

<b>Meeting</b>	<b>SPA Board Meeting</b>
<b>Date</b>	<b>Thursday 29 March 2018</b>
<b>Location</b>	<b>John McIntyre Centre, Pollock Halls, University of Edinburgh</b>
<b>Title of Paper</b>	<b>Audit Committee Chair's Report</b>
<b>Item Number</b>	<b>13.1</b>
<b>Presented By</b>	<b>David Hume</b>
<b>Reference Number</b>	<b>REP-B.13.20180329</b>
<b>Recommendation to Members</b>	<b>For Noting</b>
<b>Appendix Attached:</b>	<b>NO</b>

#### **PURPOSE**

To provide the Board with an update on business progressed through the Audit Committee on 6 March 2018.

This meeting of the Audit Committee was held in addition to the scheduled meetings of the Committee to allow consideration of the External Audit and Internal Audit plans for 2018/19.

## 1. INTERNAL AUDIT – ONGOING

- 1.1 Scott-Moncrieff reported on the final draft of the 2018/19 Internal Audit Plan. The Committee approved the Plan, and subject to further consultation, the final plan will be presented to the SPA Board meeting at its meeting on 29 March 2018.

## 2. EXTERNAL AUDIT – ONGOING

- 2.1 The Committee received a presentation on Audit Scotland's Annual Audit Plan 2017/18.
- 2.2 The Committee noted the planned scope and timing of the audit, noted the key audit risks, and the testing of those risks which will be undertaken. The Committee agreed that the External Audit Plan for 2017/18 should be presented to the Board for the information of all Board Members.
- 2.3 Audit Scotland confirmed to Members that the additional audit fee represented to additional work being carried out by Audit Scotland. Members acknowledged that while the Committee is charged with governance, the proposed fee should be noted by the full board.
- 2.4 Members were advised that while the timetable for 2017/18 financial statements had been agreed, it was recommended that going forward the timetable would be earlier in the year. Members agreed that earlier reporting would be more effective.

## 3. THE GENERAL DATA PROTECTION REGULATIONS (GDPR) – ONGOING

- 3.1 Members were provided a verbal update on SPA and Police Scotland preparedness for GDPR compliance.
- 3.2 Members were informed that the only area which will not be compliant by the deadline is records of retention and weeding but the risks have been highlighted and communicated. Members noted

that forward assurance plans will be presented to the Commissioner regarding these and legacy systems.

- 3.3 The Committee recommended that action is taken to inform all Board Members of the progress towards achieving GDPR compliance, and the issues yet to be resolved.
- 3.4 A paper with further information and continuing progress will be presented to the next Audit Committee.

#### **4. INTERNAL AUDIT PROCUREMENT – (ONGOING)**

*Rationale – SPA Governance Framework Section 27 (e) Where any of the information to be discussed is commercially sensitive, financially sensitive, relates to proposals for significant organisational change or to significant changes to the terms and conditions of staff.*

- 4.1 Members were provided with an update on the current Internal Audit Tendering Process. Members were informed of the scheduling details of the supplier presentation and the governance process.

#### **5. INVESTIGATION REPORT – (NEW)**

*Rationale – SPA Governance Framework Section 27 (e) Where any of the information to be discussed is commercially sensitive, financially sensitive, relates to proposals for significant organisational change or to significant changes to the terms and conditions of staff.*

- 5.1 Members were provided with an anonymised summary report carried out by Scott-Moncreeff where a number of allegations had been investigated, with failures highlighted to Members in terms of process. The report included management responses to four composite recommendations, as requested at the previous Committee meeting, which were discussed.
- 5.2 Members sought, and received assurance that the required remedial actions would be correlated and aligned with overlapping actions required by other audit reports.
- 5.3 Members gave direction on the further handling of the investigation report following their consideration of the issues at this meeting.

**The Audit Committee will next meet on 19 April 2018.**