

# **Minutes of the meeting of the Advisory Audit Board held on 21 January 2026 at 12.00pm in Q1.04, The Scottish Parliament**

Present: Joe Al-Gharabally, Chair  
Steve Renwick  
Siobhan White  
Claire Baker MSP  
Jackson Carlaw MSP

In Attendance: David McGill, Clerk/Chief Executive  
Kerry Twyman, Director of Finance and Resilience  
Beki Stark, Financial Controller  
Anne Hamilton, Financial Accountant  
Gillian McCreadie, Audit Scotland  
Liz McConnachie, Audit Scotland  
Tommy Lynch, Head of Resilience  
Allan Campbell, Head of Operations  
Heather MacLennan, Head of Officeholder Services  
Andy Munro, Head of Internal Audit  
Kate Blackman, Secretariat

Apologies: Michelle Hegarty, Deputy Chief Executive  
Carole Grant, Audit Scotland

## **Item 1: Declarations of Interests**

1.1 No further declarations.

## **Item 2: Minutes of Meeting from 17 September 2025 and Matters Arising**

2.1 The AAB approved the minute as drafted.

2.2 Steve Renwick asked if further consideration had been given to the grading of the report on the Reimbursement of Members Expenses and if a decision on whether to increase the report's conclusion from 'satisfactory' to 'substantial' had been taken. Andy Munro explained that, as the authors of the report, Grant Thornton had confirmed their opinion and conclusion as 'satisfactory'.

## **Item 3: Clerk/Chief Executive's Update**

3.1 David McGill provided an update on the progress of election programme and provided an outline of the planned induction programme for new Members.

3.2 The AAB noted the update.

## **Item 4: Strategic Risk Update**

### **AAB(JAN26)01 – Risk Update**

- 4.1 Tommy Lynch provided the quarterly update on strategic risk management, as reported to the Senior Executive Team (SET) in November 2025. Intolerable risks will be revisited in the next quarterly review, including a further assessment of 'Cyber risk' which is being considered as part of a wider workstream to assess business continuity management arrangements in the event of a loss of IT.
- 4.2 The Chair asked if alternative frameworks for presenting the strategic risk register had been considered, with a view to enhancing the focus on the highest priority risks and issues. Tommy Lynch advised that the approach to managing and reporting strategic risk has evolved over time and agreed to meet separately with the Chair to explain the approach and to discuss options.

**Action: Tommy Lynch to meet with the Chair discuss current arrangements for strategic risk management and reporting.**

4.2 AAB members welcomed the update on strategic risk.

## **Item 5: Finance Office**

### **2026-27 Budget**

- 5.1 Kerry Twynam provided a verbal update on the SPCB's 2026-27 budget submission for 2026-27. Kerry confirmed that the budget bid had been submitted on 11 December 2025, in accordance with the agreed timetable. Kerry further advised that, with Jackson Carlaw, David McGill, Andy Munro, she had given evidence to the Finance and Public Administration Committee on 6 January. The Committee's report was expected in early course and negotiations in respect of the SPCB pay settlement were due to take place in March 2026.
- 5.2 AAB members welcomed the update on the SPCB's 2026-27 budget submission.

### **AAB(JAN26)02 – 2025-26 Period 8 Finance Report**

- 5.3 Beki Stark presented the 2025-26 Period 8 (to 30 November 2025) Finance Report. Beki advised that while the forecast underspend for the year has increased slightly, further project expenditure is expected in Quarter 4. The current year-end underspend is forecast at £1.3 million which is approximately 1% of the total budget and is within the SPCB's target of 2.5% for annual budget expenditure.
- 5.4 AAB members noted the 2025-26 Period 8 Finance Report.

## **AAB(JAN26)03 – NFI Closure Report**

- 5.3 Beki Stark presented the final report on the recent National Fraud Initiative advising that no reporting matters were identified.
- 5.4 AAB members noted the NFI Closure Report.

## **Item 6: Audit Scotland**

### **Progress Report**

- 6.1 Liz McConnachie provided a verbal update on the status of the 2025-26 audit of the SPCB. Liz confirmed that interim audit work was scheduled to take place in the coming weeks and that Audit Scotland's Audit Plan for 2025-26 would be presented to the AAB at its March 2026 meeting.

## **Item 7: Internal Audit**

### **AAB(JAN26)04 – 2025-26 Internal Audit Plan Update**

- 7.1 Andy Munro presented an updated Internal Audit Plan for the period to 30 June 2026. The plan set out the respective responsibilities of Grant Thornton UK LLP and Andy Munro as Head of Internal Audit. Andy Munro further advised that data gathering, in respect of space utilisation for Officeholders, was continuing. The work performed would form the basis of a report with recommendations in respect of future options for office use.

### **AAB(JAN26)05 – AAB Review of Terms of Reference**

- 8.1 The Chair presented draft Terms of Reference for the AAB. Following discussion, it was agreed that these be kept under review and discussed further at the next AAB meeting in March 2026.

## **Item 8: AAB: Future Agenda Planner and AOCB**

### **AAB(JAN26)06 – Future Agenda Planner and AOCB**

- 8.1 The AAB noted the future agenda planner.

**Action: Andy Munro to include AAB Terms of Reference in the 18 March 2026 AAB agenda.**

## **Item 9: Time and date of next meeting**

- 9.1 The next meeting will be held on 18 March 2026.

Meeting Date	Issue	Action Required	Lead Official	Planned Completion Date	Status	Comments
AAB – June 2024	AAB(JUN24)06 – Cyber Security	Andy Munro to invite BIT to attend a future AAB meeting to provide an update on the work being done to enhance the SPCB's cyber defences.	Andy Munro	September 2026	Not yet actioned.	Director of Operations and Head of BIT invited to attend future AAB meeting when the audit of Business Continuity for Loss of IT is presented. Currently targeting June or September 2026.
AAB – June 2025	AAB(JUN25)07 – Payroll Review	Andy Munro to review the recommendation on annual reconciliations of staff and payroll records.	Andy Munro	March 2026	In progress.	Monthly reconciliations confirmed to be in operation providing assurance that internal controls are in place and operating effectively. Pay and Pensions team to consider the added value of an annual reconciliation.
AAB – September 2025	AAB(SEP25)03 - Assurance Statements	Consider the scope to refine and enhance assurance statements and the consistency of returns from Officeholders.	Andy Munro	June 2026	Not yet actioned	Work to implement Internal Control Checklists, to form part of the annual assurance process, included in 2025-26 rephased internal audit plan. Scope to require officeholders to complete these returns is being discussed with Officeholder Services.
AAB – January 2026	AAB(JAN26)01 – Risk Update	Tommy Lynch to meet with the Chair discuss current arrangements for strategic risk management and reporting.	Tommy Lynch	February 2026	Actioned	n/a
AAB – January 2026	AAB(JAN26)05 – AAB Review of Terms of Reference	Andy Munro to include AAB Terms of Reference in the 18 March 2026 AAB agenda.	Andy Munro	March 2026	Not yet actioned	SPCB has recently reviewed its governance arrangements, including AAB membership, as part of its legacy paper. Revised AAB Terms of reference to be adopted following installation of incoming SPCB.