

Note

Meeting Date	<p>Friday 27 March 2025 14:30 – 16:00</p> <p>In person: Bridgeside House, 99 McDonald Road, Edinburgh, EH7 4NS</p>
Board	<p>David Watt, Chair</p> <p>Siobhan White</p>
Attendees	<p>External Auditor – Audit Scotland: Tommy Yule</p> <p>Internal Auditor – Wylie and Bisset: Stephen Pringle</p> <p>Ombudsman - Rosemary Agnew</p> <p>Head of Corporate and Shared Services – Stuart Crickmar</p> <p>Head of Improvement, Standards and Engagement – Andrew Crawford</p> <p>Head of Investigations (PSC) – Judy Saddler</p> <p>Head of Investigations (INWO/SWF) – Elaine Cameron</p> <p>Corporate Services Manager - Fiona Paterson (note taker)</p>
Apologies	<p>Steve Renwick</p> <p>External Auditor – Audit Scotland: Neil Maclean</p>



Item	Subject	Main points of discussion	Actions agreed	Due	Lead
1.	Welcome	<ol style="list-style-type: none">1. The Chair welcomed everyone to the meeting and noted the apologies.2. The new Leadership Team members were introduced to the Board.3. The Chair noted the imminent completion of the Ombudsman's 8-year tenure, making this her final meeting with the AAB. Having been a member of the SPSO AAB since 2019, the Chair praised Rosemary's willingness to listen to observations by the AAB, and thanked her for the strong governance assurance she demonstrated over the years to the AAB.			
2.	Declarations of Interest	<ol style="list-style-type: none">1. There were no additional matters for declaration, other than already noted on the published Declarations of Interest.			
3.	Previous notes, outstanding action points	<ol style="list-style-type: none">1. The previous note and outstanding actions were reviewed.2. The long-term outstanding actions from previous external audits, regarding medium-term financial planning and workforce planning, were discussed and the HoCSS confirmed when they will be completed. It was noted that both activities will be completed in time for the external audit review.			
4.	Financial report	<ol style="list-style-type: none">1. The HoCSS drew attention to the main parts to the finance paper and provided further background to each.			



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		<ul style="list-style-type: none">2. He confirmed that two contingency fund requests had been approved in February for: the increase in property costs following the 5-year rent review, and a small request for unbudgeted legal costs.3. The 2024-25 outturn is likely to show an underspend of £40k, in contrast to the September finance report prediction. This is mostly due to the income generated in January-February following the launch of the Child-friendly Complaints (CFC) training.4. The 2025-26 budget was approved by the SPCB on 28 February, which includes the increase in ERNIC costs. The Ombudsman explained that compromises were needed to meet the constraints set by the SPCB. The Ombudsman also noted that contingency funding in coming years is likely to be limited to statutory costs such as judicial review.5. Two major long-term contracts are coming to an end, with the tendering process taking place over the summer.6. The AAB noted the income windfall from the launch of CFC training and asked what was in place for coming years. The HoISE outlined the forward plan which should ensure a continuation of the various training unit events.			
5.	External Audit report	<ul style="list-style-type: none">1. The External Audit lead tabled the draft planning report for the 2024-25 audit, noting that the first two year's of audit were smooth and good relationships were fostered, leading to an expected clean and straight forward audit for this coming year.			



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		<p>2. SPSO have been assessed as low risk, less complex body, therefore, the focus of the audit will be on financial sustainability, and the wider scope areas will not be considered. The Audit Manager outlined the materiality levels in line with this assessment, which have been set at a percentage rate in line with previous year's performance.</p> <p>3. The listed risk is a requirement for all public service organisation's audit plans and no other risk has been identified during the initial governance review. There are currently no changes to the FReM which will impact the SPSO, and the auditor assessed there is no risk of material misstatement.</p> <p>4. The AAB asked for assurance that there will be a statement about Best Value judgement in the Auditor's annual report, which was confirmed. The AAB asked what the sign-off procedure will be in light of the Accountable Officer change-over in year. The Ombudsman outlined the plan, which will include an interim Ombudsman, who is most likely to be the Accountable Officer for signing the accounts.</p> <p>5. The plan was approved for finalising.</p>			
6.	Internal Audit report	<p>1. The Internal Audit Manager tabled the 2025-26 activity plan and noted the timescales were agreed with management to fall in Q3.</p> <p>2. The AAB asked if the audit activities will be assessed against the new Global Internal Audit Standards, which was confirmed.</p> <p>3. The Ombudsman explained that alongside the internal and external audit programmes there is a risk-based QA programme for casework,</p>	<p>1. Provide a copy of the annual QA report.</p> <p>2. Provide a copy of the</p>	As soon as available (or Sep meeting)	<p>1. Omb</p> <p>2. IA</p>



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		<p>which provides the final part of assurance. The AAB requested to see the annual report of the QA work.</p> <p>4. The AAB requested a copy of the W&B revised charter incorporating any updates from the new Global Internal Audit Standards.</p> <p>5. The AAB noted the contract was in its third year and the CSM confirmed a tendering exercise will be undertaken in Q4</p>	revised charter.		
7.	Risk, Incident and Issues report; including Business Plan performance.	<p>1. The AAB noted the Q3 strategic risk register and performance against business plan.</p> <p>2. The Ombudsman informed the meeting that the 2025-26 Strategic Risk Register is now completed and will be published early April alongside the 2025-26 Business Plan. The number of strategic risks has reduced from 12 to 10, with a full review of the inherent risks. Cyber security remains the highest risk, and is included in this year's internal audit activities.</p> <p>3. The AAB noted Risk Management is also part of this year's internal audit activities, and look forward to seeing the review of the SPSO risk approach.</p>	Provide a copy of the 2025-26 SRR.	April 25	CSM
8.	AOB				

Approved for publication 28 April 2025

David Watt, Chair