



## **Audit Committee**

Minutes of the 36<sup>th</sup> meeting of the Audit Committee held on  
Thursday 19 October 2017

*Unconfirmed*

Chair: Chris Shapcott

Present: Martin Owen  
Haidar Ramadan  
Denis Shaugnessy

In Attendance: Ben Chambers, Registration and Resources Officer  
Sheleen McCormack, Head of Regulation (Item 3-5)  
Carl Pattenden, IT and Business Support (Item 4)  
Tim Walker, Chief Executive and Registrar

### **Item 1: Welcome and apologies**

1. The Chair welcomed all participants to the meeting.
2. Apologies were received from Matthew Redford, Head of Registration and Resources.

### **Item 2: Minutes and matters arising from the meeting of 20 June 2017**

3. The minutes of the meeting of 20 June 2017 were agreed as a correct record.

### **Item 3: Updated Risk Register**

4. The Chief Executive introduced the Updated Risk Register.
5. The following areas were highlighted during the discussion:
  - a. The Chief Executive advised there was a useful discussion with a member of Audit Committee about some aspects of presenting risks to the Committee. Members added that they believed the risk register was now greatly improved and thanked the Executive and SMT for their work.
  - b. It was noted that the document showed the GOsC's current key risks of most importance as assessed by the Senior Management Team (SMT). It was added

that the current key risks should be listed as amber or red, not green. Members thought it was useful to keep the colour coding in an effort to understand what risks the Executive felt were most important.

- c. Members questioned the education current key risk in detail, including measures in place to ensure the Osteopathic Educational Institutions (OEIs) maintained the standards of its courses, what are the GOsC required to do if one of the courses at an OEI unexpectedly closed and how the GOsC would handle this situation. The Chief Executive responded, advising that the OEIs were required to inform the GOsC of any substantial changes (management changes etc.) and submit annual reports which included scrutiny of financial accounts to track any on-going financial weaknesses. He added in order for an OEI course to be revalidated as a recognised course, it would need to meet all the necessary standards and pass its recognised qualification (RQ) visit which occurs every five years. The Chief Executive advised that the GOsC would not have any liability if an OEI course unexpectedly closed but he noted that the GOsC would help facilitate discussions between other OEIs in an effort to ensure the continuity of education.
- d. A short discussion took place around the re-prioritisation of workload and staff resource allocation in the event of a serious data breach
- e. Members queried the level of the legislation risk and the Chief Executive responded, advising this risk was listed as red because it was so uncertain. He advised the Department of Health (DH) was expected to commence consultation on changes within the sector and if legislation followed, it had the potential to disrupt the work of the organisation and its ability to continue performing its duties. However, the Chief Executive acknowledged there were risks arising should there be no change to the legislation. He gave an example surrounding increasing the number of PCC panellists if there were a significant increase in cases/workload which would require a change in legislation.

**Noted:** the Committee noted the updated Risk Register.

**Item 4: Internal audit update – IT audit, Health and Safety audit and PCC audit of ‘no case to answer’**

- 6. The Registration and Resources Officer introduced the first two sections of the report, which set out the updated IT work on its previous audit and the health and safety audit.
- 7. The following areas were highlighted during the discussion:

- a. Members were very happy with the progress of the IT plan, advising they thought it was very thorough and specifically targeted to key areas. There was a short discussion about whether the upcoming GDPR changes had been incorporated and what resources might be needed; the IT and Business Support Officer advised that he had begun the discussion with the Head of Regulation about the impact in relation to IT and added they had not discussed resources that may be needed at this time, although he noted he did not believe any changes would require cash resources, rather staff time resources.
  - b. It was noted that the GOsC would need to contact its IT suppliers to clarify the plans they have in place for implementing upcoming GDPR changes and the IT and Business Support Officer advised this process had already begun. Members thought it would be useful to receive an update on GDPR and IT at its next meeting in March 2018.
  - c. Members queried business continuity. The IT and Business Support Officer responded, advising Claranet provided the GOsC internet services, and if the GOsC internet connection went down, business could continue as staff would have the ability to work from home. He added the GOsC has backup systems in place to maintain the office work environment should we encounter IT problems with the primary system.
  - d. A discussion around two factor authentication and USB port security took place in detail. It was noted that to access the hosted database at the moment, there were three layers of security in order to access the CRM database – the log in to the local PC, the log in to the hosted work environment and finally the log in to the database. The IT and Business Support Officer added each password had a three attempt lockout. Members wanted the Executive to think about how two factor authentication and USB port security could prevent malicious actions by individuals. In conclusion members thought it might be useful for the Executive to take the point away for future consideration.
  - e. Members were very pleased with the health and safety audit, advising it was a great checklist which was very easy to follow. It was noted that any concern around legionella would be resolved once new boilers were installed which would occur by the end of October 2017. It was noted that the planned completion date of all health and safety actions was the end of 2017.
8. The Head of Regulation introduced the PCC audit of 'no case to answer' and gave a brief outline of the report to members.
  9. She noted the findings of the report and advised members that although no common trends were identified, a detailed forensic analysis of each individual case which was audited was very useful.

10. She added the findings of the report could be used to improve the efficiency of future cases and hearings.
11. Members were pleased with the audit and believed it was a reassuring report to receive. The Audit Committee supported the process the GOsC used to review the decisions of its fitness to practice committees.
12. The IT and Business Support Officer left the meeting at the conclusion of this item.

**Noted:** the Committee noted the internal audit update.

### **Item 5: GDPR update**

13. The Head of Regulation introduced the report which outlined an update around GDPR.
14. She advised the implementation of GDPR would require significant preparatory framework and a full review of the GOsC Information Governance Framework would be required from a GDPR compliance perspective.
15. She noted the whole process would take 2-3 months and is planned to take place over November 2017 – January 2018.
16. Members asked what involvement the Information Commissioners Office (ICO) would have, the Head of Regulation responded to advise we are not working directly with the ICO but are taking continuous and updated guidance from the ICO.
17. As part of the discussion, members noted an audit of the technical security of GOsC IT systems may be required. It was noted that wording on the GOsC website would also need to be reviewed as part of the GDPR compliance framework.

**Noted:** the Committee noted the GDPR update.

### **Item 6: PSA Performance Review report 2016-17**

18. The Chief Executive introduced the report which set out the PSA Performance Review for 2016-17.
19. Members were pleased the GOsC had continued to meet all of the PSA Standards of Good Regulation and that this was a great outcome, reflecting well across the organisation. The Chief Executive commented that Annex B was a key comparison across the regulatory bodies and was useful context for members.

20. He added that the GOsC was quite self critical and reflective as an organisation.
21. A question was raised about the level of advertising complaints, the Chief Executive responded to advise the level of advertising complaints previously received has now decreased significantly.

**Noted:** the Committee noted the PSA Performance review 2016-17.

### **Item 7: Performance measurement report**

22. The Chief Executive outlined the report, adding that Council had adopted a new set of generic performance measures for the Corporate Strategy 2016-19.
23. He advised the report outlined how the GOsC felt about general measures of success and performance, noting this was part of the GOsC reflective process.
24. A question was raised around how the GOsC interpreted the outcome of fitness to practice complaints in terms of demonstrating public value. The Chief Executive responded that this was a very difficult issue as an organisation can never be sure whether the level of fitness to practice complaints received are due to a rise in reporting of the complaints or a failure in maintaining standards which lead to complaints being made.
25. He added analysis of the nature of the complaints and the sources of complaints overtime was key to tracking some trends in the types of concerns and complaints received. He advised there is a project in place to track complaints raised with the GOsC, professional indemnity insurance providers and the professional association which classifies and aggregates all the concerns/complaints raised in an effort to track any trends of complaints being made.
26. Members thought that fewer measures were better, making the report more focused, and believed this was a useful report.

**Noted:** the Committee noted the performance measurement report.

### **Item 8: Audit Committee evaluation follow-up**

27. The Registration and Resources Officer introduced the report, which outlined the Executive's response to Audit Committee's feedback provided in June 2017.
28. Members thanked the Executive for taking their suggestions forward and were pleased with the response, adding that they believed shorter papers made it easier to draw out the key points within the documents.

**Noted:** the Committee noted the Audit Committee evaluation follow-up.

**Item 9: Monitoring report**

29. The Registration and Resources Officer introduced the report which set out notifications of fraud, critical incidents, data breaches and corporate complaints.
30. It was noted a small number of data breaches had not been included in the last report to Audit Committee in June 2017 due to the data breach log not being updated. Members were told that the relevant department have been informed of the importance of keeping the data breach log up to date so that Audit Committee received an accurate monitoring report.

**Noted:** the Committee noted the monitoring report.

**Item 10: Forward work plan**

31. The Registration and Resources Officer introduced the forward work plan of the Committee and asked members to consider the content.
32. Members thought it would be useful to receive an update on GDPR and the IT audit in March 2018. It was advised Audit Committee would see the GOsC 2018-19 business plan at this meeting.

**Noted:** the Committee noted the forward work plan.

**Item 11: Any other Business**

33. None.

**Item 12: Date of next meeting**

34. The date of the next meeting will be 14:00pm Thursday 22 March 2018.



**Audit Committee internal checklist – following its meeting in October 2017**

<b>Outstanding actions from October 2017</b>	<b>Action addressed</b>
GDPR update – to include the update that goes to Council in January 2018	Agenda item TBC
IT audit plan update	Agenda item TBC
Business Plan 2018-19	Agenda item TBC