



Audit, Risk and Assurance Committee

14 August 2025

Minutes of the Audit, Risk and Assurance Committee held on Wednesday 21 May 2025 at 10am via Webex.

Authority Members present:	Mary Pitcaithly Pauline Howie Katharina Kasper (Items 4.1-5) Angela Leitch
Committee Member apologies:	Paul Edie
In attendance:	<p>Scottish Police Authority Lynn Brown, Chief Executive Officer John McNellis, Head of Finance, Audit and Risk Vanessa Ewing, Head of Strategic Business Management (Item 4.8) Karen Vallance, Governance Support Officer</p> <p>Forensic Services Craig Donnachie, Head of Quality and Assurance</p> <p>Police Scotland Deputy Chief Constable Bex Smith Assistant Chief Constable Lynn Ratcliff James Gray, Chief Financial Officer Patrick Brown, Temporary Director of Strategy and Analysis Donna Adam, Audit Manager Transformation (Item 2.2)</p>

	<p>Dawn MacLean, Health and Safety Manager (item 3.1)</p> <p>Grant Thornton Lucy Bell, Audit Assistant Manager (Items 3.1- 5)</p> <p>BDO Claire Robertson, Risk and Advisory Services Director</p> <p>HMICS Craig Naylor</p>
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1. STANDING ITEMS

1.1 WELCOME AND APOLOGIES

The Committee Chair opened the meeting and welcomed all attendees. Members noted apologies from Paul Edie.

1.2 DECLARATIONS OF INTEREST

Members noted no declarations of interest.

1.3 MINUTE OF MEETING HELD ON 6 FEBRUARY 2025 FOR APPROVAL

Members approved the Minute of the 6 February 2025 meeting.

1.4 ACTION LOG AND MATTERS ARISING

Members noted the action log.

1.5 DECISION ON TAKING BUSINESS IN PRIVATE (ITEMS 6-9)

Members agreed that, in accordance with paragraph 20 of the SPA Standing Orders, the Committee would consider items 6-9 in private for the reasons set out on the agenda.

2. AUDIT AND IMPROVEMENT

2.1 INTERNAL AUDIT UPDATE

Members considered the report which provided an update on internal audit progress and Q4 follow up results. Claire Robertson (CRobertson) highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- The Committee Chair welcomed the clearer report format.
- Members sought comment on mitigations for long standing recommendations. CRobertson advised that BDO follow up quarterly to ensure risks are being addressed. Prioritisation and management of resources is key as well as a realistic approach to setting and managing timescales. Members asked what can be done to ensure timescales are pragmatic and heard an Internal Audit report on management of recommendations was forthcoming which would assist in managing. DCC Bex Smith (DCCSmith) confirmed all recommendations, and associated timescales had been accepted, and the organisation was getting better at understanding impact and discussing timescale management.
- Members noted that other organisations report on partially discharged recommendations and encouraged BDO to consider same.
- The Committee Chair thanked BDO for their input on new standards at the recent Committee Development Day.

Members noted the report.

2.2 POLICE SCOTLAND AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER Q4

Members considered the report which provided an update of current open recommendations from all audit and improvement activity. Assistant Chief Constable Lynn Ratcliff (ACCRatcliff) provided a summary of the key points detailed within the report.

In discussion the following matters were raised:

- Craig Naylor (CNaylor) commented on the progress of recommendations and the Committee Chair agreed that historic recommendations should be responded with an appropriate level of effort.
- Members noted that interdependencies can lead to delays so sought comment on the formal arrangements for addressing and escalating, citing the forensic examinations for child abuse cases as an example. Donna Adam (DAdam) explained that those specific recommendations are joint with the Crown Office and escalation is at ACC/DCC level. She explained that the timescales are long due to the sensitive nature of the work required.

- Members asked what more could be done to address outstanding issues on vetting and what the risks are. DAdam advised there had been a concentrated focus on the area, and it was recognised that resources within the unit may not be used effectively. Work is being accelerated, and it was hoped some HMICS recommendations on vetting would be closed soon but BDO ones would remain open. DAdam assured Members there were appropriate levels of internal reporting and escalation.

Members noted the report

2.3 SPA AUDIT AND IMPROVEMENT RECOMMENDATIONS UPDATE

Members considered the report which provided an update on progress against the SPA Corporate Strategy for 2024/25, and open recommendations from all SPA corporate audit and inspection activity. John McNellis (JMcNellis) highlighted a number of key points detailed within the report.

No questions were raised.

Members noted the report.

3. INTERNAL AUDIT REPORTING

3.1 INTERNAL AUDIT REPORTS

Members considered the audit report on estates and asset management. CRobertson highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Noting the biggest issue was data, Members were assured work was progressing to introduce an estates database but until that point, accuracy checking would continue to be manual.
- Members agreed an estates management system was a sensible way forward but sought assurance that it could be linked to other systems and linked to the Capital Programme. James Gray (JGray) confirmed it would be linked and would grow as the data improves. He told Members this current year would be a transition year focussing on transactional activity, but it was anticipated that linkage could be evidenced by 2026/27. DCCSmith added that JGray and his team had been helpful in feeding into how it could work and how interdependencies would be addressed.

Members considered the audit report on ICT general controls. CRobertson highlighted a number of key points detailed within the report.

The Committee Chair noted it was a positive report and thanked those in the digital division who had contributed.

Members considered the audit report on grant management. CRobertson highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- JGray explained that the timing of the audit meant it was difficult to give a higher level of assurance however new approved arrangements are in place and provide a moderate level of assurance. He assured Members that the new policy and procedure helped to demonstrate improved controls.
- Lynn Brown acknowledged that the grant amount was not significant in the overall budget but was significant in itself therefore the report was requested, and the expected results have allowed the organisation to move forward.
- Members welcomed Police Scotland and SPAs request for the report but asked whether there was any potential duplication in grant awards. JGray assured the Committee that the new policy and procedures helped to ensure duplication was avoided. He offered to provide a list of what the grant fund covers which Members accepted.
- JGray advised that all recommendations should be complete by October 2025.

Members considered the audit report on health and safety – transportation of dangerous goods. CRobertson highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members welcomed the proactive request for the audit, noting it showed a level of maturity, transparency and desire for improvement.
- Members sought and received assurance that Forensic Services would be involved in the work undertaken to address the recommendations and any learning that came out of it.
- Members heard the audit results were anticipated, and two groups had been set up with action plans formulated from the report. One group was to look at high-risk productions and another was a partnership group to review end-to-end processes. The Committee

heard Police Scotland take on the organisational risk of holding high risk productions and it was anticipated that the new modernisation bill will help address this.

- Members questioned whether there were any learning points for wider Health and Safety compliance and heard a Policy Development Working Group had been established to identify gaps and prioritise through internal investigative work.
- ACCRatcliff assured the Committee that health and safety was a focus, and internal departmental meetings review health and safety, with focus and input from the Health and Safety team.
- Member questioned whether external support would be required and heard outcomes from the action plan may require external support if there is no internal expertise in an area. An external contact has been identified but staff are also carrying out CPD work to help assist.

Members noted the report and agreed the following actions:

20250521-AUD-001: Committee Members to be provided a list of what the grant management fund covers.

3.2 ANNUAL INTERNAL AUDIT REPORT

Members considered the Annual Internal Audit Plan. CRobertson highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members questioned whether any overarching themes had emerged from the work done this year and heard central oversight, roll out of policies and procedures and prioritisation had been highlighted.
- CRobertson advised that having good quality data would help drive improvements. DCCSmith informed the Committee there is an intention to use data more effectively and discussions would take place at an upcoming Resources Committee Development Day with a robust plan brought to a future Resources Committee.
- Noting four audits provided limited assurance, Members were told this conclusion was due to Internal Audit not being content with the level of risk being carried and improvement actions were recommended.

Members noted the report.

4. ASSURANCE REPORTING

4.1 HMICS SCRUTINY PLAN

Members considered the HMICS scrutiny plan. Craig Naylor (CNaylor) highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members sought comment on the potential that some HMICS reviews will impact further than SPA and Police Scotland. CNaylor advised Members that if work is not joint, there is engagement with those potentially impacted to provide a whole system approach.
- CNaylor commented that as there is no scrutiny body for the Courts Service, there is a lack of joined up work in that area.
- The Committee praised HMICS for the amount of engagement they had undertaken, noting it was evident in the range of topics in the plan.
- CNaylor assured the Committee that HMICS involve different groups and partners whilst carrying out their work.
- Referring to managing offenders, Members questioned whether HMICS take into consideration other pressures such as homelessness and the housing crisis. CNaylor confirmed that HMICS have good relationships with partners to ensure after care is well considered before someone comes back into community.
- Members questioned whether HMICS will comment on any link between cyber and the physical elements of Forensic Services. CNaylor commented that digital forensics sits within Police Scotland and HMICS do not have enough evidence on how they are working to provide comment.
- Noting the range of topics, Members sought comment on whether there are adequate resources. CNaylor acknowledged they were a small team but highlighted that the programme of work is smaller than previous years. He stated that HMICS have become better at understanding time and cost so have streamlined the plan.
- CNaylor advised the Committee that he was disappointed only three responses were received from MSPs during their consultation, and this had been fed back to the Scottish Governments Justice Committee Chair.

4.2 POLICE SCOTLAND BEST VALUE UPDATE

Members considered the report which provided an update on best value progress in Police Scotland. Patrick Brown provided a detailed summary of the report.

In discussion the following matters were raised:

- The Committee welcomed the public update, noting extensive discussions on preparation had taken place at a recent Committee development day.
- Members noted an initial meeting was scheduled for 22 May with Police Scotland, SPA, Forensic Services, HMICS, Audit Scotland, Grant Thornton and Scottish Government in attendance.
- Members praised the self-awareness evidencing what has gone well and where improvement can be made.

Members noted the report.

4.3 SPA AND FORENSIC SERVICES BEST VALUE UPDATE

Members considered the report which provided an update on best value progress across SPA Forensics and SPA Corporate. JMcNellis highlighted a number of key points detailed within the report.

Lynn Brown (LBrown) praised the Committee's focus on Best Value to ensure Police Scotland and SPA are in a good place for the audit.

Members noted the report.

4.4 ACCOUNTING POLICIES JUDGEMENTS AND ESTIMATES

Members considered the report which provided an overview of the proposed accounting policies, judgements and estimates, prior to the preparation and approval of the SPA Annual Report and Accounts. JMcNellis highlighted a number of key points detailed within the report.

No questions were raised.

Members noted the report.

4.5 INTEGRATED ASSURANCE STATEMENT

Members considered the report which provided a strategic summary of the systems of internal control across the four lines of defence and a

summary of the findings from key audit and inspection bodies. JMcNellis highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members raised concern regarding unsupported financial software but received assurance that it was being treated as a priority and a decision would be made imminently on addressing it.
- The Accountable Officer noted it was fundamental to the financial integrity of the Authority.

Members noted the report.

4.6 SPA CORPORATE YEAR END PERFORMANCE

Members considered the report which provided an overview of SPA year end performance for 2024-25. LBrown highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members welcomed the report and heard that due to resource constraints, vacancies and the delivery plan were approached based on what was required to be done as opposed to what could be done.
- Members heard that to help drive improvement, a light touch review of the structure was taking place and would be reported internally in September 2025.

Members noted the report.

4.7 ARAC ANNUAL REPORT

Members considered the Committee Annual Report. JMcNellis highlighted a number of key points detailed within the report.

No questions were raised.

Members noted the report.

4.8 COMMITTEE EFFECTIVENESS

Members considered the report which provided an overview of findings from the 2024-25 Committee Effectiveness process. Vanessa Ewing highlighted a number of key points detailed within the report.

The Committee discussed that learning was already underway with work plans re-examined at Committee Development Days and reviews of report templates were underway.

Members noted the report.

5. AUDIT, RISK AND ASSURANCE COMMITTEE WORK PLAN

5.1 COMMITTEE WORKPLAN

Members were presented with the work plan which proposed Committee items for the next 12 months.

Members noted the plan.

The remaining items were taken in private.