

Meeting	Audit and Risk Committee
Meeting date	20 December 2021
Meeting time	10:00 – 10:45
Meeting location	MS Teams

Members in attendance	Helen Mackenzie	Chair
	Liz Holmes	Member
	Ian Forbes	Member
Other attendees	David Robb	Chief Executive, SPPA
	Iain Coltman	Head of Regulatory Affairs, SPPA (Interim)
	Dev Dey	Head of Customer Service, SPPA
	Hannah Grout	Risk and Assurance Manager, SPPA
	Stuart MacArthur	Governance Manager, SPPA
	Karen Morley	Head of Finance, Procurement and Risk, SPPA
	David Reay	Internal Audit Manager, SG
	Dougie Shepherd	Senior Internal Audit Manager, SG
	Angus Brown	Audit Scotland
	Gemma Diamond	Audit Scotland
	Tom Reid	Audit Scotland
Apologies	Lesley Fraser	Director General: Corporate, SG
	Iain Burns	Internal Audit, SG
Minute taker	Marnie Davis Wood	Governance Delivery Lead, SPPA
Observer	Mark Gregory	Senior Finance Manager, SPPA

1. Welcome and apologies

- 1.1 The Committee noted apologies from Lesley Fraser and Iain Burns.
- 1.2 The Committee expressed warm congratulations to David Robb on his substantive appointment as Chief Executive.

2. Declaration of interests

- 2.1 There were no changes required to the Register of Interests nor were there any declarations of interest in the business to be conducted.

3. Scheme Annual Reports and Accounts

- 3.1 Gemma Diamond (GD) introduced the Annual Audit Report, confirming to the Committee that an unqualified opinion has been reached on both NHS and Teachers' Pension Scheme audits and that there are no unadjusted misstatements in the accounts. The Letter of Representation was in place and ready for the Chief Executive to sign on 21 December. There was an outstanding matter in relation to the substantive appointment of the Accountable Officer, however this has been resolved and GD advised the Committee that there is no need for a post balance sheet note. Tom Reid presented the Audit Report, highlighting key points.
- 3.2 The Committee expressed thanks and congratulations to both the Audit Scotland team and the SPPA Finance team upon the thorough process undertaken and the success of the Audit. It was noted that the process would stand the Agency in very good stead for next year and beyond.
- 3.3 The Committee noted that there could be some additional context provided in paragraph 71 regarding the departure of the previous Chief Executive on secondment.

Action 1221.01: Audit Scotland to consider whether it is possible to change the wording on paragraph 71 to clarify that the Chief Executive left on secondment initially. (GD)

- 3.4 The Committee discussed how the Agency was planning for a better alignment between the strategic and financial planning processes, as recommended in the Audit, and the project being initiated with regards to the data update required. Karen Morley (KM) confirmed that the membership data for year ended March 2020 will be available in time for the Government Actuary's Department to run the revaluation as planned by the end of May 2022.

Action 1221.02: KM to provide an email update with regards to who will be leading the data update project and the timescales involved.

- 3.5 KM introduced the NHS and Teachers' Pension Scheme Accounts and formally recorded her thanks to Mark Gregory for his work in compiling the accounts and the underlying process improvements involved. She also noted the able support from Gordon Dawtry in the Finance team in this regard. KM had provided the draft annual reports and accounts ahead of the meeting to Committee members for formal review and thanked members for their feedback, noting that comments had been incorporated into the final draft as appropriate. The Committee discussed the role of the Pension Boards and potential future interaction with Audit and Risk Committee regarding the accounts.

Action 1221.03: Stuart MacArthur to consider how to bring the Pension Boards into next year's process for consideration of the accounts and to report back to ARC beforehand regarding how this will be done.

- 3.6 The Committee agreed to recommend the Schemes Annual Reports and Accounts to the Management Advisory Board and to the Accountable Officer for signing.

4. Any other business

- 4.1 N/A

5. Date of next meeting

- 5.1 The next meeting will be held on Thursday 20 January, 2022.

Version Control		
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