



Gangmasters &  
Labour Abuse Authority

# GLAA54/16 Audit and Risk Committee

**19 July 2017**

# Board Paper Reference – GLAA54/16 - 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 22 June 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 was joined by the GLAA Chair for a presentation on a draft review of the GLAA's approach to risk that had been commissioned by the Chief Executive from Theia Consulting. The Committee commented on the draft and noted its recommendations for developing the GLAA approach to risk in the light of legislative and organisational change. In particular, the need to align risk management with other developments in performance management was considered. The final report will be considered by the Board.
- 4.2 The GLAA Chair also joined the Committee for consideration of the Business Continuity Plan. The Committee welcomed the framework set out in the plan and noted the intention to test its operation. The Committee asked that responses and time lines now be refined and developed with input from responsible managers.
- 4.3 The Committee noted that the Chief Executive had recently received a letter from the HO setting out a suggested approach for a review of fees. The suggestions needed fuller consideration, but the initial view was that they provided an acceptable way forward. The Committee asked that it be kept informed of progress in this area.
- 4.4 Internal Audit reported that the agreed work programme for 2016/17 had been completed. Based on the work it had carried out, Internal Audit's opinion was of moderate assurance. The Committee thanked Internal Audit for its work and support over the year.
- 4.5 The National Audit Office reported that, due to issues with a reconciliation relating to staff numbers, it had not been possible to complete the audit as planned. It was understood that the issues had now been resolved and the audit would be completed as soon as possible. The accounts will not be laid until after the recess. FL The

Committee noted the position and urged the Chief Executive to continue to work with NAO and the Home Office to ensure that the accounts are laid as soon as possible.

4.6 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 impact on good governance of the uncertainty relating to possible reappointments to the Board and the Chief Executive's remuneration.

4.7 The Committee congratulated staff on the excellent report from the Interception of Communications Commissioner's Office (IOCCO).

## **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 and developments on risk management.

## **6. Organisational Risks**

6.1 The organisational risks were discussed as set out above.

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

7.1 Changes to the risk management approach may have an impact on performance management against strategic priorities and this will be considered as a part of the work described above.

## **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:**