

Agenda

Audit Scotland Board

Tuesday 28 January 2025

Audit Scotland, 102 West Port, Edinburgh



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1. Private meeting of members
 2. Welcome and apologies
 3. Declarations of interest
 4. Items to be taken in private

Standing items

- | | |
|---|-----------------|
| 5. Chair's report – verbal update | For information |
| 6. Accountable Officer's report – verbal update | For information |
| 7. Accounts Commission Chair report – verbal update | For information |
| 8. Chief Operating Officer report – verbal update | For information |
| 9. Review of draft minutes: <ul style="list-style-type: none">• Board meeting: 26 November 2024 | For approval |
| 10. Review of action tracker | For assurance |

Strategic items

- | | |
|---|---------------|
| 11. Strategic Improvement Programme: update | For assurance |
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Items to be taken in private

- | | |
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| 12. Audit Modernisation Project: update
[Item to be taken in private to support the effective conduct of business, intended for future publication] | For assurance |
| 13. 2025-26 SCPA budget proposal – SCPA report (verbal update)
[Item to be taken in private to support the effective conduct of business, intended for future publication] | For discussion |

Conclusion

- | | |
|---|-----------------|
| 14. Any other business | For discussion |
| 15. Review of meeting | For discussion |
| 16. Date of next meeting: 1 April 2025 | For information |

Minutes

Audit Scotland Board

Tuesday 24 November 2024, 10.00-13.00
Audit Scotland, 102 West Port

Present:

Colin Crosby (Chair)
Stephen Boyle
Jackie Mann
Jo Armstrong

Apologies:

No apologies

In attendance:

Vicki Bibby, Chief Operating Officer (*Item 19*)
Alison Cumming, Executive Director of Performance Audit & Best Value
John Cornett, Executive Director of Audit Services
Helena Gray, Controller of Audit
Kenny Oliver, Executive Director of Innovation & Quality (*Item 17, 18*)
Gemma Diamond, Director of Innovation and Transformation (*Items 11, 18*)
Rachel Browne, Audit Director (*Item 11*)
Rebecca Seidel, Senior Manager (*Item 11*)
Graeme Forrester, Head of Performance & Corporate Governance (*Item 12*)
Ian Metcalfe, Corporate Performance Officer (*Item 12*)
Stuart Dennis, Corporate Finance Manager (*Items 13, 14*)
Owen Smith, Director of Audit Quality and Appointments (*Items 15, 16*)
Jennifer Doolan, Senior Auditor (*Items 15, 16*)
John Gilchrist, Manager, (*Items 15, 16*)
Morag Campsie, Head of Digital Audit (*Item 18*)
Bobby Alikhani, Project Manager (*Item 18*)
Niki Ross, Forum Support Coordinator (Minutes)

1. Private meeting of Board members

The Board met privately and there were no matters arising.

2. Welcome and apologies

Vicki Bibby, Alison Cumming, John Cornett, Helena Gray, Kenny Oliver and Martin Walker joined the meeting.

The Chair welcomed attendees to the meeting.

3. Declarations of interest

There were no declarations of interest noted.

4. Items to be taken in private

The Chair invited members to agree that items 14 to 19 of the agenda be considered in private for the reasons stated on the agenda. The members agreed.

5. Chair's report – verbal update

The Chair advised of meetings with Stephen Boyle, Auditor General for Scotland and Accountable Officer and Vicki Bibby, Chief Operating Officer and confirmed that there are still more meetings to do in terms of the induction programme including meeting with the Chair of the Accounts Commission.

The Chair reported on his attendance at the Annual Audit Planning Conference, highlighting that it offered valuable insights into upcoming developments for next year.

In relation to Parliamentary engagement, the Chair advised that he attended the Scottish Commission for Public Audit (SCPA) informal budget session as incoming Chair. The Chair also attended the Institute of Chartered Accountants of Scotland (ICAS) round table as well as the Parliamentary dinner awards.

The Chair has met with internal auditors from Wbg to provide comments in relation to the Internal Audit on corporate governance.

The Chair has participated in the Audit Modernisation Project for Gate Review 2.

In terms of forthcoming activities, the Chair advised members of the SCPA session to present the Audit Scotland budget.

Following discussion, the Board welcomed the update.

Action: Explore the potential of providing written summaries of verbal updates to be included with the Board papers for distribution prior to the Board meeting.

6. Accountable Officer's report – verbal update

Stephen Boyle congratulated the Chair in his new role and looked forward to the opportunity to working with him in his term in office.

Stephen invited members to note recent publications that have taken place including the section 22 report on the Scottish Government Consolidated Accounts, Drugs and Alcohol Services in Scotland, Scottish Government's progress on public services reform and on fiscal sustainability challenges within the Scottish public sector. There will be a number of parliamentary evidence sessions with the Public Audit Committee in relation to some of these reports.

Stephen attended the Scottish Parliament's 25th anniversary event. He has also had engagement with the Cabinet Secretary for finance and local government on Scotland's fiscal position and also with one of the MSPs on how enterprise bodies in Scotland are operating.

Internally, Stephen invited Board members to note the successful Annual Audit Planning Conference event.

In terms of upcoming engagements, Stephen has joined the Financial Reporting Council Stakeholder Engagement Group with the first meeting taking place week commencing 2 December.

Following discussion, the Board welcomed the update.

7. Chief Operating Officer – verbal update

Vicki Bibby advised that she has met with Colin Crosby in his new capacity as Board Chair and continues to have regular meetings with Jo Armstrong, Chair of the Accounts Commission and the PCS Chair.

Vicki highlighted some key internal activities, including the recruitment of two new Audit Directors and the appointment of an interim Director of Audit Quality and Appointments (AQA). Vicki also confirmed the successful completion of the refurbishments for both the Glasgow and Edinburgh offices refurbishment and expressed her thanks to the team involved for their hard work.

In terms of parliamentary engagement, there continues to be regular meetings with the SCPA Clerks with Vicki advising that the formal budget session is due to take place shortly.

Regarding external engagement, Vicki has been actively meeting with firms to monitor the progress of their audits. Additionally, Vicki participated in a joint meeting in Belfast with Chief Operating Officers from other audit agencies, fostering collaboration and knowledge sharing.

Vicki confirmed that the Boardroom apprentice has been approved and will hopefully be able to attend the next Board meeting in January 2025.

Looking ahead, Vicki confirmed that there will be internal engagement on the budget and the audit fees letter. Vicki will also be doing a keynote session in January on equality.

Following discussion, the Board welcomed the update.

8. Accounts Commission Chair's report

Jo Armstrong advised that she has spoken at a couple of conferences, and this has triggered further work with councils on the principles of financial sustainability and transformation.

Subsequent to the meeting, Jo will provide a written update to Board members for their information.

Following discussion, the Board welcomed the update.

9. Review of minutes

RemCo meeting: 7 May 2024

The Board noted the minutes of the RemCo meeting of 7 May 2024, copies of which had been previously circulated.

The Board noted they were an accurate record of the meeting.

Audit Committee meeting: 7 May 2024

The Board noted the minutes of the Audit Committee meeting of 7 May 2024, copies of which had been previously circulated.

The Board noted they were an accurate record of the meeting.

Extraordinary RemCo meeting: 15 August 2024

The Board noted the minutes of the Extraordinary RemCo meeting of 15 August 2024, copies of which had been previously circulated.

The Board noted they were an accurate record of the meeting.

Audit Committee meeting: 3 September 2024

The Board noted the minutes of the Audit Committee of 3 September 2024, copies of which had been previously circulated.

The Board noted they were an accurate record of the meeting.

Board meeting: 24 September 2024

The Board noted the minutes of the Board meeting of 24 September 2024, copies of which had been previously circulated.

The Board approved the minutes as an accurate record of the meeting

10. Review of action tracker

The Board noted and approved the updated action tracker.

11. 2023-24 Climate Change Annual Report

Gemma Diamond, Rachel Browne and Rebecca Seidel joined the meeting.

Rachel Browne provided an overview on the 2023-24 Climate Change Annual Report, copies of which had been previously circulated.

The Board was invited to:

- Approve the Climate Change Annual Report 2023/24, for publication on our external website on 29 November 2024.

During discussion, the Board thanked the team for a very good and comprehensive report. Members observed that while we have successfully achieved our 2030 target, we are actively considering a new target beyond that date. However, in collaboration with the Green Futures Strategic Group, we must first assess the full impact of current emissions trends over the next 12 months to make that rounded assessment.

Further discussion was on current activity and behaviours and how we map this out to get a clearer understanding of what our operating model looks like and to integrate this into our decision-making process. This will also hopefully reduce our reliance on offsetting.

Following discussion, the Board approved the Climate Change Annual Report for publication on 29 November 2024.

Gemma Diamond, Rachel Browne and Rebecca Seidel left the meeting.

12. Quarter 2 2024-25 Corporate performance report

Graeme Forrester and Ian Metcalfe joined the meeting.

Graeme Forrester provided an update on the Quarter 2 Corporate performance report strategy, copies of which had been circulated previously.

The Board was invited to:

- Review the performance in Q2 as set out below and in appendix 1.
- Consider the issues affecting performance, the actions identified and whether any additional management action is required.

During discussion, members addressed the issue of productivity and acknowledged that efforts are underway to capture the right data to support informed decisions on resourcing. The Board agreed that it would be beneficial to have a focused discussion on this topic once the work is complete, suggesting that it take place during a RemCo meeting.

Further discussion was around capacity and the vacancy factor and how this is an area that we are closely monitoring.

Members acknowledged that a review is currently in progress to assess our performance reporting framework. This aims to identify and address existing challenges while streamlining our current processes.

Following discussion, the Board reviewed the Quarter 1 Corporate performance report.

Graeme Forrester and Ian Metcalfe left the meeting.

13. Quarter 2 2024-25 Financial performance report

Stuart Dennis joined the meeting.

Stuart Dennis provided an update on the Quarter 2 Financial performance report, copies of which had been circulated previously.

The Board was invited to:

- Note the financial results for the six months to 30 September 2024.

Following discussion, the Board noted the Quarter 2 Financial performance report.

Items taken in private

14. 2025-26 SCPA budget proposal

Stuart provided an update on the 2025-26 SCPA budget proposal, copies of which had been circulated previously.

The Board was invited to:

- Discuss, review and provide comment on the draft 2025/26 Budget Proposal.
- Discuss and agree the funding of the increase in employer national insurance contributions.
- Note the proposed 2024/25 audit fee increase by sector.
- Discuss the implications of a partial or flat cash settlement and/ or options for savings should the SCPA not support the proposal.
- Agree the budget proposal is submitted to the SCPA for scrutiny at its meeting on 18 December 2024.

During discussion, members acknowledged that the budget proposal has been updated to incorporate options for addressing the implications of the UK Government's recent employer national insurance budget announcement. They also noted that other audit agencies are considering similar strategies to those we are proposing.

Further discussions centred on our course of action in the event that we do not receive approval for the necessary funding. Absorbing the projected £520k could significantly affect our ability to deliver services. The Board concluded that, should this situation arise, an additional Board meeting would be necessary to address the issue.

Following discussion, the Board agreed the budget proposal is submitted to the SCPA for scrutiny at its meeting on 18 December 2024.

Stuart Dennis left the meeting.

15. Audit Quality Framework

Owen Smith, Jennifer Doolan and John Gilchrist joined the meeting.

Owen Smith provided an overview of the Audit Quality Framework, copies of which had been circulated previously.

The Board was invited to:

- Comment on the draft AQF at Appendix A.
- Consider the revised Audit Quality Indicators (AQIs) and explanations for changes at Appendix B.
- Note that under the Partnership Working Framework, the AQF requires to be jointly approved by the Auditor General for Scotland, the Accounts Commission and Audit Scotland's Board.
- Subject to consideration of any substantive points made by the Board, approve this draft AQF.

During discussion, members acknowledged the work that has been made and noted that further discussions will take place on how to enhance the report's accessibility for stakeholders.

Following discussion, the Board approved the draft Audit Quality Framework.

16. Audit Quality Interim Report

Owen provided an overview of the Audit Quality Interim Report, copies of which had been circulated previously.

The Board was invited to:

- Note the contents of the interim report presented at Appendix A, and that a further report on 23/24 audit work will be brought to the Board in June 2025.

Following discussion, the Board was content to note the interim report.

Owen Smith, Jennifer Doolan and John Gilchrist left the meeting.

17. Quality Update

Kenny Oliver introduced the Quality Update report, copies of which had been circulated previously.

The Board was invited to:

- Note the information provided in this paper and to ask any questions of clarification.

Following discussion, the Board noted the information in the paper.

18. Audit Modernisation Project: update

Gemma Diamond, Morag Campsie and Bobby Alikhani joined the meeting.

Kenny Further provided an update on the Audit Modernisation Project, copies of which had been circulated previously.

The Board was invited to:

- Note the information provided in this paper and to ask any questions of clarification.

During discussion, the Board noted that the project is progressing well and that the Gate Review 2 is underway.

Further discussion was on the Memorandum of Understanding with the Board requesting that this is formally shared with members at a future meeting to provide a comprehensive overview.

Following discussion, the Board noted the information provided in the paper.

Gemma Diamond, Morag Campsie and Bobby Alikhani left the meeting.

19. Partnership Working Framework Annual Effectiveness Review

Vicki Bibby provided an overview of the proposed meeting schedule for the Audit Scotland Board and Committees in 2025, copies of which had been circulated previously.

The Board was invited to:

- Note the agreement to undertake an annual effectiveness review of the PWF; and
- Discuss and agree the Board position in relation to the questions set out in paragraph 7.

During discussion, members acknowledged that this is a positive framework which supports good quality discussions and helps to build strong working relationships.

Further discussion focused on acknowledging the external circumstances beyond our control in which we are operating and incorporating this perspective into the next iteration of the paper.

Following discussion, the Board noted and agreed the Boards position, subject to minor amendments.

Action: Vicki to provide a summary to be shared with the Audit Scotland Board, Auditor General for Scotland and the Accounts Commission by correspondence in the New Year.

20. Any other business

There was no other business for discussion.

21. Review of meeting

The Chair invited members to comment on the papers and the conduct of the meeting.

The members welcomed the quality, content and comprehensive nature of the reports in supporting helpful and detailed discussion.

The Chair thanked everyone for their contributions.

22. Date of next meeting

The members noted the next meeting of the Audit Scotland Board is scheduled for 28 January 2025.

2025 Board action tracker



Meeting date	Item title	Action description	Due date	Responsible	Assigned to	Complete/ongoing	Progress notes
21-Nov-24	Board and committee meetings 2024	The Board agreed to review further options to visit other Audit Scotland office locations in 2024-25	Nov-24	Martin Walker		Ongoing	21/12/23: Keep on radar for the new Chair's meeting in Nov 2024. 16/01: Options/ discussion paper being developed following discussion with Board Chair. For circulation Feb 2025.
27-Mar-24	Q3 Corporate performance report	Martin to quantify the cost of delayed audits and inform the Board.	Feb-25	Martin Walker		Ongoing	09/05/24: Ongoing 04/09: Ongoing 15/11: progress delayed due to capacity challenges. Due to be progressed during December. 16/01: Work now under way with revised target date of Feb 2025.
24-Sep-24	Private meeting of Board members	Martin to explore ways to ensure that reports contain the essential information for Board members while avoiding unnecessary detail.		Martin Walker		Complete	15/11: this will be an ongoing process with checks made on reports pre Executive Team and the Board 16/01: Propose to close this action as ongoing process and feedback will be sought after Board & committee meetings
26-Nov-24	Verbal update reports	Explore the potential of providing written summaries of verbal updates to be included with the Board papers for distribution prior to the Board meeting.	Feb-25	Martin Walker		Ongoing	16/01: options being assessed and informed by recent discussion with Chair.
26-Nov-24	Partnership Working Framework	Provide a summary to be shared with the Audit Scotland Board, Auditor General for Scotland and the Accounts Commission by correspondence in the New Year.	Jan-25	Vicki Bibby		Complete	16/01: Summary shared on 20 Dec 2024.

Strategic Improvement Programme: Update

Director of Innovation and Transformation and Head of Organisational Improvement

Purpose

1. This report updates the Board on progress with the Strategic Improvement Programme (SIP), following the SIP Board meeting on 19 November 2024.

Recommendations

2. The Board is invited to note:
 - The progress with SIP projects summarised in this paper.
 - The latest budget and performance monitoring data provided by SIP projects.

Background

3. The purpose of the SIP is to provide a framework for transformational change projects to receive more capacity, scrutiny and direction to ensure that we deliver on our corporate plan strategic priorities and the outcomes in Public Audit in Scotland. The SIP currently contains the projects set out in Table 1.

Table 1: Current SIP projects with agreed goals

Project	Goal
Audit modernisation (AMP)	Transformed audit approaches that are: <ul style="list-style-type: none">• clearly defined, risk-based and data driven, to ensure compliance, quality and efficiency.• delivered through integrated auditing software and tools that automate and standardise processes.• delivered by confident teams and staff with the right skills in the right structure.
Insights	Deliver coordinated intelligence from impact monitoring and evaluation, stakeholder engagement and horizon scanning to: <ul style="list-style-type: none">• support us to respond with agility to what's coming in the future• improve the information we have to inform decision making• support continuous improvement and innovation• better understand and report on the impact of public audit• help us promote the value of public audit

Resource and management information (R&MI)	To renew and digitise the system that Audit Scotland uses for resourcing and reporting on all key aspects in the delivery of our work, specifically the outward facing audit work that we undertake with audited bodies across Scotland and also internally focussed corporate projects.
Employee performance appraisal and development (EPAD)	<p>Develop and implement a modern and effective employee performance appraisal and development (EPAD) process that:</p> <ul style="list-style-type: none"> • aligns to our strategic objectives and outcomes and is applied consistently across Audit Scotland. • ensures colleagues are clear on their roles and responsibilities, and we have regular conversations about performance and development, based on good quality feedback.

Considerations

SIP programme update

4. At its November 2024 meeting, the SIP Board considered a programme update report, which set out the status of each project, based on supporting information including project plans, progress with project delivery and project risks. The status and expected timeline for each project is summarised in Table 2.
5. An update was provided at the November 2024 meeting that the **R&MI project** had encountered difficulties with the procurement process. The SIP board met a further three times before Christmas to consider verbal updates on the R&MI project from the SRO and project manager. The first tender was cancelled in December (due to no suitable bids being received) and the project was reported as RED based on this outcome. The SIP Board then endorsed a new second tender launch. The recommendation for a second full tender (a 30-day one) came from SG procurement alongside external legal advisors who were also consulted. The new second tender is now published (publication date is 13th January; closing date is 13th February). The overall project delivery timeline is extended and Go-Live is now 1st August 2025 (instead of 1st June 2025). With these remediation actions, the project team are reporting that the status is now converted from RED back to GREEN.
6. The SIP Board noted the additional management action being taken within the AMP and EPAD project teams is as follows:
 - **AMP:** The team supporting the induction of the new project manager, and development of the Outline Business Case.
 - **EPAD:** The team were experiencing some difficulties with the supplier but this was being managed by the project team.
7. For the Insights project the SIP Board was asked to discuss ongoing resource and capacity challenges to deliver the following planned milestone:
 - Deliver annual roundtable of third sector representatives (due by Dec 2024).
8. The SIP Board agreed these actions should be built into ongoing activities, with feedback from third sector sought as part of Public Audit in Scotland evaluation, and PABV to take forward activity to gather feedback from third sector on work programme.

Table 2: Status and expected timeline of SIP projects

Project	Status	Expected timeline	Notes
Audit modernisation	Amber	June 2023 - October 2026 (Dependent on procurement route)	<ul style="list-style-type: none"> Capacity issues in team impacting on timely delivery of upcoming milestones. Budget currently under spent by 35%. Six project risks reporting amber including one new risk around NAO capacity. Additional management action required being taken within project team and no additional action requested from SIP board.
Insights	Amber	June 2022 to August 2025	<ul style="list-style-type: none"> Progressing but with some slippage to planned milestones. One project risk is amber. SIP Board is asked to consider proposals for the planned wider evaluation of impact against Public Audit in Scotland outcomes.
Resource and management information	Green* *As reported by project team in Jan 25	Dec 2023 to August 2025	<ul style="list-style-type: none"> Second tender now published and new delivery timeline updated to reflect this – new Go-Live date is 1st August 2025.
Employee performance appraisal and development	Green	Nov 23 - Mar 25	<ul style="list-style-type: none"> Some slippage to planned milestones but project plan has been updated to account for this and no further management action is required.

Project budgets

9. Table 3 summarises the estimated total costs for each SIP project. The Audit Scotland Board is invited to consider this with the following context:

- Audit modernisation:** The estimated costs for the audit modernisation project include known costs for 2023-24 and 2024-25 only. Longer term budgets are being refined and baselined as part of development of the Outline Business Case. There has been a £23k increase to the total budget since September 2024, due to reprofiling timing of planned spend on external specialists, and reprofiling internal costs relating to finance team and behavioural change workstream.
- R&MI:** The estimated costs for the R&MI project include the new system costs for 2024-25 only (estimated at £92k) and these are being covered within existing budgets. It is expected that the future costs in 2025-26 onwards, estimated at £192k per annum, will be funded from efficiencies.

- **EPAD:** We paid the £17k external costs for consultancy support with MHR in full up front in August 2024, due to the way MHR approaches their billing. However, we are unlikely to use all the hours purchased for the EPAD modules. We are closely monitoring the budget and liaising across projects to ensure it can be reallocated to other iTrent development projects, including the expenses module as part of R&MI, and the move to a 35-hour working week.

Table 3: Estimated total project costs as at November 2024

Project	Estimated costs (£)	Estimated internal costs (£)	Estimated external costs (£)
MP	721,050	540,175	180,875
Insights	108,053	78,053	30,000
R&MI	179,000	17,000	162,000
EPAD	42,076	25,076	17,000
Total	1,008,103	635,228	372,875

10. Table 4 sets out the phasing and spend to date since the projects started and planned annual spend for 2025/26, where this is available.

Table 4: Planned phasing and spend versus budget (to date as at 31 October 2024)

Project	Phased budget to 31 October 2024 (£)	Actual spend to 31 October 2024 (£)	Variance	2025/26 phasing (£)
AMP	344,902	223,646	-35%	Not yet budgeted or baselined
Insights	58,040	52,431	-10%	25,007
R&MI	Not provided	45,000	Not provided	8,000
EPAD	34,701	34,405	-1%	N/A
Total	437,643	355,482	-19%	33,007

Project performance monitoring

11. The SIP Board noted progress projects have made developing success criteria and success factors in line with agreed SIP project management guidance. Where projects have identified KPIs that have a quarterly reporting frequency, the current position of these is outlined in Table 5.

Table 5: Project key performance indicators

Project	Success criteria	KPI	Current position
AMP	Schedule: Project delivered on time	Milestone delivery against agreed deadlines	On target with some slippage
	Budget: Project delivered on budget	Expenditure within +/- 5% of budget	-34% (budget not yet baselined)
	Scope: Project objectives delivered	Progress against project objectives	On target
Insights	Schedule: Project delivered on time	Milestone delivery against agreed deadlines.	Some slippage to current and upcoming milestones. This is currently not expected to impact on delivering the overall project to agreed timescales (June 2025).
	Budget: Project delivered on budget	Expenditure within +/-5% of budget.	-10%
EPAD	Schedule: Project delivered on time	Milestone delivery against agreed deadlines.	All milestones on track.
	Budget: Project delivered on budget	Expenditure within +/-5% of budget.	-1%

12. In line with SIP Board feedback, where these have been identified, project success factors have been integrated into project risk registers and are being managed in this way. Project risks that score amber or red are reported to SIP Board and these are set out in Table 6.

Table 6: Project risk summary (as reported in November 2024)

Project	Summary of risk	Net score	Controls, mitigation and further planned actions
AMP	<p>IF the project cannot secure approval for additional budget through the SCPA, and approval of the business case and a successful Gate 2 outcome</p> <p>THEN delivery of the new contract, audit approach, contract award and service maybe delayed</p> <p>RESULTING IN the need to extend the current vendor contract again, possible legal challenge and none of the strategic business objectives as</p>	15	<p>OBC covers an analysis of benefits and costs.</p> <p>Scenario planning and assessment of potential benefits and risks undertaken as part of options appraisal to inform ongoing engagement sessions with the SCPA.</p> <p>Budget discussions with SIPB/ET and AS Board.</p>

Project	Summary of risk	Net score	Controls, mitigation and further planned actions
	outlined in the business case being met.		Implementation of Gateway review recommendations and planned Gateway 2 assurance review.
AMP	<p>IF there are departures of key staff during the lifetime of the project, or there is limited capacity of key staff due to absence or commitment to other projects.</p> <p>THEN there is a risk to the project of a lack of continuity in skills and knowledge, plus a reduction in available capacity.</p> <p>RESULTING IN delays in delivery and a lack of consistent focus across the project.</p>	12	<p>Develop forward looking resource profile and undertake monthly project reviews that include continuity planning.</p> <p>Monitoring plans and escalation routes for requests and needs in place.</p> <p>Rephrasing and reprioritisation of work as appropriate.</p> <p>Handover and shadowing plans in place.</p> <p>Project Manager now in place. But there were also unforeseen staff absences during this last period in addition to holidays.</p>
AMP	<p>IF the project cannot acquire external specialised support in certain areas (e.g. legal, procurement, architecture) due to other competing priorities.</p> <p>THEN the project's ability to meet key milestones will be at risk</p> <p>RESULTING IN lead to delays and reduced quality of certain workstreams and deliverables.</p>	12	<p>Resource profile and budget monitoring includes specialist roles.</p> <p>Regular meetings with, and updates provided to Scottish Government central government shared services.</p> <p>Regular engagement with finance team to review available framework days.</p> <p>Contingency built into budget for acquiring alternative specialist advice.</p>
AMP	<p>IF appropriate Audit colleagues are not available to work on any aspect of the project (from requirements, through to Test and go-live support) within the required / planned timescales.</p> <p>THEN the support for Audit Refresh and other workstreams on the project within the required / planned timescales will be impacted</p> <p>RESULTING IN delays to the project delivery, ongoing delivery and benefits realisation.</p>	12	<p>Resource profile and undertake monthly project reviews.</p> <p>Resourcing needs part of agenda items for I&Q management team meetings as required.</p> <p>SRO and Strategic lead sighted on requests and needs and to provide escalations as required.</p> <p>Expert group coordination log to manage workload of group members.</p>

Project	Summary of risk	Net score	Controls, mitigation and further planned actions
AMP	<p>IF NAO does not have capacity to support us in transformation and implementation</p> <p>THEN the project will encounter delays</p> <p>RESULTING IN delays to delivery and potential failure.</p>	12	<p>Regular meetings between Strategic Lead and equivalent at NAO.</p> <p>Regular meetings of the respective COOs.</p> <p>Work plan to be developed now that option has been approved.</p>
Insights	<p>Failure of capacity</p> <p>If we fail to secure adequate resource to deliver the objectives of the project, there is a reputational risk as we may be seen as not listening to stakeholders or being accountable for public audit outcomes. There are also operational and strategic risks as we may miss opportunities to be more efficient and effective in how we share intelligence across the organisation and gather external perspectives to inform our plans.</p>	12	<p>Clear project plan in place with required resources identified for each milestone.</p> <p>Ongoing engagement across business groups to secure resources required to deliver objectives.</p> <p>Further engagement required to ensure adequate capacity to resource agreed stakeholder engagement milestones (third sector engagement) and to deliver wider evaluation against PAIS outcomes.</p>

Review of SIP composition

13. The SIP Board considered the composition of the SIP. It agreed that the new project on the Future Public Audit Model met the SIP criteria and should be added to the SIP. The SIP board will consider the Project Initiation Document for the project at its March 2025 meeting.
14. It also noted that the Insights team are likely to suggest removing the project from the SIP at the March meeting subject to providing adequate assurance on the Public Audit in Scotland evaluation progress.

Conclusion

15. Two SIP projects are reporting amber and two are reporting green. The management action required is being taken within the project teams and the SIP Board.