

COPFS AUDIT & RISK COMMITTEE
MINUTES OF THE MEETING HELD ON 3 JULY 2020
VIA MS Teams

Present:

Members

Robert Tinlin	Non-Executive Director – Chair
Vanessa Davies	Non-Executive Director
David Watt	Non-Executive Director

In Attendance

David Harvie	Crown Agent and Chief Executive and COPFS Accountable Officer
Ian Walford	Deputy Chief Executive (DCE)
Mark Howells	COPFS Director of Finance & Procurement (DFP)
Marlene Anderson	Head of Finance (HoF)
Sharon Davies	Head of Financial Account and Finance Systems
Robert Sandeman	Accountable Officer for QLTR
Jim Montgomery	Senior Internal Audit Manager, SG Internal Audit
Gillian Woolman	Audit Director, Audit Scotland
William Willkie	Audit Manager, SG Internal Audit
Esther Scoburgh	Senior Audit Manager, Audit Scotland
Emma Symons	Professional Trainee, Audit Scotland
Gordon McAllister	Senior Auditor, Audit Scotland
Carla Meechan	COPFS Secretariat

Apologies: None

Welcome

1. The Chair welcomed everyone to the meeting.

Declarations of Interest

2. The Chair noted a declaration of interest from David Watt as a member of the Audit Scotland Board.

Impact of COVID-19 on public audit briefing note

3. The Committee noted the paper.

IAD Progress report

4. The Audit manager advised that this paper had been updated from the May meeting and it was duly noted by the committee.

Risk Management Group: Annual Report

5. The Chair of the Risk Management Group (RMG) presented the first annual report from the RMG.

6. The Committee noted the report, thanking the chair of the RMG for such a comprehensive report.

Presentation of COPFS Annual Accounts

7. The Chair advised that there was still an item pending and that accordingly the COPFS accounts would not be signed today but that in all other respects the audit work has been completed.

8. The DFP passed presentation of the accounts to the Head of Finance and emphasised his gratitude to the team for their work in completing the COPFS accounts to the original timetable, in addition to their normal day to day work and despite the COVID-19 outbreak.

9. The Committee were asked to review and approve the Annual Report and Accounts for the year ended 31 March 2020 subject to the resolution of the one outstanding issue, prior to them being signed off at the next meeting.

10. The HoF noted thanks to the NXDs and Audit Scotland for their help in developing the enhanced format and also the Communications team for the style, formatting and the quick turnaround of documents.

11. The HoF outlined the key points in the accounts, which the Committee noted.

12. It was noted that the NXDs were happy that they received a draft annual report and accounts to review and all questions were responded to quickly by the team.

13. The Committee, having also noted the report of Audit Scotland, accepted the COPFS annual accounts subject to the resolution of the one outstanding item. It was agreed that an additional ARC meeting should be arranged to approve and sign off the accounts, and receive the final report of Audit Scotland, once that item has been resolved.

Audit Scotland Annual Report

14. The Audit Director presented the draft annual report that is still awaiting the resolution of one item, highlighting the other key aspects of the report. The Audit Director noted the constructive relationship between the COPFS Finance team and the audit team which had resulted in professional collaboration without impacting on auditor independence.

15. Due to COVID-19 Audit Scotland will not have completed all of the 2019/20 audits by the end of September, with likely completion by December. The Audit Director noted that COPFS did extremely well, subject to the outstanding item, with no other issues.

16. After discussions, the Committee noted the Annual Audit Report contents and thanked Audit Scotland for their work on producing such a comprehensive and constructive report.

QLTR Risk Register

17. Robert Sandeman, the Accountable Officer for QLTR, presented the updated QLTR Risk Register. RS advised that QLTR currently has 300 cases less than expected at this time of year. This may indicate an upcoming surge in cases in August. It is too early to tell the impact on the Ultimus Haeres unit. It was noted that the unit's performance has improved due to Ella Harkin's involvement.

18. QLTR are monitoring business levels and have outsourcing arrangements in place, and on standby, to provide additional legal support as required.

Presentation of the QLTR Annual Accounts

19. The HoF outlined the key points in the accounts, which the Committee noted.

20. The HoF noted thanks to Sharon, Robert, Julie and Audit Scotland for their work, and also the communications team for the style and formatting of the accounts and the quick turnaround.

21. The chair recognised Robert and the team's hard work.

22. It was noted that the NXDs were happy that they received a draft annual report and accounts to review and all questions were responded to quickly by the team.

23. The Committee were asked to review and approve the Annual Report and Accounts for the year end 31 March 2020 and to authorise the Accountable Officer to sign.

24. The Committee approved the QLTR 2019-20 accounts and recommended them to the Accountable Officer (Solicitor to QLTR) to sign.

QLTR Covering Letter (letter of representation)

25. The Committee noted the contents of the Letter of Representation.

Audit Scotland Annual Report

26. After an introduction from the Senior Audit Manager, the professional trainee presented the Annual Audit Report, which showed the financial statements of the QLTR gave a true and fair view of the state of affairs of QLTR as at 31 March 2020. They were properly prepared in accordance with the financial framework.

27. The expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by Scottish Ministers.

28. The Committee formally approved the QLTR annual accounts accepting Audit Scotland's annual report and recommending that they were passed to the Accountable Officer for signing.

29. The Committee noted the Annual Audit Report contents and thanked Audit Scotland for their work on producing such comprehensive and constructive report.

30. The Chair thanked both COPFS and QLTR for their input and for the hard work of all involved to achieve this outcome especially at such a difficult time during COVID-19.

Date of Next Meetings

31. The next routine meeting of the ARC will be on 21st August 2020.