

**Minutes of the fifteenth meeting of the
Office for Legal Complaints Audit and Risk Committee
Monday 22 October 2012
09.30am – 11.15am
Junction room, 5th Floor, Baskerville House, Birmingham**

Present:

Tony Foster, Chair
Professor Mary Seneviratne, member
Karen Silcock, (via conference facility)

In attendance:

Adam Sampson, Chief Ombudsman
Rob Hezel – Director of Finance and Business Services
Annabel Ellin, KPMG
Claire Forbes, KPMG
Andy Taylor, Head of Compliance,
Amelia Robertson, NAO

Observing:

Julie Myers, Legal Services Board

Committee Secretary:

Steve Glynn

Apologies:

Paul Partridge, Head of Finance
Chris Kenny, Chief Executive, Legal Services Board,
Andy Sayers, KPMG
Sajid Rafiq, NAO

Preliminary issues:

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

Item 1 – Welcome and apologies:

1. The Chair welcomed those in attendance, and noted the apologies received in respect of Paul Partridge, Chris Kenny, Andy Sayers and Sajid Rafiq .

Item 2 – Minutes of previous meeting:

2. The minutes of the meeting of 18 June 2012 were approved for publication.

Item 3 – Matters arising & action points:

3. The Head of Compliance presented the outstanding action points and progress reports from previous Audit & Risk Committee meetings (Annex B). The committee noted that all of the outstanding action points had been completed since the last committee meeting, or were included within the agenda.

Item 4 – Review of Corporate Risk Register:

4. Members noted the 'Risk Register,' and discussed various matters which had either increased or decreased. It was noted that the Board had considered and set the organisational 'Risk Appetite,' and that a full review of the format of the register would be conducted by the end of quarter one 2013. Karen Silcock volunteered to work with the Director of Finance and Business Services on possible improvements.

Item 5 – Review of Whistle Blowing Policy / Reported Cases:

5. The Head of Compliance advised the Committee that no instances of whistle-blowing had been notified to the organisations nominated officers. It was noted that the policy had been reviewed by the corporate policy board in September 2012, and that no changes had been suggested / implemented.

Item 6 – Internal Audit Aggregated Report:

6. The Director of Finance and Business Services presented the 'Summary of Internal Audit Findings,' to the committee and it was noted that all outstanding items were in hand.

Item 7 – Review of Data Security Breaches:

7. The Head of Compliance advised the committee that no new data security breaches had been reported to the Compliance Team. The scope for potential new breaches attributable to the printers had been addressed by a combination of new working practices and the award of ISO27001 – Information Security Standard.

Item 8 – Annual Report Planning Timetable:

8. The Head of Compliance presented the 'Annual Report and Audit Timetable 2012-13,' to the committee for information purposes. It was noted that a number of dates

were ‘to be arranged,’ and this was subject to notification of the ‘Parliamentary timetable.’

Item 9 – Update on the OLC/MOJ Framework:

9. The Chief Ombudsman gave an overview of the OLC/MOJ framework and advised the committee that the framework would be reviewed following the recommendations of the triennial review and the potential implications associated with the adoption of claims management.

Item 10 – Internal Audit Reports:

10. Annabel Ellin, KPMG provided the committee with an overview of the internal audit progress report and provided a summary of the findings and recommendations of five recently completed internal audits, namely: Payroll, Quality Management, Business Process, IT (Systems Security) and Decision Validation. It was noted that all of the recommendations had been completed or were being progressed.

The Chair informed the committee that he would be taking the lead on ‘quality,’ in conjunction with Professor Seneviratne.

ACTION

- The Director of Finance and Business Services to provide an update / review of the quality improvement process to the next committee meeting (21st January 2013) following KPMG’s recent report.

Item 11 – Any Other Business:

11. The Head of Compliance presented an updated ‘Business Continuity Report,’ and advised the committee that the plan had been revised and re-issued. It was noted that the test and reporting schedule was as follows:

Ref	Description	Frequency	Month(s) of test
BCPT1	Emergency and messaging facility	Six Monthly	February and August
BCPT2	Recovery and sustainability of IT systems between LeO and 2e2 (Reading)	Annually	September
BCPT3	Recovery and sustainability of IT systems between LeO and 2e2 back up sources (Gateshead)	Annually	September
BCPT4	Recovery and sustainability of offsite disaster recovery partner	Annually	April

BCPT5	Recovery and sustainability of each Departmental Emergency Plan	Annually	February
BCPT6	Review of BCP and documentation, incorporating recommendations from partial / full simulations	Annually	June
BCPT7	Full test of the BCP (to be considered by the Executive in the new year - 2013)	Every 2 years	February

12. Annabel Ellin, KPMG informed the committee that this would be her last A&RC meeting as she was leaving the employment of KPMG and that Clair Forbes would be replacing her. The Chair and committee thanked her for her diligent work and wished her well with her new endeavour. She also reported that Andy Sayers would be the new KPMG partner responsible for the LeO account.
13. The next meeting of the committee will take place on 21 January 2013 in Birmingham.

Steve Glynn - Committee Secretary
23 October 2012.