

Note

Meeting Date	Thursday 7 March, 2019; 11:00 – 12:30
Committee	Jean Couper, Chair David Watt
Attendees	External Auditor - Deloitte: Pat Kenny Internal Auditor - SLAB: Anne Smith Ombudsman - Rosemary Agnew Director - Niki Maclean Head of Improvement, Standards and Engagement - John Stevenson Corporate Services Manager - Fiona Paterson (note taker)
Observer	Theresa Valtin, Communications Manager
Apologies	Jim McCormick Internal Auditor - SLAB: Nicola Johnston

Item	Subject	Main points of discussion	Actions agreed	Due	Lead
1.	Declarations of Interest	1. Committee members' annual declarations are now due for publication. There were no further declarations for this meeting.	1. Publish declarations of interest.	1. March	1. CSM



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2.	Previous note, action point updates and matters outstanding	<p>1. The previous note was approved, subject to clarification from JM that he is satisfied it is a true reflection of the meeting.</p> <p>3. The Communications Manager outlined the timeline for the production of the Annual Report and Accounts 2018-19, which was noted by all attendees. The AAB welcomed the early sight of the document to allow opportunity for comment and feedback.</p> <p>2. Outstanding actions were reviewed and revised dates noted. AAB recommended including an additional column to record the revised dates for this paper.</p>	1. Publish note	1. As soon as approval received from JM	1. CSM
3.	Financial report	<p>1. The Director provided additional information following recent communications since the paper was produced, including:</p> <p>a. The Accommodation Project Costs, for the shared services project for three of the SPCB sponsored officeholders (SPSO, SHRC, SCYPC), which was coordinated on behalf of the officeholders by the SPCB, will be shown in the SPSO accounts, in line with the advice given by the SPCB. There are clear savings against the project budget and the project was delivered on time.</p> <p>b. The SPCB have approved the SPSO 2019-20 budget. The amount has been adjusted to take account of the shared accommodation costs. SPSO are seeking further clarification on the revised figures.</p> <p>2. The AAB noted the treatment of the Accommodation Project Costs within the accounts would need careful consideration and clear</p>	3. Provide external auditor with project costs seeking their technical advice.	3. As soon as they have been received.	3. CSM



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		<p>explanations. The External Auditor can give a technical opinion on how SPSO intend to treat these costs within the accounts for 2018-19 once agreed by the Accountable Officer. .</p> <p>3. It was noted that SPSO have requested information in relation to the accounts as a matter of priority and that this would need to be provided imminently in order for SPSO to work to the timetable set for the production of the 2018-19 accounts.</p>			
4.	External Audit report	<p>1. The External Auditor outlined the key messages from the Planning Report.</p> <p>2. The AAB recommended the Accountable Officer record their consideration of the approach to any new accounting standards on revenue and financial instruments through the financial year as well as reflecting this within the end of year accounts.</p> <p>3. The AAB noted that it would be helpful and informative if the outline of significant risks also included the conclusions drawn by the Auditors for those areas not being progressed.</p> <p>4. The AAB discussed the financial sustainability risk and the financial arrangements in place with the SPCB.</p>	2. Formal recording of the approved approach.	2. 05/19	2. Dir
5.	Internal Audit report	1. The Internal Auditor provided the opinion that the SPSO has a sound framework of control that provides assurance regarding the effective and efficient achievement of its objectives.			



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		<p>2. The AAB noted the year-on-year positive assurance received for payroll/HR/absence and suggested that, given the continued good outcome, the Leadership Team could consider a less frequent audit in this area, should there be other higher risk areas requiring internal audit insight.</p> <p>3. The Internal Auditor discussed the recommendations made on the Quality Assurance report with the AAB and provided a verbal update on the ongoing audit of IS Installation and initial draft findings. She noted there were no large concerns, just recommendations for further improvements to current sound procedures and processes.</p>			
6.	Risk, Incident and Issues report; including Business Plan performance.	<p>1. The AAB noted the good performance on the business plan and asked for clarification on the terminology used.</p> <p>2. The AAB commended the SPSO on the active reviewing and updating of the risk register, as evidenced by the in-year changes.</p> <p>3. The AAB discussed the strategic risk relating to funding and resources, and the specific recent events that have affected the current status. Additionally, the AAB suggested that there are further mitigating actions the SPSO have undertaken to minimise the risk to funding that could be outlined in the strategic risk register.</p> <p>4. The Ombudsman outlined her approach to the next strategic plan, including links to the National Performance Framework.</p>			



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7.	AOB	<p>1. The AAB requested that they receive a paper on the management approach to ensuring there is no fraud in the organisation for the next meeting.</p> <p>2. The Ombudsman gave her formal thanks for noting to the Corporate Services Manager and her team for delivery of the office move project on time and with the safe mitigation of risk, in particular to the protection of personal data.</p>	1. Produce a paper on approach to the avoidance of fraud.	1. 09.19	Dir

Approved for publication on 9 April 2019

Jean Couper, Chair