

Report to:	MSMTM
Report by:	Helen Gardner-Swift, Head of Corporate Services (HOCS)
Meeting Date:	23 February 2022
Subject/ Title: (and VC no)	Internal Audit – Governance and Risk Management (VC165361)
Attached Papers (title and VC no)	Internal Audit – Governance and Risk Management Report (VC165372)

Purpose of report

1. The purpose of this Committee Report (CR) is to ask the Senior Management Team (SMT) to formally acknowledge receipt of the Internal Audit Report – Governance and Risk management and the recommended management action.

Recommendation and actions

2. I recommend the following:
 - (i) the SMT formally acknowledge receipt of the Internal Audit Report – Governance and Risk Management (the Report) and the findings set out in the Report
 - (ii) the SMT note the Management Action set out in the Report
 - (iii) this CR is published in full but the Report is not published for the reasons set out in paragraph 18

Executive summary

3. Our internal auditor, Azets, reviewed the effectiveness of our Governance and Risk Management arrangements and has submitted their Report to us.
4. The Report concludes:
 - that the Scottish Information Commissioner has effective and appropriate corporate governance and risk management processes in place
 - the governance arrangements are well documented and supported by policies and procedures reinforcing standards of behaviour, with performance monitored on an ongoing basis
 - there is also clear evidence of proactive risk management controls and practices.
5. No reportable weaknesses were identified as regards:
 - roles, responsibilities and terms of reference
 - formal performance evaluation of key governance forums/ organisational performance
 - the robust risk management policy
 - which has a defined, consistent and embedded approach for the accurate and timely identification and evaluation of risks related to achievement of business objectives

- mitigating actions are identified to manage residual risk down to an acceptable level, in line with an agreed risk appetite/tolerance, with actions allocated and risk reported in line with agreed frequencies
6. One minor improvement action has been identified in respect of the standards of behaviour and codes of conduct and this relate to the consideration of the acknowledgement of the Code of Conduct by staff members. The internal auditor is of the view that Implementation of this finding will allow the further strengthening of the overall framework in this area.
 7. The Management Action is to consider introducing the requirement for staff to declare annually their agreement with the Code of Conduct, alongside ensuring the Code's content is periodically reviewed and acknowledged. The action owner is myself and the Commissioner and the action due date is 31 May 2022.
 8. The draft audit report was circulated to the SMT for factual comment and agreement of the management action.

Risk impact

9. The risk of not having in place and monitoring effective and robust governance arrangements is mitigated by the maintenance and implementation of an internal audit plan and the engagement of an internal auditor or an appropriate expert to carry out the planned audits.
10. The internal auditor did not identify any high-risk weaknesses.

Equalities impact

11. There is no direct equalities impact arising from the report.

Privacy impact

12. There are no direct privacy implications arising from this report.

Resources impact

13. The internal audits to be carried out in each financial year are reflected within the annual Operational Plan so that the resources impact is taken into account.

Operational/ strategic plan impact

14. The internal audits for each financial year take account of strategic risks and are reflected within the annual Operational Plan.

Records management impact (including any key documents actions)

15. None.

Consultation and Communication

16. The SMT were consulted on the draft Report.
17. MSMTM minute.

Publication

18. This CR can be published in full but the Report is withheld on the basis that the exemption(s) in Sections 30(b)(ii) of the Freedom of Information (Scotland) Act 2002 would apply if a request were, at this stage, to be made for the information.