

**MINUTES: AUDIT & ASSURANCE COMMITTEE MEETING
27 October 2025, MS Teams**

Present

Mr James Maybee
Mr Jim Farish (Chair) (via MS Teams)

In Attendance

Mr Mark McSherry, Chief Executive
Mr Paul Keoghan, Director Corporate Services
Mr Dougie Shepherd, Senior Internal Audit Manager, Scottish Government
Mr Mark Ferris, Senior Audit Manager, Audit Scotland
Ms Jennifer Law, Senior Auditor, Audit Scotland
Ms Fiona McMillan, Auditor, Audit Scotland
Mrs Sophie Farnell, Finance & Governance Lead (Minute Taker)

Welcome

1. The Chair called the meeting to order at 10:00 and welcomed all members.

Apologies

2. The Chair noted apologies submitted for Mr Stephen McAllister and Ms Lauren McClintock.
3. Prof Kieran McCartan was absent.

Declarations of Interest

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

Approval of Previous Minutes

5. The Committee reviewed and approved the minutes from 23 September 2025 as a fair and accurate reflection of the meeting.

Matters Arising

6. The Committee noted updates on Item 7.1.1 (06/25) which will be a discussion point at the Board development day scheduled for November.
7. Item 7.2 (08/23), Item 17.3 (06/23) and Item 7.1 (02/23) are ongoing and will be reported on in December.

Agenda Items

8. Chief Executive Update - Verbal

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

- 8.1.1. Members were given an update on the PSR conference with reference to the eighteen shared workstreams. The RMA will identify which are in scope to contribute to.
- 8.1.2. The CE informed the Committee that the budget for the next two years is likely to be static.
- 8.1.3. The CE updated the Committee on information from the Director General for Justice regarding the record high prison population. Weekly forums to consider early release are raising concern around the robustness of risk assessment.
- 8.1.4. The CE reported on the RMA's ongoing contribution to a Scottish Government trial of organisational readiness for a possible future pandemic including consideration of the inadvertent impact on women being disproportionately affected by caring for children if schools and nurseries close and, as a separate issue, domestic abuse.
- 8.1.5. The CE updated the Board on the passing of the Domestic Abuse Bill which is part of the Domestic Homicide Review process. This is being looked at to determine the resources needed. Engagement is planned with the Victims' Advocates Group.
- 8.1.6. The CE also advised that recruitment is underway for the roles of OLR Team Manager and OLR Lead.
- 8.1.7. The CE advised that a review of the organisational resilience and wellbeing survey will be completed by Wednesday.

8.2. The Members discussed PSR and access to shared services. The broader knowledge available because of a larger team would be a consideration, however, there may be less flexibility in approaching certain activity. The RMA can be nimble with the current model. A joined-up approach within the justice sector would be an option to explore. Internal Audit could do work around justice delivery bodies more generally. The CE requested engagement on areas of pressure, for example RARs, to give the RMA reassurance on the justice sector portfolio.

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

9. Internal Audit Memorandum of Understanding (MoU) – Committee Paper 567

- 9.1. The Director Corporate Services (DCS) presented the Internal Audit MoU for approval advising that there are no changes to the MoU from the previous year and any party may withdraw from the agreement subject to providing three months' notice.
- 9.2. The Senior Internal Audit Manager explained that the MoU is an agreement between the Director of Internal Audit and the Public Bodies. The annual planning round for 26/27 is underway and will be in place from 1st April.
- 9.3. A suggestion was made to alter the wording of MoU point 1.2 from implying that the RMA reduces risk, to 'the RMA works to reduce risk'.

9.4. The Committee approved the Internal Audit MoU.

10. Internal Audit Recommendations – Committee Paper 568

10.1. The DCS presented the Internal Audit Recommendations to Members advising that the RMA has the following outstanding recommendations:

10.1.1. The final element of the recommendation relating to the risk posed by having insufficient corporate governance/support capacity lies with the learning and development strategy. This remains outstanding.

10.1.2. The RMA has three recommendations from the 2024-25 audit review which relates to the Order of Lifelong Restriction (OLR) Process. The scope of this review was to evaluate and report on the controls in place to manage the risk surrounding OLR process arrangements. The review identified three medium recommendations. The reporting dates for the OLR cohort are being scoped and a meeting is arranged to discuss with lead authorities. A new case note procedure has been implemented and is operational. An ongoing review of operational procedures is going to the project board.

10.1.3. The RMA has three recommendations from the 2024-25 audit review which relates to Cyber Resilience and Stakeholder Engagement. The RACI matrix is being applied to cyber security and how it influences the RMA. Assurance over control measures has been given at meetings with SG. Initial engagement regarding resilience support was discussed in October with further engagement on this topic planned for November. The RMA require evidence from SG around process and procedures.

10.2. The CE reported the implications of reviewing a large volume of information from the OLR case audit. The Head of R&D is leading on this and an update will be provided in the new year. Further progress is needed on the OLR function review which will benefit from recruitment of vacant posts. Some of the feedback is external and there are 34 strategic recommendations to consider.

10.3. The Committee noted the Internal Audit Recommendations.

11. External Audit Recommendations – Committee Paper 569

11.1. The DCS updated the Committee on the progress in relation to the outstanding External Auditor recommendation which concerns Business Continuity Planning (BCP). The framework is being developed using the SG template for Business Impact Assessment. This will feed into the BCP and will continue to be developed during Q3 and Q4.

11.2. Members noted the External Audit Recommendation.

12. Fraud Policy – Committee Paper 270

12.1. The DCS presented the Fraud Policy to the Committee for its annual review advising the policy has been developed against best practice as the Scottish Government does not provide a model policy.

12.2. The DCS advised that opportunity for fraud has been reduced due to further

segregation of duties because of enhanced functionality in the Oracle Finance system.

12.3. Audit advised that the fraud department can provide counter fraud risk assessments if required. Members queried the process for employees to report suspicious activity. The DCS advised that the RMA has a Whistleblowing Policy which is available on the colleague hub. The CE suggested a review of the policy to ensure it is up to date.

12.4. The Committee noted that there were no changes/changes to the Fraud Policy.

AOCB

13. No other business noted.

Date of Next Meeting

14. The Committee noted the date of the next meeting will be 16 February 2026.

15. The Chair thanked everyone for attending and closed the meeting at 10:26.