



MINUTES

SCTS AUDIT AND RISK COMMITTEE MEETING: 19 January 2026, Parliament House

Members Present:

Maggie Craig, SCTS Board (Chair)
Elizabeth Barnes, Non-Executive Member
Claire Robertson, Non-Executive Member

Attended:

Malcolm Graham, Chief Executive, SCTS
Noel Rehfish, Deputy Chief Executive, SCTS
Alice Wallace, Chief Finance Officer, SCTS
Chris Brown, Director Finance
Gillian Battison, Head of Financial Governance
William Wilkie, Internal Audit, Scottish Government
Dougie Shepherd, Internal Audit, Scottish Government
Michael Oliphant, Audit Scotland
Graeme Samson, Audit Scotland
Karen Lawrie, Head of Secretariat (Minutes)

Apologies:

Lynsey Walker, SCTS Board
Sheriff Olga Paspornikov, SCTS Board

1. Declaration of Interests

1.1 There were no declarations of interest from Members.

2. Minutes of the Meeting of 3 November 2025

2.1 The minutes of the last meeting were approved.

3. Matters Arising

3.1 There were no outstanding actions from the previous meeting.

Update from the SCTS Board

3.2 The Committee received an update on the matters discussed at the Board meeting in November and the recently published Scottish Government Budget 2026-27.

4. Oracle Fusion Shared Services Update

4.1 The Executive provided an update on key developments relating to implementation of the Oracle Fusion Cloud Accounting system. The Executive confirmed that the Scottish Government was actively considering a secondary configuration of the accounting system to allow accruals to be accounted for at the month end, rather than on receipt, with design and impact assessments underway. SCTS Finance staff were due to test the new configuration in the coming weeks. SCTS had continued to provide support financial expertise to promote system improvement. It was acknowledged that while some elements of the system were continuing to work well, significant pressures remained that were impacting on the welfare of SCTS staff. The adoption of business continuity arrangements and workarounds, which involved significant manual intervention, remained in place.

4.2 The Committee welcomed the comprehensive update. They also recognised the ongoing perseverance required from the Finance and Procurement Team and other teams processing significant transactions. Members reiterated their willingness to provide support where required.

5. Internal Audit

Progress Report – 2025-26

5.1 Internal Audit confirmed that work on the 2025-26 Audit Plan remained on track to be completed by 31 March 2026. Fieldwork had commenced on the Organisational Culture/Workforce review. The report on Change Management had been completed.

5.2 Members acknowledged the progress update and assurance that the 2025-26 Audit Plan remained on track.

Annual Audit Plan 2026-27

5.3 The draft Internal Audit Plan for 2026-27 had been shared with the SCTS Accountable Officer, Chair of the Audit and Risk Committee and relevant senior managers in SCTS, for consideration in advance of the meeting. Internal Audit reported that three audits were planned during the year, which would ensure good risk-based coverage to maintain compliance with Public Sector Internal Audit Standards. The plan would be subject to regular review throughout the year to ensure it remained current and reflected the changing risk environment.

5.4 The Committee welcomed the annual audit plan and endorsed its proposals.

6. External Audit

6.1 The External Audit Annual Audit Plan in respect of the 2025-26 Annual Report and Accounts would be shared with the Executive towards the end of February and would be tabled at the next meeting. The audit would follow a similar timetable to last year.

7. Data Incidents Report and ICO Audit Update

7.1 The data incidents report was reviewed. It was noted that five reportable incidents had been submitted to the Information Commissioner during the last quarter.

7.2 The Executive provided an update on the ICO Audit which reported in September-2025. A summary of the action underway to address recommendations from the audit was provided – a small number of actions had been completed, with progress under way on the majority. Some actions were queued due to the need for a prior action to be completed ahead of work commencing on them. A progress report with supporting evidence would be shared with the Information Commissioner's Office at their first review in February. It was noted that funding for some consultancy support to scope work required to address key themes from the audit, including the work required on third party contracts had been approved by the Executive.

7.3 The Committee welcomed the informative update and confirmation of the additional resource funding to assist the Information Governance and Correspondence Team to address the recommendations effectively.

8. Corporate Risk Register

8.1 The Corporate Risk Register was reviewed. The register had been updated since the last meeting. The service resilience risk had been refocused to include Cyber Security. A new risk relating to service sustainability had replaced the legal and constitutional change risk (which had been at target for over two years). The overall number of risks remained at eight.

8.2 The Committee welcomed the risk register updates which they agreed were clearly described with defined areas of coverage.

8.3 The Executive advised that the revised Risk Register would be shared with the Board and Committee members at their joint Risk Workshop on 2 February.

9. Feedback from Members Annual Appraisal

9.1 In advance of the meeting, members had completed their annual appraisal reflecting on their personal contribution and the Committee's performance during 2025. Members reflected that they were able to bring a wide variety of skills and knowledge to the Committee, providing valued input and challenge to discussions. They felt the Committee was working well. It was noted that one new member had been appointed during the last year.

9.3 Members had discussed the benefits of seeking the views of others including the Board, the Executive, Internal and External Audit and senior management in the future to allow them to fully reflect on their performance. The Committee would also hold an additional meeting during which they would consider how best to collaborate with other committees within their stated remits.

10. Any Other Business

10.1 None.

11. Papers for Scrutiny/Exception Reporting Only

11.1 The following papers had been circulated for scrutiny:

- Action Tracker
- Fraud, Theft and Losses Report
- Core Work Plan 2025-26
- Core Work Plan 2026-27
- Internal Audit – Change Management Audit Report

12. Date of Next Meeting

12.1 The next meeting would be held on Monday 27 April 2026.

13. Deep Dive Session – Change Management

13.1 The Committee welcomed Tim Barraclough, Executive Director Tribunals and Office of the Public Guardian and Jackie Carter, Chief Product Owner to the meeting.

13.2 The SCTS was currently managing a number of major changes – driven by new areas of work, legislative change, process and procedure improvements; digital system and estates investment and corporate policy – in addition to continuous improvement. It was noted that prior to 2020, SCTS had a limited centralised approach to change, however since then a new structure and methodology had been introduced.

13.3 A Change Review was also being undertaken within the SCTS, led by Tim Barraclough. Four areas of focus had been identified – Engagement and Communications; Skills and Training; Change Framework and Threshold of Change; Organisational Design and Role Design. The Committee were advised of the steps being taken to address the identified priorities in the Change Review and the planned activities for the review for the remainder of the financial year. Alignment to the recommendations from the recent Internal Audit review of SCTS Change Management and the developing Corporate Plan priorities was highlighted.

13.4 The Committee thanked Tim and Jackie for their informative update.

Scottish Courts and Tribunals Service
January 2026