

<b>Date:</b>	17.05.23	<b>A(i)</b>
<b>Item:</b>	23/0	

**MINUTES**  
**Audit and Risk Committee Meeting**

**Date:** Wednesday, 17 May 2023

**Venue:** Department for Education - Sanctuary Buildings

**Present:** Sue Baldwin - Chair  
Micon Metcalfe - Member  
James Norton - Member  
Richard Smith - Member  
Diana Melville – Member  
Harry Buscall – Member

**Attending:** Rachel de Souza - Children’s Commissioner  
Jenny Wilcocks - Head of Finance  
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)

**Apologies:** Paul Hewitt – Member  
George Stylianides – Member  
Nasim Clark - Team Leader CCo Sponsorship Team, DfE  
Elaine Manak - Engagement Director, NAO

**Board**

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

<b>Item No.</b>	<b>Summary of Discussion</b>
23/001	<b>Welcome and Introductions</b>
	The Chair welcomed members and attendees to the meeting. Apologies were noted from Paul Hewitt (member), George Stylianides (member) and Nasim Clark (CCo Sponsorship Team). Elaine Manak (NAO) confirmed with the Chair that only one representative will attend from the NAO going forward unless there is a need for Elaine and Ashleigh to both attend a particular meeting.

23/002	<b>Declaration of Interests</b>
	No new interests were declared.
23/003	<b>Draft Minutes of 8 February 2023 Summary of Actions and Matters Arising (Attachment A)</b>
	<p>The Minutes of the meeting held on 8 February 2023 were approved.</p> <p><b>Action Log:</b> The Chair asked the Commissioner to address the outstanding actions in her update.</p> <p><b>23/004:</b> Harry is interested in learning more about Help at Hand.</p> <p><b>Actions:</b> Members to let Secretariat know (CV) if there were any areas of interest they would like to be briefed on by the team.</p> <p><b>Matters Arising:</b> None</p>
23/004	<b>Children's Commissioner's Report</b>
	<p><b>Commissioner's Report:</b> The Commissioner informed the Committee that it had been a busy period and highlighted the following:</p> <ul style="list-style-type: none"> <li>• The Director of Finance and Resource role has been advertised and the Commissioner sought advice from members on the role and job description. The ongoing actions surrounding the risk refresh and the risk register will be for the new appointee to pick up. The current actions will remain on hold.</li> <li>• An interim HR Manager is in place with a permanent appointment starting in June.</li> <li>• The strip-searching work has been a key piece of work and received a lot of media interest. An Urgent Question was raised in the House following the publication of the report. The Home Office are minded to accept our recommendations, and the IPPC have already implemented some of the recommendations. The Commissioner was invited to Hackney council to speak their scrutiny committee (Child Q lives in Hackney and her mum was present at the meeting). Since the report has been published, there have been zero strip searches of children and young people in Harrow which is the biggest impact and important outcome.</li> </ul>

- The Illegal Migration Bill is currently going through parliament and the Commissioner has been advising all sides of the house, including meeting with the Lords. The Commissioner is looking to see if amendments around vulnerable children can be made.
- The office is continuing its work on Sexual Assault Referral Clinics and Harmful Sexual Behaviour with a lot of this work influencing the Online Safety Bill.

The members would find it helpful to have assurance that timelines for all the ongoing work are working for the organisation and that there are no major gaps. The Commissioner confirmed that there are no operational gaps. Support will be sought from the DfE for the short gap between when JW leaves (June) and when the new appointee starts (August/September time). The Commissioner is currently liaising with the DfE COO regarding the support required.

With a member of the Corporate Services team being off sick, the members asked how we can ensure adequate separation of duties. The Commissioner confirmed that Kathryn works closely with JW, and there is an EO working under Kathryn. Another EO role for the team is also being considered.

### ***Business Plan***

In a change from last year, this year's plan also includes a roundup of the previous year. The plan builds on last year's work with the seven pillars and goes into slightly different areas. This year, the focus will be The Big Ambition, ultimately a manifesto for children. The team will engage with all the youth, parents' groups, and our advisory boards, to produce a children's manifesto to have a sense of what children want, need and think.

With the current staffing pressures, members asked if the Commissioner is going to be able to resource everything laid out in the Business Plan.

The Commissioner confirmed that last year's plan was fully completed, and this year gives more flexibility, especially to respond to issues that arise during the year. The policy, comms and research team are well established teams, and they are key to the delivery of this plan.

When the risk refresh is completed, members would like to see the risks around delivering the business plan added to the risk register.

	<p>The Chair noted that member GS sent some comments for consideration mainly that it would be good to have a narrative that describes what has been considered, what has changed (or not) in the Commissioner's risk profile, the validity of the mitigations and an understanding of the residual risk and why this is acceptable, both for each specific risk and in aggregate. When the new Director of Finance &amp; Resources has been appointed, they will be able to take a strategic look at the risk process.</p> <p>Members asked about progress with a three-year financial settlement. The Commissioner confirmed that she has met with the DfE new COO and conversations are ongoing. The COO is going to look and see what, if anything, can be done. The Commissioner would ideally like the settlement to align with the next Spending Review.</p> <p><b>Actions:</b> None</p>
23/005	<p><b>Annual Report and Accounts</b></p>
	<p>The Annual Report and Accounts (ARA) were reviewed. The sections in yellow are to be updated and several sections have been updated since the committee received the draft report.</p> <p>Members questioned the half a million pounds noted as PPE and the Head of Finance explained it was due to adopting the new financial reporting standard on leases which means that both an asset and liability have been created to represent the future rental payments on our office space.</p> <p><b>Action:</b> The Head of Finance to amend the ARA to clarify.</p> <p>A discrepancy with members terms on pages 27 and 34 was identified and will be corrected.</p> <p>Members discussed the effectiveness of the committee, and it was agreed it is the right time to look at the terms of reference to see if the committee has met them and also look at the skill set of the committee.</p> <p><b>Action:</b> Committee members to review at the next meeting.</p> <p>With the amendments and updates still taking place to the ARA, the Chair confirmed that she would like to see the final draft prior to the next meeting.</p>

	<p><b>Action:</b> CV to send final draft to Sue and members as soon as it is ready.</p>
23/006	<p><b>Risk Management and Assurance Framework Q1 Review</b></p> <p>i). Risk Register (April 2023)</p> <p>ii). Assurance Framework Q4 Review (Jan-Mar 2022)</p>
	<p><i>Risk Register</i></p> <p>The Risk Register continues to be reviewed and there have not been any major changes since last meeting.</p> <p><i>Assurance Framework</i></p> <p>The members find the framework useful but questioned does it cover all the areas of assurance the committee wants to be sighted on. In terms of wider areas when the CCo is receiving services from the DfE, what assurances are we getting?</p> <p>The Commissioner has strong relationships with the DfE and has regular meetings with Senior Civil Servants. The Advisory Board has been strengthened and they have started to engage with every part of the Business Plan and members are going to own and sponsor parts of the plan and work with the team. This process could be useful in giving assurance to the committee around the work of the office.</p> <p><b>Action:</b> The Chair to pick up with the Chair of the Advisory Board to see how this can be achieved.</p>
23/007	<p><b>External Audit</b></p> <p>i). External Audit Planning Report 2022-23</p> <p>ii). NAO Value for Money Update (May)</p>
	<p><i>External Audit Planning Report</i></p> <p>The interim update report was shared and taken as read. There are no significant findings coming up out of the process, although there is a slight risk around delivery of audit and the NAO have moved their team around to accommodate. The NAO note the ongoing debate with GPA regarding the rental amount for the lease.</p> <p>The audit is due to be completed by 9<sup>th</sup> June with the Audit Completion Report being presented to ARC on 21<sup>st</sup> June. There is a month between audit and ARA laying date. NAO and EY will also sign off the ARA.</p> <p>It is helpful for the committee to have assurance that all parties are working towards the timelines and the committee would like to be kept up to date of any issues. The bigger</p>

	<p>risk is capability/capacity on the organisation to complete the work.</p> <p><i>NAO Value for Money Update (May)</i></p> <p>The NAO Value for Money report was noted.</p> <p><b>Actions:</b> None</p>
23/008	<p><b>Internal Audit, Audit Assignment Update</b></p> <p>i). Internal Audit Annual Report  ii). Project Management Report (final)  iii). Financial Planning &amp; Budgetary Control Report (final)  ii). Internal Audit Recommendations Log 2022-23</p>
	<p>The final two audit reports obtained substantial assurance with no areas of weakness identified. There are well designed processes which are operating effectively.</p> <p>The Internal Audit opinion is a positive opinion: the CCo has adequate and effective management, control, and governance processes in place to enable the organisation to manage the achievement of its objectives. No areas of significant weakness were identified and there is good progress on implementation of recommendations. It was noted it's good practice to add assurances to Risk Register.</p> <p>Members asked when the draft reports are issued, do staff come back with responses in good time. Chris Rising confirmed the last couple of months have been slower than normal, but the response time is still good and there are no concerns.</p> <p>Members asked if the CCo receive any assurance for DfE regarding the reliance on their services. Chris Rising confirmed he has not seen anything, and Hayley Clark confirmed that ISA315 looks at the finance systems that feed into the CCo, but other government departments do issue control reports to their ALBs.</p> <p>ARC would like to see some assurance from the DfE.</p> <p>The Commissioner commented that IT and the financial settlement are the main frustrations with DfE.</p> <p>The Directors found the internal audit a good experience and engaged with process. Lots of the conversations with the auditors have already been put into place.</p> <p><b>Action:</b> None</p>

23/009	<b>Budget &amp; Management Accounts Update:</b>
	<p><i>Management Accounts (March 2023)</i></p> <p>The Head of Finance reported on the Budget and Management Accounts. There is a small underspend totalling £69k (2.5%) in our cash revenue budgets, of which £15k is programme and £54k admin.</p> <p>A grant from the Cabinet Office to carry out some work on disabilities has been received and it has been agreed it can be carried forward as it was only finalised in March.</p> <p>Members noted that careful management of the budget is really important.</p> <p>There are no management accounts for April as there is no budget to report against. The Head of Finance has created a draft budget for this year, taking into account the additional requests for GPA. Members noted it is still useful to report on a draft budget as we are coming to the end of Q1.</p> <p>Chair would like to thank Jenny for all her hard work.</p> <p><i>Counter Fraud Strategy and Counter Fraud Annual Action Plan Q4</i></p> <p>The Counter Fraud Strategy and Action plan were shared for information. It was confirmed that it is a requirement of the Functional Standards from the Cabinet Office to have this document.</p> <p><b>Actions:</b> None</p>
23/009	<b>Any Other Business:</b>
	<p><i>Policies and Procedures</i></p> <p>Sets out the latest reviews and updates to the organisation’s policies and procedures and was provided for information. The Chair would like to see a record of what has been updated at each meeting.</p> <p><b>Action:</b> Secretariat to provide an update for every meeting confirming which policies have been updated.</p> <p><i>Lunch and learn and next meeting</i></p> <p>It was agreed the lunch and learn with the team will take place prior to the next meeting on 21 June.</p>

The date for the November meeting was agreed as 22<sup>nd</sup> November with a 2.15pm start.

*Data Protection Annual Report*

The Data Protection Officer's report sets out the data protection activities for the year 2022-23. The committee noted the contents of the report.

The Commissioner advised the committee that we were asked to prepare a statement for the Covid Inquiry. The previous Commissioner has also been asked for a statement and has approached the CCo and DfE for legal and financial support. We have referred back to the DfE.

A question was raised about the internal audit plan for next year. We are waiting to hear from DfE to see if it can be extended for another year.

**Future meeting dates:**

1. Wednesday 21 June 2023
2. Wednesday 20 September 2023
3. Wednesday 22 November 2023