



Gangmasters  
Licensing Authority

# GLA53/15a Audit and Risk Committee

**26 April 2017**

# Board Paper Reference – GLA53/15a - Audit & Risk Committee

## 1. Purpose of the Report

- 1.1 To provide the Audit and Risk Committee's (ARC) assurance to the Board concerning the probity and fitness for purpose of management systems and controls as well as to oversee risk management in the organisation following its meeting on 27 February 2017.

## 2. Recommendation

- 2.1 The Board is asked to note this report.

## 3. Reasons for Recommendation

- 3.1 The recommendation is made in accordance with the Committee's terms of reference.

## 4. Summary of Key Points

- 4.1 The Committee noted that the Chief Executive was writing to the Home Office on their desired approach to setting fees.
- 4.2 The Committee noted the internal audit report on progress on audit recommendations. The Committee expressed concern that there was some evidence of slippage. The Committee asked that realistic targets are set, given competing pressures, and renegotiated in a timely manner if necessary.
- 4.3 The Committee noted that NAO would be carrying out a national value for money review on the government's modern slavery programme. The GLA would be involved in due course.
- 4.4 The Committee considered the risk update and noted:
  - The GLA Chair gave an update on progress on IT risks and issues and the work of the Transition Board and the Committee noted this and the continuing concerns.
  - The Committee noted with concern the continuing lack of progress on resolving issues with the Home Office and the amount of resource required to achieve this at the expense of the change agenda. In particular the Committee was concerned by the governance impact of a failure to address possible reappointments to the Board and the Chief Executive's remuneration.
- 4.5 The Committee commented on the draft Interim Governance and Assurance Statements and noted the revised Financial Manual and Anti-Fraud Policy.

4.6 The Committee noted that the Business Continuity Plan had not been updated as hoped. The Committee stressed the importance of having the plan in place as soon as possible, while recognising conflicting time pressures.

4.7 The Committee held its regular private session with Internal Audit and NAO. The auditors were content with the work of GLA staff and the relationship with audit was considered effective. The following issues were discussed:

- Concerns as to governance issues involving delays in the appointment or re-appointment of Board members
- Concerns over the position of the CE given the continuing uncertainties as to remuneration
- Early concerns as to the capacity of staff and the pressures they are under as a result of the change programme and potential impact on the GLA's ability to deliver agreed recommendations.

## **5. Financial Implications and Budget Provision**

5.1 The Committee noted the continuing potential financial impacts of the legal challenge cases and the ICT/LAWS replacement issues.

## **6. Organisational Risks**

6.1 The organisational risks were discussed as set out above.

## **7. Policy Implications and Links to Strategic Priorities**

7.1 None

## **8. Details of Consultation/EQIA**

8.1 None

## **9. Background Papers and Relevant Published Documents**

9.1 No papers

**Report Author: WA Butler**

**Senior Responsible Officer:**