

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

Monday 23 January 2011

09.30am – 11.15am

Copthorne Hotel, Paradise Circus, Birmingham B3 3HJ; Cullinan Suite

Present:

Tony Foster, Acting Chair
Professor Mary Seneviratne, member

In attendance:

Andy Taylor, Head of Compliance
Adam Sampson, Chief Ombudsman
Rob Hezel – Director of Finance and Business Services
Paul Partridge, Head of Finance
John Ward, KPMG
Annabel Ellin, KPMG
Madeline Dugmore, NAO

Observing:

Chris Kenny, Chief Executive, Legal Services Board

Committee Secretary:

Steve Glynn

Apologies:

Brian Woods-Scawen – Member, and Sajid Rafiq, NAO

Preliminary issues:

The quorum requirements for the Committee meeting were not met; formal decisions would be referred to the OLC Board Meeting 23 January 2012 for ratification. No conflicts of interest were declared.

Item 1 – Welcome and apologies:

1. The Chair welcomed those in attendance and confirmed that apologies had been received from Brian Woods-Scawen – Chair, and Sajid Rafiq - NAO.

Item 2 – Minutes of previous meeting:

2. The minutes of the meeting of 17 October 2011, were approved for submission to the OLC subject to a minor amendment.

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 a number of outstanding action points had been completed since the last committee meeting or were included within the agenda.

Item 4 – Chair’s oral update:

4. The Chair updated the Committee on the progress in the recruitment of two new lay committee members and it was hoped that they would commence their duties post February 2012, sub-committee duties to be confirmed on recruitment.

Item 5 – Review of Corporate Risk Register:

5. The Chief Ombudsman provided an overview of the Corporate Risk Register and it was noted that the register had been sub-divided into discreet areas ‘corporate (one register) and departmental risk (seven registers).’ Departmental risk registers as detailed: Compliance and Equality & Diversity, Operations, Finance, Quality & Facilities, Human Resources & Development, Information Technology & Telecommunications, Ombudsman & General Counsel and Policy & Communications Risk Registers.

Item 6 – Review of anti-fraud policy and fraud risks:

6. The Head of Finance provided an overview of the anti-fraud policy and the recently published anti-bribery procedures.

ACTION

The Head of Compliance and KPMG to consider amalgamating the ‘anti-fraud and anti-bribery procedures,’ into one overarching procedure.

The Director of Finance and Business Services to ensure that all instances of fraud / bribery covered under the remit of the procedures to be brought to the attention of the Audit & Risk Committee as a matter of urgency.

Item 7 – Review of Governance Statement:

7. The Director of Finance and Business advised the committee that the annual statement on internal control (SIC) had been replaced by a requirement for

departments, executive agencies and arm's-length bodies to produce a 'Governance Statement,' and provided an overview of the same. In addition, it was noted that there was a new requirement for 'sustainability report,' introduced for the 2011-12 financial year and onwards.

ACTION

The Director of Finance and Business Services to produce a draft 'Governance Statement,' in preparation for the April Audit & Risk Committee.

Item 8 – Review of Data Security Breaches:

8. The Head of Compliance provided an overview of data security breaches as notified to the 'Compliance Team.' It was noted that reported instances had dropped and that no instances were attributable to the external scanners / printers. In addition, the committee were appraised of the continuing efforts to raise staff awareness in relation to Data Protection and including: regular internal communications and completion by all staff of the Cabinet Office 'Protecting Information,' on-line courses levels 1&2 by the end of February 2012.

Item 9 – External Audit Reports:

9. Madeline Dugmore – NAO, presented the Office for Legal Complaints 'Audit Planning Report 2011-12,' and highlighted amongst other matters 'Annex 1 - Audit Timetable for 2012.'

Item 10 – Internal Audits:

10. The Head of Finance presented an 'Aggregated Internal Audit Analysis,' paper for the committee's attention. In addition, John Ward – KPMG, provided the committee with an overview of the internal audit progress report and provided a summary of a recently completed internal audit report 'Business Continuity Planning,' and draft details of the 'Summary Strategy 2012-14 and Annual Plan 2012/13.'

Item 11 – Review of the Organisations Financial Authority and Control Framework:

11. The Director of Finance and Business Services provided the committee with an overview of the organisations financial authority and control frameworks.

Item 12 – Any Other Business:

12. No additional matters were raised.

Steve Glynn - Committee Secretary
06 February 2012.