



Audit, Risk and Assurance Committee

21 May 2025

Minutes of the Audit, Risk and Assurance Committee held on Thursday 6 February 2025 at 10am via Webex.

Authority Members present:	Mary Pitcaithly (Committee Chair) Paul Edie (Committee Member) Katharina Kasper (Committee Member) Grant Macrae (Committee Member) (Items 1.1 - 4.1) Fiona McQueen (Interim Authority Chair)
Committee Member apologies:	Angela Leitch
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 4.3) Karen Vallance, Governance Support Officer</p> <p>Forensic Services Sam Curran, Head of Function (Items 3.1 - 5) Craig Donnachie, Head of Quality and Assurance</p> <p>Police Scotland Deputy Chief Constable Bex Smith Andrew Hendry, Chief Digital and Information Officer Patrick Brown, Temporary Director of Strategy and Analysis Chief Superintendent Vicky Watson</p>

	<p>Angela Wood, Head of Policy, Audit, Risk and Assurance</p> <p>Grant Thornton Joanne Brown, Audit Partner Hannah McKellor, Senior Manager</p> <p>BDO Claire Robertson, Risk and Advisory Services Director</p> <p>HMICS Annie Crawley</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 Angela Leitch.

The Chair highlighted that the meeting was Grant Macraes last before the end of his tenure. The Chair thanked him for his contribution and welcomed having the Resources Committee Chair as a member of ARAC.

1.2 DECLARATIONS OF INTEREST

Members noted no declarations of interest.

1.3 MINUTE OF MEETING HELD ON 20 NOVEMBER 2024 FOR APPROVAL

Members approved the Minute of the 20 November 2024 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 Q3 follow up results. Claire Robertson (CRobertson) highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members sought more information regarding the disputed recommendations relating to Forensic Services case file management. CRobertson advised that the recommendation was raised following misplacement of physical case files however BDO were unsure of the risk level at the time as the audit was undertaken by the previous auditors. The recommendation was about tracking files with a system solution. Forensic Services have explained that a low number of case files are misplaced therefore they don't agree a system solution is proportionate, which BDO disagree with. In response, Craig Donnachie (CDonnachie) committed to sharing the full report with BDO and explained that the Forensic Services Director did not agree with the recommendation at the time it was raised. CDonnachie explained that within the last year, 6 files out of approximately 40,000 have been misplaced but subsequently traced and are recorded through a management system. The Committee Chair requested further discussions take place, and noted the possibility that the new process set out to consider disputed recommendations may be used and reported to the next Committee.
- The Committee were assured that all Internal Audit Reports scheduled to come to the May meeting were on track and there were no delays anticipated.
- The Committee noted their disappointed that two high risk recommendations relating to Police Scotland ICT delivery were not yet completed. Andrew Hendry (AHendry) advised there were challenges in closing as they are aligned to bigger areas of work. He agreed to provide a more detailed update to the next Committee.

Members noted the report and agreed the following actions:

20250206-AUD-001: BDO to be provided with the initial full report relating to Forensic Services Case File Management system.

20250206-AUD-002: BDO and Forensic Services to have further discussions to reach a solution on the case file management recommendation which was reported to Feb ARAC as not implemented

20250206-AUD-003: More detailed update to be provided to next meeting on the two high risk recommendations relating to Police Scotland ICT delivery.

2.2 POLICE SCOTLAND AUDIT AND IMPROVEMENT RECOMMENDATION TRACKER Q3

Members considered the report which provided an update of current open recommendations from all audit and improvement activity. Chief Superintendent Vicky Watson (CSWatson) provided a summary of the key points detailed within the report.

In discussion the following matters were raised:

- Members raised concern on the number of live actions and sought further detail on attempts to close. CSWatson responded that evidence is provided to scrutiny bodies to close actions, but formal closing is a decision for them. DCC Bex Smith (DCCSmith) added that as some recommendations are old, there are now different ways of working and Police Scotland need to be more robust at challenging completion. The Committee Chair acknowledged the effort made to close actions but encouraged a move away from 'perfection' to 'good enough.'
- The Committee Chair reiterated the Committee requires assurance that delayed actions are being addressed with appropriate prioritising.
- Members were assured that all recommendations have been aligned to Best Value themes.
- Annie Crawley (ACrawley) advised the Committee that HMICS would only close actions if they are confident that they are being met. She advised discussions on progress is always welcome as well as uploaded evidence, and HMICS appreciate there can be many dependencies.
- Members noted that recommendations are being added at a higher rate than are closed off, and a lot are not stand-alone recommendations so are being addressed through transformation. Members therefore encouraged risk mitigation to be considered as part of the process.
- Members noted the proposed internal audit plan included an audit which looked at the management of recommendations and the process for how they managed.

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.

Lynn Brown confirmed she was content with 77% of corporate strategy milestones being completed. She advised another 14 would be delivered in next quarter and explained that there have been resources gaps in some areas which would soon be filled.

Members noted the report.

3. INTERNAL AUDIT REPORTING

3.1 INTERNAL AUDIT REPORTS

Members considered the audit report on Implementation of Change Projects and Realisation of the Change Benefits. CRobertson highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- DCCSmith advised the Committee of a recent change prioritisation day within Police Scotland which had highlighted the work required to get in the right position to deliver change and align with the budget and business plan. Members also heard the new portfolio alignment will also help focus on the change and transformation agenda.
- Resources Committee Chair, Grant Macrae, confirmed the Resources Committee receive portfolio reporting from original business case through to how it is progressed, however there was a need for improved benefits reporting.
- Members questioned the root causes BDO found and asked why there were no action steps. CRobertson advised BDO were looking at embedding new expectations and requirements and developing benefits tracking and reporting. BDO are satisfied, from the management responses, that there is an understanding of a need for change. DCCSmith added that Police Scotland has not invested in change as much as it should therefore it needs to move at pace to a deliver target operating model but has to assess how it is set up to do that.

Members noted the report.

3.2 ANNUAL INTERNAL AUDIT PLAN

Members considered the Annual Audit Plan. CRobertson highlighted a number of key points detailed within the report. JMcNellis informed the Committee it had been a collaborative approach and highlighted that some areas are based on risk, committee focus and other topical or current issues.

In discussion the following matters were raised:

- The Committee Chair stated that it was a comprehensive plan.
- Regarding the risk register audit, CRobertson advised BDO will focus on registers that impact the strategic objectives but will look at all registers to ensure that low-level risks do not collectively affect a strategic objective.
- Regarding the Commonwealth Games, the SPA Chief Executive highlighted that the plan should be clear that it is about policing the event, not the event itself.

Members approved the Annual Internal Audit Plan.

3.3 ANNUAL EXTERNAL AUDIT PLAN

Members considered the Annual External Audit Plan. Hannah McKellor highlighted a number of key points detailed within the report. Joanne Brown advised that Grant Thornton have been invited to a scoping meeting for the Best Value audit and some of their work on financial management and sustainability will be used.

In discussion the following matters were raised:

- Members received assurance that there was engagement with Audit Scotland to mitigate the risk of delays in the completion of pension funds accounts that impact on the SPA Annual Report and Accounts.
- Members were also informed that the Best Value Audit would not impact the deadlines for completing the Annual Report and Accounts.

Members noted the report.

4. ASSURANCE REPORTING

4.1 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:

- Members were advised that a deadline for the self-assessment had not been provided but Police Scotland were working towards April as indicated in the first letter received. ACrawley advised HMICS are working to their initial timescales that fieldwork will be undertaken in April and early May. The SPA Chief Executive stated that she felt a fixed date was required to allow work to be taken through appropriate governance in time.
- Members were assured Police Scotland will seek clarity on what is expected from HMCIS and Audit Scotland in relation to evidence.
- The Committee agreed to close action 20241120-AUD-002 based on the updates and discussion provided.

Members noted the report.

4.2 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 and Sam

Curran (SCurran) highlighted a number of key points detailed within the report regarding SPA and Forensic Services, respectively.

In discussion the following matters were raised:

- Members heard that the compliance levels recorded for Forensic Services were considered positive but was an area of continuous improvement. The 4% that are not compliant are not applicable as the questions are geared to legislation, but guidance allows that to be recorded as non-applicable.
- Members were assured the self-assessment will be fully evidenced to provide an accurate current position. Members heard that a benefit of the exercise was the ability to demonstrate improvement over time.

Members noted the report.

4.3 AUDIT, RISK AND ASSURANCE COMMITTEE EFFECTIVENESS

Members considered the report which provided with the findings of a recent survey conducted with Board Members and stakeholders, seeking their feedback on the overall effectiveness of the committee. Vanessa Ewing (VEwing) highlighted a number of key points detailed within the report.

In discussion the following matters were raised:

- Members were informed the overall results will be reported to the Committee in May.
- Members questioned how the areas of EDI and culture can be improved. VEwing confirmed that all findings will be available to Members and stakeholders and work will be undertaken to review report templates so information on EDI will be more explicit.
- The Committee Chair encouraged continual focus on reducing the volume and length of reports as well as late submissions of papers.
- The Committee Chair questioned how stakeholder responses could be encouraged and heard the low return rate could be seen as a sign of satisfaction as there are good stakeholder relationships and there are opportunities to have discussions throughout the year.

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.

