

**Minutes of the eighteenth meeting of the
Office for Legal Complaints Audit and Risk Committee**

Monday 21 October 2013

09.30am – 11.00am

The Studio, 7 Cannon Street, Birmingham, B2 5EP

Present:

Karen Silcock, Chair
Tony Foster, member
Professor Mary Seneviratne, member

In attendance:

Adam Sampson, Chief Ombudsman
Rob Hezel – Chief Operating Officer
Paul Partridge, Head of Finance
Claire Forbes, KPMG
Andy Sayers, KPMG
Amelia Robertson, NAO
Alex Games, NAO

Observing:

Chris Kenny, Chief Executive Legal Services Board

Committee Secretary:

Janet Edwards Assistant to the Policy and Communications Team

Preliminary issues:

The quorum requirements for the Committee meeting were met; no conflicts of interest were declared.

Item 1 – Welcome:

1. The Chair welcomed those in attendance

Item 2 – Minutes of previous meeting:

2. The minutes of the meeting of 20 May 2013 were approved for publication.

Item 3 – Matters arising & action points:

3. Both outstanding actions now completed

Item 4 – Risk Review:

4. The Head of Finance presented the updated 'Risk Register,' now with a new format and layout. It was agreed that although at first sight this looked more complicated it had the potential to be more effective as it emphasised action and accountability for risks and actions.

In response to questions raised around key risks Head of Finance confirmed that:

- Disruption caused by recent restructuring was considered to be only temporary
- Risk around our cost KPI measure was now significantly reduced.
- Feedback from quality reviews was cascaded down appropriately as part of the review process

It was pointed out that on page 11 of the register Risk R3 – Report – the word unwilling should read unable.

In response to further questions about the new format:

- Chief Operating Officer confirmed Senior Management Team were now getting used to it and were aware of the importance of flagging up actions.
- RAG status – Head of Finance confirmed Measures drive whether status is red or green and the Risk status is driven by the action required

Chair recommended that the detailed underlying documents be circulated for comment by committee members.

This committee will see the document at each meeting and take forward any concerns to OLC. Chair will suggest to OLC that they look at the document twice a year.

KPMG raised an issue of whether we need to report up the Ministry and therefore whether our reporting to them would have to be in a different format. This was thought unlikely, but will be confirmed.

ACTION

PP to liaise with sponsor team and NAO to confirm MoJ reporting requirements.

Item 5 – Proposal for review and update of policies:

5. General Counsel's team are in the process of looking at all policies and identifying any that require reviewing. No significant changes had been noted and the exercise should be complete week commencing 28 October 2013.

Items 6 – Internal Audit Aggregated Report:

6. The Head of Finance presented a summary of internal audit findings as of October 2013. It was noted that the server room move was now completed. No other major issues identified

Item 7 –Internal Audit update:

7. KPMG provided members with an audit committee progress paper and three audit reports.

- Training and Development – no issues
- HR controls – satisfactory but to be kept under review.
- Case fees project, follow up review – no additional recommendations raised.

Item 8 – External Audit Report:

10. The NAO presented the Audit planning report on the 2013-14 financial statement audit. No significant risks were identified. It was pointed out that any severance payments (including contractual payments) either have to have cabinet approval or a confirmation that approval is not required.

ACTION

Chief Operating Officer and Head of Finance to confirm whether cabinet approval is required for any payments made.

Item 9 – External Audit 2013/14 Audit timetable

Timetable will be very similar to last year. It was suggested that it would be helpful if papers and a governance statement could be available to members before the actual day of the next meeting. Head of Finance agreed to share as much information as possible as early as possible.

It was pointed out that the meeting with the Minister referred to on page two of the timetable would be attended by Chief Ombudsman and the new OLC Chair.

Item 10 – Any other business:

No items raised.

Page 3 of 3

Janet Edwards - Committee Secretary