

Note of the Audit Advisory Committee Meeting held on 19 November 2013

Present:

Committee:

Tom Frawley	Chair
Heather Logan	
Douglas Sinclair	

Observer:

Arne Fliflet	Sivilombudsmann (The Parliamentary Ombudsman for Public Administration of Norway)
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In attendance:

Nick MacDonald	Internal Auditor, SLAB
Jim Martin	Ombudsman
Niki Maclean	Director
Emma Gray	Head of Policy and External Communications
Paul McFadden	Head of Complaints Standards
Fiona Paterson	Senior Personal Assistant (minute taker for open meeting)
Rachel Hall	Executive Casework Officer

1. The Committee met in private with the Ombudsman and Observer from 09:30 and the AAC meeting opened at 10:15 with apologies noted from Gillian Woolman and Patricia Fraser, External Auditors, Audit Scotland.
2. No declarations of interest were recorded. The note of the meeting held on 1 October 2013 was agreed with no amendments and agreed for circulation.
3. The list of Outstanding Actions and related documentation recording completed actions were reviewed. The Committee were content that the Internal Audit of Accounting and Budgeting actions from November 2012 audit had been met. The Chair gave his permission for his contact email address to be included in the Anti-Fraud and Whistle-blowing policies for the information of staff.

Action 1: The Committee requested that a target date for the implementation of all agreed actions be included in the relevant minute. *FP, Nov 13*

Action 2: The Committee requested that contact details for the Chair be included in the relevant policies. *FP, Nov 13*

4. **External Auditor's report**

The Annual report on 2012-13 Audit was noted by the Committee. No matters arising from the report were identified.

5. **Financial Monitoring**

The Director tabled the 2013-14 expenditure against budget to the end of September and the projected year-end position was noted with explanations provided for variances. The Director informed the Committee that the Scottish Parliamentary Corporate Body had requested that the SPSO seek expert advice on our VAT position, and the meeting was advised that the Office was currently in the process of seeking quotes for this advice.

6. Risk Register and exceptions

The Committee discussed the risk register, and noted the 'reduced status' of the two highlighted risks. The Committee drew attention to the recommended guidelines for Audit Committees which suggest an interrogation of a particular significant risk at each meeting.

Action 3: The Committee requested that one risk is detailed in the paper on risk prepared for each meeting of the Committee commencing in February 2014. *FP, Feb 14*

The Committee discussed the purpose of the register and tested whether many of the areas noted were, in fact, accurately recorded as low risks, and would if they should arise be an obstacle to meeting the strategic objectives of the Office. The Director noted to the Committee that some of the less significant risks were helpful for the operational management of the business. The Director also noted that the format of the register is annually reviewed in Q4 as part of the preparation for the 2014-15 business plan.

Action 4: The Committee requested that the management team consider focusing the Risk Register presented to the AAC to those risks that would create obstacles to meeting the strategic objectives of the Office. *SMT, Feb 14*

7. Performance Information

a. Corporate and Casework

The Committee noted the Corporate Services activities undertaken in Q2 and also the key activities projected for Q3. The Committee reviewed the casework statistics and discussed the possible impact of the BUJ project and the cost of premature complaints being submitted to the SPSO. The Committee looked at the Q2 business performance against targets set in the operational plan.

Action 5: The Committee requested a key to the symbols used in the Operational Plan be included with the information. *FP, Feb 14*

The Committee noted the organisational learning developed from the Service Complaints (SDCs) Report for Q2 which will be published on our website.

b. Policy and External Communications

The Committee noted the developments and progress made by the Complaints Standards Authority, the Training Unit and in policy and communications as outlined in the Policy Group Update. The Committee discussed the findings and recommendations in the BUJ Engagement Project report. The decision to commit further SPSO resources to the next stage of the project will be discussed in detail at the strategic planning meeting, and will focus on the strategic goals of the SPSO. The Committee noted that this project represented a good example of the SPSO providing assistance to the public service to support service improvement for citizens. Potential alternative sources of support for this innovative project were discussed.

8. The meeting closed at 12:15

9. This was followed by the Committee members and Senior Management Team strategic planning meeting from 12:45 until 14:30.