

MINUTES: AUDIT & ASSURANCE COMMITTEE MEETING
23 June 2025, RMA Office

Present

Mr Stephen McAllister (Chair) (via MS Teams)
Mr James Maybee
Mr Jim Farish
Prof Kieran McCartan (from item 8.5)

In Attendance

Mr Mark McSherry, Chief Executive
Mr Paul Keoghan, Director Corporate Services
Mr Dougie Sheperd, Senior Internal Audit Manager, Scottish Government
Mr Bryan Coia, Internal Audit Manager, Scottish Government
Ms Jennifer Law, Senior Audit Manager, Audit Scotland
Mr Mark Ferris, Senior Audit Manager, Audit Scotland
Ms Fiona McMillan, Trainee Auditor, Audit Scotland
Miss Kathleen McAuley, Office Administrator (Minute Taker)

Welcome

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

Apologies

2. The Chair noted no apologies submitted.

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 17 February 2025.

Matters Arising

5. The Committee noted updates on the following actions; 7.2 (08/23), 17.3 (06/23) and 7.1 (02/23)
6. The Committee noted that action 13.2 (02/25) as completed.

Agenda Items

7. Chief Executive Update - Verbal

7.1. The Chief Executive (CE) updated members on the following:

7.1.1. The CE informed members that work is still ongoing on the Public Sector Reform, with the focus on frontline staff. The Committee recommended that this should be discussed as a Board workshop/focus session.

Action: CE

7.1.2. The CE will be presenting at the Criminal Justice Board this weeks.

7.1.3. The CE and Convener presented at the Scottish Sentencing Council and were delighted with the response.

7.1.4. Work is ongoing on prison population and we are delighted to announce that we have been granted extra funding for HDC.

7.1.5. The committee was informed that all vacancy posts have been filled.

7.2. The Committee noted the verbal update from the CE.

8. Corporate Risk Register – Committee Paper 557

8.1. The Director Corporate Services (DCS) presented the Corporate Risk Register to the Committee advising that the register consists of 3 risks being treated, 21 risks being tolerated, 7 risks have been terminated and 3 risks transferred.

8.2. Members were updated on the 3 risks being treated:

8.2.1. Failure to Implement: The CE advised that LLO's have been brought in and has helped. There has been a 2% in the last year. The RMA are issuing more guidance.

8.2.2. Lack of Assessors: Members were informed that 2 recruitment campaigns have been completed and are now looking at a different approach. The Accreditation Committee are aware and will discuss ongoing projections which will tie in with the 5 year forecast.

8.2.3. Cyber Security: The DCS has received the Internal Audit Report.

8.3. Members discussed the Case Management System and were advised that a working Group has been set up to monitor this. The research area on the OLR has now been moved to the Research and Development Team. Members requested that the Case Management System stays on the Risk Register for monitoring.

Action: DCS

8.4. The Committee noted the updates to the Corporate Risk Register.

8.5. Prof Keiran McCartan joined the meeting.

9. Certificate of Assurance – Committee Paper 561

9.1. The DCS presented the Certificate of Assurance to the Committee advising that the DCS and Heads of Departments provided a certificate of Assurance, governing internal controls, to the CE which states no significant items require to be raised in the Governance Statement of the Annual Accounts.

9.2. The Committee noted the Certificate of Assurance.

10. Fraud Report – Committee Paper 553

10.1. The DCS presented the Fraud Report to Members advising that there was no instances or suspected fraud to be reported for the financial year 2024-25.

10.2. The Committee noted the Fraud Report.

11. Annual Write Off Report & Review of Procedures – Committee Paper 554

11.1. The DCS advised the Committee that the RMA has an established Debt Management and Write Off procedure which are drawn from best practice within the public sector and introduced arrangements and approval limits regarding the management of debt and write-offs.

11.2. The Committee noted no debts were written off during the financial year 2024-25.

12. Internal Audit Annual Assurance - Verbal

12.1. The Senior Internal Audit Manager (SIAM) advised that the Annual Assurance Opinion will be issued to the RMA this week as the following work has still to be finalised:

- 12.1.1. Stakeholder communication
- 12.1.2. Public Sector Reform
- 12.1.3. OLR Report
- 12.1.4. Cyber Security
- 12.1.5. Oracle

12.2. The CE advised the final wording on the OLR Report has still to be finalised.

12.3. The Committee noted the verbal update on the Internal Audit Annual Assurance.

13. Annual Report and Accounts – Committee Paper 558

13.1. The DCS presented the Annual Report and Accounts for review to the Committee advising that this year's report is prefaced with a timeline recognising key achievements and events over the 20 year period since the RMA has been established.

13.2. Members were informed that the report continues in line with the Government Financial Reporting guidelines (FreM).

13.3. Members were informed that pension data is expected to be released from MyCSP in July which is preventing the signing of the Annual Report and Account today. Once the data is received the report will be updated.

13.4. The Committee thanked the Communications Lead and Head of Departments on there work.

13.5.The Committee noted the Annual Report and Accounts.

14. External Auditor Annual Report - Committee Paper 560

14.1.The Senior External Audit Manager (SEAM) presented the External Audit Annual Report to the Committee updating on the following key messages:

14.1.1. The annual Report and Accounts were free from material misstatement.

14.1.2. There was no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by the RMA.

14.1.3. The audited part of the remuneration and staff report, performance report and governance statement were all consistent with the financial statements and properly prepared in accordance with the relevant legislation, and directions made by Scottish ministers.

14.1.4. The RMA achieved an underspend of £161,000 in 2024/25 and is currently forecasting an underspend of £23,000 for 2025/6

14.1.5. Expenditure is mainly staff costs and without sufficient funding the RMA may be unable to deliver certain services required by legislation.

14.1.6. The RMA has appropriate arrangements in place for securing best value.

14.2.The Committee were advised that the final audit was unable to conclude due to the pension data from MyCSP not yet received.

14.3.Committee members approved the CE as the Accountable Officer.

14.4.The Committee noted the External Auditor Annual Report.

15. Independent Auditor's Report & Letter of Representation (ISA 580) – Committee Paper 559

15.1.The SEAM presented the Independent Auditor's Report and Letter of Representation to the Committee for approval.

15.2.The SEAM thanked the CE, DCS and Office Administrator for all the work on the Audit.

15.3.The CE thanked all members of External Audit for their work on the Annual External Audit.

15.4.The Committee noted the paper.

16. Annual Report and accounts 2024-25 – Committee Paper 562

16.1.The Committee approved that Annual Report and Accounts 2024-25 subject to additional information from MyCSP, once received the Annual Report and Accounts will be formally approved electronically.

AOCB

17. The CE requested that the new Head of OLR attend all future Committee meetings as part of the recruitment process.

18. The Committee approved the request.

Date of Next Meeting

19. The Committee noted the date of the next meeting will be 15 September 2025.

20. The Chair thanked everyone for attending and closed the meeting at 10:53.