

Minute of Meeting

Meeting Date	Wednesday 25 March 2026, 10:30 – 12:20 In person: Bridgeside House, 99 McDonald Road, Edinburgh, EH7 4NS
Board	Joe Al-Gharabally, Chair Siobhan White
Attendees	External Auditor – Audit Scotland: Tommy Yule External Auditor – Audit Scotland: Scott Brand Ombudsman – Paul McFadden Head of Corporate and Shared Services – Stuart Crickmar Corporate Services Manager - Fiona Paterson (note taker)
Apologies	Steve Renwick

	Subject	Main points of discussion	Actions agreed	Due	Lead
1.	Welcome	<ol style="list-style-type: none"> The Chair welcomed everyone to the meeting and noted the apologies. The Chair noted this was his first meeting as the SPSO AAB Chair, and also the Ombudsman’s first AAB since being in post. The meeting noted the AAB Terms of Reference are currently under review by the Chair and Ombudsman. 	Review and update AAB Terms of Reference	Jun 26	Omb/Chair



	Subject	Main points of discussion	Actions agreed	Due	Lead
2.	Declarations of Interest	1. There were no additional matters for declaration, other than already noted on the published Declarations of Interest.			
3.	Previous minutes, outstanding action points	<p>1. The previous meeting note was reviewed, and the AAB requested the paper is renamed to Minute to assist with electronic searches for previous meeting records.</p> <p>2. The AAB noted an action had not been recorded accurately in the note, and this will be corrected then republished.</p> <p>3. The AAB enquired about a template for a standardised Certificates of Assurance for office-holders. The CSM noted that should there be a template provided, it would be expected to accompany correspondence requesting the assurance, which is normally received in mid-summer.</p>	Correct actions on previous Note	Mar 25	CSM
4.	Financial report	<p>1. The HoCSS drew attention to the unexpected above-target income and the service charge rebate which, combined with the senior management in-year vacancy, has lead to a very healthy outturn for year-end. The SPCB were notified that the SPSO will surrender £50K of its approved budget.</p> <p>2. The SPCB confirmed the 2026-27 SPSO budget bid in February, in line with the submission, however, SPSO are already aware of new inflationary costs not covered by the submission.</p> <p>3. The AAB reflected on the Ombudsman’s letter on resourcing to the SPCB Committee, outlining the significant and sustained demand and resourcing pressures, and the importance of real time data to</p>			



	Subject	Main points of discussion	Actions agreed	Due	Lead
		<p>inform the SPCB decision-making on demand and performance versus budget.</p> <p>4. The Ombudsman confirmed the active engagement he is taking with Parliament to enhance the general understanding of the statutory responsibilities and pressures on delivering this service, and providing historical background to the inflationary and jurisdictional uplifts in budget over time.</p>			
5.	External Audit report	<p>1. The External Audit tabled the draft tabled the draft planning report for the 2025-26 audit, noting that this would be the fourth year of the five year appointment.</p> <p>2. SPSO have been assessed as a 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 materiality level has been set at 2%, in line with this assessment and in line with previous year's performance. The one 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>3. The AAB noted the Audit Scotland Code of Practice is currently out for consultation. The External Auditor confirmed there will be little change for the SPSO as they sit above the current threshold for small bodies. It is expected to be in place for the 2027-28 external audit.</p> <p>4. The Chair discussed with the External Auditor the risk of financial sustainability in the medium to long-term and the impact of this risk</p>			



	Subject	Main points of discussion	Actions agreed	Due	Lead
		<p>on service delivery and effectiveness, referencing the Ombudsman’s letter on demand and resourcing to the SPCB Committee. The meeting acknowledged the SPSO may be a small body but has a large impact sitting across Scottish Public Service provision, and conversely is also impacted on by the pressures across this landscape.</p> <p>5. The plan was agreed.</p>			
6.	Internal Audit report	<p>1. The Internal Auditor spoke to the four final reports for the activities undertaken in 2025-26, highlighting best practice in all areas. The AAB examined the management’s response to the recommendations from these activities and were updated on progress.</p> <p>2. The Internal Auditor spoke to the annual report which provides an opinion on the adequacy and effectiveness of SPSO’s risk management, control and governance processes. The Auditor’s overall statement was ‘In our opinion, SPSO did have adequate and effective risk management, control and governance processes to manage the achievement of SPSO’s objectives at the time of our audit work.’</p> <p>3. The Internal Auditor confirmed all recommendation from 2024-25 activities had been implemented. The AAB requested that future papers include the list of recommendations made in-year for reference and completeness.</p> <p>4. Finally, the Internal Auditor tabled the audit activity plan for 2026-27, which was agreed.</p>	<p>1. Include the list of all recs from activities in year.</p> <p>2. Finalise the Audit Activity Plan</p>	<p>Mar 27</p> <p>Mar 26</p>	<p>CSM</p> <p>CSM</p>



	Subject	Main points of discussion	Actions agreed	Due	Lead
7.	Risk, Incident and Issues report; including Business Plan performance.	<p>1. The AAB reviewed the Q3 Strategic risk register and noted the LT are currently revising the strategic risks as part of the 2026-27 business planning activities. The review will distil the strategic risks to those with the highest impact on the organisation, and align with the strategic priorities. The AAB discussed the rationale behind some of the weighted risk tend (WRT) scoring, and were advised by the management team that the scoring will be reviewed and the accompanying control actions and mitigating factors will be tested during this process.</p> <p>2. The Chair recommended strengthening the wording of the risk relating to resourcing, following the discussions from other agenda items during the meeting.</p> <p>3. The Chair commended the risk interrogation paper for S6 cyber resiliency, which recommended a reduction in the current likelihood score following the successful implementation of Multi Factor Authentication (MFA) across all key IT systems.</p>	<p>1. Circulate the 2026-27 Strategic Risk Register as soon as published.</p> <p>2. Include operational risks in future papers.</p>	<p>Jun 26</p> <p>Sep 26</p>	<p>HoCSS</p> <p>CSM</p>

Approved for publication 9 April 2026

Joe Al-Gharabally, Chair