

Meeting	Audit and Risk Committee
Meeting date	05 December 2024
Meeting time	10.00-10.45
Meeting location	Tweedbank/MS Teams (Hybrid)

Members in attendance	Clare Scott	Chair
	Mark Tarry	Member
	Kevin McLeod	Member
Other attendees	Chief Executive Officer, SPPA	
	Chief Financial Officer, SPPA	
	Chief Operating Officer, SPPA	
	Head of Strategy and Governance	
	Head of People and Places, SPPA	
	Finance Business Partner, SPPA	
	Data Protection & Information Governance Manager, SPPA	
	Corporate Governance Manager, SPPA	
	Auditor, Audit Scotland	
	Senior Audit Manager, Audit Scotland	
	Audit Director, Audit Scotland	
	Senior Internal Audit Manager, DIAA	
Minute taker	Governance Delivery Lead, SPPA	

1. **Welcome and introductions**
 - 1.1 No apologies were received for the meeting.
 - 1.2 There were no changes to Committee members' Registers of Interests nor were there any declarations of interest in the business to be conducted.
2. **2023-24 audit of the SPPA, NHS and Teachers Schemes' Annual Report & Accounts**
 - 2.1 Audit Scotland presented their report on the SPPA, NHS and Teachers Schemes' Annual Reports and Accounts, noting:
 - There are important lessons for SPPA to reflect upon contained within

the report, to ensure it is in a stronger position next year in relation to the preparation of the accounts

- The accounts were still in draft form and would be finalised once the accounts are certified
- The proposed audit opinion covered qualitative aspects of the accounts as well as quantitative, which formed a key part of Audit Scotland's recommendations and judgements
- In terms of the quality of the accounts, Audit Scotland would be charging an additional audit fee to SPPA
- Issues identified within Police and Fire balances of SPPA accounts had required rectification
- Recommendations in SPPA accounts were included in the report to be carried forward into 2025
- Significant issues were identified in Scheme accounts, with revised accounts and working papers required; a recommendation was included for improvement next year
- Recommendations in Scheme accounts were noted including issues relating to Audit Risk, Financial Management and Financial Sustainability
- SPPA had put in place a workforce plan which closed off the recommendation made the year prior.

2.2 The Committee noted Audit Scotland's report and further discussed the following:

- The receipt of the audit report less than 24 hours before the meeting
- Significant improvements could be made and a lessons learned exercise would take place, with ARC members involved
- Amendments were required in the report and accounts, but Audit Scotland confirmed they were not material
- Assurance from SPPA was provided in relation to the Governance Statement contained in the ARC Annual Report, specifically that the changes to SPPA's governance were under consultation and had not yet been implemented
- Recognised significant gaps existed in the SPPA Finance team which had impacted the ARA process
- SPPA to reflect on Audit Scotland's report to ensure the Agency is in a much better position next year
- ARA processes to be thoroughly documented to avoid key person dependencies

3 Recommendations to Management Advisory Board

3.1 The Chair thanked everyone involved in the production of the Scheme Annual Reports and Accounts. The Committee commended the Annual Reports and Accounts to the Management Advisory Board, noting that these, on the whole, were a fair, balanced and understandable representation of the business conducted. The Committee recommended to the Management Advisory Board that the Accountable Officer sign off the accounts.

4 Any other business

4.1 No further business was raised.

Version Control		
		Version number
Date draft completed	11 December 2024	0.1
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Date approved by board/committee	3 January 2025	0.4
Date of publication		