



Gangmasters
Licensing Authority

GLA46/18 Audit and Risk Committee

15 July 2015

Board Paper Reference – GLA46/18 - Audit & Risk Committee

1. Purpose of the Report

- 1.1 To provide assurance to the Board concerning the governance provided by the Audit and Risk Committee, the probity and fitness for purpose of management systems and controls within the GLA and also to provide the Board with the necessary oversight relating to risk management in the organisation.

2. Recommendation

- 2.1 The Board is asked to note the approval of the Annual Report and Accounts 2014-15 (ARA) by ARC on behalf of the Board.

3. Reasons for Recommendation

- 3.1 The ARA forms part of the transition from the previous governance structure to the new Board.

4. Summary of Key Points

- 4.1 The ARA was approved with minor amendments. The question of the Chief Executive bonus was unresolved but National Audit Office (NAO) confirmed that this would not delay certification of the Accounts.
- 4.2 Auditors, Baker Tilley, conducted internal audits on Accounts Payable, Diversification of Income, Performance Management and a follow-up audit. In all cases a “Green” opinion was given, demonstrating only a small number of medium risk recommendations and proportionate actions planned or implemented.
- 4.3 Baker Tilley also provided an advisory review of the GLA public facing licensing application IT application, LAWS, including two high priority recommendations. ARC accepted that the GLA were taking all possible actions, but this is an area of concern.
- 4.4 Internal audit for 2015/16 onwards has been transferred from Baker Tilley to Home Office Internal Audit, who will be working with ARC to define the focus of future audits.
- 4.5 The Risk Register was reviewed however ARC is seeking a greater understanding of the GLA approach to risk management. It is suggested that the full Board should review risk at least annually.

5. Financial Implications and Budget Provision

- 5.1 None

6. Organisational Risks

- 6.1 The fluid situation in the developing debate on the formation of a new agency clearly has risks for GLA. It also makes dealing with ongoing risks, such as with the LAWS system, more difficult to address.

7. Policy Implications and Links to Strategic Priorities

- 7.1 No policy implications. Audit and Risk Committee will ensure effective governance is in place to oversee, support and scrutinise the effective delivery by the GLA of its aim, strategic priorities and corporate objectives, with an effective risk management strategy in place.

8. Details of Consultation/EQIA

- 8.1 Not applicable

9. Background Papers and Relevant Published Documents

- 9.1 Not applicable

Report Author: Paul Williams, Acting Chair Audit & Risk Committee

Senior Responsible Officer: Paul Broadbent, CEO