



Gangmasters  
Licensing Authority

# GLA42/18 Audit and Risk Committee

**16 July 2014**

# **Board Paper Reference – GLA42/18 - Audit and Risk Committee**

## **1. Purpose of the Report**

- 1.1 To provide 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.

## **2. Recommendation**

- 2.1 The board is asked to note the satisfactory outcome of the Annual Report and Accounts process and the Triennial Review as well as the consequent work being undertaken by management to mitigate the risks of the move from DEFRA to the Home Office.

## **3. Reasons for Recommendation**

- 3.1 The Authority has demonstrated probity and effective operations to the satisfaction of the National Audit Office (NAO) and has been able to satisfactorily answer challenges from the ARC.

## **4. Summary of Key Points**

- 4.1 The ARC reviewed the Annual Report and Accounts (ARA) in detail. These were subsequently approved by the NAO without qualifications and submitted to the Minister for laying/sign off in July. Financial performance was in line with budget. There was an under spend of £30,000 on its £4m budget. Thanks were expressed to the GLA staff for a smooth and professional ARA process.
- 4.2 The Chief Executive briefed ARC on the new process and policy regarding risk management. The importance of clear roles was agreed. The role of the Board is paramount. Whereas ARC seeks assurance that risk is being managed and the Finance and General Purposes Committee considers our risk appetite, it is the Board itself that is responsible for overall risk management. It was agreed that not only will the Board see the full risk registers but they will also be engaged in a high level review, suitably facilitated.
- 4.3 Internal Audit reports on controls re IT, HR, Intelligence, budget setting and risk management were received. No risks emerged that were not being addressed and the major concern, which management were addressing, is to achieve a fit for purpose IT system that suits the size and purpose of the GLA.
- 4.4 Responsibility for policy and sponsorship of the GLA transferred to the Home Office following the announcement by the Prime Minister on April 9th. The ARC challenged the Chief Executive on how the risks of this significant change were being managed to ensure both a smooth transition and continuance of 'business as usual'. He confirmed that a plan had been drawn up and fortnightly meetings were taking place to ensure progress. It was agreed that this process should be added to the risk register.

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

5.1 None arising directly from this report.

## **6. Organisational Risks**

6.1 The move to the Home Office is likely to be risk neutral. Arriving with a clean bill of health from NAO will be helpful.

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

7.1 This work closely links with the overall strategic priorities of the GLA.

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

8.1 N/A

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

9.1 Annual Report and Accounts

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