

MINUTE Meeting date: Tuesday 22 July 2025

IN ATTENDANCE ONLINE

- Helen Donaldson (Chair)
- Lezley Stewart
- Lorna Johnston, Executive Director & Accountable Officer
- Sarah Nicholson, Office Manager
- Gillian McCreadie, Audit Manager, Audit Scotland
- Liz Maconachie, Senior Audit Manager, Audit Scotland
- Andy Munro, Head of Internal Audit, Scottish Parliamentary Corporate Body (SPCB) (item 6 only)

ITEM	CONTENT	ACTION
STANDING ITEMS		
1.	<p>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST</p> <p>Ms Donaldson welcomed all attendees. Ms Donaldson noted that Ms Lezley Stewart had been co-opted as a member of the Committee for the meeting only, in the absence of Mr Malcolm Bell.</p> <p>Apologies were received from Mr Bell. No declarations of interest were made.</p>	
2.	<p>DRAFT MINUTE OF PREVIOUS MEETING</p> <p>The draft minutes of the meeting on 20 May 2025 were approved.</p>	
3.	<p>MATTERS ARISING</p> <p>The Committee noted all matters arising from their last meeting were either complete or due to be discussed as part of the agenda.</p>	
BUSINESS ITEMS		
4.	<p>RISK REGISTER 2025/26 QUARTER 2 REVIEW</p> <p>The Committee reviewed the contents of the Risk Register for 2025/26 and agreed to recommend to the Standards Commission that:</p> <ul style="list-style-type: none"> • No change be made to the risk score for Risk 1 (“Promotion”). This was because while some work has been undertaken, particularly on the website, the time required to deal with case related tasks in the year to date had prevented the Executive Team from being able to proactively engage with media on wider issues concerning the ethical standards framework. • The probability score for Risk 2 (“Education”) be reduced from a 3 to a 2, with the overall score decreasing from 9 to 6, in light of the work undertaken and planned with the Improvement Service, and the Standards Commission’s involvement in the work being led by COSLA on civility in public life. • No change be made to the risk scores for Risks 6 and 7 (“Budget” and “Availability”). This was because while the SPCB agreed to provide contingency funding to cover an increase in the Case Manager’s role and grade for the rest of 2025/26, the number of Hearings and potential appeals against decisions made at Hearings was still unknown. The Standards Commission understood from information provided by the Ethical Standards Commissioner (ESC) that a number of referrals would be made in quarters two and three, which were likely to result in Hearings, with the associated impact both on availability and on costs (in terms of Members’ time and potential travel and accommodation). 	

	<p>The Committee asked the Executive Team to make the proposed amendments, via track changes, for consideration by the Standards Commission at its meeting on 28 July 2025.</p>	Executive Team
5.	<p>ANNUAL ACCOUNTS 2024/25</p> <p>a) Review Draft Annual Accounts 2024/25</p> <p>The Committee reviewed the draft Annual Accounts for 2024/25 and agreed they should be submitted for final review and approval by the Standards Commission at its meeting on 28 July 2025.</p> <p>b) External Audit formalisation: Independent Auditor’s Report Management Letter</p> <p>Mrs Maconachie introduced the external auditor’s report on the Standards Commission’s Annual Report and Accounts 2024/25. Mrs Maconachie advised that Audit Scotland was satisfied that the annual accounts had been properly prepared in accordance with applicable legislation and that the financial statements gave a fair and true view of the Standards Commission’s affairs and net expenditure.</p> <p>In light of the external audit report, the Committee agreed the terms of the draft ISA 580 management response letter. The Committee noted that the Executive Director was not aware of any instances involving fraud or subsequent events that had occurred since 31 March 2025, that would require to be brought to the attention of the independent auditors. The Committee agreed, therefore, that it was content for the letter to be submitted to the Standards Commission for approval at its meeting on 28 July 2025.</p> <p>c) Draft Audit Report 2025/26</p> <p>Mrs Maconachie introduced the proposed annual external audit report and advised that the auditors had applied the provisions relating to small bodies under the Code of Audit Practice 2016. Mrs Maconachie confirmed that the independent audit had concluded that the Standards Commission had adequate short, medium and long-term financial planning and governance arrangements and plans in place. Mrs Maconachie further confirmed that she was satisfied that the disclosures in the Governance Statement were consistent with the financial statements and the statement had been prepared in accordance with the relevant statutory guidance.</p> <p>The Chair and Executive Director both thanked Mrs Maconachie and Mrs McCreadie for their attendance at the meeting and for their support with the audit.</p>	<p>Executive Team</p> <p>Executive Team</p>
6.	<p>INTERNAL AUDIT SERVICES</p> <p>a) Annual Internal Audit Assurance Report</p> <p>Mr Munro introduced the draft Internal Audit Assurance Report, which provided the Accountable Officer and Committee with an assurance on the adequacy and effectiveness of the systems of internal control in operation during 2024/25. Mr Munro reported that he was satisfied he could offer a substantial level of assurance that arrangements, systems, processes, and internal controls in place for 2024/25 were robust and were operating effectively, thereby ensuring risk is maintained at an acceptable level. As such, Mr Munro was able to advise the independent auditors that they could take substantial assurance from the areas reviewed as evidence in support of the Accountable Officer’s Governance Statement in the Annual Report and Accounts 2024/25.</p> <p>b) Review of ‘Section 16’ Decision-Making</p> <p>Mr Munro advised that, in accordance with the Standards Commission’s Internal Audit Plan for 2024/25, he had undertaken a review of the Standards Commission’s decision-making process under Section 16 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, on receipt of case referral reports from the ESC. Mr Munro reported that he was satisfied that he could offer a substantial level of assurance over the systems, controls and processes in place and that he had not identified any risks or recommendations arising from the review.</p> <p>The Committee thanked Mr Munro for his help and support.</p>	

ANY OTHER BUSINESS		
7.	None.	
NEXT MEETING		
8.	The Committee noted that it was next scheduled to meet online in January 2026. The Committee agreed the date of the meeting would be 20 January 2026.	