

Date:	26/06/2024	A(i)
Item:		

Minutes

Audit and Risk Committee Meeting

Date: 26th June, 2024

Venue Department for Education, Sanctuary Buildings Room 2.13

Present: Sue Baldwin – Chair
 Rachel de Souza – Children’s Commissioner
 Andy Cottrell – Director of Finance and Resources
 Juliette Cammaerts – Executive Director
 Diana Melville – Member
 Paul Hewitt – Member
 Ben Lazarus – Partner, EY
 Sebastian Groth - Engagement Director, NAO

Attending (dial in): Micon Metcalfe – Member (Dial-in)
 Sara Ace – Member (Dial-in)
 Chris Rising - Head of Internal Audit, Macintyre Hudson (Dial-in)
 David De Sousa – (Dial-in) DfE sponsor

Apologies: David Logue – DfE sponsor

Committee Secretariat: Hadia Kocierz – Finance manager

Item No.	Summary of Discussion
24/001	Welcome, Introductions and apologies
	The Chair welcomed the members and attendees to the meeting. David De Sousa was attending the meeting on behalf of David Logue.
24/002	Declarations of Interest and Declarations of Interest Forms
	SB will complete the relevant forms and email them to AC. The forms for other ARC members have been received.

24/003	Draft Minutes of 21 February 2024 & Matters Arising
	<p>The Minutes of the meeting held on 21 February 2024 were approved. It was noted that RdS meeting with Sue Gray was held on the 9th April before the election period which began on 30th May.</p> <p>The following action items were now complete and were to be taken off the action log:</p> <ul style="list-style-type: none"> • 23/034 • 23/035 • 23/045 • 23/046 (new property license treatment only) <p>With regards to item 23/046 – Impact of GPA delays; it was noted that we had reached verbal agreement that OCC will remain in DfE building. The review of ARC Terms of Reference and actions on risk management will form part of the consultancy work.</p> <p>It was noted that a number of the remaining actions were dependent on the proposals for work to be undertaken by a proposed exercise to be carried out in the next 3 months. ARC sought assurance these would be part of the project spec and recorded as such.</p> <p>Action: AC to reference the relevant actions with the consultancy work.</p> <p>Action: AC to mark off items actioned as completed so they can be taken off from the overall list.</p>
24/004	Children’s Commissioner’s Report

	<p>The Children’s Commissioner’s report focused on the impact of the team’s work. The biggest piece of which was the launch of ‘The Big Ambition’ (TBAM) on the 25th of March 2024 at House of Commons. The ARC members congratulated RdS on the successful launch of The Big Ambition and praised her for a job well done.</p> <p>Action: SB requested an informal session with TBAM Ambassadors. RdS/ JC to arrange meeting.</p>
24/005	<p>Corporate Services Update</p>
	<p>i) Internal Audit</p> <p>AC updated that the internal audit went out to tender using a Crown Commercial Services Framework agreement. One tender was received from TIAA Ltd and a three-year contract with option to extend for another year was awarded to the company after an interview with them. The relevant quote was compared with the Government Internal Audit Agency. It was felt TIAA were a better fit given the size, capacity and available resources of the OCC..</p> <p>Action: AC to work with TIAA to develop an audit plan for presentation to ARC in in September.</p> <p>ii) Data Protection</p> <p>AC noted that TIAA Ltd. has been DPO for OCC for past three years and were reappointed after three quotes tender process in January 2024.</p> <p>iii) HR Update</p> <p>It was noted that hiring for new G6 role was complete. This will create succession planning and capacity within the SMT team.</p> <p>iv) Interim consultancy role</p>

	<p>[MM left the meeting during this discussion to avoid any potential conflicts of interest; HK and JC left the meeting]</p> <p>The interim consultancy role will review structures and roles within corporate services and across the wider team. In addition, it will review the risk and assurance framework, risk register and KPIs ensuring everything aligns with strategy. The scope of the role will also include accessing MI systems and producing report papers on options and recommendations on structures, roles and MI system requirements. ARC members suggested that the scope and output of the role to be extremely clear in terms of what is needed for the office.</p> <p>Action: AC to liaise with EY on procurement process for consultant.</p> <p>v) Fraud</p> <p>The ARC committee had previously agreed a NIL should be included to report no fraud / no near misses.</p> <p>Action: AC to include return on fraud in future papers.</p>
24/006	May management accounts and Budget update
	<p>[MM, JC and HK rejoined the meeting]</p> <p>i) Budget</p> <p>There is a small increase in Budget of 3%. This relates to additional funding received for 'online harms role' and capital for CRM development for the Help at Hand team. In addition, the budget managers have been involved in developing the budget for the year and will be given ownership to stay within their allocated budgets. It was noted that the budget allows for 3% pay increase for cost-of-living and 1% for performance awards.</p> <p>ii) Management Accounts</p>

	No overspend expected in the management accounts. Also, contingency has been built in the staffing budget.
24/007	Annual report and accounts
	<p><i>Update on change in treatment of office spaces</i></p> <p>The Government Property Agency (GPA) issued a draft license agreement in April 2024. Following legal advice and sign off from auditors the costs of the office space will be treated as 'license fee' in the accounts instead of a lease. This means the Right of Use Asset in the accounts was written off at the start of the 23/24 financial year. AC further noted the in-year overspend. This was due to an accrual for increased license fees dating back to November 2021.</p>
24/008	External Audit
	<p>BL thanked for smooth completion of the audit and updated that procedures and checks were carried out around key risk areas with nothing to report. There was one unadjusted misstatement which was picked up by the team. Overall, OCC had a clean audit.</p> <p><i>Letter of representation</i></p> <p>It was noted that the letter of representation contained standard wording and needed to be signed off along with the accounts. SG noted that they were aiming to lay accounts on either 18th or 23rd of July.</p> <p>Action: AC to liaise with BL and SG on the process for laying the accounts.</p>
24/009	Internal Audit
	<p>MHA Update</p> <p>CR updated that there were two reports produced from their end.</p>

	<p>i) Annual report</p> <p>This summarized the work on core systems, business planning, internal controls and KPIs.</p> <p>It was noted that OCC had adequate internal controls and continued to make good progress by addressing recommendations on a timely basis.</p> <p>ii) Risk management report</p> <p>The adequate assurance given in the report was noted.</p> <p>The report noted the recommendations to improve risk management within OCC. This included updating the risk register and creating a wider awareness across the staff team of risk management and assurance. It was suggested that this work is to be completed by end of calendar year.</p> <p>The committee formally recognized and thanked MHA for their work.</p>
24/010	Risk and Assurance
	<p>It was noted that the timeline for completion of the work was short.</p> <p>Action: AC to reduce the risk score of 'office relocation'.</p>
24/011	Any other business
	<p>It was agreed that the next ARC meeting be moved from 25th September to 19th September.</p>
	<p>Future Meeting Dates</p> <p>Thursday 19th September 2024</p> <p>Wednesday 27th November 2024</p>