

**NRS AUDIT AND RISK COMMITTEE MEETING**

28 June 2022

MS Teams

**ARC Members**

Colin Ledlie (Chair)	NRS Non-Executive Director
Bill Matthews	NRS Non-Executive Director
Christine Martin	NRS Non-Executive Director
Maggie Waterston	NRS Non-Executive Director

**ARC Attendees**

Kate Moffat	Internal Auditor – Scottish Government
Piotr Zelik	Internal Auditor – Scottish Government
Graeme Samson	External Auditor – Audit Scotland
Paul Lowe	NRS, Chief Executive
Linda Sinclair	NRS, Director of Corporate Services & Accountable Officer
Claire Gillespie	NRS, Chief Financial Officer
Lesley Smillie	NRS, Census Director team (Item 3)
Heather Lowrie	NRS, Lead Security Architect (Item 3)
Mandy Gallacher	NRS Non-Executive Director (Item 3)
Peter Whitehouse	NRS, Director Statistical Services (Item 3)
Shirley Cameron	NRS, Head of Business Management
Graham Thomson	NRS, Business Management (Secretariat)

**Apologies:**

Anna Krakowska	NRS, Head of Strategy and Planning
Asif Haseeb	External Auditor – Audit Scotland

**1. Welcome, Introductions and Apologies. Declaration of Interests & Matters Arising**

- 1.1 The Chair welcomed everyone to the meeting. Apologies were noted as listed.
- 1.2 No declarations of interest or matters arising were raised.

**2. Meeting held on 4 March 2022**

- 2.1 Minutes from the last meeting on 4 March 2022 were approved and would be published on the NRS website.
- 2.2 Action A02/21: Leslie Smillie to consider how NRS NXDs might be supported with guidance in relation to census communication and engagement activity. Action noted as completed and closed.
- 2.3 Action A01/22: NRS Audit Recommendations Status Report: To arrange for the report to note current target completion dates where required and to assist with tracking. Action noted as completed and closed. A new action to review

recommendations for closure was noted for Linda Sinclair in conjunction with Audit Scotland.

**Action A02/22: Audit Recommendation Status Report – To review live Audit Scotland recommendations for closure. Owner: Linda Sinclair/ Audit Scotland**

### **3. NRS Census 2022**

3.1 Paul Lowe provided Committee members with an update on the Census Programme and introduced Peter Whitehouse, NRS Director of Statistics to the meeting who provided further detail. The following topics were covered in a paper, with an oral update on the current progress also provided:

- Census Programme Delivery- Overview
- Census Extension- Scotland and beyond
- Census Delivery- Success Highlights
- Local Authority Return Rates
- International Steering Group
- Evaluation and Lessons Learned
- Next Steps- Transition from Collect
- Non Compliance
- Census Coverage Survey (CCS)
- Transition and Updated Governance

3.2 Lesley Smillie provided a further update on the programme status and noted the successes from the programme. The high online response rate and the successful operation of the online system were all positive. The following was highlighted:

- 2.1 million households used digital services, with 90% of responses received online, showing a clear preference for this method of response.
- 600,000 paper forms were issued, a significant proportion of issued paper forms had not been returned.
- The contact centre took over 600,000 calls.
- Just under 1.7 million doorstep visits were conducted by the field force.

3.3 Pete Whitehouse gave an overview of the CCS, the creation of the International Steering Committee and their involvement in the next stages of Census.

3.4 Linda Sinclair confirmed that a balanced budget had been achieved in 2020/2021 financial year for the Census programme. Ongoing and close management of budget and financial requirements as a result of the extension to the census was ongoing.

3.5 Heather Lowrie gave an overview of cyber security, noting that the robust security controls introduced had operated as planned with no breaches of any systems used during the Census collect operation.

3.6 Christine Martin asked about CCS and also asked if anything further could be done to engage with the cohort of people who did not complete the Census. Peter Whitehouse advised that the CCS is a cluster sample covering 80 post code areas and 2,500 postcodes. Paul Lowe confirmed that communications and engagement had been increased to target and support people to complete their return. Up to five reminder letters had been issued.

3.7 Christin Martin and Mandy Gallacher asked about the future of the Census. Paul Lowe confirmed that Peter Whitehouse was undertaking a longer term piece of work called 'Census Futures' which would report options to Ministers in due course.

3.8 Mandy Gallacher asked about the short term implications of the extension period in relation to the delivery of outputs. Peter Whitehouse noted that any delay in publication of outputs due to the extension of Census could be managed in relation to population estimates, as had happened in 2011 Census outputs delivery.

#### **4. Finance**

##### **4.1 NRS Finance Report**

4.1.1 Claire Gillespie presented the NRS Finance Report to the meeting and confirmed the budget outturn for 2021-22 had been balanced.

4.1.2 Bill Matthews queried the heritage asset that was purchased during the year and how large heritage purchases were planned. Claire Gillespie confirmed that this related to the purchase of the Balfour Papers Collection and explained the process regarding such purchases.

4.1.3 Maggie Waterston asked about the budget and how this would be fed into the Audit and Risk Committee. Claire Gillespie confirmed she would provide the Quarter 1 ( April – June 2022 ) position to the Committee at the next meeting.

**Action A03/22: Owner: Claire Gillespie**

##### **4.2 Draft NRS Annual Report and Accounts 2021/2022**

4.2.1 Claire Gillespie introduced the draft document noting that work had been undertaken on the structure of the document in light of feedback last year. Comments were invited either in writing or at the meeting. It was agreed that an updated draft would be shared.

**Action A04/22: Draft NRS Annual Report and Accounts 2021/2022 – A further draft to be circulated to ARC members once CEO foreword was added to the draft. Owner: Claire Gillespie**

#### **5. Internal Audit**

##### **5.1 Final Annual Assurance Report**

5.1.1 Kate Moffat gave an overview of the Final Annual Assurance Report and reported the assurance rating for NRS was 'substantial'.

## **5.2 Progress Reports on active/follow up audits**

5.2.1 Kate Moffat gave an overview of the Progress Report and introduced her colleague, Piotr Zelik.

5.2.2 Linda Sinclair provided further information on the report and noted that issues around recruitment and resourcing were ongoing.

## **6. External Audit- Interim Management Letter covering review of key financial controls and areas of interest**

6.1 Graeme Samson gave an update on the audit for 2021-2022

6.2 Planning work and interim testing took place in March 2022. No issues were found to impact audit plans. Audit Scotland expected to be on track for the issue of the management letter prior to the August Audit and Risk Committee meeting.

## **7. Committee Reports - To Note and Questions**

### NRS Governance Report

7.1 Linda Sinclair introduced the paper.

7.2 Christine Martin asked about sickness absence rates. Linda Sinclair confirmed that the NRS Executive Management Board (EMB) looked at this on a regular basis with a report provided from SG HR data.

7.3 Maggie Waterston asked about business planning. Linda Sinclair confirmed that business planning was being progressed and advised an update will be provided at the next Audit and Risk Committee meeting in August.

### NRS Portfolio report

7.4 Christine Martin asked about the planned work on the Thomas Thomson House sprinkler system. Linda Sinclair confirmed a new professional services contract was about to be on boarded and would look at supporting progress on this and other building works.

### NRS Assurance update

7.5 The Committee noted the report.

### NRS Audit Recommendations Status Report

7.6 The Committee noted the report.

**8. Draft ARC Annual Report to the NRS Chief Executive, Accountable Officer and Strategic Board**

8.1 The report would be submitted at the August meeting. Colin Ledlie asked members to provide any comments, offline.

**9. To Note: ARC Forward Look for year ahead**

9.1 The report would be discussed in the private session. A deep dive into risk management was suggested for the November Audit and Risk Committee.

**10. AOB & Date of Next Meeting**

10.1 No other business was raised.

10.2 The date of the next meeting was noted as 23 August 2022

**End**