meeting,

The following papers were noted for information:

**ARC 2022 (07A1)** Guide to Procurement Fraud

**ARC 2022 (07B )** Internal Audit follow up review of impact of COPFS Fair Futures Project.

**ARC 2022 (07C)** Internal Audit follow up review of COPFS Financial Governance and Sustainability 2020/21.

11.

### Accounting Policies Review

MA presented paper **ARC 2022 (08)** and thanked NK for devising it.

After general discussion, and subject to MA reviewing the section on Contingent Liabilities, ARC approved the paper.

12.

### **Risk Management Update**

DW gave a general update:

RMG have reviewed the Corporate Risk Register

Andy Shanks has been appointed as COPFS Corporate Risk Champion.

A copy of the draft Risk Management Strategy was noted by ARC.

VD is to be joining the Risk Management Group

Minutes of the last RMG meeting have been circulated

#### **Action**

**Secretariat to issue group with a copy of the latest Corporate Risk Register.**

13.

### **Assurance Mapping Framework Update : Group 4**

MA presented papers ARC 2022 (10 10A 10B)

These were noted and approved after general discussion with the undernoted action points being assigned.

#### **Action**

**MA to obtain update on future timetable for Health and Safety random checks.**

(It was agreed the delay was probably as a result of COVID 19 issues)

DW commented that the Scottish Parliament had an MS Excel version of an Assurance Mapping tracker which might offer enhanced functionality from the MS Word version used currently by COPFS.

#### **Action**

**DH (CA) to contact The Clerk of the Scottish Parliament for further details of the MS Excel version of their Assurance Mapping tracker.**

GW said the COPFS document on Equality and Diversity issues was very useful and approval was granted for it to be shared with Audit Scotland.

14.

### ARC Terms of Reference

Noted and agreed

15.

### AOB

RT (Chair) reported that he had attended the first meeting of the Scottish Government ARC Forum.

RT (Chair) reported that the ARC future work plan will be reviewed by a subgroup and brought back to the main meeting.

JM referred to the Report on Public Bodies Sponsorship Review.

### Action

**JM to send a copy of Report on Public Bodies Sponsorship Review for information.**

16.

### Next Meeting

**25 May 2022 at 11.00 am** (Venue to be decided)