

**Consumer Scotland Audit and Risk Committee Meeting
21 June 2022
Minute of Meeting**

Present:

Nick Martin – Chair of ARC and Consumer Scotland Board Member
Angela Morgan – Consumer Scotland Board Member
James Walker – Consumer Scotland Board member

In attendance:

David Wilson – Consumer Scotland Chair
Sam Ghibaldan – Chief Executive Officer
Sue Bomphray – Consumer Scotland & Secretariat
Iain Burns – Lead Senior Internal Audit Manager Scottish Government
Jamie Steed – Consumer Scotland

Apologies: Eresh Ifthatkar

Agenda Item 1 – Welcome

1. The Chair warmly welcomed all the attendees to the meeting.

Agenda Item 2 – Minutes of Last Meeting

2. The Chair noted that the minutes of the last meeting (19 April 2022) had been approved by the Consumer Scotland Board.

Agenda Item 3 – Accounting Systems (Sue Bomphray)

3. Sue provided an overview of the current position on accounting systems and support. The key points were:
 - a. Consumer Scotland is taking Finance as a shared service from Scottish Government. As the SEAS system is currently being upgraded, Consumer Scotland is structured as a dedicated Scottish Government cost centre rather than a separate accounting entity.
 - b. This presents advantages in terms of a simple reporting regime for our first year and more support from the central finance team. It will, however, be important for Consumer Scotland to maintain its independence from Ministers.
 - c. The Corporate Services team are currently mapping out an annual and monthly calendar of activities and starting to document all processes in more detail to ensure that we have clear line of sight to all required activities, systems and reporting requirements.

- d. The Governance and Corporate Services vacancies have now been filled and we are expecting staff to start during July and August. As the team will be small, it will be key to ensure that staff are able to operate across a number of strands of activities and provide absence cover for each other.
4. Nick advised that he would like to speak to the staff around ARC responsibilities once all in post.

Action – Meeting to be set up for Nick with Governance and Corporate Services Staff once all in post.

Agenda Item 4 - Forward Planning

5. The Chair outlined a typical schedule for ARC meetings going forward:
- a. June meeting – draft annual report (front end), Internal Audit Annual Assurance report
 - b. September meeting – annual report & accounts, Internal and External Audit annual reports, ARC annual report to Board
 - c. December – review of risk management and governance processes, Internal Audit reports
 - d. March – look ahead, Internal and External Audit plans for coming year and review of ARC ToR and effectiveness
6. The Chair invited Iain to outline the Internal Audit vision for FY22/23.
7. Iain advised that for the first year, they would provide an annual assurance report to the June 2023 meeting and the first year's plan would be focussed around a look across at control and governance processes being established. The focus is very much on advice over assurance in these early stages of the new body.
8. For Year 2, there would be more focus on operational controls and ensuring that reports are tailored to the AO and ARC requirements. Iain will bring a paper to the next meeting for discussion following further discussion with Sue and Sam.

Action – Iain to liaise with Sue and Sam over Internal Audit plan and bring a paper to the Sept meeting.

Agenda Item 5 - AOB (Chair)

9. Sue has had an initial meeting with Audit Scotland around annual planning timelines and the appointment of an auditor for Consumer Scotland. It is hoped that we can be appointed the same auditor as ESS given our ongoing work with them to explore collaboration and sharing of resources. Nick advised that an early meeting with the external auditor would be important.
10. David asked what the arrangements would be for the external auditor attending ARC meetings. Nick advised that they would normally be expected to attend all ARC meetings.

11. Angela suggested that it would be helpful to have an “aide memoire” for board members around their responsibilities in relation to Audit and Risk.

Action - Sue to set up meeting with External Auditor once appointed.

Action – Nick to draft guidelines for Board members on Audit and Risk responsibilities

12. The date of the next meeting was agreed as immediately prior to the main Board meeting on Tuesday 20th September 2022.

13. The Chair then brought the meeting to a close by thanking everyone for their participation and expressed his thanks for all the progress that has been made.

Consumer Scotland, June 2022