

MINUTES

SCTS AUDIT AND RISK COMMITTEE

MEETING: 6 November 2017 in Parliament House, Edinburgh

Members Present:

Joe Al-Gharabally, Non-Executive Member SCTS Board (Chair)
Simon Catto, Non-Executive Member SCTS Board
Dr Joe Morrow QC, Non-Executive Member SCTS Board
Nigel Paul, Non-Executive Member (External)

Attended:

Eric McQueen, Chief Executive, SCTS
Richard Maconachie, Chief Finance Officer, SCTS
Noel Rehfish, Corporate Secretary, SCTS
Myra Binnie, Internal Audit Manager, Scottish Government
Sarah Self, Senior Audit Business Manager, Scottish Government
Stephen Bunyan, Internal Audit, Scottish Government
Michael Lavender, Scott Moncrieff, External Auditor
Helen Bennett, Interim Finance Director, SCTS
Gillian Battison, Financial Governance Manager, SCTS
Kay McCorquodale, Chief Development and Innovation Officer, SCTS (item 4 only)
Claire Taylor, Director IT, SCTS (item 4 only)
Karen Lawrie, Secretariat Business Manager, SCTS (Minutes)

Apologies:

Christine Carr, Non-Executive Member (External)

1. Declaration of Interests

1.1 There were no new declarations of interest from Members.

2. Minutes of the Meeting of 7 August 2017

2.1 The minutes of the last meeting were approved.

3. Matters Arising

3.1 There were no outstanding actions from the previous meeting.

Update from the SCTS Board

3.2 The Committee received an update of the matters discussed at the Board meetings held in August and October. In August the Board had considered and accepted the Committee's Annual Report to the Board and had approved the SCTS Annual Report and Accounts. In October the Board visited the Scottish Crime Campus at Gartcosh and considered a number of major Estates Projects, such as the Inverness Justice Centre and Glasgow Integrated Tribunals Centre.

4. ICMS Assurance (SCTS/ARC/Nov17/44)

4.1 The Committee were appraised of the status of the various project assurance activities in place relating to the Integrated Case Management System.

4.2 The feedback provided by members at the last meeting in relation to the Technical Assurance Review had been incorporated into the delivery schedule, with the actions re-prioritised accordingly. A further independent Technical Assurance Review would be scheduled in early 2018. A scoping exercise was currently underway to agree the format and content of the review. It was agreed that the initial findings from the review should be shared at the next meeting if available. Committee members also requested a progress report on preparations and readiness for the roll-out of the first stage of the Civil Online portal at the next meeting.

4.3 Members welcomed the rigorous approach taken to planning and testing as set out in the Technical Assurance Action Plan, and requested that an overview of the test process and the issues it had identified be provided at the next meeting.

Action. The Executive to provide a progress report on preparations for the roll out of the Civil Online portal, including an overview of the issues identified through the testing process, at the next meeting.

4.4 The Executive confirmed that the updated ICMS Business Case was in near final form. Members would be offered the opportunity to comment on it ahead of the next meeting.

5. Internal Audit Update (SCTS/ARC/Nov17/45)

Progress Report 2017-18

5.1 A report on the progress on the 2017-18 Audit Plan was presented by Internal Audit. Two of the five planned audits had been completed with two underway. Good progress had been made with the follow-up audits as three of the four planned had been carried out. Members were pleased to note that Internal Audit remained on track to fully complete the 2017-18 Programme.

5.2 Internal Audit highlighted a number of outstanding actions in relation to their reviews of Data Handling and the Finance Transformation programme, and noted that discussions on the priority of outstanding actions were ongoing.

Information Security Management – Follow up Audit Findings

5.3 Noting the earlier than usual timing for this follow up, Internal Audit updated the Committee on the Information Security Review. The Executive acknowledged that a number of actions had yet to be completed however the actions had been prioritised with realistic completion dates identified for each.

6. Assurance Framework and Best Value Tracker (SCTS/ARC/Nov17/46)

6.1 The Committee considered the Assurance and Best Value Tracker which provided an overview of the assurance sources in place across the organisation in relation to key functions, services and best value themes. An updated version of the tracker was presented to the Committee each year as part of its annual work programme. Members welcomed the document and were content with the level of detail provided.

7. Review of Core Work Plan and Deep Dive Sessions for 2018-19 (SCTS/ARC/Nov17/47)

7.1 The Core Work Plan and proposed Deep Dive Sessions for 2018-19 were reviewed. It was agreed that members would consider the proposed deep dive sessions for 2018 and the optimal timing for each. The Chair would collate responses from Members and inform Secretariat to allow the Core Work Plan 2018-19 to be finalised.

Action: Members to inform the Chair of their preferences for the Deep Dive Sessions in 2018, with the Chair informing Secretariat of the final selection by Friday 10 November.

7.2 It was agreed that the Peer Audit Review would be submitted to the Committee for consideration bi-annually at the August and January meetings in 2018-19.

8. Action Tracker – Risks, Impacts and Resources (SCTS/ARC/Nov17/48)

8.1 Following the last meeting, the Executive had considered the outstanding actions on the SCTS Audit Action Tracker. The tracker had been updated to take account of the key risks, impacts and resources required to respond to the actions. Members reviewed the SCTS Audit Action Tracker and were content with the detail provided against the actions recorded on tracker. A number of detailed points were raised in relation to the prioritisation, rating levels and format of the tracker. It was agreed that the Chair and the Executive would meet to discuss the format and presentation of actions recorded on the Action Tracker, in order to ensure that it allowed the Committee to review follow-up activity in the most effective way

Action: The Chair and the Executive to meet to discuss recording and reporting of audit actions on the SCTS Audit Action Tracker.

9. Corporate Risk Register (SCTS/ARC/Nov17/49)

9.1 The Committee considered the current version of the Corporate Risk Register. Members agreed they were content with the proposed consolidation of risks contained in the register and agreed that it should be re-worked into the consolidated format, ahead of the annual joint Board and Audit and Risk Committee workshop on corporate risk, due to be held in February.

10. Any Other Business

10.1 None.

11. Papers for Scrutiny/Exception Reporting Only

11.1 The following papers had been circulated for scrutiny:

- Statement of Assurance Update
- Data Incidents Report
- Fraud, Theft and Losses Report
- ICT Risk Register
- Peer Audit Review
- Core Work Plan
- Internal Audit Report: Justice of the Peace
- Internal Audit Report: Performance Management
- Internal Audit Report: Strategic Review Follow-up
- Internal Audit Report: Quarterly Bulletin

11.2 It was noted for the Core Work Plan that a Deep Dive Session had not been scheduled for the meeting in January 2018. Members agreed that no formal session was required.

12. Date of Next Meeting

12.1 Monday 29 January at 11.00am in Parliament House, Edinburgh.

13. Post Meeting Deep Dive Session – Information Management and Data Protection.

13.1 Iain Hockenhill joined the meeting to outline the legal framework observed by the SCTS in relation to information management and data protection. This included the Data Protection Act 1998, Freedom of Information (Scotland) Act 2002, Public Records (Scotland) Act 2011 and Environmental Information (Scotland) Regulations 2004 which the SCTS adheres to.

13.2 A number of substantive changes would be made to the existing regime through the introduction of the General Data Protection Regulation (due to come into force on 25 May 2018). The impact these would have on SCTS was summarised. The Committee welcomed the development of new policies and procedures in addition to an e-learning package to inform staff of the changes that would be forthcoming.

13.3 It was noted that a charge for Subject Access Requests under current data protection legislation would no longer be applicable and the current 40 day response timescale would be reduced to 28 days from the point at which an individual's identity was confirmed.

13.4 The Committee were advised of the recent introduction of a Data Sharing Portal which allowed justice partners and other entitled parties to access information appropriate to their needs. The Committee were satisfied that sufficient steps were being taken to ensure compliance with the new regime.

13.5 The Chair thanked Iain for his informative session.

SCTS Audit & Risk Committee
November 2017