

Meeting Minutes

Meeting: Audit Risk and Assurance Committee

Date: 4th February 2026 0930-1300

Minuted by: Diane Piper (DP), Governance Secretary, Redress Scotland

Committee Members

- Bill Matthews(WM) Audit, Risk and Assurance Committee Chair, Redress Scotland Deputy Chair
- Catherine Dyer(CD) Audit, Risk and Assurance Committee Member, Non- Executive Member of Redress Scotland
- Neil Mackay(NM) Audit, Risk and Assurance Committee Member, Non- Executive Member of Redress Scotland
- Colin Spivey(CS) Audit, Risk and Assurance Committee Member, Non – Executive Member of Redress Scotland
- James Mollison (JM) Redress Scotland Audit, Risk and Assurance Committee member, Panel Member

Participants

- Gary Gallacher (GG) Redress Scotland Head of Operations
- Michael Stevens (MS) Redress Scotland Head of Finance and Resources

By Invitation

- Martin Ritchie (MR) TIAA
- Gillian McCreadie(GM) Audit Scotland

Apologies

- Joanna McCreadie(JMc)Redress Scotland Chief Executive
- Mel Lowe (ML) Redress Scotland Head of Policy and Improvement

Agenda item 1. Welcome, apologies and conflicts of interest

1.1 Welcome

WM opened the meeting and welcomed all present. A special welcome was noted for JM who has recently been appointed to the ARAC.

1.2 Apologies

Apologies from JMc and ML were noted.

1.3 Declarations of Interest

No declarations were made.

1.4 Appoint survivor voice;

CS was appointed as the meeting reviewer from the perspective of the survivor.

Agenda Item 2 Minutes of previous meetings 3rd September and 29th October 2025

The minute from the last business meeting on the 3rd of September and the meeting to review the annual report and accounts on the 29th of October were both approved subject to a couple of minor corrections. Only the minute from the 3rd of September will be published. JG approved by email the minute from the 29th of October.

Agenda Item 3 Matters arising from the previous meeting

The action log was presented for approval. Several updates were made and the revised log will be circulated to members.

Action; DP to update the action log/work plan and recirculate.

Agenda item 4 Governance

4.1 Draft Oversight Board Meeting of November 2025

These were noted by members. WM highlighted 3 areas for note

- a) The work of the efficiencies and effectiveness group was commended. The work of which has seen an increase in the number of decisions made.
- b) Discussion had taken place on the use of AI, and it was agreed that it will not be used for decision making but only for administrative purposes.
- c) The paid participation policy was approved and will be implemented immediately. Survivors have supported policy development and recruitment previously.

Agenda Item 5 Report from the Chair

WM updated the Committee with details of his activity since the last meeting.

WM has undertaken several panel observations in the region of two per month. There has been an increased focus on applications from survivors with previous convictions. Work in this area seems to be going well despite the complex issues involved.

WM meets regularly with KD and JMc. The purpose of the meetings is to keep a light hand on governance issues particularly with the news of the increase in budget allocation. This is a significant uplift on previous years and will enable more decisions to be made however there will be challenges. It is relatively straightforward to increase the pool of administrative support however recruitment for panel members takes longer. Together with the chair and the deputy director changes in process and more control of recruitment by Redress Scotland will help move through the recruitment exercise more expediently.

Panel member training- the final cohort have their last day next week followed by fitness to practise meetings. This training cohort has experienced a higher-than-normal attrition rate, with a variety of issues causing trainee panel members to leave.

Agenda Item 6 CEO Reports

CEO Report and dashboard.

In the absence of JMc, GG updated members with activity since the last meeting. GG noted that the main impact on the organisation was the increase in budget allocation for 2026/27. The impact of an increase in budget was initially considered in June / July last year and since then work on efficiencies has been undertaken. The 2026/27 budget will be presented to a meeting of the Oversight Board next week. With panel members due to complete their training operations have a slight excess in capacity with the panel member group at the start of the new financial year. Consideration will be given to the range of temporary and permanent posts to support this an increase in decision making in line with the additional panel member capacity. Thereafter a staged expansion will be considered. In recent times we have moved from 120/140 decisions per month to c. 150-165 decisions with the business case suggesting an increase to 240-260 decision, signalling a significant increase in the number of decisions being made. Inroads are already being made and in December and November 160 decisions were made. Recruitment is ongoing within Scottish Government who expect to rise from 21 to 40 caseworkers with a corresponding forecast of 200 to 220 applications coming through to us per month. It will take time for both parts of the scheme to synchronise. GG also noted the pressure that this level of

budget can put on an organisation particularly on the culture and values. Also, we are sensitive to these we do need to move quickly.

Projected figures for 2025/26 suggest that we will close the year close to budget. We have asked the sponsor team for a small uplift to close off the year but have been advised that there are no additional funds available. We will therefore schedule the meetings in March 26 to match the funds available. The additional capacity provided within the operations team will be used to take stock and to prepare for the increase in budget in the year ahead. Work will focus on quality assurance in advance of the increase in applications.

Members concurred with good news around the award of the increased budget noting the challenge in terms of recruitment and quality assurance this will put on the organisation. Members were further assured that the management team were aware of these challenges and would be actively planning to mitigate any risks between now and the start of the year in April and this will continue thereafter.

Members also noted that at some point we will have to start accruing closure costs. GG noted that the management team are aware of this but were confident that there would be sufficient notice for the closure of the scheme to allow for a safe and considered closure.

GG continued that the queue at Redress Scotland is in the region of 300 to 350. Waiting times originally predicted at 10 to 12 months are currently sitting at three months for fixed payments and six months for individually assessed payments. An update on these timescales will be revised by the next meeting. Although we have had positive results this year the team have felt the pressure. Sickness level is currently sitting at 10% which impacts on delivery. Temporary resources within the people team have been employed to work on recruitment. GG added that we have maintained quality as we have not seen an increase in the number of reconsiderations or errors.

In terms of the broader public sector reform there is still a push to consider shared services, and the management team will continue to look for opportunities in this area. Temporary panel support coordinators have been employed to cover for maternity leave and general support and a new operations manager started in January.

The ongoing recruitment of panel members continues, and we have started looking at the next phase. The training for new panel members continues to be regularly updated with each roll out. This time there has been a larger than usual attrition rate and this will be looked at in future recruitment and screening.

It was noted that chart 7 in of the dashboard is incomplete, the key being cut off this will be corrected in future circulations.

Action GG to ensure the dashboard is complete on next circulation.

Agenda item 7 Strategic Risk Register

7.1 Deep Dive into Business Continuity

MS spoke to the slides which were circulated in advance of the meeting. The recent internal audit review on business continuity was the first time we have received limited assurance for an internal audit report. A second review begins on the 23rd of February. The presentation today reflects the work to date, the interim arrangements as agreed at the Oversight Board in October 2025 and the work still to be completed. The audit from March 2025 made 9 recommendations. Since then, work groups have been established with representatives from all teams to prepare business impact assessments. On completion a progress report went to ARAC where a number of further changes were suggested. Four key risks were identified together with their impact. Detailed mitigations were not included as they will be included in the final policy. The revised risk register went to the Oversight Board in October where the interim policy was agreed on the basis that a further internal audit and deep dive would be conducted. MS concluded that the final policy would include for an annual review of the policy together with training and testing of the assumptions made.

Members thanked MS for the work to date. It was suggested that following the outcome of the next internal audit report that MS update the deep dive report to include key policy controls and provide the committee with further assurance that the risks have been thought through and the mitigations detailed.

WM thanked MS for the presentation, noting that this “deep dive” had been a lighter touch than previous risks seen by the Committee. He noted that a revisit of the internal audit was imminent and asked that the deep dive be brought back to Committee once that is complete.

Action; Once internal audit report on Business Continuity is complete, MS to bring an updated deep dive report to the ARAC, in April.

7.2 Assurance Map

WM advised that ML oversees the map and this has been adjusted to take consideration of the definition of robust decision making and how this fits into the quality assurance policy and improvements. Track changes have been made on both documents.

Members discussed the various frameworks adopted by the organisation and felt that these can be consolidated. NM suggested the preparation of a taxonomy following

identification of key controls. It was further suggested that the impact column be considered through the lens of the survivor.

Action; ML to view the impact column from the perspective of survivor. Consideration to be given to whether the quality framework is required by the organisation. The process around how information is assessed and the output to be included.

Agenda Item 8 Audit Updates

Internal Audit Reports – presented by MR, TIAA

8.1 Business planning - MR noted that the audit provided reasonable assurance in this area. Planning is good with one recommendation to include SWAT and PESTLE and a minor recommendation to have a timetable for the business plan to include agreed milestones.

8.2 Budgetary control - this is the second review, and the audit provided substantial assurance in this area. There was 1 minor recommendation which was to reference the finance manual.

External Audit Presented by GM

GM was invited to update members on pre planning work for the annual audit together with any external business matters or updates which members may find useful. GM advised that preparation work is largely complete. There are no audit risks identified and interim work has started. Audit Scotland have met with the finance team, and early substantive testing has taken place. Work will commence after the year end the full audit plan and timetable will come to the next ARAC meeting.

There was nothing to report on environmental factors.

Agenda Item 9 Papers for Information

9.1 Management accounts P9 December

MS presented the December accounts to the committee noting an underspend in the period of £1800. The projection for the year end is that we will end on budget.

Agenda Item 10 Audit, Risk and Assurance Committee forward plan

The forward plan was discussed with the recommendation that key policies are included. WM noted that there was an agreement to have an in person meeting once per year. Members were asked to consider where and when would be best.

Action DP to canvas members for dates and venue for one in person meeting during the year.

Terms of Reference were circulated and agreed by members subject to one typographical correction. This has been corrected and will be recirculated. No further changes were noted, and the terms will be reviewed again in 12 months time.

Agenda item 11 AOB

None

Agenda item 12 Review of Meeting Survivor Voice

CS noted the nature of the agenda is very business driven however even with this there was significant focus on survivors throughout.

WM had started the meeting by reminding everyone that the survivor voice is noted at the start of every governance meeting. Other items considered were the use of AI in decision making. At previous meetings, all members had agreed that AI would be used only for administrative purposes. Decision making awards will be made only through human input and endeavour. CS continued that it was good to see that the paid participation policy has been approved and implemented. The increase in funding benefits all applicants and will have a substantial impact on reducing queues. The quality and outcomes for survivors continues to be a key focus for the organisation. The deep dive into business continuity had focused on the impact for survivors on any interruption to business. Lastly the risk map will be revisited looking through the lens of the survivor and making explicit the impact on them.

WM thanked everyone for their contributions today and closed the formal part of the meeting. Members were requested to remain to undertake the annual self-evaluation exercise.