

MINUTES: AUDIT & ASSURANCE COMMITTEE MEETING
23 October 2023, Virtual

Present

Mr Stephen McAllister (Chair)
Mr Jim Farish

In Attendance

Mr Mark McSherry, Chief Executive
Mr Paul Keoghan, Director Corporate Services
Mr Jim Montgomery, Senior Internal Audit Manager, Scottish Government Internal Audit
(from 1 – 10.1)
Mr Mark Ferris, Senior Audit Manager, Audit Scotland

Welcome

1. The Chair called the meeting to order at 09:30 and welcomed all present.

Apologies

2. The Chair noted apologies submitted for Mr James Maybee and Mr Glen Bissett.

Declarations of Interest

3. The Chair called for declarations of interest and noted no declarations were submitted.

Approval of Previous Minutes

4. The Committee reviewed and approved the minutes of the meeting held on 23 August 2023.

Matters Arising

5. The Director Corporate Service (DCS) noted progress on actions from previous meeting was limited due to current resource limitations and hoped this position would improve over Q4.

Agenda Items

7. Chief Executive Update – Committee Paper 507

7.1. The Chief Executive (CE) presented his update which informed the Committee of current and emerging developments. The CE provided a status update on the development of the corporate plan and informed the committee the plan is scheduled to be presented to the Board in November. The CE also discussed proposals to change the organisational structure and provided an overview of the rationale for the changes to the Committee.

7.2. The Committee noted the Chief Executive update.

8. Corporate Risk Register – Committee Paper 508

8.1. The DCS presented the Corporate Risk Register and informed the Committee the number of risk currently being treated remain unchanged at 7. The DCS reviewed each risk and provided an update on actions taken since the last review period.

8.2. The Committee noted the Corporate Risk Register update.

9. Deep Dive – SG Funding - Verbal

9.1. The DCS provided the Committee a verbal update on risk posed by insufficient funding from Scottish Government. The DCS informed the Committee the risk remained very high and the immediate issue was to obtain a satisfactory resolution to the funding of pay awards. The DCS reviewed the challenges presented by the Scottish Government pay award and how this has become the minimum acceptable award by trade unions. The DCS confirmed engagement with Scottish Government on funding proposals has commenced and expected further progress in November.

9.2. The Committee noted the deep dive on Scottish Government Funding.

10. Internal Audit Progress Report – Committee Paper 513

10.1. The Senior Internal Audit Manager lost internet connection to the meeting and was therefore unable to present paper 513.

10.2. The DCS provided the Committee with a brief progress update and confirmed planned work to review both Cyber Security and Communications had commenced and is expected to be complete by January.

10.3. The Committee noted the Internal Audit Progress Report.

11. Internal Audit Recommendations – Committee Paper 511

11.1. The DCS presented the Internal Audit Recommendations to the Committee and

highlighted the progress made to date in the implementation of recommendations. The DCS highlighted since the last update a further 4 recommendations have been implemented leaving 9 remaining.

11.2. The CE also noted progress made on the corporate governance recommendation which was evidenced through the review of the organisational structure and review of the Board Skills Matrix.

11.3. The Committee noted the progress on Internal Audit Recommendations.

12. External Audit Recommendations – Committee Paper 512

12.1. The DCS presented the report on External Audit Recommendations and provided an update on the implementation of recommendations.

12.2. The Committee, being content with the progress made to date, noted the External Audit Recommendations.

13. DIAA – Bulletin Issue 18 October – Assurance Mapping

13.1. The Committee noted the contents of the DIAA Bulletin – Assurance Mapping.

14. DIAA Bulletin 18 October 2023- Assurance Mapping in Practice

14.1. The Committee noted the content of the DIAA Bulletin – Assurance Mapping in Practice.

AOCB

15. The Chair enquired if anyone wished to raise any other competent business.

16. The Chair noted there were no request to raise other business.

Date of Next Meeting

17. The Committee noted the date of the next meeting will be 26 February 2024.

18. The Chair thanked everyone for attending and closed the meeting at 10:30.