

Meeting	Audit and Risk Committee
Meeting date	19 December 2022
Meeting time	09:00-09:30
Meeting location	MS Teams

Clare Scott	Helen Mackenzie	Chair
	Clare Scott	Member
	Ian Forbes	Member
Other attendees	David Robb	Chief Executive, SPPA
	Karen Morley	Head of Finance, Procurement and Risk, SPPA
	Garry Cossar	Head of People, Strategy, Communications and Operations, SPPA
	Stuart MacArthur	Governance Manager, SPPA
	Stuart Nugent	Senior Audit Manager, Audit Scotland
	Gemma Diamond	Audit Director, Audit Scotland
	Dougie Shepherd	Senior Internal Audit Manager, DIAA
Minute taker	Clare Moffat	Governance Delivery Lead, SPPA

1. Welcome and apologies

- 1.1 The Chair welcomed all attendees.
- 1.2 No apologies were noted.
- 1.3 No declarations of interest were noted.

2. Agency Annual Report and Accounts

- 2.1 David Robb (DR) explained the circumstances surrounding today's review of the report, apologised for the short notice for review of the final version of the Agency and outlined disappointment the NHS and Teachers Scheme Annual Report and Accounts were not also ready for review.
- 2.2 Karen Morley (KM) presented the Agency Annual Report and Accounts, and noted:
 - the significant findings recorded in Audit Scotland's letter had been resolved, as outlined in the list of material amendments.
 - the Audit Scotland findings were accepted and appropriate action taken
 - the report was a true and fair view of the progress of the 2021/22 business year
 - thanks to all colleagues involved in the production of the report and
 KM commended the Annual Report and Accounts to the Committee and moved that the Committee should recommend to the Accountable Officer that he should sign the accounts.
- 2.3 The Committee thanked KM and her team for the report and noted the good progress that had been made. The Committee suggested the Accountable Officer consider:
 - Reviewing processes and actions to ease the pressure of activity at year end
 - Conduct a thorough review of the narrative notes to the accounts to ensure consistency of descriptors between narrative and tables presented.

3. External Audit

- 3.1 Gemma Diamond tabled an unqualified opinion on the accounts, as highlighted in Audit Scotland's letter, and informed the Committee that, adjustments having been made, signed certificates of assurance had been provided.
- 3.2 The Committee thanked Audit Scotland for their input and queried if further changes would be made to the document's formatting. It was confirmed that Audit Scotland had

completed arithmetic checks and while SPPA acknowledged the document may benefit from further presentational adjustments, the version the committee had reviewed was the final version which would be put forward to Management Advisory Board.

4. Recommendations to Management Advisory Board

4.1 Committee commended the Annual Report and Accounts to the Management Advisory Board which, on the whole, was fair, balanced and an understandable representation of the business conducted; and recommended that the Management Advisory Board recommend to the Accountable Officer that he sign the Accounts.

5. Any other business

5.1 The Committee discussed the next steps; DR outlined:

- NHS and Teachers scheme accounts will not meet the 31 December 2022 deadline therefore will be included in an Audit Scotland report to the Public Accounts Committee (PAC) of the Scottish Parliament per Section 22(5) of the Public Finance and Accountability (Scotland) Act 2000
- The PAC will decide what action to take; it was anticipated SPPA will be asked to provide reasons for delays, at the very least.

GD confirmed Audit Scotland will write to PAC on 21 December 2022 and advised the Auditor General has the option to produce Section 22 report on any accounts listed within the letter.

5.2 The Committee discussed the Police and Firefighters schemes' Accounts and it was confirmed SPPA had met all its responsibilities to provide information to Police Service of Scotland and Scottish Fire & Rescue Service for these reports.

5.3 The Committee recommended SPPA undertake a deep dive and lessons learned exercise, and involve the Committee. DR confirmed Audit Scotland and Internal Audit would also be invited to participate in the comprehensive review and advised preparations were underway for the preparation of the 2022-23 exercise.

5.4 GD confirmed any risks highlighted will be included in the Audit Scotland's annual audit report which the Committee will view at the meeting scheduled for March 2023.

Action 1222.01: SPPA to undertake a deep dive and lessons learned exercise in relation to the Annual Report and Accounts processes, involving ARC, Audit Scotland and Internal Audit. Completion date: June 2023
Owner: Stuart MacArthur

6. Date of next meeting

6.1 The next meeting will be held on 17 January 2022. An extraordinary meeting will be called to review the scheme accounts, when available, in early 2023.

Version Control		
		Version number
Date draft completed	23 December 2022	0.1
Date minutes sent to chair	6 January 2023	0.3
Date approved by board/committee	17 January 2023	1.0
Date of publication	20 January 2023	1.0