

Minutes of the twentieth meeting of the

Office for Legal Complaints Audit and Risk Committee

Monday 14 April 2014

09.30am – 11.00am

Baskerville House, Birmingham

Present:

Karen Silcock, Chair
Tony Foster, member
Professor Phillip Plowden, member

In attendance:

Adam Sampson, Chief Ombudsman
Paul Partridge, Head of Finance
Chris Kenny, LSB
Caroline Mendes Da Costa, NAO
Alex Games, NAO
Freda Sharkey General Counsel

Committee Secretary:

Holly Richardson, Assistant to the Chief Operating Officer

Preliminary issues:

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

Item 1 – Welcome:

The Chair welcomed those in attendance and introduced Philip Plowden as Professor Mary Seneviratne's replacement. The Chair informed the group that Freda Sharkey, General Counsel, would be joining the meeting later, due to travel delays.

Item 2 – Minutes of previous meeting:

The minutes of the 20 January 2014 meeting were approved for publication.

ACTION:

The Committee Secretary to publish the minutes from A&RC meeting on the 20 January 2014.

Item 3 – Matters arising & action points:

The action points from the previous meetings were discussed, and progress made noted. Follow on action points were set as required.

Item 4 – Risk Review:

The Head of Finance presented the updated report and the following points arising were discussed.

As well as seeking an enhanced disaster recovery facility for existing infrastructure in order to reduce reliance on a single supplier, work is underway to consider requirements for the cloud based systems currently being planned.

Further service issues in IT provision were discussed, emphasising the need to improve our risk profile by reducing single supplier reliance.

A policy review is planned and the opportunity will be taken to reflect the recent restructuring and also integrate output from the business transformation work taking place around the design of the new case management system.

Capacity and performance was discussed, the restructuring has placed increased efficiency demands on people and systems, and Key Performance Indicators were being closely monitored to enable any corrective action to be identified and taken. This needs to be managed alongside a number of major projects, and planned recruitment is now commencing which should provide resource to handle normal operations and project work.

The timetable for CMC work is becoming clearer, and will bring with it risks connected with unknown demand levels.

ACTION:

The Head of Finance to brief the new committee member on the risk framework.

Item 5 – Report of data security breaches:

Freda Sharkey joined the meeting. The Head of Finance noted that seven incidents have been reported during 2013-14, none have resulted in a material loss of confidential information or caused disruption or distress to any party. The incidents related to human error, and learning points from these breaches are being taken forward into the new case management system design.

Two post year end incidents were flagged, again neither is believed to have resulted in a material loss of confidential information or caused disruption or distress to any party and will be reported on formally as part of the regular reporting at the next meeting.

Item 6 - Proposal for review and update of policies:

The Head of Finance shared a list of policies, with those due for renewal highlighted. The Chair proposed the process be enhanced by identifying the key policies to be reviewed by relevant committees, and those to be subject to OLC approval. The review should be integrated with the business transformation work currently underway, and once completed a regular annual review process should be implemented.

ACTION:

The Chair of A&RC and Chair of RemCo to work with General Counsel to identify key policies for committee review and those requiring Board engagement.

Item 7 – Internal Audit Aggregated Report:

The Head of Finance presented a summary of internal audit findings as of April 2014.

There were four items not yet remediated with appropriate progress being made, and none overdue.

Item 8 –Draft Audit and Risk Committee annual report:

The Chair presented the annual report, and two small amendments to the draft text were proposed, and agreed. The Chair reminded the A&RC that it needed to set out its proposed programme of business and share it with the OLC. Head of Finance will prepare the programme of routine business, and this will be supplemented by internal audit and project plans during the forthcoming year as required.

ACTION:

Head of Finance to prepare the proposed programme of business.

Item 9 – External Audit Report:

The NAO gave an oral update. Following completion of all planned audit work on interim accounts in January no outstanding issues or exceptions were reported. The NAO are in discussion with the Head of Finance concerning some issues in relation to accounting treatment of the Levy. Discussions will be continued with input additionally from the MoJ and LSB as required.

Item 10 – Any other business:

The Chair proposed that an invitation to tender be issued in respect of our internal audit service during the financial year. There have been no issues with the current service, but it was felt appropriate for a periodic tender to be made.

ACTION:

Head of Finance to make arrangements for a tender process in autumn 2014.

Item 11 – OLC members private session

The Chair then convened a short private session for the OLC members of the Committee.

Holly Richardson – Committee Secretary