

**Minutes of the Audit and Risk Committee meeting held on Monday 22 January 2024,
14:00-15:00**

Via Microsoft Teams

Committee Members:

Marie Fallon (MF), Chair
Richard Dixon (RD)
Neil Oakley (NO)
Morag Sheppard (MS)

ESS Team:

Mark Roberts (MR), CEO
Rebecca Peppiette (RP), Head of Corporate Services
and Communications
Rebecca Liu (RL), Interim Finance and Accountancy
Advisor
Charlotte Lowe (CL), Governance Lead (Minutes)

Internal Audit:

Iain Burns (IB), Senior Internal Audit Manager

1.	<p>Welcome</p> <p>The Chair welcomed the Committee and attendees to the meeting. There were no declarations of interest.</p>
2.	<p>Budget and expenditure update, including 2024/25 Annual Budget</p> <p>RP provided a verbal update on the ESS team's activity, including early progress on the 2023/24 annual audit and ongoing engagement with the Scottish Government iTECS team regarding cyber security assurances.</p> <p>RP presented the update on expenditure against the 2023/24 budget to date. In discussion, the Committee:</p> <ul style="list-style-type: none">noted that underspend is decreasing year-on-year due to ESS maturing as an organisation and progress in long-term financial planningapproved an in-year increase to the budget allocation associated with ESS' office move

	<p>RP introduced the 2024/25 budget, highlighting confidence across several budget items where costs are known, such as external audit and in-year pay awards. The Committee:</p> <ul style="list-style-type: none">• recommended mapping budget items across to ESS' strategic priorities• discussed public service reform recommendations and opportunities for ESS to contribute to these• approved the budget for review by the Board at its 2 February 2024 meeting
3.	<p>Any other business</p> <p>The Committee recommended updating the risk register to include reference to the ESS Chair stepping down and associated interim measures.</p>

Marie Fallon,

Chair, Environmental Standards Scotland Audit and Risk Committee

25 March 2024