Governance Board Meeting Minutes
24 June 2026 10:30 – 11:45
Via Video Conference

Attendees
Professor Graeme Roy - Chair
Dr Eleanor Ryan - Commissioner
Justine Riccomini - Commissioner
John Ireland - Chief Executive
Claire Murdoch - Head of Fiscal Sustainability and Public Funding
David Stone - Head of Economy and Income Tax
Susie Warden - Head of Strategy, Governance and Corporate Services
James H White - Governance Manager, secretariat
Ross Burnside - for item 7, engagement plan

Apologies
Michael Davidson - Head of Devolved Taxes and Social Security

1. Welcome and Introduction

Graeme Roy opened the meeting. Apologies as given above were noted. There was a declaration of interest from John Ireland in relation to the agenda item under Finance about pension loan payments.

The minutes of the meeting held on 11 February 2026 were agreed as an accurate record, and the action log was noted, as were updates which would made for its next iteration.

2. Chair's Update

Graeme Roy reported that since the previous Governance Board a Fiscal Sustainability Perspectives Report had been published, a Supplementary costing for NDR, and the ongoing publication of Insights, apart from during the Election Period.

There had been a virtual meeting on 6 May meeting with the other UK IFIs which Graeme Roy, Eleanor Ryan, Justine Riccomini and SMT had attended. Eleanor Ryan, Justine Ricfcomini and Claire Murdoch had attended the OECD Forum on Restoring Public Finances on 27 May and the 18th Annual OECD Working Party of Parliamentary Budget Officials and Independent Fiscal Institutions on 28 May.

Graeme Roy had met with the new Cabinet Secretary for Finance and had written to a number of Committee Conveners offering to meet with them. Opposition finance spokespeople will receive a similar invitation. It was reported that the Commission is contributing to the MSP induction process in September and is developing a plan for the remainder of the first year of the Parliament.

Graeme confirmed that work was ongoing to recruit and appoint a fourth Commissioner.

Graeme Roy also reported that John Ireland is planning to retire later in the summer and that there would be an opportunity to recognise his significant contribution in establishing the Scottish Fiscal Commission as a respected organisation. He expressed his thanks to Claire Murdoch who has agreed be the Chief Executive on a 12 month promotion pending recruitment of a permanent replacement.

3. Chief Executive's Update

John Ireland noted the changes in staffing since February 2026. Two B3 analysts had left for posts with Scottish Government and Social Security Scotland respectively, and a C1 secondee had returned to Audit Scotland. The Governance Manager retired on 31 March 2026 but had returned part-time pending appointment of a replacement.

A C1 member of staff had returned from maternity leave and a new B3 analyst has started in the Tax Team. Following restructuring, one B3 analysts and two B2 analysts had moved to the Fiscal Sustainability Team.

Following recent recruitment rounds, a fixed term appointment was made permanent, and three B2s would be joining the Public Funding Team, Tax Team, and Social Security Team respectively. In addition, a B3 analyst would be joining Public Funding Team. Finally, a B2 would be joining Corporate Services Team to replace the Governance Manager.

It was noted that the staff volunteering day at the Thistle Foundation had involved a number of staff and one Commissioner. This had been a positive experience for both volunteers and the host organisation.

John reported that the recent the IT issues caused by a combination of updates from HP, Microsoft had been a significant issue. He understood this reflected a lack of investment by the Scottish Government in staffing and infrastructure in the SCOTS network. Had these issues taken place at a different time, the implications would have been more serious. We have ordered 11 new laptops to ensure that our own equipment is up-to-date and we'll think through other short-term mitigations.

4. Certificates of Assurance

It was noted that the annual Scottish Government certificates of assurance for Finance, HR and Corporate Services had been shared with Commissioners. The Corporate Services certificate raised particular concerns about the level of investment in staffing infrastructure was of particular concern given our reliance on these services, especially for our IT. Governance Board agreed that the full text of the assurance statements should be included within the Annual Report, and that the Chief Executive would refer to the risks faced by the organisation as a result within his governance statement.

It was also agreed that Justine Riccomini (Chair of the Audit and Risk Committee) would write to the responsible Scottish Government Director-General expressing our concerns about the risks posed to our work (including the ability of SG civil servants to provide us with timely inputs into our forecasts) and to ask about the SG's plans to mitigate these risks. Susie Warden and John Ireland would draft this letter after speaking with Justine.

Eleanor Ryan suggested that the issue of IT provision should be discussed at the next Audit and Risk Committee meeting in August. Susie Warden would provide a background paper outlining the risks and possible mitigations including moving to the Scottish Parliament's IT network, moving to a UK Government network or establishing our own network. It was recognised that these options were unlikely to be feasible but should be considered.

Action Point 1 - Justine Riccomini (Chair of the Audit and Risk Committee) would write to the Scottish DG Corporate about our concerns about the Corporate certificate of assurance.

Action Point 2 - The Audit and Risk Committee would consider what alternative options might exist for IT provision outwith SCOTS and report its findings to the Governance Board. Susie Warden would provide a short options paper.

5. Audit and Risk Committee

Justine Riccomini gave a resume of the discussions at the last meeting of the Audit and Risk Committee on 8 May, reflecting that there had been improved engagement from all participants including external and internal auditors which made for a more productive meeting, which had benefited from a longer time slot, and the deep dive on particular risk cards. Justine's paper on revising the format of the meetings had been well received.

The external and internal Auditors had given an update on progress, and a paper operational risk was discussed, with input from an analyst about the work being taken forward on Quality Assurance. The first deep dive had taken place, which allowed for a more detailed consideration. This would be repeated at future meetings which would focus individual risk cards in a rolling programme.

Justine Riccomini was due to meet again with external members and both sets of auditors.

On operational risk John Ireland asked the Governance Board to consider recommending that the Audit and Risk Committee be asked to take responsibility for providing assurance that operational risks were being managed satisfactorily. He also asked if the Commissioners and Governance Board would be willing to have oversight of the operational risks faced by the Commission. The Board agreed to both of these suggestions and noted the staff's enthusiasm to work with the Board on this.

It was agreed that it would also be helpful for the Committee to review the Certificates of Assurance provided by Scottish Government for the Finance, HR Corporate shared services, acknowledging the role played by SGDIAA in providing assurance on Scottish Government shared corporate services.

Action Point 3 - The Audit and Risk Committee would be asked to take responsibility for providing assurance that operational risks were being managed satisfactorily. John Ireland was asked to provide a paper for the next Governance Board on how the Board could take responsibility for oversight of the operational risks faced by the Commission.

Action Point 4 - The Audit and Risk Committee to review the Certificates of Assurance provided by Scottish Government for the Finance, HR and Corporate services.

6. Finance

Susie Warden reported on the updated financial position for 2026-27 confirming , an estimated underspend of £260k. This was driven by vacancies taken longer to fill than had been planned, partly because of HR process and partly due to the notice period new starts were required to give.

It was anticipated that the underspend would be much reduced in future years, where projections had as usual in recent years included a planned overspend. Graeme Roy agreed that was the right approach in managing the Commission's budget.

Pensions

Susie Warden noted that the Civil Service Pension issues were still ongoing, though Capita had confirmed that all outstanding quotes would be provided by the end of June. One retiree had made use of the initial transitional support loan, though a further loan may be required depending on when pension payments are finalised and made. John Ireland may be eligible for a similar loan when he retires. Arrangements would be put in place to ensure he was not involved in future decisions about the provision of these loans.

Finance Function Update

Susie Warden had asked Scottish Government to confirm to what extent finance functions could be shared across public bodies, however, they confirmed that they would not be able to support this. This means that we will need to continue to undertake the finance function inhouse within the Commission. The plan is to exploit the opportunities of a recent B2 appointment to revise the structure of the Corporate Services team.

Action Point 5 – Arrangements would be made to ensure that John Ireland's role as Accountable Officer in relation to future decisions would be handled by another member of staff to avoid a conflict of interest.

7. Engagement Plan

Ross Burnside joined the meeting for this item. He commented that the SFC Impact Evidence Tracking paper covered up to the end of the last Parliamentary session, and that it would be updated for future Governance Board meetings.

Graeme Roy proposed that we should measure how concepts coined by Scottish Fiscal Commission are being picked up and used by stakeholders.

Justine Riccomini had been approached by the Tax Research Network who had expressed an interest in the Commission speaking at one of their events in the future.

8. Succession Planning

Graeme Roy reported that work had been started on the recruitment for the fourth Commissioner, and that the job description would be shared with Commissioners before being shared with the recruitment panel for its approval. In addition planning for recruitment of a new Chief Executive has been started.

Governance Board noted that information on the Gender Pay Gap was included in the draft Annual Report and that further guidance was to be provided by Scottish Government.

Action Point 6 - The job description for the fourth Commissioner would be shared with Commissioners before being shared with the recruitment panel for its approval.

9. Accommodation Review

John Ireland reported that Lewis Smith, who is leading on this, has been working with the Public Bodies to assess alternative accommodation costs, highlighting that the key factor was how many desks are required given lower occupancy following the move to hybrid working. Work is ongoing and paper will be brought back to a future Governance Board.

Action Point 7 – the accommodation review would be included in future Governance Board meetings until a conclusion reached and agreed by the Board.

10. Corporate Policies and Statutory Reporting

Corporate Policy and Statutory Reporting – Summary – May 2026 – the Governance Manager noted that this had been provided for the information of Governance Board.

Audit and Risk Committee Self-assessment Checklist – Governance Board confirmed that it was content to approve the checklist.

Internal Control Checklist – Governance Board confirmed that it was content to approve the checklist.

Data Protection Policy – the Governance Manager noted that this had been approved by the Chief Executive and was provided for the information of the Governance Board. It included a new section about Artificial Intelligence which would need to be updated when the Commission's AI policy was finalised and approved.

11. Any other business

There was no other items of business.

12. Date of Next Meeting

The next Governance Board meeting is currently scheduled for Wednesday, 26 August 2026.

Scottish Fiscal Commission
24 June 2026