

Date:	17 May 2023	A(i)
Item:	23/003	

MINUTES
Audit and Risk Committee Meeting

Date: Wednesday, 8 February 2023

Venue: Department for Education - Sanctuary Buildings

Present: Sue Baldwin - Chair
Paul Hewitt - Member
Micon Metcalfe - Member
James Norton - Member
Richard Smith - Member
George Stylianides - Member
Diana Melville - Member

Attending: Rachel de Souza - Children’s Commissioner
Jenny Wilcocks - Head of Finance
Elaine Manak - Engagement Director, NAO
Ashleigh Thorius - Audit Manager, NAO
Hayley Clark - Associate Partner, EY
Simon Luk - Assistant Manager, EY
Chris Rising - Head of Internal Audit, Macintyre Hudson (dial in)
Nasim Clark - Team Leader OCC Sponsorship Team, DfE (dial in)

Apologies: Harry Buscall - Member

Board

Secretariat: Claire Vasco – Executive Assistant to the Children’s Commissioner

Item No.	Summary of Discussion
22/043	Welcome and Introductions
	The Chair welcomed members and attendees to the meeting. Apologies were noted from Harry Buscall (member). There has been a change in Secretariat and the Commissioner’s Executive Assistant will take over from this meeting. The Chair thanked Mubanga for all her hard work and support to the Committee.

22/044	Declaration of Interests
	No new interests were declared.
22/045	Draft Minutes of 16 November 2022, Summary of Actions and Matters Arising (Attachment A)
	<p>The Minutes of the meeting held on 16 November 2022 were approved.</p> <p>Action Log:</p> <p>22/035 External Audit - Audit and Risk Committee effectiveness tool is ongoing. The Chair noted the delay to the risk refresh.</p> <p>22/037 External Audit – Audit Timetable. This is on the agenda for today’s meeting and the action can be closed.</p> <p>Actions:</p> <p>When SLT has completed the risk refresh, the Committee will take action to identify one or two risks to carry out a deep dive.</p> <p>Matters Arising: None</p>
22/046	Children’s Commissioner’s Report
	<p>Commissioner’s Report:</p> <p>The Commissioner informed the Committee that it had been a busy period and highlighted the work undertaken on the Family Review, policing and online safety.</p> <p>The Commissioner drew members attention to the following areas of her report:</p> <ul style="list-style-type: none"> • The publication of <i>A positive approach to parenting: Part 2 of the Independent Family Review</i> (December 2022) and <i>‘A lot of it is actually just abuse’ Young people and pornography</i> (January 2023). Both received strong media coverage. • The strip-searching work is being finalised with the report due to be published in the next two to three months. It has been a difficult piece of work and the results are different in different parts of the country. The Commissioner was asked if there was a risk of the contents being watered down. The Commissioner confirmed that there has been no attempt to influence the outcome and the report is based on facts and figures. The Commissioner believes that once published, the report will attract a lot of media interest. • The Commissioner has visited unaccompanied children in hotels in Kent who are

	<p>seeking asylum and has published an open letter to the Home Secretary. The team are also making regular visits.</p> <ul style="list-style-type: none"> • The Commissioner gave evidence to the Joint Committee on Human Rights and also gave evidence in person in Geneva to the UN Convention on Rights of the Child, covering children in care, children with special education needs and unaccompanied children seeking asylum. • The Business Plan for 2023-2024 is currently being drafted. Members asked the Commissioner to provide a view of how the definition of impact could be developed. <p>The Commissioner asked members what they would like to do in terms of visiting the team and gaining more information about how projects are run. The team can run a series of briefings around areas of interest in the summer and next year, and these can take the form of 'lunch and learn' sessions. The Chair suggested members let her know if they would like to look at an area of interest in more detail.</p> <p>The members thanked the Commissioner for a really helpful insight.</p> <p>Actions:</p> <ul style="list-style-type: none"> • Members to let the Chair and Secretariat know if there are any areas of interest they would like the team to brief them on. • The Commissioner to provide a view of how the definition of impact could be developed.
22/047	<p>Risk Management and Assurance Framework Q1 Review</p> <p>i). Risk Register (January 2023)</p> <p>ii). Assurance Framework Q2 Review (Sept – Dec 2022)</p>
	<p>The Risk Refresh has not been completed yet due to resourcing other commitments.</p> <p>The Risk Register has been updated, specifically around capacity issues due to the resignation of the HR Advisor. Once the position has been filled, the risk will be reduced. There was a discussion around the importance of filling the vacancies in the policy team as this could impact the capacity and ability to deliver the business plan. The Chair would like to revisit this at the May meeting.</p> <p>Actions:</p> <ul style="list-style-type: none"> • The chair would like to understand where we are with financial statements and assurances and would like to revisit at the May meeting.

22/048	<p>External Audit</p> <p>i). External Audit Planning Report 2022-23</p> <p>ii). OCC Value for Money Update (February)</p>
	<p>SL discussed the audit plan overview on p.4, including audit risks, and the basis of materiality. The details of these can be found in pages 8 – 12 and page 13 respectively. SL has also noted that there is no change in the audit team. SL also discussed the changes to the auditing standard with respect to ISA315 - Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment on p. 5. The revised requirements focus provides specifics on the procedures required to be performed. One of the biggest changes to the audit process as part of ISA315 is the requirement to understand the risk to CCo's financial statements from the use of IT. To this end the audit team will have to understand IT processes and controls that supports significant classes of transactions and also the financial statement close process. The audit team are currently working with management and the DfE IT team on these procedures.</p> <p>The NAO confirmed that the fee for next year has been agreed at £45k. This increase is due to inflationary pressures and the extra work involved with ISA315.</p> <p>The NAO highlighted a number of standard enquires on page two of the report and asked the committee to confirm they were happy with the points raised. The committee confirmed they were in agreement with the points raised.</p> <p>Actions: None</p>
22/049	<p>Internal Audit, Audit Assignment Update</p> <p>i). Progress Report</p> <p>ii). Internal Audit Recommendations Log 2022-23</p>
	<p>Two audits have been completed (Safeguarding and Governance and Leadership) and the Project Management audit is currently in progress. The Financial Planning and Budgetary Control audit will take place later in the year.</p> <p>Action: None</p>
22/050	<p>Budget & Management Accounts Update:</p>
	<p><i>Management Accounts (December 2022)</i></p> <p>The Head of Finance reported that due to a very tight budget, a number of senior posts were kept vacant for a number of moths in order to reduce budget pressure. This has</p>

	<p>now released funding available to be allocated to those vacancies or other needs totalling £61k. Two of the previously vacant senior roles are now filled and three other vacancies have been advertised.</p> <p>The Head of Finance would like the Committee to note that even if the current unallocated funds are not spent in the financial year then this level of underspend equates to only c.2% of budget which would still be a very good result in terms of efficient use of available funds.</p> <p>The Commissioner is keen for a 3-year budget settlement as this will aid with financial planning. The DfE Sponsor Team are looking at this and hope to have more information by the end of March.</p> <p>The Chair advised that care of language should be taken in reports to avoid misinterpretation.</p> <p><i>Counter Fraud Strategy and Counter Fraud Annual Action Plan Q3</i></p> <p>The Counter Fraud Strategy and Action plan were shared for information.</p> <p>Actions: None</p>
22/051	Any Other Business:
	<p>Policies and Procedures; sets out the latest reviews and updates to the organisation's policies and procedures and was provided for information.</p> <p>TIAA Data Protection Alert on 'The DfE challenged over its handling of pupil data' was shared for information.</p> <p>No further comment.</p> <p>Actions: None</p>
<p>Future meeting dates:</p> <ol style="list-style-type: none"> 1. Wednesday 17 May 2023 2. Wednesday 21 June 2023 <p>Wednesday 21 June 2023 – Remuneration Committee</p>	