



The Scottish Parliament
Pàrlamaid na h-Alba

Minute of the Advisory Audit Board (AAB) meeting held Wednesday 15 June 2022 at 12.30pm

Present:

- Andy Shaw, Chair
- Claire Baker MSP
- Jackson Carlaw MSP
- Claire Robertson
- David Watt

In attendance:

- David McGill, Clerk/Chief Executive
- Michelle Hegarty, Deputy Chief Executive
- Sara Glass, Group Head - Financial Governance
- Lis Craig, Financial Controller
- Claire Gardiner, Audit Scotland
- Andy Munro, Head of Internal Audit
- Lisa Creamer, Secretariat

Apologies:

- Mark Taylor, Audit Scotland

Item 1: Declarations of Interests

- 1.1 David Watt declared an interest as the Chair of the Advisory Audit Board of the Scottish Human Rights Commission.
- 1.2 Andy Munro declared an interest as the interim Accountable Officer of the Scottish Human Rights Commission by way of a part-time secondment.

Item 2: Minutes of Meeting and matters arising from 23 March 2022

- 2.1 AAB members approved the minute as drafted.
- 2.2 Andy Munro advised that the plans to finalise the annual reports and accounts for Parliamentary funded officeholders, prior to the signing of the SPCB's annual report and accounts, has been deferred given the continuing pressures on all bodies and external audit teams. Andy Munro and Mary Taylor agreed to discuss the scope for timetable changes in advance of the audits for year end 2022/23.
- 2.3 Andy Munro advised that the planned review of the SPCB's Fraud and Whistleblowing Policy will take place later in 2022/23 following his return from secondment.

Item 3: Strategic Risk Register Update

AAB(JUN22)01 – Strategic Risk Register Update

- 3.1 Andy Munro confirmed that responsibility for facilitating risk management on behalf of Leadership Group has transferred to the recently formed Resilience Team bringing together: risk management; crisis management; and business continuity management. Tommy Lynch, Head of Resilience, will attend the September 2022 AAB meeting to provide an update on the proposed approach to risk management and resilience overall.

Action: Tommy Lynch to attend the September 2022 AAB meeting to provide an update on the development of the SPCB's risk management framework.

Item 4: Finance Office

AAB(JUN22)02 – The SPCB Annual Report and Accounts 2021/22

- 4.1 Lis Craig introduced the outline of the 2021/22 Annual Report and Accounts noting that the report is an early draft shared with the AAB for initial comments in respect of format and content.
- 4.2 The AAB noted the paper and welcomed the updates incorporated following earlier discussions with Lis Craig.

AAB(JUN22)03 – The SPCB Annual Report and Accounts 2020/21 – Accounting estimates

- 4.3 Lis Craig presented the paper which: highlighted the planned approach for accruals estimates; the indices approach to the valuation of the Holyrood building; and the disclosures required in respect of pension assumptions and valuations.
- 4.4 AAB members thanked Lis Craig and noted the paper.

Item 5: Audit Scotland

Update on Interim Audit 2021/22

- 5.1 Claire Gardiner provided a verbal update and confirmed that the audit of the annual report and accounts will commence as planned in July 2022. It was advised that most audit procedures will be performed remotely, and audit work is expected to be substantially completed by September 2022 consistent with the agreed timetable.
- 5.2 AAB members noted the update.

Item 6: Internal Audit

AAB(JUN22)04 – 2019/20 Status Report

- 6.1 Andy Munro introduced the report and advised that, with the Clerk/Chief Executive's approval, certain audit assignments originally scheduled for

2021/22 will be deferred until 2022/23 as a result of Andy Munro's continuing secondment to The Scottish Human Rights Commission. Andy Munro advised that work in progress on the Reimbursement of Members' Expenses would be completed by the internal audit partner firm, Grant Thornton UK LLP. Based on the work to date and the finalisation of work ongoing, Andy Munro advised that a final internal audit assurance opinion will be provided to the Clerk/Chief Executive and to the AAB in September 2022.

6.2 AAB members noted the report.

AAB(JUN22)05 – Review of Health and Safety Management

6.3 Andy Munro presented the findings from the audit report noting that, while a number of matters had been identified for management attention, key controls are in place and these are operating effectively. The focus of the Parliament's Health and Safety Advisor had been on the Parliament's response to COVID-19 and routine health and safety management activity had recommenced. Andy Munro further advised that the health and safety management function had transferred to the newly formed Resilience Team led by the Group Head - Resilience and Sustainability and overseen by the Head of Resilience thereby providing further capacity for the function overall.

6.4 The AAB noted the review.

AAB(JUN22)06 – Draft Internal Audit Plan 2022/23

6.5 Andy Munro presented the Internal Audit Plan and confirmed that work on individual audit assignments would commence in October 2022 when his role at the Scottish Human Rights Commission was expected to wind down enabling his return to his substantive post.

6.6 Jackson Carlaw asked that the scope of the assignment on Chamber Conferencing be more specific on the planned changes and associated timescales.

6.7 AAB members approved the Internal Audit Plan 2022/23 draft plan.

Item 7: AAB: Future Agenda Planner and AOCB

AAB(JUN22)07 – Future Agenda Planner

7.1 The AAB agreed the future agenda planner.

Item 8: Time and date of next meeting

8.1 The next meeting will be held on Wednesday 21 September 2022. It is expected that this will take place in person at the Scottish Parliament.

(Next meeting moved to Tuesday 27 September via Microsoft Teams)