



**PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE**

**THURSDAY 18 JANUARY 2024 @ 1000 HRS**

**MEETING ROOM 1, EAST SERVICE DELIVERY AREA HEADQUARTERS  
21 CLAYLANDS ROAD, NEWBRIDGE, EH28 8LF / VIRTUAL (MS TEAMS)**

**AGENDA**

**1 CHAIR'S WELCOME**

**2 APOLOGIES FOR ABSENCE**

**3 CONSIDERATION OF AND DECISION ON ANY ITEMS TO BE TAKEN IN PRIVATE**

**4 DECLARATION OF INTERESTS**

*Members should declare any financial and non-financial interest they have in the items of business for consideration, identifying the relevant agenda item, and the nature of their interest.*

**5 MINUTES OF PREVIOUS MEETINGS: THURSDAY 30 OCTOBER 2023 (attached)**

*B Baverstock*

*The Committee is asked to approve the minutes of these meetings.*

**6 ACTION LOG (attached)**

*Board Support*

*The Committee is asked to note the updated Action Log and approve the closed actions.*

**7 INTERNAL AUDIT**

7.1 Internal Audit Progress Report 2023/24 (attached)

*Azets*

- Final Report - Equality, Diversity & Inclusion (attached)

7.2 SFRS Progress Update / Management Response (attached)

*Azets*

*The Committee is asked to scrutinise these reports.*

**8 AUDIT ACTION PLANS AND CLOSING REPORTS UPDATE (attached)**

*M McAteer*

*The Committee is asked to scrutinise this report.*

Please note that this meeting will be recorded for minute taking purposes only.  
The recording will be destroyed following final approval of the minutes.

**9 EXTERNAL AUDIT**

- 9.1 Audit Dimensions and Best Value Report and Annual Report 2021/22  
(attached) S O'Donnell /  
J Thomson

*The Committee is asked to scrutinise this report.*

**10 QUARTERLY UPDATE OF GIFTS, HOSPITALITY, AND INTERESTS REGISTER (attached)**

D Johnston

*The Committee is asked to scrutinise this report.*

**11 INTERNAL CONTROLS UPDATE**

- 11.1 Overview of Strategic Risk Register and Committee Aligned Directorate  
Risks (attached) D Johnston  
11.2 Anti-fraud and Whistleblowing (verbal) S O'Donnell

*The Committee is asked to scrutinise these reports.*

**12 REPORTS FOR INFORMATION ONLY:**

*The Committee is asked to note the following reports:*

- 12.1 **Quarterly Report on HMFSI Business (attached)** HMFSI

**13 REVIEW OF ACTIONS**

Board Support

**14 FORWARD PLANNING**

B Baverstock

- 14.1 Committee Forward Plan Review (attached)  
14.2 Items for Consideration at Future Integrated Governance Forum, Board  
and Strategy Day meetings

**15 DATE OF NEXT MEETING**

Thursday 26 March 2024

**PRIVATE SESSION**

**16 MINUTES OF PREVIOUS PRIVATE MEETING:**

- 16.1 **Monday 30 October 2023 (attached)** B Baverstock  
16.2 **Thursday 30 November 2023 (Special) (attached)** B Baverstock

*The Committee is asked to approve the minutes of these meetings.*

**17 PRIVATE ACTION LOG (attached)**

Board Support

*The Committee is asked to note the updated Private Action Log and  
approve the closed actions.*

**18 INTERNAL CONTROL REVIEW REPORT (attached)**

S O'Donnell

*The Committee is asked to scrutinise/info only this report.*

Please note that this meeting will be recorded for minute taking purposes only.  
The recording will be destroyed following final approval of the minutes.



**SCOTTISH**  
**FIRE AND RESCUE SERVICE**

Working together for a safer Scotland

**PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE**

**MONDAY 30 OCTOBER 2023 @ 1000 HRS**

**VIRTUAL – MS TEAMS**

**PRESENT:**

Brian Baverstock, Chair (BB)  
Tim Wright (TW)

Malcolm Payton (MP)  
Mhairi Wylie (MW)

**IN ATTENDANCE:**

Ross Haggart (RH)  
Stuart Stevens (SS)  
John Thomson (JT)  
Mark McAteer (MMcA)  
Lynne McGeough (LMcG)  
David Johnston (DJ)  
Gillian Callaghan (GC)  
Gary Devlin (GD)  
Michael Oliphant (MO)  
Anne MacDonald (AMac)  
Robert Scott (RS)  
Karen Lewis (KL)  
Ijaz Bashir (IB)  
Roddy MacKinnon (RMack)  
Ellen Gayler (EG)  
Liz Barnes (LB)  
Kirsty Darwent (KD)  
Richard Whetton (RW)  
Kevin Murphy (KM)  
Heather Greig (HG)  
Debbie Haddow (DJH)

Chief Officer  
Deputy Chief Officer  
Acting Director of Finance and Procurement  
Director of Strategic Planning, Performance and Communications  
Acting Head of Finance and Procurement  
Risk and Audit Manager  
Internal Audit (Azets)  
Internal Audit (Azets)  
External Audit (Audit Scotland)  
External Audit (Audit Scotland)  
HMFSI  
People Manager (Item 7.1 only)  
Asset Management and Performance Manager (Item 13 only)  
Scottish Equipment Manager (Item 13 only)  
Senior Data Analyst (Item 14 only)  
Interim Deputy Chief Officer Corporate Services  
Chair of the Board  
Head of Governance, Strategy and Performance  
Group Commander, Board Support Manager  
Board Support Executive Officer  
Board Support/Minutes

**OBSERVERS:**

None

**1 CHAIR'S WELCOME**

- 1.1 The Chair opened the meeting and welcomed those present and those participating via MS Teams.
- 1.2 Those participating via MS Teams were reminded to raise their hands, in accordance with the remote meeting protocol, should they wish to ask a question. The meeting would be recorded for minute taking purposes only.

**2 APOLOGIES**

- 2.1 None

### 3 **CONSIDERATION OF AND DECISION ON ANY ITEMS TO BE TAKEN IN PRIVATE**

3.1 The Committee discussed and agreed that Item 20 (*SFRS Data Quality Issues and Considerations*) would be heard in private session due to matters considered of a confidential nature in line with Standing Orders Item 9G.

3.2 No further items were identified, however, JT advised that an additional Anti-fraud/Whistleblowing Update could be provided in the private session, if deemed necessary.

### 4 **DECLARATION OF INTERESTS**

4.1 There were no declarations of interest made.

### 5 **MINUTES OF PREVIOUS PUBLIC MEETING:**

#### 5.1 **Thursday 27 June 2023**

5.1.1 The following amendments were proposed:

In relation to paragraph 16.1.1 (1<sup>st</sup> bulletpoint), RS proposed that the final sentence be removed as this was considered a sweeping statement.

In relation to paragraph 16.1.1 (1<sup>st</sup> bulletpoint), RH proposed the statement that SFRS were seeking advice from Police Scotland should be corrected to HMFSI seeking advice from Police Scotland.

In relation to paragraph 9.1.9, TW proposed that wording in the final sentence be amended from “.. *policies would assist until system issues ..* ” to “.. *policies would persist until system issues ..* ”.

#### 5.2 **Matters Arising**

5.2.1 There were no matters arising.

5.3 **Subject to the above amendments, the minutes of the meeting held on 27 June 2023 were approved as a true record of the meeting.**

### 6 **ACTION LOG**

6.1 The Committee considered the action log, noted the updates and agreed the following actions.

Action 7.5 Annual Procurement Report 2022/23 (13/10/2022): It was agreed that, having explored the options, the complexities of including a GVA report outweigh potential benefits and therefore this action should be closed.

Action 8.1.15 SFRS Internal Audit Progress Report 2022/23 - Final Report – Revenue and Funding Maximisation (13/10/2022): JT and RW provided a verbal update regarding the potential partnership work with CivTech and what this would entail. RW would provide further updates on innovation within the performance report presented to the SFRS Board. It was agreed to close this action.

Action 7.1.13 SFRS Internal Audit Progress Report 2022/23 - Final Report Corporate Performance Management (10/01/2023): Following discussions in the private session, it was agreed to close this action.

Action 9.4 Deloitte - Audit Dimensions and Best Value for the Year Ended 31 March 2022 (06/04/2023): RAG status to be changed to green pending presentation to a future Strategy Day.

Action 9.1.11 SFRS Internal Audit Progress Report 2023/24 - Final Report – Sickness Absence Management (27/06/23): Position statement to be updated with timescale.

Action 9.1.17 SFRS Internal Audit Progress Report 2023/24 - Final Report Arrangements for the Internal Assessment and Verification of SVQ (27/06/2023): LB advised the Committee that work continued to recover lost revenue. Further details on any lost revenue to be included within the next action log update which would allow this action to be completed.

Action 9.4.4 SFRS Progress Update/Management Responses (27/06/2023): This action should be closed.

6.2 **The Committee noted the updated Action Log and approved the removal of completed actions.**

## 7 INTERNAL AUDIT

### 7.1 SFRS Internal Audit Progress Report 2023/24

7.1.1 GD presented a report to the Committee which summarised the progress on the delivery of the 2023/24 Internal Audit Plan and the following key points were highlighted:

- Final Reports presented for the Workforce Planning (On Call Firefighters) and Budgetary Control.
- Scope of and objectives for upcoming internal audits.

7.1.2 The Committee noted and welcomed the inclusion of the outline scope for the Risk Management and Partnership working audits.

7.1.3 The Committee questioned how benchmarking/comparisons with other organisations would be presented. GD noted that this information would be presented in a table format with RAG status applied to appropriate ranges, including best practices. GD also noted that feedback from the Committee on how this information was presented would be welcomed.

7.1.4 In regard to the Partnership Working audit, the Committee noted this related specifically to working with Local Authorities and suggested that the audit title and control objectives should be more explicit. The Committee further noted that clarity should be provided whether Community Planning Partnership arrangements were also being considered. GD noted the comments and agreed to amend the title and scope as necessary to provide this clarity.

**ACTION: GD**

7.1.5 GD commented on the different arrangements and challenges within individual areas and noted that the audit would evolve to ensure that the outcomes were meaningful and of benefit to the Service.

7.1.6 RS reminded the Committee that the HMFSI's first Service Delivery Area Inspection had been published and offered to discuss and share any findings relating to partnership working with GD outwith the meeting. The Committee requested a report back on the outcome of discussions on comparisons with HMFSI fieldwork and sharing of information in relation to Partnerships.

**ACTION: GD**

### 7.1.7 Final Report – Budgetary Control

GD advised the Committee of the outcome of the audit, noting the following key issues:

- Overall positive report finding good arrangements, lots of scenario planning undertaken, stress testing of budget assumptions carried out, as well as regular reporting.
- Improvements identified included business case work needs to be tightened up, in particular how they are reported, and ensuring consistency in business cases in operational areas where changes were required over trigger values.

- Other minor improvement recommendations were made.

7.1.8 JT noted the positive report which helped provide confidence in the existing controls and accepted the recommendations made particularly around business cases, both the development, potential business case light approach and consideration on wider aspects/benefits.

7.1.9 The Committee commented on the large number of archived scenarios and queried what learning was being taken from them. JT advised that broad scenarios are broken down into the incremental elements ie Wholetime, On Call, etc to identify and fully understand the impact and sensitivities around the scenarios. JT noted that these were valuable exercises and played a key role in budget setting processes.

*(E Gayler and K Lewis joined the meeting at 1040 hrs)*

7.1.10 In regard to business cases, GD reminded the Committee that there was a requirement for education and awareness on the importance of business cases, ie success criteria, scenario planning and evaluation mechanisms throughout the whole Service.

7.1.11 The Committee noted concerns on the improvement action relating to the procurement of a new internal financial management system and ensuring that the specification was right, given the work ongoing with the new People, Payroll, Finance and Training (PPFT) project.

7.1.12 The Committee queried how assurances could be given that strategic fit and prioritisation is a clear part of the criteria when considering business cases. The Committee sought assurance on the strategic context and clear process for selection.

7.1.13 JT advised that strategic fit was part of the business case process and links to strategic objectives and benefits were identified. JT further advised that the requirements identified through the audit have been included within the People, Payroll, Finance and Training (PPFT) specification.

7.1.14 Final Report – Workforce Planning (On Call Firefighters)

GC advised the Committee of the outcome of the audit, noting the following key issues:

- Overall positive report with some areas of good practice identified.
- Five improvement actions raised, mainly concerning the revision of the recruitment selection policies and taking account of changes made through the On Call Improvement Programme.

7.1.15 GD noted that the challenges relating to On Call were not unique to the Service and whilst there were no major weaknesses within the approach, the arrangements were new and needed to be embedded. LB informed the Committee that the Service was part of a national working group which was exploring opportunities to further improve the situation with Retained/On Call firefighters.

7.1.16 KL provided a brief outline of the 5 improvement actions; the actions being taken to address them and the timescale for completion.

7.1.17 The Committee noted their concerns on the lack of urgency in addressing these issues and the general timescale for actions to be completed. KL assured the Committee that this area remained a priority and focus for the Service. KL outlined the challenges faced when engaging with candidates and the impact on resources with local areas. KL noted that the recruitment selection policies were not specific in relation to On Call recruitment and the intention during their review was to provide a broad overview of the principles of recruitment selection, developing supporting procedures and guidance.

- 7.1.18 The Committee commented that the focus was on redesigning processes, developing guidance, etc and whether the bureaucracy could be reduced. The Committee queried the level of confidence that these changes would be effective and deliver success.
- 7.1.19 The Committee were reminded that several pilot programmes were ongoing and the outcome of these would help the development of future processes, etc.
- 7.1.20 In regard to the timescale since the last policy revision, LB noted there were several reasons for this with one being the various ongoing pilot programmes. The outcome of these pilots would be considered during the revision process. The Committee accepted this explanation and noted that it would have been helpful to have this contextual narrative within the report.

7.1.21 **The Committee scrutinised the progress report and the final reports.**

*(G Devlin and K Lewis left the meeting at 1100 hrs)*

**7.2 SFRS Progress Update/Management Response**

7.2.1 GC presented a report to the Committee outlining the status of the recommendations raised by Internal Audit. The following key areas were highlighted:

- Seven actions were added and 11 actions were closed during this quarter.
- Total of 38 outstanding actions remain with 22 actions not yet due for implementation.

7.2.2 The Committee sought clarification whether the external funding and revenue generation included the core Scottish Government monies and whether the seven recommendations were out of proportion based on the overall benefits. LMcG advised that this funding did not include the Grant in Aid (GIA) funding from Scottish Government. With regard to the level of benefits, LMcG noted that the Service were endeavouring to subsidise funding as much as possible to alleviate financial pressures. JT further noted that the evaluation process would help identify whether to pursue potential grants/funding.

7.2.3 The Committee commented on the need for a more collaborative approach on taking necessary actions/providing evidence to close off risks promptly. GC reminded the Committee of the close working relationship with the Service, that responses/evidence provided does not always address the original risk and that further responses had been received since the report was circulated.

7.2.4 With reference to the Water Planning risk, the Committee noted that the risk had progressed from operational to financial risk. The Committee further noted that these risks should be reviewed and either confirmed as being addressed, reframed or recognised as being superseded.

7.2.5 **The Committee welcomed the update and the progress being made.**

**8 AUDIT ACTION PLANS AND CLOSING REPORTS UPDATE**

8.1 MMCA presented a report to the Committee providing an overview update of the current audit and inspection action plans for scrutiny.

8.2 MMCA noted that the Audit and Inspection Overview dashboard recorded 15 action plans as complete and of the remaining live action plans, one was reporting on track for completion (Green), one was reporting Amber (slippage in timescale) and a further 2 action plans were currently in development.

8.3 The Board noted the good progress being made and commented on the helpful information presented via the dashboard.

8.4 **The Committee scrutinised the report.**

*The Chair informed the Committee that Items 13 and 14 would be brought forward on the agenda.*

*(I Bashir and R MacKinnon joined the meeting at 1115 hrs)*

**13 RISK SPOTLIGHT: RETRIEVAL OF PPE**

13.1 IB presented the risk spotlight on the retrieval of PPE. IB noted that the paperwork for returning PPE had been revised and circulated, correspondence had been updated to emphasis the costs incurred for the non-return of PPE by the Service and the audit action was on target for completion by March 2024. IB further noted that discussions were ongoing with legal and finance colleagues to identify appropriate consequences for non-return of PPE.

13.2 The Committee commented on the opportunity within the PPFT programme to consider an element for recording what equipment/PPE had been assigned to individuals.

13.3 The Committee were provided with an example of the current process for requesting, returning and reissuing replacement equipment and PPE. RMack advised the Committee that in the case of individuals leaving the Service, the process was reliant on managers completing the process for returning equipment/PPE.

13.4 In terms of potential security risk, RMack noted that all branded uniform was requested to be returned and every effort was made to retrieve same. The increased communication and emphasis on returning kit, although helpful, would not totally mitigate the risk and consideration should be given to financial or legal sanctions being introduced. It was noted that any incidents of individuals impersonating firefighters were reported to Police Scotland.

13.5 Brief discussion took place on the potential to withhold final salary payment until full return of PPE/equipment and the process required to implement this. The Committee requested a future update on inter-departmental discussions relating to leavers returning all equipment and PPE, and any improvements to the process that can be made including consequences for non-compliance.

**ACTION: IM/IB/RMack**

13.6 **The Committee scrutinised the report.**

*(I Bashir and R MacKinnon left the meeting at 1130 hrs)*

**14 INTERNAL CONTROLS UPDATE**

**14.1 Risk Report Update**

14.1.1 DJ presented the risk report and dashboard to the Committee for scrutiny. The Committee noted that the previous (paper based) approach afforded the opportunity to review and reflect on the information being presented. As such, the Committee felt that further discussions on how this information is presented was necessary to ensure proper scrutiny could be undertaken.

**ACTION: BB/DJ**

14.1.2 EG gave a demonstration of the risk dashboard and highlighted the following key points:

- Overview of Business Intelligence landing page.
- Board Summary Risk and Full Risk reports are accessed via the Governance tab.
- Summary risk report focuses on risk with high ratings (15 or above) with an option available to show all risks.
- Work was ongoing to realign all directorate and project risks to strategic outcomes rather than strategic risks.
- Risk Change overview page allows various filters, for example individual Committees, changes, actions, key words, to be applied.



- Pressing Issues pages which contained high rated risks (15 or higher) with details on changes, actions, etc.
- Directorate Risk page contains all risks in tabular form.

14.1.3 Notwithstanding the above comments on the need to revisit the form and content of information presented to the Committee, the link to the Risk and Performance dashboard be recirculated and included in all future reports. This would allow the Committee to review and scrutinise the data ahead of presentation at meetings.

**ACTION: DJ/EG**

14.1.4 The Committee asked for an update on the progress being made against the 2 highlighted risks (SDD007 and FCS005) which had a risk rating of 15 or over. DJ advised that both risks were on course although there may be changes in dates for completion of work. Further progress has been made since the report had been produced.

14.1.5 DJ demonstrated how the Service would interrogate the risk dashboard through the Directorate button. This would allow the Committee to review progress and actions being taken and updates from the risk owner.

14.1.6 The Committee were requested to review and provide feedback on the risk dashboard, particularly what the Committee needs, how the Committee would use it and general experience by the end of November 2023.

**ACTION: ALL**

14.1.7 RW reminded the Committee that a PowerBI session was scheduled for the next Strategy Day (23 November 2023). The Committee welcomed this session and requested a particular focus on definition of the responsibilities/role of the Board and Committees and how the new approach supports scrutiny and challenge.

**ACTION: RW**

14.1.8 **The Committee scrutinised and supported the continued development of the report.**

## 14.2 **Anti-fraud/Whistleblowing Update**

14.2.1 JT informed the Committee of 2 recent incidents and updates on the current position:

- On 14 September 2023, a quantity of batteries were lost in transition to the new West Asset Resource Centre (ARC). The incident was being investigated and had been reported to Police Scotland.
- An employee reported a potential card scamming incident which was investigated and subsequently closed as no fraudulent issues were identified.

14.2.2 In regard to the relocation of stock to the new West ARC, the Committee asked whether the Service were confident that no further stock had gone missing. JT advised that a mini stocktake, focusing on high-risk items, had taken place and no further stock had been reported missing. JT further advised that it was not possible to undertake a full stocktake at this time, as this would close stores for a period of 2 weeks.

14.2.3 **The Committee noted the verbal report.**

*(The meeting broke at 1200 hrs and reconvened at 1205 hrs)*

## 9 **EXTERNAL AUDIT**

### 9.1 **Audit Dimensions and Best Value Report and Annual Reports 2021/22**

9.1.1 JT presented the report to the Committee outlining the progress on the External Audit Dimensions and Best Value Report for year ending 31 March 2021 and the Annual Report and Accounts Audit for 2020/21. JT noted that since the production of the report, additional updates had been provided by Audit Scotland and further context would be given under the next agenda item.

9.1.2 **The Committee scrutinised the report and noted the progress being made.**

9.2 **External Audit – Progress with Wider Scope Audit Recommendations**

9.2.1 AMcD presented the report to the Committee outlining progress against the wider scope audit recommendations and highlighted the following points:

- Interim report presented due to the primary focus being the annual accounts audit.
- Of the 19 actions, 6 were still in progress, 4 awaited further evidence and 9 had been closed during the quarter.

9.2.2 In regard to any areas of concern, JT noted that discussions had taken place on the budget to outcome point, in order to reach an agreement of how the action could be addressed. JT noted the intention was to improve transparency, opportunities for scrutiny and identify potential areas to take this forward ie Home Fire Safety Visits. Further discussion would be held.

9.2.3 MO noted that further longer-term discussions were required and that a stocktake of actions to assess their position/relevance was a fair point.

9.2.4 The Committee sought and were provided with clarification on the reason for the separate audit and wider scope audit actions. JT noted that the incomplete actions were taken into account during this year's audit and therefore would be closed on conclusion of the audit.

9.2.5 **The Committee scrutinised the report.**

9.3 **2022/23 Audit Plan Progress Report**

9.3.1 MO provided a verbal update to the Committee on the progress of the 2022/23 Audit Plan, noting that this was scheduled to be reported to the Special Committee meeting on 30 November 2023. MO noted the initial submission of the draft accounts to Audit Scotland was delayed but he was still confident to be able to deliver within the agreed timeframe.

9.3.2 JT explained the reason for the late submission and was hopeful that the work undertaken since has helped to recover the position.

9.3.3 The Committee asked whether any areas of concern had been identified. MO noted that the command and control contract was an area of concern. MO further noted that a request had been made for more disclosure around the project and cancellation of same to be included within the accounts. MO advised that the Auditor General was not planning to undertake a Section 22 Report this year due to the retained benefits from the original project and the subsequent current new project. However, this area would remain an interest for both Audit Scotland and the Auditor General.

9.3.4 AMcD noted that there were no major concerns, commented on the level of learning required in relation to the pension funds and that good progress had been made to date. JT advised that, as per previous years, the Service were in a similar position with pensions and the reliance on other parties such as actuaries, local authorities etc.

9.3.5 The Committee requested early notification should the 30 November 2023 date be unachievable.

9.3.6 **The Committee noted the verbal update.**

**10 ANNUAL PROCUREMENT REPORT 202/23**

10.1 JT presented a report to the Committee the Annual Procurement Report for the period 1 April 2022 – 31 March 2023, which the Scottish Fire and Rescue Service (SFRS) is required to prepare and publish under the requirements of the Procurement Reform (Scotland) Act 2014.

10.2 Due to the rescheduling of this meeting, JT noted that the Annual Procurement report had been presented and approved at the SFRS Board meeting on 26 October 2023. Therefore, no approval was needed from the Committee.

10.3 **The Committee noted the report.**

*(L Barnes left the meeting at 1235 hrs)*

**11 GIFTS, HOSPITALITY AND INTERESTS POLICY**

11.1 DJ presented the revised Gifts, Hospitality and Interests Policy and Quarterly Update to the Committee for scrutiny, the following key points were highlighted:

- Total number of declarations within the first 2 quarters was 31.
- Good progress was continuing to be made and this was evidenced through the increased number of declarations and enquiries.
- No fundamental changes have been made to the policy.

11.2 The Committee extended their thanks for the progress being made.

11.3 **The Committee scrutinised the report and supported the approval of the revised policy.**

**12 QUARTERLY UPDATE OF GIFTS, HOSPITALITY AND INTERESTS**

12.1 Covered under Item 11.

**15 REPORT FOR INFORMATION ONLY:**

**15.1 Quarterly Update Report on HMFSI Business**

15.1.1 RS presented the quarterly report to the Committee to provide an update on HMFSI's inspection and reporting activity during 2023/24 and the following key areas were noted:

- First Service Delivery Area (SDA) Inspection report for the East published and laid before Parliament on 19 October 2023. Local level performance across several themes were considered and rated. Format of the report provided was accessible for the general public as well as more focused information for Management/Board consideration.
- Next SDA inspection in the West had commenced and would identify good practice, areas for improvement and allow benchmarking with the East.
- Future SDA inspection would be undertaken in the North.
- Next report to be published would be Climate Change: Impact on Operational Activity. The inspection highlighted areas of good practice made some recommendations and recognised the increasing impact on operational activities.
- Mental Health and Wellbeing Provision audit was nearing completion and recognised the steps taken at a strategic level, policy and procedural and the general change to the culture within the organisation. Some recommendations were made relating to the roll out of policies and increasing awareness.
- Terms of Reference for the Organisational Culture inspection had been developed and feedback was still awaited from the Service. It was proposed to focus on values, behaviours, misconduct and tools available to challenge inappropriate behaviour.
- Independent inspection of Northern Ireland Fire and Rescue Service was now publicly available.

15.1.2 The Committee noted the opportunity for benchmarking comparisons between the SDAs. RS advised that the inspection would not overtly benchmark within the Service but would allow the Service to use the reports to draw some comparisons.

15.1.3 RS noted the delay in the publication of the report and advised the Committee that improvements had been made during this period. The Committee acknowledged the importance of this work as a continuous improvement tool and were encouraged that improvement actions had already been taken.

15.1.4 The Committee noted and welcomed the specific focus within the Organisational Culture audit.

15.1.5 **The Committee noted the report.**

## **15.2 Outcome of HMRC Compliance Review 2023**

15.2.1 A report was provided to formally advise the Committee on the outcome of the recent HMRC Compliance Review.

15.2.2 **The Committee noted the report.**

## **16 REVIEW OF ACTIONS**

16.1 KM confirmed that 7 formal actions were recorded during the meeting.

## **17 FORWARD PLANNING**

### **17.1 a) Committee Forward Plan Review**

17.1.1 The Committee considered and noted the Forward Plan.

### **17.2 b) Items for Consideration at Future IGF, Board and Strategy Days Meetings**

17.2.1 No items were identified.

## **18 DATE OF NEXT MEETING**

18.1 A Special Private meeting is scheduled to take place on 30 November 2023. The next public meeting is scheduled to take place on 18 January 2023 at 1000 hrs.

18.2 There being no further matters to discuss the public meeting closed at 1254 hrs.

## **PRIVATE SESSION**

### **19 MINUTES OF PREVIOUS PRIVATE MEETING:**

#### **19.1 Thursday 27 June 2023**

19.1.1 The minutes of the private meeting held on 27 June 2023 were approved as a true record of the meeting.

### **20 SFRS DATA QUALITY ISSUES AND CONSIDERATIONS**

20.1 RW presented the report to the Committee to provide an update on issues related to data quality across the Service which were identified in a recent internal audit report.

20.2 **The Committee scrutinised the report and verbal update.**

## AUDIT AND RISK ASSURANCE COMMITTEE ROLLING ACTION LOG



SCOTTISH  
FIRE AND RESCUE SERVICE

Working together for a safer Scotland

### Background and Purpose

A rolling action log is maintained of all actions arising or pending from each of the previous meetings of the Committee. No actions will be removed from the log or completion dates extended until approval has been sought from the Committee.

The status of actions are categorised as follows:

- Task completed – to be removed from listing
- No identified risk, on target for completion date
- Target completion date extended to allow flexibility
- Target completion date unattainable, further explanation provided.

### Actions/recommendations

Currently the rolling action log contains 10 actions. A total of ?? of these actions have been completed.

The Committee is therefore asked to approve the removal of the ?? actions noted as completed (Blue status), note ?? actions categorised as Green status and note v action categorised as Yellow status on the action log.

## AUDIT AND RISK ASSURANCE COMMITTEE ROLLING ACTION LOG



Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
<b>Meeting Date: 6 April 2023</b>						
9.4	Deloitte - Audit Dimensions and Best Value for the Year Ended 31 March 2022: An update on the medium-term financial model and the long-term financial strategy was requested to be provided at the next meeting.	SO'D JF	June 2024 (Org June 2023)			<p><b>Updated (27/06/2023):</b> The medium-term financial model has been updated to reflect the agreed budget for 23/24 including intended £11million in savings. Based on latest information a number of financial scenarios are being developed covering, pay, inflation and funding. Scottish Government on 25 May 2023 published a revised medium term financial strategy which will be considered as part of scenario planning. The Board will be updated in August 2023.</p> <p><b>Updated (30/10/2023):</b> The Board were updated in August on Financial Scenarios and a presentation was completed on the draft Long-Term Financial Strategy. Following Board feedback a medium term financial plan is being developed and scheduled for consideration at future Board strategy day on 23 November 2023.</p> <p><b>Updated (18/01/2024):</b> This work will now be incorporated in 2024/25, which will include a refresh of medium term financial plan and LTFS of Q1 of the new financial year.</p>

Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
<b>Meeting Date: 27 June 2023</b>						
9.1.11	<p><b>SFRS Internal Audit Progress Report 2023/24 - Final Report – Sickness Absence Management:</b> Committee request to see what will be put in place for the significant control weaknesses identified and for ongoing compliance/ sample testing, for each recommendation or management action contained within.</p>	LBa	October 2023		December 2023	<p><b>Updated (30/10/2023):</b> Managers guidance is currently being updated, along with reminder communications for managers of the procedures and their responsibilities under the Attendance Management Policy and Procedures, including for the completion of E-self-certs, ensuring fit notes cover whole of absence period, submission, and storage (single source) of fit notes and other absence documentation and undertaking/recording of Attendance Support Meeting (ASM). Revisions being made to the middle manager development sessions, develop the inclusion of a managing absence toolkit in the management induction toolkit, as well as to the local and supervisory management development training to incorporate return to work interviews and attendance support meetings. Discussions underway with SDA DACO's and Risk&amp;Audit colleagues to consider an independent process for managers vetting of case work within their areas or alternative options for future auditing which may assist in providing similar assurance.</p> <p><b>Complete (18/01/2024):</b> Of the 5 outstanding actions, 4 are due to be complete by 31 December 2023 (following an extension to 3 of these) and are on track to do so. A request to</p>

					<p>extend the remaining action to Q1 2024/25 will be made to enable further discussions with Risk &amp; Audit colleagues on a verification/QA process to provide future assurance that the completed actions have addressed the weaknesses identified. The detailed actions and progress updates are provided within the Audit Action report itself.</p>
<p>9.1.17</p>	<p><b>SFRS Internal Audit Progress Report 2023/24 - Final Report Arrangements for the Internal Assessment and Verification of SVQ:</b> Committee request an update on progress of recovering any lost income from this process.</p>	<p>LBa/JT</p>	<p>October 2023</p>	<p>December 2023</p>	<p><b>Updated (30/10/2023):</b> Work is ongoing with Skills Development Scotland (SDS) and the SQA in order to progress both the Workplace ICT and Numeracy Core Skills as well as the outstanding SVQs. Employees have been contacted individually to advise of any outstanding items and support packages have been put in place, with additional resources being aligned to progress the priority candidates within the timescales (by end December 2023). Payments are continuing to be drawn down from the MA contract as employees complete this process. 55 line managers are currently undertaking Assessor training and the internal assessor delivery course is being reviewed with SQA. We are aiming for all outstanding to be completed within the timescales.</p> <p><b>Complete (18/01/2024):</b> All employees have received individual engagement from Workplace Core Skills Assessors regarding the outstanding items and support has been implemented. As completed items are received these are being progressed to payment from the</p>



OFFICIAL

						<p>MA contract.</p> <p>A final position will be available in Q4, however, it is anticipated that an income of £180K can be achieved. Assessor numbers are increasing as line managers complete the training course. Internal Assessor training has been reviewed by SQA and an internal course of 15 line managers will commence in January 2024 and will be further reviewed by the SQA upon completion.</p>
--	--	--	--	--	--	---

Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
<b>Meeting Date: 30 October 2023</b>						
7.1.14	<b>Internal Audit Progress Report 2023/24:</b> Re Partnership Working audit, amend the title and scope as necessary to provide this clarity.	Azets	January 2024		January 2024	<b>Complete (18/01/2024):</b> Following the previous ARAC meeting, further discussion took place with Mark McAteer on the scope of the audit which resulted in the assignment plan being further refined and the scope of the review being updated to clarify that the review would cover partnership working arrangements SFRS has in place with regard to Community Planning Partnerships and other arrangements where SFRS has a specific legal responsibility to work in partnership with Local Authorities and other agencies e.g. Child Protection.
7.1.16	<b>Internal Audit Progress Report 2023/24:</b> Report back to committee on the outcome of comparisons with HMFSI fieldwork and sharing of information, in relation to Partnerships.	Azets	January 2024		January 2024	<b>Complete (18/01/2024):</b> Discussion took place with HMFSI regarding the work carried out in relation to partnerships. Our review focusses on different geographical areas with emphasis placed on the role of Local Senior Officers in the management of local partnership arrangements.

OFFICIAL

13.5	<b>Risk Spotlight: Retrieval of PPE:</b> Committee request an update on inter-departmental discussions relating to leavers returning all equipment and PPE, and any improvements to the process that can be made including consequences for non-compliance.	IM/IB/R McK	January 2024			<b>Update (18/01/2024):</b>
14.1.1	<b>Risk Update Report:</b> Further discussions on how information is presented was necessary to ensure proper scrutiny could be undertake.	BB/DJ	January 2024			<b>Update (18/01/2024):</b> Meeting held between BB and DJ which discussed the risk report format. A revised risk report has been submitted for meeting on 18 January 2024.
14.1.3	<b>Risk Update Report:</b> Link to the Risk and Performance dashboard be recirculated and included in all future reports.	DJ/EG	January 2024		January 2024	<b>Complete (18/01/2024):</b> A link to the risk dashboard will be attached as part of the Committee invite.
14.1.6	<b>Risk Update Report:</b> Committee members provide feedback to the ARAC Chair on the experience of using the report and its effectiveness, by end of November 2023.	BST	November 2023		November 2023	<b>Complete (18/01/2024):</b> Feedback received and provided to the Committee Chair.
14.1.8	<b>Risk Update Report:</b> Committee request further guidance and information on how this new approach supports the responsibility to scrutinise and challenge.	RW	November 2023 March 2024			<b>Update (18/01/2024):</b> Workshops will be arranged to provide training on Power BI tool.

# SCOTTISH FIRE AND RESCUE SERVICE

## Audit and Risk Assurance Committee



Report No: C/ARAC/10-24

Agenda Item: 7.1

<b>Report to:</b>	<b>AUDIT AND RISK ASSURANCE COMMITTEE</b>							
<b>Meeting Date:</b>	<b>18 JANUARY 2024</b>							
<b>Report Title:</b>	<b>SFRS INTERNAL AUDIT PROGRESS REPORT 2023/24</b>							
<b>Report Classification:</b>	<b>For Scrutiny</b>	<b>Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u></b>						
		<u><a href="#">A</a></u>	<u><a href="#">B</a></u>	<u><a href="#">C</a></u>	<u><a href="#">D</a></u>	<u><a href="#">E</a></u>	<u><a href="#">F</a></u>	<u><a href="#">G</a></u>
<b>1</b>	<b>Purpose</b>							
1.1	To provide a summary of progress in the delivery of the 2023/24 Internal Audit plan.							
<b>2</b>	<b>Background</b>							
2.1	This report is intended to enable the Audit and Risk Assurance Committee (ARAC) to consider the progress to date in the delivery of the audit plan for 2023/24.							
<b>3</b>	<b>Main Report/Detail</b>							
3.1	To provide confirmation of the progress made in relation to all audits contained within the 2023/24 agreed audit plan and to provide details of the scope of the final planned review taking place in Quarter 4 along with the proposed timing of the review.							
<b>4</b>	<b>Recommendation</b>							
4.1	ARAC is asked to note the content of the report.							
<b>5</b>	<b>Key Strategic Implications</b>							
5.1	<b>Risk</b>							
5.1.1	The internal audit programme forms part of the Service's Assurance Framework.							
5.2	<b>Financial</b>							
5.2.1	There are no direct implications associated with the report.							
5.3	<b>Environmental &amp; Sustainability</b>							
5.3.1	There are no direct implications associated with the report.							
5.4	<b>Workforce</b>							
5.4.1	There are no direct implications associated with the report.							
5.5	<b>Health &amp; Safety</b>							
5.5.1	There are no direct implications associated with the report.							
5.6	<b>Health &amp; Wellbeing</b>							
5.6.1	There are no direct implications associated with the report.							
5.7	<b>Training</b>							
5.7.1	There are no direct implications associated with the report.							

5.8	<b>Timing</b>	
5.8.1	The report notes progress in relation to audits to be undertaken in the 2023/24 financial year.	
5.9	<b>Performance</b>	
5.9.1	Internal audit is intended to support the service and where relevant identify areas where performance can be enhanced.	
5.10	<b>Communications &amp; Engagement</b>	
5.10.1	Individual reports are issued and agreed with management for each of the audit assignments contained within the annual plan and are presented separately to the Audit and Risk Assurance Committee throughout the year.	
5.11	<b>Legal</b>	
5.11.1	There are no direct implications associated with the report.	
5.12	<b>Information Governance</b>	
5.12.1	Collection or use of personal data has not been required in the preparation of the Progress Report. For this reason, a Data Protection Impact Assessment has not been required.	
5.13	<b>Equalities</b>	
5.13.1	For each audit assignment, relevant directors need to consider whether an Equality and Human Rights Impact Assessment is applicable.	
5.14	<b>Service Delivery</b>	
5.14.1	There are no direct implications associated with the report.	
<b>6</b>	<b>Core Brief</b>	
6.1	Not applicable	
<b>7</b>	<b>Assurance (Board/Committee Meetings ONLY)</b>	
7.1	<b>Director:</b>	Sarah O'Donnell, Director of Finance and Contractual Services
7.2	<b>Level of Assurance: (Mark as appropriate)</b>	Substantial/Reasonable/Limited/Insufficient
7.2	<b>Rationale:</b>	Azets are providing ARAC with an update on the progress of the audits within the IA plan for the year and identifying any specific recommendations for each audit completed.
<b>8</b>	<b>Appendices/Further Reading</b>	
8.1	Appendix A – Internal Audit Progress Report	
8.2	Appendix B – Final Report Equality Diversity and Inclusion	
<b>Prepared by:</b>		Gill Callaghan, Senior Manager - Azets
<b>Sponsored by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Presented by:</b>		Gary Devlin, Partner - Azets
<b>Links to Strategy and Corporate Values</b>		
Working Together for a Safer Scotland		
<b>Governance Route for Report</b>		<b>Meeting Date</b>
<i>Audit and Risk Assurance Committee</i>		<i>18 January 2024</i>
		<b>Report Classification/ Comments</b>
		<i>For scrutiny</i>



# Scottish Fire and Rescue Service

## Internal Audit Progress Report

December 2023





# Scottish Fire and Rescue Service

## Internal Audit Progress Report

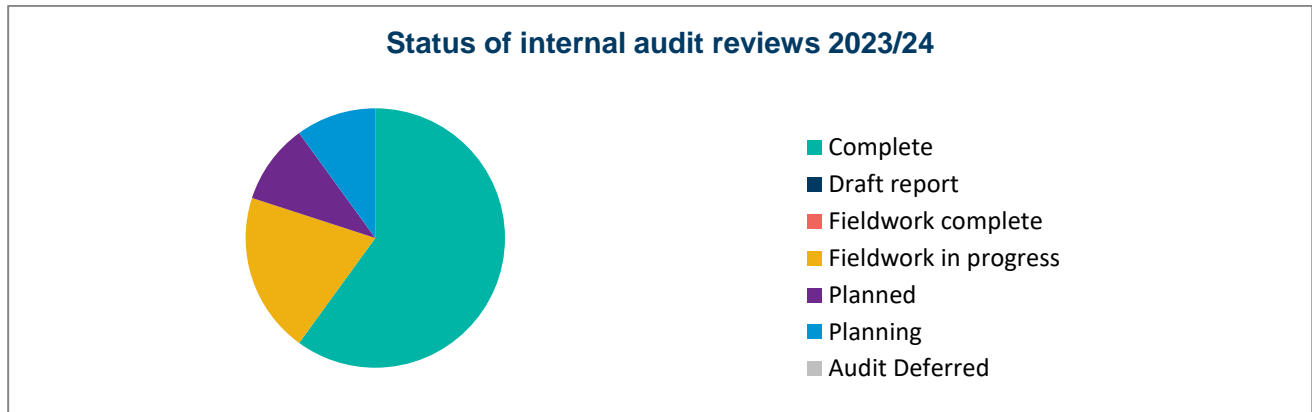
Summary	1
2023/24 audit plan progress	2
Feedback on internal audit assignments	3
Internal audit assignments scheduled to take place in Quarter 4	4
KPI status	7





# Summary

This paper provides the Audit and Risk Assurance Committee with a summary of activity in relation to the 2023/24 internal audit programme.



## Action for Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee is asked to note the contents of this report. We also invite any comments on the format or content of this report.

Gary Devlin, Audit Partner	<a href="mailto:gary.devlin@azets.co.uk">gary.devlin@azets.co.uk</a>	0131 473 3500
Matt Swann, Audit Director	<a href="mailto:matthew.swann@azets.co.uk">matthew.swann@azets.co.uk</a>	0131 473 3500
Gill Callaghan, Senior Manager	<a href="mailto:gillian.callaghan@azets.co.uk">gillian.callaghan@azets.co.uk</a>	0131 473 3500

# 2023/24 audit plan progress

Ref and Name of report	Days	Current status	Planned ACC	Actual ACC
A6. Budgetary Control	20	Complete	Oct 23	Oct 23
B5. Equality, Diversity & Inclusion	14	Complete	Jan 24	Jan 24
C8. Risk Management (Assurance Stocktake)	12	Fieldwork in progress	Jan 24	See below
D3. Workforce Planning (On Call Firefighters)	18	Complete	Oct 23	Oct 23
D6. Partnership Working	25	Fieldwork in progress	Mar 24	-
D7. Contract Management	20	Planned	Jun 24	-
F1.1 Follow Up Q1	2.5	Complete	Jun 23	Jun 23
F1.2 Follow Up Q2	2.5	Complete	Oct 23	Oct 23
F1.3 Follow Up Q3	2.5	Complete	Jan 24	Jan 24
F1.4 Follow Up Q4	2.5	Planning	Mar 24	-
G1. Annual report	n/a	n/a	Jun 24	-

\* Progress of the Risk Management (Assurance Stocktake) review has been adjourned pending a meeting with the Director of Finance and Contractual Services on the outcome of the audit to date.

Key:	Description
Complete	Audit work complete and report has been agreed and finalised
Draft report	A draft report has been issued
Fieldwork complete	The audit work is complete but the draft report has not yet been issued.
Fieldwork in progress	The audit work is in progress.
Planned	The scope and timing of the audit has been agreed with management
Planning	The scope and/or timing of the audit has yet to be agreed with management
Audit deferred	Audit assignment deferred to following year

# Feedback on internal audit assignments

Since the previous meeting, we have received feedback from one individual in relation to the Sickness Absence Management review of 2022/23.

## SICKNESS ABSENCE MANAGEMENT 2022/23

### Scores

Scope of Audit Initial Engagement						
		5	4	3	2	1
1	The extent of notice given to arrange the audit		x			
2	The level of consultation on the scope and objectives of the audit				x	
3	Selection of important areas/topics and inclusion of your suggestions for areas/topics to audit				x	
4	The auditor's understanding of your systems and operational issues				x	

Audit Review Process						
		5	4	3	2	1
1	Efficient execution of the audit with minimum disruption		x			
2	The level of consultation during the audit				x	
3	The level of professionalism and objectivity demonstrated throughout the audit review				x	
4	Quality of relationship and discussion between auditors and your department				x	

Exit Meeting and Report						
		5	4	3	2	1
1	The draft report and/or exit interview addressed the key issues and was soundly based					x
2	Your opportunity to comment on the findings made		x			
3	The final report in terms of its clarity and conciseness		x			
4	The prompt issue of the final report		x			
5	The benefits, in relation to improved controls and/or performance, received from the final report				x	
6	The audit was constructive and added value overall					x

### Comments

#### Liked ?

The engagement was professional and worked within the agreed timescales.

#### Disliked ?

Nothing other than it felt light touch and that some areas were not probed as fully as they could have been.

#### How could the audit have added better value ?

The internal audit activity appears to be very light touch and confirms the problems that have already been identified. Highlighting areas that SFRS have not already considered and providing recommendations for improvement based on the auditors own expertise would be beneficial.

#### Additional Comments

The scope of the engagement was relatively limited for example Station Commanders play a key role in the Attendance Management process but engagement was primarily with Watch Commanders and a few group commanders – in the East and West – not North.

### Scoring

5 = Very good, 4 = Good, 3 = Satisfactory, 2 = Just adequate, 1 = Poor

# Internal audit assignments scheduled to take place in Quarter 4

The following internal audit assignment is scheduled to be undertaken in Quarter 4:

- Contract Management.

The scope of the review has been agreed by the Audit Sponsor and it was also considered by the SLT during the meeting held on 6 December 2023.

<b>Audit Assignment:</b>	<b>CONTRACT MANAGEMENT</b>
<b>SFRS Audit Sponsor:</b>	Sarah O'Donnell, Director of Finance & Contractual Services
<b>Agreed start date:</b>	22 January 2024
<b>Scope:</b>	<p>In accordance with the 2023/24 Internal Audit Plan, we will perform a review of Contract Management.</p> <p>This review will focus on the framework SFRS has in place to manage contracts in order to ensure that they are managed and monitored in a consistent and effective manner, that SFRS receives a quality service and payments to contractors are made in accordance with contract terms. We will also review the arrangements for dealing with poor performance, including defaults and penalty notices and ensuring that remedial action is taken to improve performance.</p>
<b>Control Objectives &amp; Methodology:</b>	<p><b>Control Objective 1</b></p> <p><b>A documented framework exists in respect of Contract Management which provides guidance to staff on the management of external contractors and clearly sets out roles and responsibilities in this regard.</b></p> <p><i>Methodology</i></p> <p><i>We will review any documented guidance in place for contract management to ensure it sets out a formalised and consistent approach for monitoring and managing contracts and compare it with other guidance we have seen operating within other similar organisations to identify any gaps or areas where enhancements are needed.</i></p> <p><b>Control Objective 2</b></p> <p><b>The type and frequency of monitoring is determined at the outset of the contract (including evaluation of the contractors' internal monitoring arrangements) with clearly established quality criteria and standards against which contractor performance is measured.</b></p> <p><i>Methodology</i></p> <p><i>We will ascertain how SFRS determines the type and frequency of monitoring to ensure that this activity is focussed on the key deliverables of the contract.</i></p>

*We will establish whether SFRS has determined the frequency and level of contract monitoring undertaken internally by the contractor and considers whether any reliance can be placed on this to reduce the level of monitoring carried out by SFRS and improve efficiency.*

*We will also ascertain how SFRS establishes quality criteria and standards against which performance is measured and consider the authenticity of such criteria.*

*We will ascertain how SFRS determines the scale of monitoring required based on the size and value of the contract as well as its overall significance in ensuring SFRS delivers its core services in an efficient and effective manner.*

### **Control Objective 3**

**Sufficient resources are allocated to contract management with the monitoring function embedded within SFRS's day to day operations so that contract management is performed regularly and consistently in accordance with the overarching framework.**

#### **Methodology**

*We will ascertain how SFRS allocates resources to contract management ensuring the contract managers are appropriately trained and suitably experienced to perform the monitoring role.*

*We will select a sample of contracts and review the monitoring arrangements in place in order to ensure that this has been performed regularly and consistently in accordance with the contract management framework.*

*For the sample of contracts above we will review how SFRS ensures that the contractor continues to maintain sufficient and appropriately skilled staff who have undergone appropriate vetting (if required) and training throughout the duration of the contract.*

*We will also review the arrangements to ensure the contractor maintains appropriate levels of insurance cover throughout the duration of the contract.*

*We will review the arrangements in place for liaising and meeting regularly with contractors in order to discuss any issues which may arise.*

*We will review the arrangements for ensuring the contract monitoring is based on reliable and accurate information.*

*We will identify any areas where processes could be improved and/or made more efficient.*

### **Control Objective 4**

**Arrangements are in place for the identification of performance which falls below the standards required of the contract with appropriate action taken to address this.**

#### **Methodology**

*We will review the arrangements for ensuring that poor performance is identified and that appropriate action is taken to rectify this.*

*We will ascertain whether arrangements are in place to escalate any performance issues should improvements not be made by the contractor.*

#### **Control Objective 5**

**Payments to contractors are made in accordance with contract terms and conditions and are subject to appropriate review and authorisation.**

#### **Methodology**

*We will review the arrangements for making payments to contractors to ensure they are made in accordance with contracted rates and that they are only made where services/goods are provided to the required quality standards.*

*For the sample of contracts selected, we will review a sample of payments to confirm the above and also, that the payments have been checked and are suitably authorised.*

*We will also consider whether there are any opportunities for streamlining and making the process of paying contractors more efficient.*

#### **Control Objective 6**

**Appropriate reporting arrangements are in place in respect of contract management to ensure sufficient oversight and scrutiny of this function.**

#### **Methodology**

*We will review the arrangements for reporting on contract management to the Board, its sub-Committees and senior management to ensure they receive reliable and accurate information upon which to base their decisions.*

*We will consider if any improvements can be made to the oversight/scrutiny and overall governance functions in respect of Contract Management.*

# KPI status

KPI description	Performance standard	Status	Comments
1. Actual v planned hours per audit	Audits completed within days approved by ARAC	GREEN	
2. Cost of service by grade	Allocation of time per grade as agreed with management and provided for approval prior to invoicing	GREEN	
3. Cost per audit	Costs per audit based on allocated staff undertaking audits	GREEN	
4. Completion of customer feedback on each audit demonstrating satisfactory performance	Risk and Audit Manager to hold post audit discussion with key contacts	GREEN	

## Key

<b>RED</b>	More than 15% away from target
<b>AMBER</b>	Within 15% of target
<b>GREEN</b>	Achieved

© Azets 2023. All rights reserved. Azets refers to Azets Audit Services Limited. Registered in England & Wales  
Registered No. 09652677. VAT Registration No. 219 0608 22.

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute  
of Chartered Accountants in England and Wales.



# Scottish Fire and Rescue Service

Internal Audit Report 2023/24

Equality, Diversity and Inclusion

December 2023



# Scottish Fire and Rescue Service

## Internal Audit Report 2023/24

### Equality, Diversity and Inclusion

Executive Summary	1
Management Action Plan	5
Appendix A – Definitions	14

<b>Audit Sponsor</b>	<b>Key Contacts</b>	<b>Audit team</b>
<i>Fiona Munro, Head of People</i>	<i>Elaine Gerrard – EDI Manager</i>	<i>Gary Devlin, Partner</i> <i>Matt Swann, Director</i> <i>Gill Callaghan, Senior Audit Manager</i> <i>Hamid Riaz, Internal Auditor</i>

# Executive Summary

## Conclusion

**Scottish Fire and Rescue Service's controls over Equality, Diversity and Inclusion (EDI) are generally robust with appropriate policies and procedures in place including the requirement to perform Equality and Human Rights Impact Assessments. We saw evidence of embedding and promoting a culture of EDI throughout the Service and reporting of EDI matters at senior level. We identified five moderate risk areas for improvement relating to the following:**

- Referencing EDI in the Strategic Leadership Team's Terms of Reference;
- Reviewing the Equality and Diversity Charter;
- Improving reporting on EDI Training Completion Data;
- Creating a central record of Equality and Human Rights Impact Assessments; and
- Monitoring the progress of EDI actions.

**We have made recommendations to address these issues, which implemented will enhance SFRS's control over EDI matters.**

## Background and scope

The Equalities Act 2010 was brought into force to reform and harmonise discrimination law across the UK and in this regard, there are specific requirements to which public bodies must adhere.

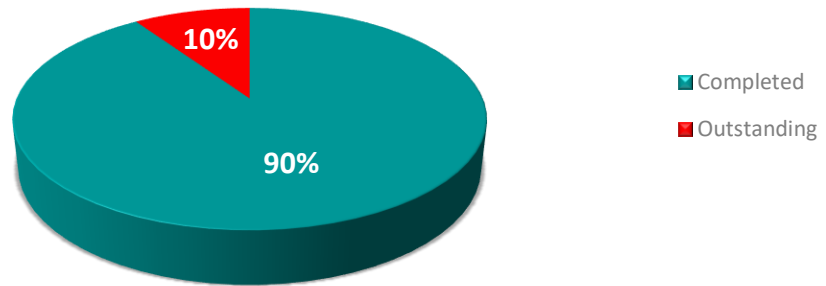
In accordance with the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, public bodies have a duty to:

- impact assess and review policies and practices.
- publish a Mainstreaming Report.
- identify and publish Equality Outcomes.
- publish an Equal Pay and Gender Pay Gap Report; and
- consider the use of equality criteria in the public procurement process.

The Scottish Fire and Rescue Service (SFRS) is committed to upholding equality and diversity in relation to its employment practices as well as the services it provides to communities and considers this commitment to be an important part of its working culture.

As part of demonstrating this commitment, training on EDI is mandatory for all staff within SFRS with them being required to complete the Professional Behaviours and Equalities module within LCMS every three years. At the time of our audit fieldwork, 5,273 operational staff had completed this module, with 554 operational staff yet to completing the training.

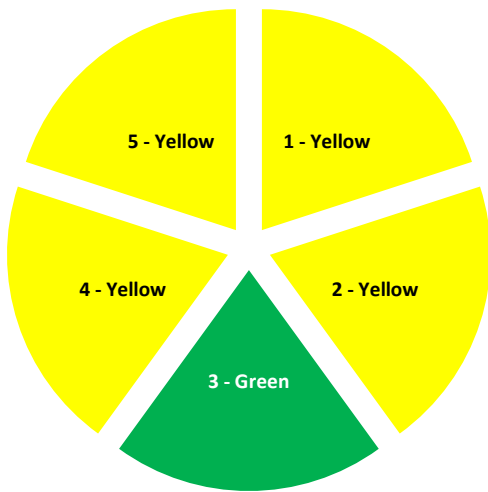
## EDI Training Completion Rate (Operational Staff)



In accordance with the 2023/24 Internal Audit Plan, we have evaluated the arrangements SFRS has in place to ensure it meets its statutory obligations regarding equalities legislation and that equality, diversity and inclusion (EDI) are actively promoted throughout SFRS and its operations.

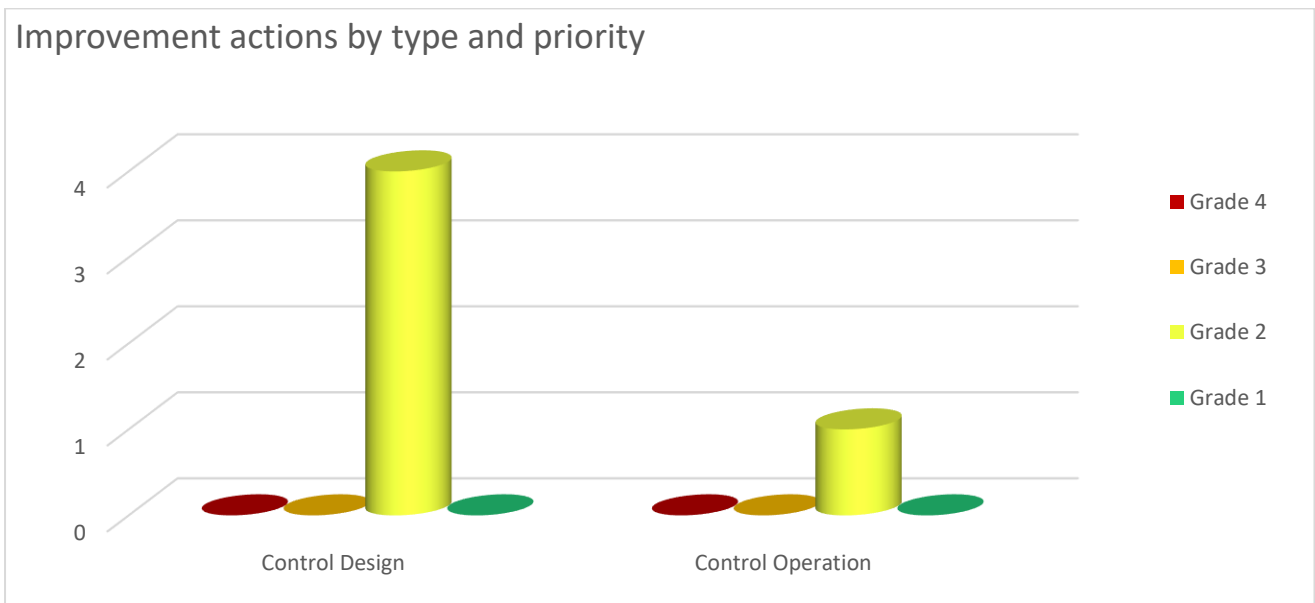
As part of the review, we considered the extent to which equality, diversity and inclusion are embedded within the Service alongside compliance with statutory monitoring and reporting requirements for this area.

# Control assessment



- 1. Appropriate governance arrangements are in place in respect of EDI in order to set a clear tone from the top and foster an inclusive culture.
- 2. Training has been delivered to staff, management and Board members to ensure they understand both the Service’s and their own responsibilities over EDI.
- 3. EDI is considered as part of the Service’s policies and practices, with EDI actively promoted and embedded throughout the organisation’s operations.
- 4. Equality Impact Assessments are completed where appropriate with actions taken to improve future performance, where required.
- 5. Monitoring and reporting arrangements are in place to ensure the Service meets its statutory and regulatory obligations in relation to EDI.

## Improvement actions by type and priority



Five improvement actions have been identified from this review, related to the design and operation of controls. See Appendix A for definitions of colour coding.

# Key findings

## Good practice

- SFRS has policies and procedures in place with regards to EDI and has appropriately shared these across the organisation. SFRS has embedded the EDI matters in key policies and promotes EDI matters through learning material and newsletters to promote staff awareness.
- Equality and Human Rights Impact Assessments (EHRIAs) are performed in a consistent manner for the applicable policies/important corporate decisions.
- EDI matters are prioritised at Senior Level (Strategic Leadership Team and People Committee) meetings and are embedded within decision making processes.
- SFRS has met its relevant reporting requirements in line with Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

We have identified five areas for improvement which, if addressed, will strengthen SFRS's EDI control framework. These include the need to:

- Update SLT's terms of reference to include their responsibilities in relation to EDI. We acknowledge there is an ongoing review of governance processes and this should be incorporated as a priority.
- Review and update the Equality and Diversity charter on a periodic basis.
- Improve reporting on training completion rates in order to make the reports clearer and more accurate.
- Create a central record of Equality and Human Rights Impact Assessments to ensure all impact assessments are completed and up to date.
- Ensure EDI actions are appropriately progressed and monitored.

These are further discussed in the Management Action Plan below.

## Impact on risk register

This review is linked to the following Strategic Risk Areas:

- Risk 4 - Ability to ensure legal and regulatory compliance.
- Risk 5 – Ability to have in place a suitably skilled, trained and motivated workforce that is well supported both physically and mentally.

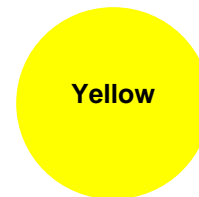
Controls over EDI within SFRS are generally sufficiently robust to safeguard the above risk areas, although some areas for improvement have been noted which, if implemented will enhance controls in relation to these.

## Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

# Management Action Plan

Control Objective 1: Appropriate governance arrangements are in place in respect of EDI (including policies and procedures that are compliant with legislation and clearly defined roles and responsibilities) in order to set a clear tone from the top and foster an inclusive culture.



## 1.1 Reference to EDI in Strategic Leadership Team's terms of reference

SFRS's Strategic Leadership Team (SLT) has responsibility for overseeing EDI within the organisation and as part of this considers the Equality and Human Rights Impact Assessments (EHRIs) completed by relevant departments. We reviewed the Terms of Reference (ToR) for the SLT and could find no reference with regard to its responsibility for EDI matters. However, the EDI manager mentioned that the governance structure of SFRS is in process of being revised and it is intended to include a reference to EDI in a revised ToR.

Inclusion of EDI within the ToR for the SLT is crucial as part of demonstrating the Service's commitment to EDI at the top and embedding EDI within day to day considerations.

In accordance with their terms of reference, members of the People Committee are responsible for challenging, monitoring compliance with legal obligations and ensuring continuous improvement in relation to EDI. We reviewed papers of the People Committee prepared during the year and noted that equality impact related to employment, Pay and Reward and change in managing attendance/family policy have been considered as part of the People Committee's remit.

SFRS also established the Equality Partnership Group, the purpose of this group being to raise concerns/good practise in relation to EDI matters. However, we were advised that in practice, the group's main role has been as an information sharing group.

Throughout the Service, a number of Equality Champions have been appointed. We reviewed the role of the Equality Champions and observed that they are senior colleagues who have volunteered to champion a specific equality theme. The Champions provide content for internal communications on subjects such as marking Carers Week or International Day Against Homophobia, Transphobia and Biphobia.

### Risk

Absence of EDI matters within the SLT's ToR increases the risk of important EDI considerations being overlooked by the most senior individuals within SFRS.

### Recommendation

As part of the review of SFRS's governance arrangements, reference to the Strategic Leadership Team's responsibilities in relation to Equality, Diversity and Inclusion should be made within the team's terms of reference so that their role in this regard is clearly understood.

## Management Action

Grade 2  
(Design)

The SLT's Terms of Reference have already been revised as part of the new governance structure and EDI is now included.

**Action owner:** N/A

**Due date:** Already actioned

## 1.2 Review of Equality and Diversity Charter

We confirmed that SFRS has a formal Equality and Diversity Charter in place dated January 2016. The Charter acts as the organisation's "guarantee to people living, working and visiting Scotland on how we will continue to build equality into all areas of our business." The Charter outlines the responsibilities for the Board, SLT, Directorates and employees in implementing equality practices and discusses how SFRS will mainstream equality into its work.

The Charter is underpinned by the following documents:

- Strategic Framework for Mainstreaming Equality;
- Dignity and Integrity at Work Policy;
- Code of Conduct;
- Engagement Framework;
- SFRS Corporate Equality Outcomes; and
- SFRS Values Framework.

Whilst the Charter appeared not to have been reviewed since January 2016, we were advised by the EDI Manager that it was subject to review in March 2022 with the decision taken not to make any changes to the Charter and she provided a copy of an SLT discussion document to evidence this. She also advised that the Service is awaiting the outcome of the review of the Scottish Regulations for Mainstreaming Equality which is due in Spring 2024 before making any updates to the Charter in case there are any changes which need to be incorporated into the document. Whilst we understand that no changes were required to the Charter in March 2022, the date of the Charter should have been updated to evidence that it had been reviewed.

### Risk

The Equality and Diversity Charter may become outdated and obsolete if it is not subject to periodic review to ensure it remains fit for purpose.



## Recommendation

SFRS should ensure the Equality and Diversity Charter is subject to periodic review and that this is evidenced by ensuring appropriate version control is recorded on the document. Should any updates be required if there are any changes in Scottish Regulations for Mainstreaming Equality, these should be made in a timely manner.

### Management Action

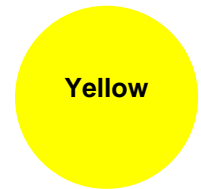
Grade 2  
(Operation)

Review as required the Equality and Diversity Charter to ensure this remains up-to-date and relevant, taking account of the outcomes of the review of the Scottish Regulations for Mainstreaming Equality. This should include appropriate version control.

**Action owner:** EDI Manager

**Due date:** 31 March 2025

# Control Objective 2: Training has been delivered to staff, management and Board members to ensure they understand both the Service's and their own responsibilities over EDI



## 2.1 Monitoring of training completion data

Formal training is provided to the staff on the Learnpro system. EDI training falls under the Regulation and Compliance (Professional Behaviours) module, which is mandatory for all staff to complete every 3 years. We confirmed that as of June 2023, for operational staff there was a 90% completion rate and have attributed some of the 10% who have not completed the training to factors such as leave, transfers etc and this figure is considered to be consistent with like figures observed for other clients in this regard.

A report is produced and shared each month with the People Advisors which provides details of the staff completion rates in relation to the Learnpro Regulation and Compliance (Professional Behaviours) module. On a monthly basis, the EDI team shares completion statistics with area management teams, in order to summarise completion rates over time. Individuals who have not completed the training are highlighted so they can be followed up at a local level.

When reviewing the Completion report for this module for June 2023, we observed that there were some inconsistencies in the number of staff who have passed and failed in the report which could create some confusion. In addition, as the data comes from the Learnpro system, it is dependent on leavers being removed, new joiners being added, and any staff who transfer location being moved within the system, all of which may be the reason for there being different numbers in whole organisation staff data.

### Risk

There is a risk that there are errors in the tracking of completion rates for EDI training, this could lead to incomplete mandatory training going unaddressed, and result in staff not having an appropriate awareness of and approach to EDI matters.

### Recommendation

Management should ensure that the system is being updated with relevant employee data (new joiners/ leavers/ transfer of location) regularly in order for it to produce accurate training completion rates. An overall summary table should be included in the report that differentiates completion rates for operational and non-operational staff to improve the presentation of the report and make it easier to understand.

## Management Actions

- 1) A process to be developed and introduced between People and Training, Safety and Assurance colleagues that enables the employee data on the Learnpro system to be periodically updated to ensure accurate reporting of training completion data.
- 2) Reporting of E&D/Professional Behaviours training completion rates to be reviewed and enhancements to the presentation of the report introduced, including a summary table containing breakdown by employee group.

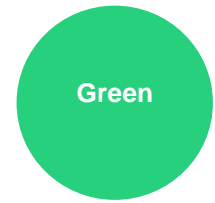
1) **Action owners:** EDI Manager/ People Services Manager

**Due date:** 31 March 2024

2) **Action owners:** EDI Manager/Learning Content, E-Systems and Performance Manager

**Due date:** 31 March 2024

## Control Objective 3: EDI is considered as part of the Service's policies and practices, with EDI actively promoted and embedded throughout the organisation's operations



### **No reportable weaknesses identified**

Within the Dignity and Respect policy, it is stated that, in line with requirements to comply with the Equality Act 2010, SFRS will ensure that all relevant employment policies and practices are considered within the SFRS equalities impact assessment process.

The EDI Manager confirmed that as part of the approval process for internal policies and procedures, they are screened for relevance to the 3 parts of the General Equality Duty (Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012) and if relevance is established, an impact assessment is required. This is also required if the policy or procedure has an impact on people (employees or service users).

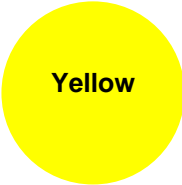
Each policy/procedure within SFRS with an impact on people is, therefore, subject to an EHRIA being carried out to evidence and confirm that adequate consideration has been made towards EDI matters.

We selected a sample of 10 policies/processes in order to ascertain whether a corresponding EHRIA had been performed. In 9 cases, where an EHRIA was applicable, we found that the EHRIA had been carried out in accordance with procedures. In the remaining case, an EHRIA was not required to be undertaken.

In addition to the above, we sought evidence to confirm that SFRS actively promotes EDI within the organisation and were able to review examples of newsletters, articles and information published on iHub that emphasise equality and diversity matters.

We also reviewed a sample of key policies of the organisation, most notably the Procurement and Recruitment policies to ensure that these aptly address any EDI matters and we can confirm this to be the case.

# Control Objective 4: Equality Impact Assessments are completed where appropriate with actions taken to improve future performance, where required



## 4.1 Central record of Equality and Human Rights Impact Assessments

As previously stated, EHRIAs are usually performed alongside the review of the policy. However, in some instances the EHRIAs may have different review dates compared to their associated policy as there may be additional monitoring steps required in the impact assessment process e.g. the Family policy requires EHRIA before policy review if people are not taking paternity leave to review the impact on people.

We noted that there is no centralised record that collates information on the EHRIAs and their respective review dates.

### Risk

In the absence of a centralised record of EHRIAs, there is an increased risk that an EHRIA may not have been performed where required. There is also a risk of the EHRIAs not being reviewed and updated in a timely manner which could result in SFRS not having given adequate consideration to EDI matters when approving policies etc.

### Recommendation

SFRS should maintain a centralised record of Equality and Human Rights Impact Assessments which have been performed along with their respective review dates. As part of this, SFRS should consider whether there are any common issues identified as part of the assessment process from which lessons for future improvement could be learned.

#### Management Action

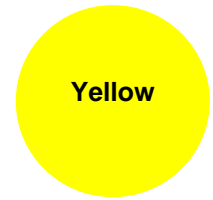
Grade 2  
(Design)

Develop and collate a register of existing Equality and Human Rights Impact Assessments and introduce guidance to assist managers in updating the register as they complete an EHRIA.

**Action owner:** EDI Manager

**Due date:** 30 June 2024

# Control Objective 5: Monitoring and reporting arrangements are in place to ensure the Service meets its statutory and regulatory obligations in relation to EDI



## 5.1 Action Plan Monitoring

SFRS is required to prepare external reports in line with the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and in accordance with this has published a Mainstreaming Equality report and an Equal Pay report.

We note that the Equal Pay and Gender Pay Gap report 2023, includes an Appendix setting out an Action Plan for all required actions to address issues noted in relation to sex, race and disability *Tackling Actions to Balance Our Workforce*. The action plan includes a long list of initiatives for the future in order for SFRS to achieve its commitment of having a workforce representative of all the communities of Scotland.

The EDI Manager advised that this Action Plan was created by her predecessor and that she does not monitor implementation of the plan. We were unable to confirm the status of the actions stated within the report and whether or not progress in their implementation is being appropriately monitored and by whom.

The EDI Manager stated that there are multiple action/work plans in place which cover EDI matters from one year up to a three year duration and that in her opinion there are actions SFRS could take to strengthen its approach to managing the duty to mainstream, manage and monitor activities throughout the service such as having “*a tighter requirement for Directorates and SDAs to link their own action plans to the Equality Outcomes to make tracking of progress accurate and more efficient for the EDI Team in their statutory reporting duties against the 2012 Regulations. This could potentially be achieved by more robust reporting through the Equality Partnership Group route by revising the terms of reference for this group.*”

### Risk

There is a risk that important actions raised as part of the Equal Pay and Gender Pay Gap report have not been monitored and progressed as required. In addition, there is a risk that as part of making EDI ‘business as usual’, directorates may not give sufficient consideration to EDI matters and monitor EDI related actions appropriately in order to provide the EDI team with sufficient information for them to perform their role effectively and efficiently.

### Recommendation

Management should review the Action Plan created as part of the Equal Pay and Gender Pay Gap report 2023 to ascertain how these actions are being taken forward and monitored, if still required. In addition, the EDI Manager should consider what enhancements could be made to the current monitoring/reporting arrangements in relation to EDI actions with particular consideration given to the role of the Equality Partnership Group and ways in which the Directorates could facilitate this process in order to improve effectiveness and efficiency of the EDI monitoring and reporting arrangements.

## Management Actions

Grade 2  
(Design)

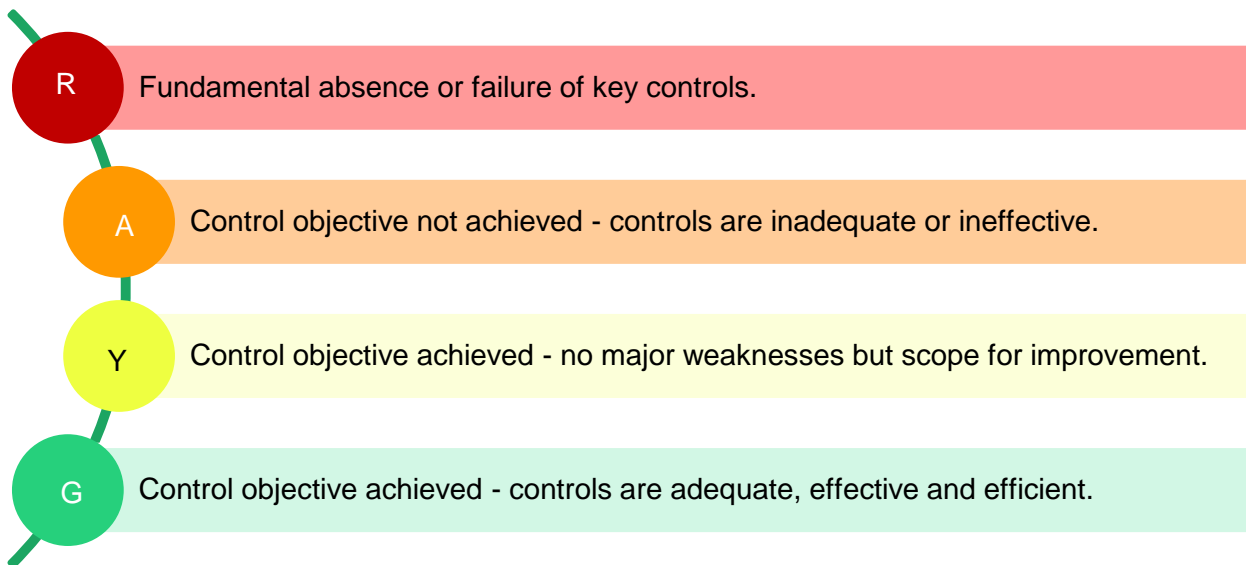
- 1) Undertake a mapping exercise of the Action Plan within the Equal Pay and Gender Pay Gap report 2023 to identify where and how each action is being progressed. A summary of progress against each action to be provided to Corporate Board.
- 2) Review the Terms of Reference and attendees of the Equality Partnership Group to incorporate clear expectations regarding the role of the group in relation to EDI monitoring and reporting and reinvigorate the group itself.

**1) Action owner:** EDI Manager/Reward Manager      **Due date:** 30 June 2024

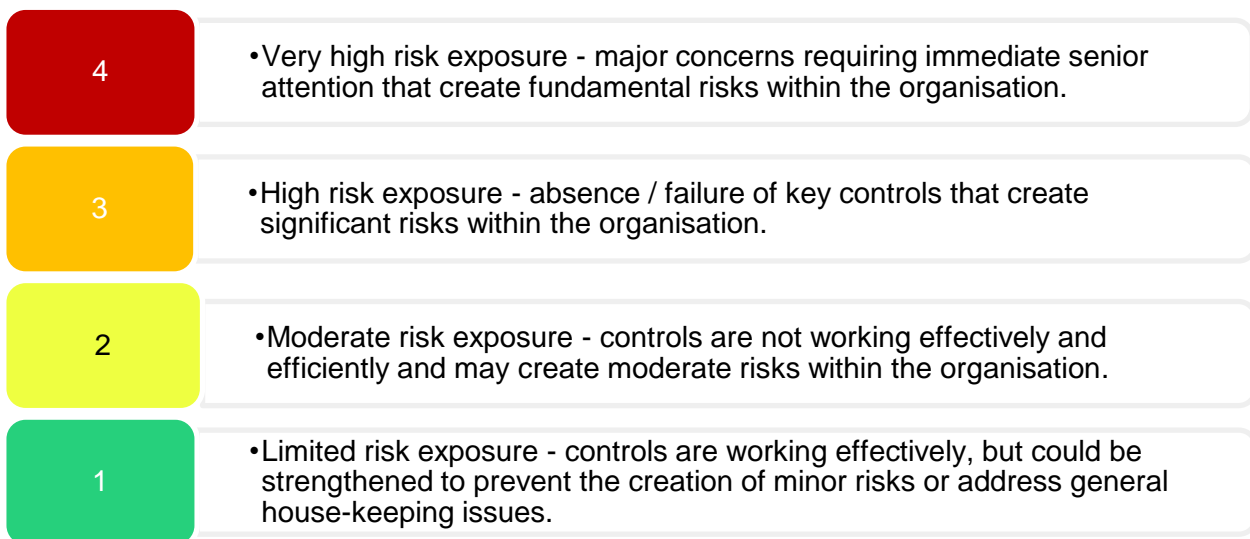
**2) Action owner:** EDI Manager      **Due date:** 31 March 2024

# Appendix A – Definitions

## Control assessments



## Management action grades





© Azets 2023. All rights reserved. Azets refers to Azets Audit Services Limited. Registered in England & Wales  
Registered No. 09652677. VAT Registration No. 219 0608 22.

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute  
of Chartered Accountants in England and Wales.

## SCOTTISH FIRE AND RESCUE SERVICE

## Audit and Risk Assurance Committee



SCOTTISH  
FIRE AND RESCUE SERVICE  
Working together for a safer Scotland

Report No: C/ARAC/02-24

Agenda Item: 7.2

<b>Report to:</b>		<b>AUDIT AND RISK ASSURANCE COMMITTEE</b>						
<b>Meeting Date:</b>		<b>18 JANUARY 2024</b>						
<b>Report Title:</b>		<b>SFRS PROGRESS UPDATE/MANAGEMENT RESPONSE</b>						
<b>Report Classification:</b>		<b>For Scrutiny</b>					<p style="color: red; text-align: center;"><b>Board/Committee Meetings ONLY</b>  <b>For Reports to be held in Private</b>  <b>Specify rationale below referring to</b>  <u><b>Board Standing Order 9</b></u></p>	
<b>1</b>	<b>Purpose</b>							
1.1	To provide Audit and Risk Assurance Committee (ARAC) with the current status of recommendations raised by Internal Audit.							
<b>2</b>	<b>Background</b>							
2.1	This report maintains the previous format for updates with the addition of comments on the current status from Azets.							
<b>3</b>	<b>Main Report/Detail</b>							
3.1	33 actions remain outstanding with the oldest related to audits carried out in 2020/21. Internal Audit are working with management to assess progress and to consider the extent to which recommendations remain valid.							
<b>4</b>	<b>Recommendation</b>							
4.1	ARAC is asked to note the content of the report and consider the timelines noted for outstanding recommendations.							
<b>5</b>	<b>Key Strategic Implications</b>							
5.1	<b>Risk</b>							
5.1.1	The internal audit programme forms part of the Service's Assurance Framework.							
5.2	<b>Financial</b>							
5.2.1	There are no direct implications associated with the report.							
5.3	<b>Environmental &amp; Sustainability</b>							
5.3.1	There are no direct implications associated with the report.							
5.4	<b>Workforce</b>							
5.4.1	There are no direct implications associated with the report.							
5.5	<b>Health &amp; Safety</b>							
5.5.1	There are no direct implications associated with the report.							

OFFICIAL

5.6 5.6.1	<b>Health &amp; Wellbeing</b> There are no direct implications associated with the report.	
5.7 5.7.1	<b>Training</b> There are no direct implications associated with the report.	
5.8 5.8.1	<b>Timing</b> The report notes progress made in implementing outstanding audit actions from 2020/21 - 2023/24.	
5.9 5.9.1	<b>Performance</b> Internal audit is intended to support the service and where relevant identify areas where performance can be enhanced.	
5.10 5.10.1	<b>Communications &amp; Engagement</b> Meetings have taken place with management to discuss the implementation of agreed audit actions and to view evidence confirming work in progress and completed actions.	
5.11 5.11.1	<b>Legal</b> There are no direct implications associated with the report.	
5.12 5.12.1	<b>Information Governance</b> Collection or use of personal data has not been required in the preparation of the Follow Up Progress Report. For this reason, a Data Protection Impact Assessment has not been required.	
5.13 5.13.1	<b>Equalities</b> For each recommendation contained within the Follow Up Progress Report, relevant directors need to consider whether an Equality and Human Rights Impact Assessment is applicable.	
5.14 5.14.1	<b>Service Delivery</b> There are no direct implications associated with the report.	
<b>6</b>	<b>Core Brief</b>	
6.1	Not applicable	
<b>7</b>	<b>Assurance (Board/Committee Meetings ONLY)</b>	
7.1	<b>Director:</b>	Sarah O'Donnell, Director of Finance and Contractual Services
7.2	<b>Level of Assurance: (Mark as appropriate)</b>	Substantial/Reasonable/Limited/Insufficient
7.2	<b>Rationale:</b>	Azets are providing ARAC with an update on the progress of the audits within the IA plan for the year and identifying any specific recommendations for each audit completed.
<b>8</b>	<b>Appendices/Further Reading</b>	
8.1	Appendix A – Progress Update on Internal Audit Recommendations Q3	
<b>Prepared by:</b>		Gill Callaghan, Senior Manager - Azets
<b>Sponsored by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Presented by:</b>		Gary Devlin, Partner - Azets

<b>Links to Strategy and Corporate Values</b>		
Working Together for a Safer Scotland		
<b>Governance Route for Report</b>	<b>Meeting Date</b>	<b>Report Classification/ Comments</b>
<i>Audit and Risk Assurance Committee</i>	<i>18 January 2024</i>	<i>For scrutiny</i>

**APPENDIX A****Appendix 1 – Progress update on Internal Audit Recommendations (Quarter 3 2023/24)****1. Background**

In accordance with the Internal Audit Plan 2023/24, we undertake Follow Up reviews on a quarterly basis. The purpose of the Follow Up reviews is to ascertain the progress made in implementing agreed actions arising from internal audit assignments. The following spreadsheet sets out the original recommendations which remain outstanding along with action due dates and an update on progress made in implementing the recommendations to date.

**2. Summary of findings**

We have made the following observations regarding the Quarter 3 Follow Up review:

- Eight actions have been added since the previous Quarter in relation to the Workforce Planning (On Call Firefighters) and Budgetary Control reviews.
- For Quarter 3, sufficient evidence has been provided to close thirteen actions, which is an increase on the previous Quarter. Three of these actions related to the Water Planning Arrangements review and had been outstanding for some time. Discussion with management has revealed that there has been a change in the approach to addressing the risks originally identified by the Scottish Government during their review. Furthermore additional evidence has been provided to support the approach being taken. We were advised that a new Technical working group has been formed to support workstreams and actions between SFRS and Scottish Water. In addition, management have assured us that the matters raised in the Scottish Government's auditors' report will be dealt with by the Operations Function Management Team at their monthly meetings, with oversight from the Service Delivery Management Team, as required in order to ensure they are progressed to a suitable conclusion. These actions have subsequently been deemed to be superseded and have been removed from the follow up schedule.

## Dashboard – data as at 20<sup>th</sup> December 2023

\*Budgetary Control 4.2 is classed as 1 recommendation

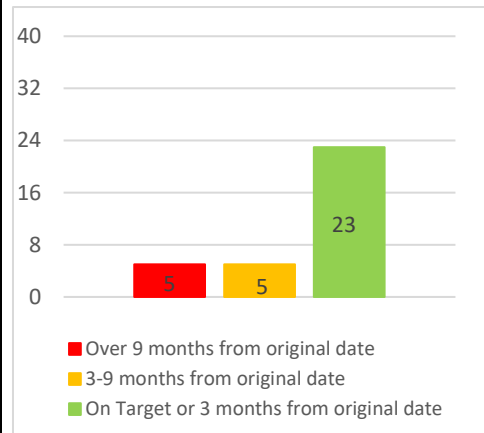
No. of actions complete past 12 months

**40**

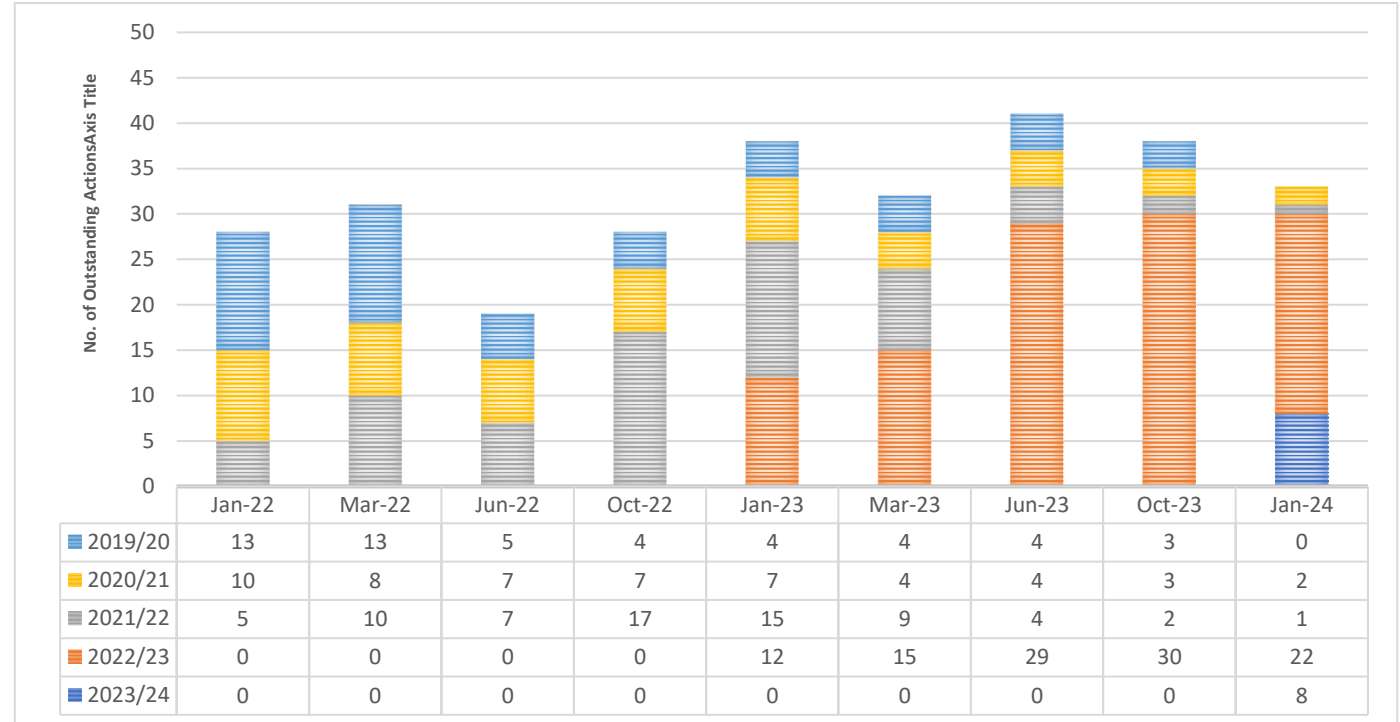
No. of Actions closed since last ARAC meeting

**13**

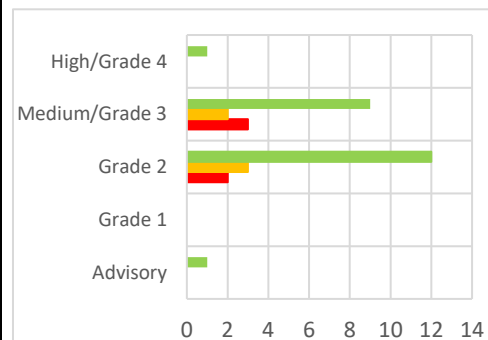
No. of actions outstanding – **33\***



### PROGRESS OF AUDIT YEARS ACTIONS



### Outstanding Actions by Risk Priority Level



### KEY STATUS ACTIONS – by months past original due date

No Months past original date (as at 30.11.2023)	AUDIT YEAR	AUDIT REVIEW	Action No.	Action Priority	Original Action Due	Revised Date	% Complete
31	2020/21	Risk Management	5a	GRADE 2	30.04.2021	30.06.2023	50%
27	2020/21	Risk Management	5b	GRADE 2	31.07.2021	30.06.2023	10%
14	2021/22	Portfolio Office	1	GRADE 3	30.09.2022	31.03.2023	95%
11	2022/23	Revenue & Funding Maximisation	3.1	GRADE 3	31.12.2022	30.09.2023	100%
11	2022/23	Revenue & Funding Maximisation	1.3a	GRADE 3	31.12.2022	30.09.2023	100%

STATUS KEY	
GREEN	On Target to complete within agreed due date or within 3 months of original due date.
AMBER	Delay from original due date of between 3 to 9 months
RED	Delay of over 9 months or no evidence of progress

2020-21	Risk Management	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented				
		9	78%	4	3	2	1	4	3	2	1	4	3	2	1	
Rec No. <b>5a</b>	<b>RISK</b>	<b>The concept of risk appetite is not widely understood, leading to possible tolerance of risks outside SFRS risk appetite.</b>														
	<u>Risk Appetite</u>	SFRS should agree on and clearly communicate its risk appetite. Appropriate training and guidance on risk appetite should be provided at Board level and guidance and/or training should be provided for risk managers on how risk appetite is practically applied. This action is linked to Actions 2 & 4 of the previous internal auditor's report.						Report Agreed Date	5 <sup>th</sup> Agreed Revised Date	Priority	% Complete	Status				
	Responsible Owner Agreed Response <b>Risk &amp; Audit Manager</b>	<i>A Risk Appetite was held on 30<sup>th</sup> July facilitated by Scott Moncrieff providing guidance and training on risk appetite and establishing a plan for development of the Services risk appetite. Further workshops will be held with SLT and the Board to identify and agree the Services initial risk appetite levels.</i>						30 April 2021	30 June 2023 <i>New date requested 30 June 2024</i>	Grade 2	50%	RED				
Progress to date		Board Risk appetite workshop carried out 31/03/22 facilitated by the Chair of ARAC. Further Board workshop to be held to discuss and agree the risk appetite statement. Awaiting output documentation.														
Outstanding actions to close the recommendation		A draft risk appetite statement will be developed and submitted to SLT for discussion and review. Incorporate statement within Governance Arrangements. Update Risk Management Policy & Guidance Risk Appetite statement to be drafted for future submission to Board.														
Azets Comments		We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.														
Rec No. <b>5b</b>	<b>RISK</b>	<b>The concept of risk appetite is not widely understood, leading to possible tolerance of risks outside SFRS risk appetite.</b>														
	<u>Risk Appetite</u>	SFRS should agree on and clearly communicate its risk appetite. Appropriate training and guidance on risk appetite should be provided at Board level and guidance and/or training should be provided for risk managers on how risk appetite is practically applied. This action is linked to Actions 2 & 4 of the previous internal auditor's report.						Report Agreed Date	5 <sup>th</sup> Agreed Revised Date	Priority	% Complete	Status				
	Responsible Owner Agreed Response <b>Risk &amp; Audit Manager</b>	<i>The second element in relation to training to be aligned with Recommendation 3.2 – Risk Management Training. As the LCMS training package is developed, this will include elements in relation to Risk Appetite.</i>						31 July 2021	30 June 2023 <i>New date requested 30 June 2024</i>	Grade 2	10%	RED				
Progress to date		Actions to complete the LCMS (rec 4a) and work undertaken with the Board (Rec 5a) will allow risk appetite information to be outlined within the LCMS package.														
Outstanding actions to close the recommendation		The agreed Risk appetite statement will be developed for use by the SFRS Board and SLT with the implementation and use of the process to be monitored and further development as required before a rollout across the SFRS Risk Framework is considered.														
Azets Comments		We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.														

2021/22	Portfolio Office		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
					4	3	2	1	4	3	2	1	4	3	2	1
			6	83%	0	3	2	0	0	1	0	0	0	0	0	0
Rec No.  <b>1</b>	<b>RISK</b>	<p><b>Due to the lack of project management processes and lack of centralised change function, projects may be managed inconsistently across SFRS, leading to projects not operating efficiently to meet established goals. There is also a risk that, due to timescales involved in mobilising the Portfolio Office function and its related processes, change activity may not be managed consistently and effectively in the intervening period.</b></p>														
	<p><b>Project &amp; Programme management Processes</b></p> <p>We recommend that the roadmap includes activities to document and articulate the required controls and governance arrangements for the operation of the Portfolio Office. We recommend that the roadmap includes the development of policies, procedures, and application of requirements for the Portfolio Office.</p> <p>We also recommend that the Service evaluates the merits of having all organisational change managed and controlled through the Portfolio Office. This will have the benefit of ensuring a single, consistent management of change activity across the organisation. A Key element of this will be defining what the organisation considers as change activity. If a decision is taken to have a single approach to change, Portfolio Office Management should work closely with ICT and Assets &amp; Property Management to transition relevant change projects (Including ongoing activity) to the Portfolio Office. We also recommend that management examine the potential to accelerate the Portfolio Office Roadmap. This should include review of Portfolio Office resource requirements, both in terms of headcount and scheduling of recruitment.</p>		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status									
	Responsible Owner Agreed Response <b>Head of Portfolio Office</b>	<p>The recommendations are considered reasonable and fair, It should be noted that the implementation of the Business Change Lifecycle will include Policies, Process, Procedures and the Assurance expected of a robust management practice. It must also be recognised that Strategic Change Management is not the sole responsibility of the Portfolio Office and should be and organisation wide commitment, and to deliver change effectively, it must also be acknowledged that the dimension of 'Process' will provide the SFRS with a framework of guidance, however the critical success factor will be the organisations ability and willingness to 'Execute' against the process established and resource strategic change proportionately. In addition, consideration will be given to a Portfolio of Portfolios governance model, whereby a Sub-Portfolio hierarchy for major change can be applied across other areas of the organisation such as ICT, Assets &amp; Property and will aggregate and align under the wide Change Portfolio. Action agreed: -</p> <ul style="list-style-type: none"> <li>• Implementation of a Business Change Lifecycle that includes, Process, Procedures as well as the Quality Assurance expected of a robust management practice.</li> <li>• Implement of a Portfolio Governance structure that has oversight of all defined major change across the SFRS.</li> </ul>	30 September 2022	31 March 2024	Grade 3	95%	RED									
Progress to date		<p>Meeting held between Head of Portfolio Office and Azets in reviewing progress of action on 30<sup>th</sup> May 2023. Azets content with the work completed with the exception of the second part of recommendation 1. Action cannot yet be signed off until the 2<sup>nd</sup> part of the recommendation relating to a single corporate approach to change is addressed.</p> <p>A decision was taken at the October Strategic Service Review Programme Board to develop a strategic blueprint for the organisation that is intended to set out a future state for SFRS and inform the roadmap for change.</p>														
Outstanding actions to close the recommendation		<p>Portfolio Office and SP&amp;P are currently developing a proposal for a strategic planning activity encompassing a series of workshops to develop a long-term strategic roadmap for the organisation. The roadmap will set out the key deliverables for the organisation and bring together all change through one lens. Although the delivery of change may still be conducted in the existing portfolios, the same overarching roadmap is intended to provide the anchor-point for all change and continuous improvement activities across SFRS. Planning is ongoing and an initial workshop was held to discuss the approach with members of SLT and SMB. Q4 for completion.</p> <p>In addition, the team are working with SP&amp;P to bring together plans from across the organisation to help provide visibility of all known current and future initiatives, in support of the development of capacity &amp; resource planning/prioritisation.</p>														
Azets Comments		We note management's comments above regarding further action required to close this recommendation.														



2022/23	Post Pandemic Review		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented					
					4	3	2	1	4	3	2	1	4	3	2	1		
			4	50%	0	2	0	0	0	2	0	0	0	0	0	0	0	
Rec No. <b>1.1</b>	<b>RISK</b>	There is a risk that BCPs are inadequate as a result of failure to update BCPs post pandemic, leading to inability to be able to respond effectively to a future pandemic or similar adverse incident resulting in failure to operate services, financial loss and/or reputational damage.																
		Update Directorate Business Continuity Plans A Business Continuity Framework should be developed to allow events that impact the organisation as a whole to be responded to and managed effectively. As part of this, directorate BCPs should be reviewed to access how they will interact and contribute to the overarching framework. In addition, all Business Continuity planning activity should be reviewed and updated to factor in learning from the pandemic, e.g. inability to divert working to another site, mass illness of staff impacting operations etc...											Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status	
		Responsible Owner Agreed Response <b>Head of Governance, Strategy &amp; Performance</b>	The Reset and Renew Review of BCP was accepted by SFRS Good Governance Board in June 2022. This contained specific recommendations included a more developed corporate approach to Business Continuity and the review and sharing of all plans across the service. All the recommendations contained within the review report were accepted. Responsibility for MCP has moved to SPPC as of September 2022 and this action will be coordinated by the Head of Governance, Strategy and Performance.											01 April 2023	01 April 2024	Grade 3	70%	AMBER
		Progress to date	Internal review of BCP during the Covid-19 pandemic completed as referenced by the audit. Initial planning undertaken and supporting business cases presented to SLT. Early engagement taken place with key internal stakeholders and external partners for benchmarking. Engagement with internal operations department to agree key milestones. Participation in exercise 'Hornet Morris 3' and internal debriefing completed with further recommendations identified. Review of BC plans for support functions undertaken in conjunction with civil contingencies officers. Review of Corporate Governance BCP completed, including standardisation of BCP template/recording. Arrangements are in place specifically in relation to potential industrial action. New BCP Policy moving to consultation in Q3/Q4															
	Outstanding actions to close the recommendation	Complete BCP Policy consultation. Finalise and publish BCP Policy. All BCP plans across the service updated																
	Azets Comments	We note management's comments above and the progress made in implementing this action.																
Rec No. <b>2.2</b>	<b>RISK</b>	There still appears to be a risk of uncertainty amongst staff who are able to work remotely as o the future of working arrangements at SFRS. Moreover, offices and equipment may be under-utilised leading to inefficient use of resources.																
		Hybrid Working Arrangements A decision should be made regarding the Service's stance on the requirement for staff to return to working in the office and the frequency of office working, if required. Once made, this should be communicated to staff at the earliest opportunity and monitored by management. Following this, a review should be undertaken of office and equipment utilisation to ensure offices and equipment are being used effectively and efficiently.											Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status	
		Responsible Owner Agreed Response <b>Acting Director of Asset Management</b>	Further management engagement sessions have taken place via the Workplace Subgroup to access the impact of the Agile Working Framework and identify opportunities for improvement. The findings and recommendations from this review will be shared with the Strategic Leadership Team 2.2 As the Agile Framework and the Service's approach to hybrid working embeds and matures, use of space and equipment will be kept under review to ensure optimum usage. The Service will continue to explore opportunities to streamline use of its property portfolio, for example through collaboration and colocation with partner agencies.											31 December 2023	31 March 2024	Grade 3	70%	GREEN

**OFFICIAL**

Progress to date	The Asset Management Department will continue to explore opportunities to streamline use of its property portfolio, for example through the Shared Services Estates Collaboration group. A paper was presented to the Board on 30 <sup>th</sup> March 2023 with a recommendation to declare the West SDA office block in Hamilton as surplus and offer this site to other public sector bodies as per the guidelines contained within the Scottish Public Finance Manual. Hamilton offices are now nearly empty with the majority of moves having taken place. Desk booking system for Cambuslang HQ will be operational later this year.
Outstanding actions to close the recommendation	Findings and recommendations from the Agile Working Framework review, once known, will be used to ensure offices are being used effectively and efficiently. In order to ensure that the remainder of SFRS office accommodation estate is being best utilised, the Asset Management Department have been asked to undertake an office accommodation review, this will report back in March 2024. A number of site visits are scheduled for later this year to review office accommodation.
Azets Comments	We note management's comments above and the progress made in implementing this action.

2022-23	Revenue & Funding Maximisation		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
					4	3	2	1	4	3	2	1	4	3	2	1
			8	38%	0	0	3	0	0	3	2	0	0	0	0	0
Rec No. <b>1.3a</b>	<b>RISK</b>	There is a risk that if the processes for external fund maximisation and funding opportunity identification are not formalised to maximise all available opportunities then SFRS could miss potential uses for existing funds and opportunities for further external funding.														
	<u>Funding, Revenue Opportunity Identification and Maximisation External Funding Maximisation</u>			Report Agreed Date				2nd Agreed Revised Date		Priority		% Complete		Status		
	In order to ensure maximisation of external funding opportunities for SFRS, oversight should be centralised under the job role of either a single individual or group. The responsible party for the centralised approach should consider whether current funding in place is being fully utilised and assess all available funding opportunities to ensure that SFRS applies for and maximises the identified opportunities, As part of this role a log should be kept with all funding opportunities, whether they are applicable to SFRS, reason for applicability an the current status of the application.			31 December 2022				31 Dec 2023		Grade 3		100%		<b>RED</b>		
Progress to date		A centrally held repository has now been created and will be overseen by the Deputy Accounting Manager with collaboration between the Accounting and Decision Support sections feeding into this repository. As appropriate times, the Deputy Accounting Manager will produce a report to the Head of Finance and Procurement that will be presented to the GGB. GGB TOR has been updated to allow inclusion of reviews of external funding – pending the receipt of future funding to be available and progressed through governance.														
Outstanding actions to close the recommendation		Supporting Evidence forward & reviewed by Azets. Further supporting evidence is required by Azets before action can be closed. Additional supporting evidence forward to Azets for review														
Azets Comments		Awaiting further evidence to confirm action is fully implemented.														
Rec No. <b>1.3c</b>	<b>RISK</b>	There is a risk that if the charging process for accommodation is not revised to maximise all available chargeable opportunities, then SFRS could miss significant revenue generating opportunities. If revenue is not maximised for accommodation, then there is a risk that SFRS are operating with unnecessary outgoing costs that could otherwise be recuperated.														
	<u>Funding, Revenue Opportunity Identification and Maximisation Accommodation Revenue Maximisation</u>			Report Agreed Date				1 <sup>st</sup> Agreed Revised Date		Priority		% Complete		Status		
There is an opportunity to maximise revenue for SFRS accommodation usage. The current cost basis for charging for accommodation should be reviewed to ensure all recoverable costs are recovered. This includes ensuring that there is a built-in charge to contribute to the capital costs of the building.																

**OFFICIAL**

	Responsible Owner Agreed Response <b>Acting Director of Asset Management</b>	<i>To maximise sharing opportunities and encourage participation we have sought to share with partners recovering running costs. We will consider with partners an amendment to sharing agreements that includes contribution to minor works to support normal wear and tear. For Capital, the contribution point may be at time of refurbishment or the need for a replacement building but this could be included in the agreement.</i>	30 June 2023	31 March 2024	Grade 2	90%	<b>AMBER</b>	
<b>Progress to date</b>		Space occupation agreements have been reviewed to determine if there is scope for an amendment to sharing agreements that includes contribution to minor works to support normal wear and tear. Preliminary discussions with collaboration partners at a Finance and Estates level have taken place at the Shared Services Meeting in October 2023. Collaboration partners are facing similar funding challenges as The SFRS are experiencing and for this reason they have rejected any changes to existing agreements. There has also been no major Capital investment since MacDonald Road Fire station project. Where there is a new project a different form of sharing agreement will be agreed.						
<b>Outstanding actions to close the recommendation</b>		This Action has been superseded by the consultation on Police and Fire shared services.						
<b>Azets Comments</b>		Management need to provide evidence to confirm that the recommendation has been superseded in order to close the action.						
<b>Rec No. 2.1</b>	<b>RISK</b>	<b>There is a risk that funds cannot be actively monitored in line with any specific requirements for monitoring and reporting, they cannot be assessed on an ongoing basis as to whether they meet the conditions and they cannot be reviewed post completion to see if the defined objectives have been met and that the funds have been maximised.</b>						
	<b>External Funding Documentation</b>	An exercise should be undertaken to identify which external funds have the applications and grant conditions on file. For those funds that do not have the documentation on files a re-engagement should be done to define the purpose, scope, objectives, conditions and monitoring arrangements for the existing funding projects. Further for all new external funding there should be a centralised shared file location where the funding documentation is saved. A specific staff member from each region should be assigned to centrally oversee record keeping and ensure that all funds have the required documentation on file.		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Head of Finance &amp; Procurement</b>	<i>SFRS will review current external funding and seek appropriate documentation to support. In addition, a central repository for grants that include the applications and conditions will be created.</i>		31 March 2023	31 Dec 2023 <b>New date requested 31 March 2024</b>	Grade 3	60%	<b>AMBER</b>
<b>Progress to date</b>		In conjunction with actions 1.3a and 1.3b this will complement the process of centralisation and will allow for a clearer oversight of funding documentation and in turn funding opportunities. Centralised process and repository have now been determined and evidence to be provided – Extension to date required to support timing of evidence to be provided to and reviewed by Azets						
<b>Outstanding actions to close the recommendation</b>		Further work is required to review existing funding projects to ensure all documentation has been capture & re-engage if needed.						
<b>Azets Comments</b>		We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.						

Rec No. <b>3.1</b>	<b>RISK</b>	<b>There is a risk that if there is no overarching group to scrutinise funding and revenue generating activities then SFRS will not have a consolidated top-level awareness of whether activities have been successful against deliverables and objectives and that use of funds and revenue opportunities are maximised.</b>					
	<u>Funding and Revenue Generation Scrutiny Group</u> Scrutiny of external funding and revenue generating activities should be assigned to an existing governance group. The group should act as a central controller and monitoring point for fund and revenue generating activities. The group's remit should be amended to also cover: <u>Scrutiny of funding beyond BAU capital funds</u> <ul style="list-style-type: none"> <li>Monitoring of existing funds against defined objectives,</li> <li>Review of funds post completion for meeting objectives and maximising usage of funds,</li> <li>Scoping of future funding opportunities and which SFRS should apply for.</li> </ul> <u>Revenue generating activities</u> <ul style="list-style-type: none"> <li>Monitoring of existing activities for both maximisation of revenue from activities and to gain assurance that activities are conducted in line with defined objectives of the activity,</li> <li>Review of activities post completion to assess success and whether appropriate charges have been invoiced,</li> <li>Overview of key figures for current activities and planned future activities.</li> </ul> The group chosen to oversee this should be made up of senior staff members who act as central coordinators for each activity. Reports highlighting key activities, overall statistics, progress and planned future activities should be reported to the group. Having a centralised reporting process will allow for a greater top-level awareness of all revenue and funding streams and allow senior staff to have an oversight of whether opportunities are being maximised.		Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Head of Finance &amp; Procurement</b>	<i>Agree to further oversight of external funding. SFRS has a Good Governance Board and it would be appropriate that the processes for external funding are monitored and reviewed by this Executive Board. The Service is setting up a SLT led Capital Programme Investment Group (CPIG) and additional capital will be reviewed by this new group. SFRS to amend the terms of reference of GGB to include external funding monitoring and scrutiny and to include as appropriate when terms of reference for the CPIG are agreed.</i>	31 December 2022	31 Dec 2023	Grade 3	100%	RED
Progress to date	Linking into action 1.3a this will allow appropriate reporting to the GGB – in turn this will naturally grow the process to maximise the communication between departments and in subsequently provide an overall improvement to the full process of revenue maximisation. GGB TOR has been updated to allow inclusion of reviews of external funding – The Income generation policy clearly states the process for reporting through the GGB and the process of all income information being centrally held. At this time no income from External Funding has been received, however the process and methodology of governance has all been implemented to allow for governance to be followed in line with this action as and when income is received.						
Outstanding actions to close the recommendation	Supporting Evidence has been forwarded to Azets for Review.						
Azets Comments	Further evidence required to support full implementation of the action.						
Rec No. <b>4.1</b>	<b>RISK</b>	<b>If there is no formal evaluation framework in place to evaluate the effectiveness of funding and revenue generating activities out with the P&amp;P directorate, there is a risk that funds may not have met the defined objectives and opportunities for maximising fund usage and revenue generation. If this is not identified in an evaluation process, then missed opportunities for fund usage and revenue generation could occur and amount to a potential loss of revenue.</b>					
	<u>Evaluation Framework</u> The evaluation framework should be expanded to other external funding areas not currently covered to improve consistency of approach and to ensure that lessons learned are captured and fed into planning for the use of future external funding.		Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Head of Finance &amp; Procurement</b>	<i>The Service will expand the evaluation approach used by P&amp;P to cover all external funding opportunities.</i>	30 June 2023	30 June 2024 <b>New requested date</b> 30 Sept 2024	Grade 2	15%	AMBER

**OFFICIAL**

Progress to Update	Initial discussions have been ongoing around a process to accommodate this however further work will be completed post the review of policy and procedures and centralisation of external funding initiatives – this will allow the whole process to be joined, understood and compliment the organisational aims and objectives
Outstanding actions to close the recommendation	Work had been halted due to other commitments and priorities. , ie, Year end. New date requested to allow for the collaborative engagement with other directorate to assist with the embedding of framework and any changes to policies to work through the relevant governance route.
Azets Comments	We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.

2022-23	Corporate Performance Management		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented					
					4	3	2	1	4	3	2	1	4	3	2	1		
			4	25%	0	0	1	0	0	1	2	0	0	0	0	0		
Rec No. <b>1.1</b>	<b>RISK</b>	<b>Performance may not be adequately monitored and performance measures may not be sufficiently challenged due to a lack of guidance and training provided to senior management and committee members on their role in the Corporate Performance Management Framework, potentially resulting in failure to achieve objectives and subsequent financial loss and/or reputational damage.</b>																
		<u>Supporting Board and Committee Members</u> SFRS should establish some form of enhanced support mechanism for senior management and Board members in relation their role in the Corporate Performance Management Framework. The support provided should seek to ensure that management and members are fully equipped to successfully challenge, monitor and scrutinise performance of the Service against the Framework. This could be in the form of facilitated meetings, similar to the workshops held with committee members in developing the Framework.							Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status					
	Responsible Owner Agreed Response <b>Head of Governance, Strategy &amp; Performance</b>	<i>Agreed. SFRS have identified the importance of improving awareness and data literacy across the service to improve the monitoring and scrutiny of performance and the performance management framework. This work will continue throughout 2023 and include workshops with Board Members, SLT and SMB members.</i>							30 April 2024	n/a	Grade 2	90%	<b>GREEN</b>					
Progress to date	<ul style="list-style-type: none"> <li>- The PMF for 23-24 is complete and approved.</li> <li>- On-going scrutiny of performance established at Board and Committee.</li> <li>- SFRS Data Literacy conference held in May. Specific Board data literacy event for Board members arranged as part of the conference.</li> <li>- Paper outlining current and future challenges for data management provided to ARAC</li> </ul> In September SFRS committed to a 6-month Data Maturity program run by Scottish Government aimed at assessing the organisations data maturity and creating a roadmap to improve in the future. This will likely identify data management and data literacy as areas to support and improve.																	
Outstanding actions to close the recommendation	<ul style="list-style-type: none"> <li>- Power BI awareness drop-ins for board and SLT members planned for Q3 and Q4</li> <li>- Follow up data literacy online events for Board members</li> </ul>																	
Azets Comments	We note the progress made and outstanding action required to fully implement the recommendation.																	
Rec No. <b>2.1</b>	<b>RISK</b>	<b>There is a risk that poor performance outcomes may not be identified as targets for achievement have not been set and data cannot be measured.</b>																
		<u>KPI Targets</u> KPIs should be revised to ensure that each performance indicator has an appropriate target to ensure performance can be monitored effectively over time and appropriate action taken to address underperformance where it occurs. All KPIs should be SMART in nature, any current KPIs which are set as ‘monitor’ should be revised and potentially excluded from the performance indicator list and reported on elsewhere.							Report Agreed Date	1 <sup>ST</sup> Agreed Revised Date	Priority	% Complete	Status					

**OFFICIAL**

	Responsible Owner Agreed Response <b>Head of Governance, Strategy &amp; Performance</b>	<i>Agreed. SFRS are currently reviewing the Performance Management Framework (PMF) key performance indicators. The indicators currently without an appropriate target will be reviewed.</i>	30 April 2023	31 July 2023 <b>New Requested date April 2024</b>	Grade 2	100%	<b>AMBER</b>		
Progress to date		<ul style="list-style-type: none"> <li>- Majority of indicators for the SFRS Performance Management are in place. Targets have been finalised throughout March and April.</li> <li>- Not all indicators will have a target for 23/24 but those that can, will. Only 11 KPIs from 65 have no target but are actively being 'tracked'</li> <li>- PMF agreed by the SFRS Board.</li> <li>- New PMF reporting dashboards for Q1 23-24</li> <li>- July 2023 used for SFRS Board papers August Meeting.</li> </ul>							
Outstanding actions to close the recommendation		SFRS to continue with this work and whilst SFRS may not apply targets for all 11, would expect most to find an appropriate target. We expect this work to be complete by April 2024.							
Azets Comments		We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.							
<b>Rec No. 3.1</b>	<b>RISK</b>	<b>There is a risk that decisions are made based on incorrect or incomplete data, due to lack of processes in place to gather and review information related to KPIs, which could lead to financial loss and/or reputational damage.</b>							
	<u>Data Accuracy and Quality</u>	Management need to ensure that a strong focus is placed on ensuring the quality and accuracy of performance data which is being produced and reported upon. This includes the following: <ol style="list-style-type: none"> <li>1. Looking at ways to improve the quality of the data produced by focussing on the integration of management information systems and the automatic production of performance data, whilst at the same time endeavouring to minimise the use of spreadsheets and manual intervention in the process.</li> <li>2. Ensuring data is quality assured and validated to supporting information prior to being reported. Management should ensure that sufficient resources are in place to perform this important task.</li> </ol>			Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Head of Governance, Strategy &amp; Performance</b>	<ol style="list-style-type: none"> <li>1. <i>SFRS is establishing new data governance and quality management arrangements through the Data Governance Group. Integration or pipelining of SFRS systems to enable both greater automation and minimising of manual data processing has been identified as a priority. Requirements have been detailed, prioritised and submitted to ICT to be progressed throughout 2023.</i></li> <li>2. <i>SFRS will establish a central capability within the BI team to manage data quality and will put in place data quality action plans for key data sources.</i></li> </ol>			30 April 2024	n/a	Grade 3	70%	<b>GREEN</b>
Progress to date		<ul style="list-style-type: none"> <li>- Data Governance Group established.</li> <li>- OSR Standards adopted.</li> <li>- Systems pipelining and connectivity identified and prioritised.</li> <li>- Data quality framework in draft.</li> <li>- Design of reporting product between BI and Data Services and all SFRS directorates is on-going.</li> <li>- SFRS Data literacy Conference held in May 2023.</li> </ul>							
Outstanding actions to close the recommendation		<ul style="list-style-type: none"> <li>- Work to progress the Office for Statistical Regulations (OSR) Standards as part of data quality work but is on hold due to lack of resources.</li> <li>- Pipeline of SFRS systems providing direct access to the Business Intelligence function by ICT hasn't progressed because no priority is being assigned by them.</li> <li>- Business Case submitted for dedicated Data Quality role within the service – approved in principle during January 2023 but no resources provided to create post.</li> </ul>							
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.							

OFFICIAL

2022-23	Training		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
					4	3	2	1	4	3	2	1	4	3	2	1
			6	50%	0	1	2	0	1	1	1	0	0	0	0	0
Rec No. <b>3.1</b>	<b>RISK</b>	<b>There is a risk that SFRS is not achieving best value for money as there has been limited consideration of training delivery options with all training currently delivered in-house.</b>														
	<u>Cost Efficiency</u>	As well as considering savings on in-house training delivered, management should undertake a cost/benefit evaluation to access if better value could be sought by using external training providers for at least some elements of mandatory training, e.g. casualty care. This evaluation should be reviewed on a periodic basis to ensure best value continues to be achieved.										Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>AC Training Delivery &amp; Performance</b>	Training will, as part of its continuous improvement and through its governance processes, consider the outsourcing of training delivery to ensure best value is achieved and that it is reviewed as necessary.										01 April 2024	n/a	Grade 3	60%	GREEN
Progress to date		Work continues in relation to the development of a robust process and system that will ensure best value is fully considered when looking at our training delivery options and programme of review. This has now been built into our governance arrangements which align with the <u>SFRS Good Governance Framework</u> and its principles, making sure that we secure best value. This will also be considered as part of the development of our Training Delivery Framework.														
Outstanding actions to close the recommendation		Progress the cost/benefit analysis for all courses and determine its outcome against the need for efficiencies to meet the resource-based spending review.														
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.														
Rec No. <b>4.1</b>	<b>RISK</b>	<b>There is a risk that firefighters are not adequately trained to perform in their role as they are not compliant with the tFo or National Training Programme completion rates and are allowed to remain on active duty. In the event of serious harm or injury this could have operational and legal consequences leading to reputational and financial loss.</b>														
	<u>Compliance Reporting</u>	During the refresh of the Training Needs Analysis, roles and responsibilities for generating compliance reports and enforcing compliance are agreed and clearly set out. Where compliance with mandatory training is below the target of 95%, SFRS should provide explanations for this and develop action plans with assigned action owners and timescales to improve completion rates. In addition, competency should be assessed more formally on a frequent basis, with management devising appropriate methods for performing this assessment and providing clear guidance on the action to take should a firefighter be deemed to be not competent. Guidance should also be devised in respect of the process to be followed should an operational firefighter's refresher training not be fully up to date. The Training Function should also review reporting on compliance rates to ensure that if a firefighter has completed mandatory training, it is reported as compliant regardless of any subsequent change in position or location.										Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>AC Training Delivery &amp; Performance</b>	Training will develop a Skills Maintenance Framework that will clearly set out what is required within each skill set to ensure compliance. This will detail how skills will be assessed and what action will be taken should any personnel be deemed to be not yet competent or are out with their refresher training current periods.										01 April 2024	n/a	Grade 4	60%	GREEN
Progress to date		The development of this framework is progressing well. A workshop was held at the start of Nov'23, with the key Strategic leads and a Group Commander has been specifically tasked with leading this work which is now well underway.														

**OFFICIAL**

Outstanding actions to close the recommendation		Develop and produce the Skills Maintenance Framework.				
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.				
Rec No. <b>5.1</b>	<b>RISK</b>	<b>There is a risk that staff do not feel their feedback is taken on board as the feedback implementation cycle is not fully transparent, leading to valuable staff feedback not being provided and the potential for reduced staff morale.</b>				
	<u>Training Feedback</u> When improvement actions are agreed sat MRG based on analysis of feedback, they should be assigned action owners and implementation timeframes. Once actions have been implemented by the responsible owner, communications should be issued to staff to demonstrate that feedback received is duly considered and taken on board, where appropriate to encourage further feedback.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>AC Training Design &amp; Development</b>	Improvement actions identified through candidate experience and feedback will be fully captured by Training. Responsibility will be given to action owners to ensure the completion of agreed improvements and communicated to relevant stakeholder to demonstrate its value and encourage future submissions. Work is underway to improve how training capture and analysis feedback, moving from a paper-based system to an easy to complete e-form.	01 April 2024	n/a	Grade 2	90%
Progress to date		The workflows that have been created and submitted to ICT for moving into the cloud, has met some delay due to competing priorities which they have. Alternative approach using skill sets within our function from a newly created position now mean we can progress this work to conclusion, still on target for the agreed date into Q4 as a result.				
Outstanding actions to close the recommendation		Once ICT have moved the workflows into the cloud the next steps are to test these and produce screenshots that will go into a communication to ensure all stakeholders are informed of the changes prior to going live, which is still on track through Q3&4 23/24.				
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.				

2022-23	Personal Protection Equipment	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented				
				4	3	2	1	4	3	2	1	4	3	2	1	
		6	67%	0	0	2	2	0	1	1	0	0	0	0	0	
Rec No. <b>2.2</b>	<b>RISK</b>	<b>There is a risk that new firefighters do not receive appropriately fitted kit in time to start their foundation training as roles, responsibilities and timescales in this regard are not clearly set out between staff within the Stores department and HR which could result in a delay in firefighters being able to take part in their foundation training.</b>														
	<u>New Firefighter PPE</u> We acknowledge the interdependency between HR and the ARCs in relation to issuing new firefighters with PPE and that, to a certain degree, some of the issues identified are out with the control of the Stores department. However, in order to remedy this, HR and the ARCs should collaborate to develop a clearly defined protocol setting out responsibilities and timelines for fitting out firefighters with their PPE with appropriate communication between HR and the ARCs to ensure Stores staff have the capacity to carry out the fittings and are made aware in advance of the bookings made by HR.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status										
	Responsible Owner Agreed Response <b>Scottish Equipment Manager/People</b>	<i>We will work with colleagues from POD to develop and agree a clearly defined process setting out responsibilities and timelines for fitting out firefighters with their PPE. The process will include the need for appropriate communication between POD and the Asset Resource Centres to ensure Stores staff have the capacity to carry out fittings and are made aware in advance of the bookings made by POD.</i>	31 December 2023	n/a	Grade 2	70%	GREEN									



**OFFICIAL**

Progress to date	Further meeting with staff from the People Directorate took place in October 2023 to agree responsibilities and timelines for fitting out firefighters with their PPE.					
Outstanding actions to close the recommendation	Continue to work with People Directorate colleagues to ensure there are no outstanding issues.					
Azets Comments	We note management’s comments above and the action being taken to progress this matter.					
Rec No. <b>5.1</b>	<b>RISK</b>	<b>There is a risk that the lack of a documented procedure and enforcement of such leads to PPE failing to be returned, creating a security risk as well as financial loss.</b>				
	<u>Retrieval of PPE</u> Management should continue to explore options to incentivise leavers to return their PPE and seek legal advice on options available prior to agreeing approach. The agreed process should be set out within a procedure document which defines roles and responsibilities, and timescales for the return of PPE and clearly sets out the consequences of not returning PPE. This should be widely circulated to all relevant persons.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Scottish Equipment Manager/People</b>	<i>Asset Management have commenced work, in conjunction with POD and Service Delivery colleagues on a procedure which defines roles, responsibilities and timescales for the return of PPE. The procedure will include a methodology for the monitoring of items that have and have not been returned. This procedure will be incorporated within a SFRS Leavers process, which will be prepared by the POD Directorate.</i>	31 March 2024	n/a	Grade 3	30%
Progress to date	People Directorate are reviewing the existing Exit Interview Policy this financial year, which will become a guidance note in future. In the meantime, the People Services Team have received an updated Leavers Kit Return List from Asset Management, which is issued to staff upon receipt of receipt of resignation/retiral. Correspondence issued to staff from People Services emphasises the actions required by both staff and line managers to ensure safe return of kit. Completed leavers forms are sent to Asset Resource Centres for monitoring purposes.					
Outstanding actions to close the recommendation	Continue to monitor and audit return of kit against what should have been returned and highlight all discrepancies widely across the Service. Prepare communications bulletin on this and share throughout the service highlighting that PPE not being returned, creates a security risk and financial loss to the Service. Agree consequences for non-return of PPE and ICT kit, ARAC have asked for People Directorate, Finance and Legal to consider this and report back to next ARAC meeting with proposals.					
Azets Comments	We note the progress made and outstanding action required to fully implement the recommendation.					

2022-23	Capital Investment Strategy	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	Ad	4	3	2	Ad	4	3	2	Ad
		3	33%	0	0	1	0	0	0	1	1	0	0	0	0
Rec No. <b>2.1</b>	<b>RISK</b>	<b>Whilst we acknowledge that the award of funding from the Scottish Government is out with SFRS’s control, there is a risk that due to insufficient funds being received from the Scottish Government year on year, the standard of assets will worsen further with the number of priorities due to the potential hazard to the health and safety of SFRS’s employees and the public increasing to an unacceptable and unmanageable level.</b>													
	<u>Capital Funding Shortfall</u> SFRS should continue to put further pressure on the Scottish Government to increase its funding allocation whilst highlighting the risks associated with having insufficient funds to invest in its property, fleet and equipment assets. We have assigned an “Advisory” grading to this recommendation in recognition of the fact that whilst SFRS can request more funding from the Scottish Government, the decision to increase its funding award is out with its control.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status									

OFFICIAL

	Responsible Owner Agreed Response <b>Acting Director of Finance and Procurement</b>	<i>SFRS continues to lobby Scottish Government (SG) for additional capital funding. SFRS will highlight this internal audit report and continue to make appropriate representations to ministers through our SG sponsor team.</i>	31 March 2024	n/a	Advisory	50% (ongoing Action)	GREEN
Progress to date		Continue progression of the SAMP's for Asset Management, highlighting the insufficient funds for Capital Investment and ensure continual engagement with Scottish Government.					
Outstanding actions to close the recommendation		As per progress to update note – ongoing action to ensure awareness of the funding requirements through SG with the aim to encourage SG support with funding to allow progress of the Asset Management backlog investment issues as well as BAU Capital Investment and future plans.					
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.					
Rec No. <b>4.1</b>	<b>RISK</b>	<b>There is a risk that in the event of slippage, the most appropriate project to bring forward may not be selected due to it not being clearly identified through the risk assessment process potentially resulting in capital not being distributed appropriately and increased costs for maintenance in the long term.</b>					
	Evidence of prioritisation in the event of slippage As per our recommendation at MAP 2.2, management should apply the same principle to documenting the rationale behind the selection of projects to bring forward into the capital programme in the event of slippage in order to make it more explicit as to why one project has been chosen to be brought forward over another.		Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance and Procurement</b>	<i>In order to maximise capital funding any slippage in projects is reallocated to projects included within the approved three year capital programme. Details of changes in funding allocation to projects are included in the capital monitoring reports. As part of Capital Monitoring Group, there is a discussion on appropriate reallocation, however “in year” spend relies upon availability of procurement contract and resources to deliver. The rationale for reallocating in these circumstances will be captured going forward as part of Capital Monitoring Group and included in capital monitoring reports to SLT and Board.</i>	30 Sept 2023	31 Dec 2023 <b>New Request Date 30 Sept 2024</b>	Grade 2	90%	GREEN
Progress to date		The Capital Investment Strategy works on a risk-based approach which highlights a priority basis for any slippage in the financial year.					
Outstanding actions to close the recommendation		Action complete with ongoing assessments which will continue to be reviewed within the Capital Monitoring Group each Financial Year going forward.					
Azets Comments		In order to class this action as complete, further evidence is required to demonstrate the rationale behind investment decisions and why one project has been selected over another with a clear explanation of and link to the degree of risk associated with the project. We note management's request for a revised implementation date.					

OFFICIAL

2022/23	Sickness Absence Management		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
					4	3	2	1	4	3	2	1	4	3	2	1
					0	2	1	0	0	2	1	0	0	0	0	0
Rec No. <b>1.1</b>	<b>RISK</b>	<b>There is a risk of incomplete employee files with incorrect or mitted evidence relating to their sickness periods. Furthermore, this increases the risk of increased absences as sickness absence is not being managed effectively and employees may be felling unsupported within their job roles.</b>														
	<u>Compliance with Policies and Procedures</u> Line managers should be given reminders or a fresher course on the requirements of the sickness absence policies and procedures and the role they play in managing sickness absence, with particular emphasis on the issues identified relating to E-Self Cert forms, Fit Notes and Attendance Support Meetings. In addition to this, sickness absence files should be checked over by another member of the management team after a period of absence to ensure all documentation is up to date and stored correctly to enforce consistency in relation to record keeping with the Service.		Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status									
	Responsible Owner Agreed Response <b>People Manager (Advice &amp; Employee Relations) &amp; People Manager (Talent)</b>	<i>Review current guidance for managers and update to include requirements for absence recording, monitoring of absence and management of data. Incorporate into new supervisory management development course and Middle manager development sessions.</i>	31 October 2023	31 December 2023 <b>New date Request 30 April 2024</b>	Grade 3	80%	<b>GREEN</b>									
	Progress to date	The review of the current guidance documentation has taken place. People Adviser leads have completed the action plan to progress the revisions to the middle manager development sessions, develop the inclusion of a managing absence toolkit in the management induction toolkit for implementation in 2024. Communication managers' reminder has been produced, with publication commencing in January 2024. This includes reminding managers of the procedures and their responsibilities for the completion of E-self-certs, ensuring fit notes cover whole of absence period, submission and storage of fit notes and recording of ASMs.														
Outstanding actions to close the recommendation	Rollout of the pilot Management Capability Framework, which will include this content, commenced in the East Service Delivery Area from November 2023. Planning for the North and West has commenced through discussion with DACOs to establish need. Discussion around the development of an independent periodic verification process of compliance between People and Audit & Risk to take place in Quarter 4 (this is covered in Rec No 4.2 below so proposed that once the other aspects of this action are concluded that this could be marked as complete)															
Azets Comments	We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.															
Rec No. <b>1.2</b>	<b>RISK</b>	<b>There is a risk that supporting documentation in relation to employee' sickness absence is lost due to failure to adopt a consistent approach to the storage and retention of documentation.</b>														
	<u>Storage of sickness absence documentation</u> Management should determine where and how sickness absence records and supporting documentation are stored and retained and who has responsibility for this. Once agreed, the Attendance Management Handbook should be updated to include clear guidance on this for staff in order to avoid any confusion and prevent evidence being lost and/or misplaced.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status									
	Responsible Owner Agreed Response <b>People Manager (Advice &amp; Employee Relations)</b>	<i>Review current process for recording absence information and revise to ensure it is clear and efficient in handling and storing of employee information. Update Attendance management Handbook to reflect this and communicate any changes to managers.</i>	31 December 2023	<b>New date request 28 Feb 2024</b>	Grade 3	95%	<b>GREEN</b>									
	Progress to date	Work has concluded and a single source for storing data has been confirmed as the People Services Admin Team, within the employee's electronic personal files. A communication regarding storage in a single source has been incorporated into the Managers Reminders communication, due to be published in January 2024. A go live date of 31 December 2023 has been agreed for the commencement of all absence documents to be uploaded into the Electronic Personal Records Files (EPRF).														

**OFFICIAL**

	The local attendance management training sessions have commenced and continue to be delivered on and as and when request basis. Admin Leads have finalised the PRF Procedure and the Management of Personnel Record Files and timescales for the agreed approach to move all current data to approved single source, including maintenance and responsibility for absence information and issue to their local teams is scheduled for December 2023.
Outstanding actions to close the recommendation	Update Attendance Management Handbook to include the new storage arrangements and noted in version control. Communication to confirm changes to data storage via ihub in January 2024
Azets Comments	We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.

<b>Rec No. 4.2</b>	<b>RISK</b>	<b>Failure to hold Attendance Support Meetings means that the underlying reasons for repeated periods of sickness may remain undetected and appropriate support may not be offered to help the employee reduce their periods of absence due to sickness.</b>					
	<u>Absence Triggers</u> Checks should be performed by a senior staff member on a frequent basis to ensure Attendance Support Meetings have been carried out and appropriately documented with any outstanding meetings being completed at the next available opportunity.		Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>People Manager (Advice &amp; Employee Relations) &amp; People Manager (Talent)</b>	<i>Attendance Management Guidance to be updated to ensure managers responsibility to review absences within their area and ensure appropriate action and documentation is clear. Management development sessions to incorporate this.</i>	31 October 2023	31 December 2023 <b>New date Request 30 April 2024</b>	Grade 2	90%	GREEN

Progress to date	The improvements identified in the Guidance documentation will be implemented in 2024 and will be supported in the meantime by the managers reminders communication in January 2024. Discussions with SDA DACO's were delayed due to absence to consider an independent process for managers vetting of case work within their areas or alternative options which may assist in providing similar assurance, with the view being that whilst local managers would monitor compliance, the preference would be for an independent verification process to provide assurance of compliance across the Service.
------------------	---

Outstanding actions to close the recommendation	Discussion around the development of an independent periodic verification process of compliance between People and Audit & Risk to take place in Quarter 4.
---	---

Azets Comments	We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.
----------------	--

2022-23	SVQ Review	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
		3	33%	0	1	0	0	0	1	1	0	0	0	0	0

<b>Rec No. 4.3</b>	<b>RISK</b>	<b>Failure to have appropriate arrangements in place for monitoring and succession planning in respect of Internal Assessors and Verifiers thereby ensuring that an appropriate number of qualified and experienced staff are retained to perform IA and IV duties, could result in failing to replace staff key to the award of the SVQ leading to the organisation's ability to award the qualification being withdrawn once again.</b>					
	<u>Resourcing</u> Management must ensure that the quota of qualified and experienced Internal Assessors and Verifiers is continuously monitored to ensure that sufficient numbers are retained to aid the SVQ award. Appropriate succession planning arrangements should be put in place to ensure that Internal Assessors and Verifiers leaving the Service are suitably replaced.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Deputy Head of People</b>	<i>Deliver training to increase the number of assessors and verifiers, across the SFRS to an appropriate level. Establish a process with Workforce Planning to ensure that the retirement profile is monitored and planning arrangements in place to replace those who exit SFRS.</i>	31 March 2024	n/a	Grade 3	20%	GREEN

**OFFICIAL**

Progress to date	<p><b>Training to Increase SFRS Assessor and Verifier Numbers</b>  Engagement with Service Delivery Area colleagues has identified priority nomination for training for an additional 55 assessors and verifiers training. This training has been procured and commenced across a framework of external providers and is been proactively monitored on a monthly basis by the Service’s Vocational and Apprenticeship Coordinators. Progress and updates are shared and discussed with the established SVQ/MA working group which includes Service Delivery, Training and People colleagues.</p> <p><b>SFRS Assessor and Verifier Succession Planning Arrangements</b>  Initial discussions have commenced between the Vocational and Apprenticeship team and Workforce Planning team to establish a process to monitor the retirement profile, including assessor and verifier succession planning arrangements.</p>						
Outstanding actions to close the recommendation	Appropriate planning & minoring arrangements are agreed & put in place						
Azets Comments	Awaiting evidence to confirm the above.						
Rec No. <b>5.4</b>	<b>RISK</b>	<b>Inadequate governance arrangements including the lack of oversight and ownership of the SVQ has no doubt been an issue which has contributed to the failures associated with the SVQ award.</b>					
	<u>Governance – Ownership &amp; Oversight</u> Going forward it is essential that ownership of the Internal Assessment and Verification functions as well as oversight of the operation of the SVQ award in general is assigned with responsibilities for monitoring compliance and scrutiny clearly defined. This will ensure SFRS is well positioned to stay compliant with SQA guidance and will assist in mitigating the likelihood of similar issues occurring again. To achieve this SFRS should require an annual review of SVQ award arrangements to confirm alignments with SQA requirements. This review should be undertaken at a sufficiently senior level jointly within the People and Service Delivery Areas.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Deputy Head of People</b>	<i>Establish a review panel, comprising of Strategic Managers from People, Service Delivery and Training to provide an annual review and assurance of the SVQ process.</i>	31 December 2023	n/a	Grade 2	20%	<b>GREEN</b>
Progress to date	Internal discussion within the People Directorate have commenced and will continue through established People Meeting structures.						
Outstanding actions to close the recommendation	Discussions and planning regarding establishing an SVQ review panel and associated annual review and assurance arrangements will be progressed with Service Delivery and Training functions from August 2023 due to leave periods and colleague moves. Delay due to absence and capacity within team						
Azets Comments	We note the progress made and outstanding action required to fully implement the recommendation.						

2023-24	Workforce Planning – On Call Firefighters (Attraction & Recruitment)		Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented					
					4	3	2	1	4	3	2	1	4	3	2	1		
			5	0	0	0	0	0	0	0	5	0	0	0	0	0	0	
Rec No. <b>1.1</b>	<b>RISK</b>	<b>Inappropriate recruitment and selection processes may be applied, due to the Policy not being current which could result in financial loss and/or reputational damage.</b>																
	<u>Recruitment &amp; Selection Policy</u> The Recruitment and Selection Policy should be refreshed and should cover On Call recruitment considering the changes introduced as a result of the On Call Improvement Programme. A review schedule should be agreed and consistently applied to ensure the policy is kept up to date going forward.			Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status										
	Responsible Owner Agreed Response <b>People Manager (Talent)</b>			<i>Review of the R&amp;S Policy will take place in 2024, following a number of delays due to competing organisational priorities. However, the approach is to streamline SFRS People Policies with these covering aims, principles and overall approach however, the detail associated with R&amp;S processes including the On Call end-to-end R&amp;S process will be captured in separate guidance rather than in the Policy itself. Ensure that guidance in respect of the On Call R&amp;S process is refreshed (with role responsibilities detailed i.e. local area accountability for timely candidate progression) and communicated to both Recruiting Managers and colleagues to ensure transparency around the revised process and that this is fairly and consistently applied.</i>			31 March 2024	n/a	Grade 2	10%	GREEN							
	Progress to date			A review of the R&S Policy has commenced. The Policy will outline the Service’s overall approach to R&S and will signpost separate guidance documents that detail the arrangements for specific recruitment processes such as the On Call R&S process. Guidance relating to the On Call R&S process is currently under review and will be shared with stakeholders for awareness aligned to implementation in March 2024.														
	Outstanding actions to close the recommendation			Current guidance materials are being reviewed and are to be updated to reinforce recruiting manager and stakeholder responsibilities. A Toolkit for Recruiting managers, is being scoped to ensure easy access to various supporting guidance materials. A regular schedule of briefings for recruitment managers to be scheduled to ensure ongoing awareness and understanding of responsibilities in line with Project Plan.														
Azets Comments			We note the progress made and outstanding action required to fully implement the recommendation.															
Rec No. <b>2.1</b>	<b>RISK</b>	<b>There is a risk that continuous improvement is not achieved, due to a lack of feedback mechanism in place, resulting in financial loss and/or reputational damage.</b>																
	<u>PREP Feedback</u> A formal feedback mechanism should be introduced to obtain feedback from recruits/candidates who have successfully completed their assessments and participated in the Pre-Recruitment Engagement Programme. The feedback obtained should be analysed and used to inform the future of the Pre-Recruitment Engagement Programme.			Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status										
	Responsible Owner Agreed Response <b>People Manager (Strategic Partnering)</b>			<i>Develop evaluation form for On Call candidates who have participated in the Pre-Recruitment Engagement Programme to capture their individual feedback on this programme and its effectiveness. Communicate this and develop accompanying process to ensure this is issued, collated and analysed for each candidate, with outcomes shared through appropriate governance/Directorate structures to inform the ongoing evaluation and involvement of PREP as a tool in supporting recruitment of On Call colleagues.</i>			31 January 2024	n/a	Grade 2	20%	GREEN							
Progress to date			A Candidate Feedback Form is currently being created with consideration being given to how to embed this within the administration workflow to ensure appropriate and timely candidate feedback is captured. Engagement with recruiting managers will be key to implementing this feedback mechanism and any candidate follow up required.															

**OFFICIAL**

Outstanding actions to close the recommendation		Candidate Feedback form to be developed and embedded within current administration workflow. Mechanism for analysis of feedback captured to be scoped. Briefings with recruiting managers to be scheduled. Template for sharing outcomes to be devised.					
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.					
Rec No. <b>2.2</b>	<b>RISK</b>	<b>There is a risk SFRS are not identifying the reasons behind withdrawn applications and potential barriers to candidates continuing on with the PREP, due to a lack of consistent analysis of candidate figures, resulting in potential loss of good candidates and reputational damage.</b>					
	<b>PREP Analysis</b>	The analysis currently being performed should be enhanced to include further detail on the uptake of PREP such as: • The number of recruits who were given the opportunity to participate in PREP against those who did participate and those who chose not to; and • The number of recruits who did participate in PREP, but subsequently went on to withdraw their applications and the reason why. This will assist in determining the effectiveness of the programme and future recruitment activities.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>People Manager (Strategic Partnering)</b>	<i>Review and revisit current On Call R&amp;S dashboard to include additional detail regarding what stage candidates participating in PREP withdraw from the process and the reasons for this. Ensure that this dashboard information is being presented to the appropriate SFRS forums to ensure this can fully inform decision making in respect of the evolution of PREP in supporting On Call recruitment.</i>	31 March 2024	n/a	Grade 2	20%	GREEN
Progress to date		Improvements to the dashboard to capture dropout rates are under review at present.					
Outstanding actions to close the recommendation		Candidate Tracker to be updated to support dashboard analysis. Recruiting Manager guidance and briefings to be developed and communicated to reaffirm stakeholder responsibilities in assisting with the collation of this information. Template for sharing information collated via governance forums etc to be developed.					
Azets Comments		We note the progress made and outstanding action required to fully implement the recommendation.					
Rec No. <b>2.3</b>	<b>RISK</b>	<b>There is a risk candidates are not given the opportunity to participate in PREP, due to inconsistent completion of the suitability discussion checklist, resulting in a lack of appropriate support to candidates through the recruitment process and potentially failing to attract good candidates to the Service.</b>					
	<b>PREP Documentation</b>	Recruiting managers should be reminded of the need to ensure that the suitability discussion template is consistently completed in full for each candidate.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>People Manager (Strategic Partnering)</b>	<i>Guidance to be updated and issued, supported by LSO briefings, to reflect the requirement for all On Call Recruiting Managers to ensure full completion of the suitability discussion template for each candidate, including discussions around the suitability of PREP to support the individual. Also capture this more fully within R&amp;S Recruiting Manager briefing sessions so this responsibility is clear to new Recruiting Managers</i>	31 December 2023	n/a <b>New Request date 28 February 2024</b>	Grade 2	50%	GREEN
Progress to date		Management Guidance Sheet currently being developed by People Services Team and will detail roles and responsibilities of all involved in process. A reminder that a fully completed PREP suitability checklist requires to be returned will be captured within this guidance. This is currently in draft. People Services – Resourcing Team to check that Suitability Checklist when returned has been fully populated and return to recruiting manager if not. Comms plan for issuing the guidance has yet to be finalised – expect this to be via Teams Channel, shared via On Call SharePoint Site, along with briefed at next Practitioner Mtg (31 Jan) etc.					

**OFFICIAL**

Outstanding actions to close the recommendation		Ongoing monitoring of returns to be built into admin process, to check the checklists are being returned fully completed. Progress has been slower than anticipated due to team capacity challenges, but guidance is in draft, with plan for comms and briefings outlined above.					
Azets Comments		We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.					
Rec No. <b>4.1</b>	<b>RISK</b>	<b>There is a risk of fraudulent activity and/or errors, due to the lack of review and segregation of duties when completing and authorising new starter information forms, leading to financial loss and/or reputational damage.</b>					
	All new start information forms should be completed and subsequently reviewed/authorised by a suitable member of staff in accordance with internal procedures.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Area Commander, People</b>	<i>Issue reminder to Recruiting Managers to ensure new start forms are fully authorised prior to being submitted and amend administration process to ensure this is returned for completion if missing prior to processing appointee.</i>	31 December 2023	n/a <b>New Request date 31 January 2024</b>	Grade 2	50%	<b>GREEN</b>
Progress to date		The People Services Resourcing Team compile the New Start Form and use this to create an employee record on iTrent. While the action relates to reminding recruiting managers, this is an internal admin team process, and as such a review of the related workflow is underway to ensure compliance. A short workflow summary to capture team actions / verification undertaken is being drafted, with the workflow guidance being used to brief the team in January.					
Outstanding actions to close the recommendation		Guidance for People Services Admin Team will be updated, and a short training session arranged to ensure the team are fully aware of their responsibilities. Progress has been slower than anticipated due to team capacity challenges.					
Azets Comments		We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.					

2023-24	<b>Budgetary Control</b> *4.2 is classed as 1 recommendation	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
		4	25%	4	3	2	1	4	3	2	1	4	3	2	1
		0	0	0	1	0	2	1	0	0	0	0	0		
Rec No. <b>1.1</b>	<b>RISK</b>	<b>There is a risk that budget holders are not appropriately informed or consulted on their draft budgets prior to submission for approval. This could lead to disagreements on budgetary requirements, and incorrect allocation of funds, resulting in future variances against projected and actual spend.</b>													
	<b>Consultation with budget holders</b> SFRS should ensure that all budget holders are consistently given the opportunity to review and provide comment on their budgets prior to submission for SLT/Board approval. The reason for any significant variance between the final approved budget and that expected by the budget holder should be investigated so that the budget holder is satisfied that there is a reasonable explanation for any difference.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status								
	Responsible Owner Agreed Response <b>Decision Support Manager</b>	<i>The budgetary control framework and timetable will be updated to include:</i> <ul style="list-style-type: none"> <li><i>A final consultation with budget holders prior to the budgets being scrutinised by SLT.</i></li> <li><i>A review of the final budgets with budget holders once they have been approved and loaded into the finance system.</i></li> </ul>	01 December 2023	n/a	Grade 2	90%	<b>GREEN</b>								
Progress to date		The budgetary control framework has been updated to include: <ul style="list-style-type: none"> <li>A final consultation with budget holders prior to the budgets being scrutinised by SLT.</li> </ul>													



**OFFICIAL**

	<ul style="list-style-type: none"> <li>A review of the final budgets with budget holders once they have been approved and loaded into the finance system.</li> </ul> <p>A summary paper has been drafted setting out the changes to the Budgetary Control Framework and this will require approval by the Good Governance Board.</p>
Outstanding actions to close the recommendation	The updated Budgetary Control Framework will be presented to the Good Governance Board on the 12 <sup>th</sup> December for approval. Once approved the updated version will be uploaded onto lhub.
Azets Comments	We note the progress made and outstanding action required to fully implement the recommendation.

Rec No. <b>4.1</b>	<b>RISK</b>	<b>There is a risk that, due to the lack of clarity over the circumstances where a business case is required, decisions may be made in relation to significant spends without sufficient information upon which to base them, leading to potential significant overspends and resulting in financial sustainability not being achieved</b>					
	<b>Business Case Process</b>	The monetary value which determines when a business case is required and which type needs to be clearly defined, in order to promote clarity and ensure high value spends and business altering projects are subject to the correct level of scrutiny and approval.	Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Decision Support Manager</b>	<i>The business cases process will be updated to set out the financial parameters that dictate when a business case should be prepared and which level of business case is required.</i>	01 December 2023	<b>30 September 2024</b>	Grade 3	10%	<b>GREEN</b>
Progress to date	Drafting of the updated Business Case is in progress, however this also links to the determination of stewardship of the Business Case process sits within the Service. Discussion underway to determine Stewardship, financial parameters and governance routes.						
Outstanding actions to close the recommendation	Agreement of Stewardship, Financial parameters and approval through governance Due to other work priorities including 24/25 budget prep and year end and to allow for time for appropriate decisions on Stewardship and resulting process, as well as progress through SFRS governance extension to original completion date required.						
Azets Comments	We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.						

Rec No. <b>4.2*</b>	<b>RISK</b>	<b>There is a risk that the process for business cases is not always followed consistently and decisions are not adequately informed or evidenced. This could lead to an inability to evidence that expenditure is being committed consistently with procurement and value for money principles applied, resulting in expenditure being committed that may be detrimental to the Service's financial health.</b>					
		SFRS needs to ensure that all relevant steps required for processing business cases are completed and fully documented including following the agreed governance route. In addition, it needs be made clear as to who is responsible for overseeing the business case process and ensuring compliance with internal procedures.	Report Agreed Date	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Decision Support Manager</b>	<i>A corporate communication will be issued to reiterate the need for business cases to be completed in full. And offering training to anyone completing business cases.</i>	01 December 2023	n/a	Grade 3	90%	<b>GREEN</b>
Responsible Owner Agreed Response <b>Acting Head of Finance &amp; Procurement</b>	<i>A review of where best, within the Service, the stewardship of the business case process sits will be undertaken and the business case process will be updated accordingly.</i>	30 November 2023	<b>30 September 2024</b>	10%		<b>GREEN</b>	

OFFICIAL

Progress to date	Corporate comms drafted and in process of approval. Stewardship of Business Cases being reviewed as part of task at 4.1
Outstanding actions to close the recommendation	Comms to be approved and published on iHub. Stewardship of Business Cases being reviewed as part of task at 4.1
Azets Comments	We note the outstanding action required to fully implement the recommendation and that a revised completion date has been requested.



Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	18 JANUARY 2024						
Report Title:	AUDIT ACTION PLANS AND CLOSING REPORTS UPDATE						
Report Classification:	For Information Only	<b>SFRS Board/Committee Meetings ONLY</b> For Reports to be held in Private Specify rationale below referring to <u><a href="#">Board Standing Order 9</a></u>					
		<a href="#">A</a>	<a href="#">B</a>	<a href="#">C</a>	<a href="#">D</a>	<a href="#">E</a>	<a href="#">F</a>
<b>1</b>	<b>Purpose</b>						
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with an overview update of the current audit and inspection action plans.						
<b>2</b>	<b>Background</b>						
2.1	The Auditor General reports to the Scottish Government on our performance. Following the publication of the reports, action plans are prepared to address the issues or recommendations that are highlighted within the report.						
2.2	Similarly, HMFSI inspects and reports on the SFRS with the purpose of assuring the public and Scottish Ministers that we are working in an efficient and effective way, and to promote improvement in the Service.						
2.3	In line with the thematic process agreed in May 2020 once approved, action plans will be presented to ARAC to scrutinise progress.						
<b>3</b>	<b>Main Report/Detail</b>						
3.1	ARAC members are presented with the current Audit and Inspection overview dashboard, attached as <b>Appendix A</b> , for information. This provides high level details of all action plans (HMFSI Actions Plans and Auditor General Action Plans) and includes a section detailing ongoing and forthcoming inspections and reports.						
3.2	The dashboard shows that 16 out of the 19 total Action Plans are complete. Of the three remaining live Actions Plans: <ul style="list-style-type: none"> <li>• <b>Health and Safety: An Operational Focus</b> is amber due to a slip in some timescales; however, the full Action Plan is expected to be completed by the overall due date of March 2024.</li> <li>• <b>Firefighting in Highrise Buildings</b> has moved from green to amber due to a slip in timescales. The overall end date of the action plan has moved from December 2023 to March 2024. It is expected that the full Action Plan will be completed by this extended end date.</li> <li>• <b>Command and Control Mobilising System</b> is green and 85% complete.</li> </ul>						
3.3	There are three new Action Plans currently in development which will be submitted to the Strategic Leadership Team in February 2024: <ul style="list-style-type: none"> <li>• Climate Change – Impact on Operational Activity</li> <li>• East Service Delivery Area</li> </ul>						

3.4	<ul style="list-style-type: none"> <li>Review of contingency planning arrangements in relation to potential industrial action</li> </ul> <p>A new HMFSI Report (published in December 2023) will be presented to the Strategic Leadership Team in January 2024 and development of the Action Plan will follow thereafter. It is also anticipated that this Action Plan will be presented to the Strategic Leadership Team in February 2024.</p>
<b>4</b>	<b>Recommendation</b>
4.1	<p>The ARAC members are invited to:</p> <ul style="list-style-type: none"> <li>Note the progress of all action plans as presented in the Audit and Inspection Dashboard, attached as <b>Appendix A</b>.</li> </ul>
<b>5</b>	<b>Key Strategic Implications</b>
5.1	<b>Risk</b>
5.1.1	There are no risks associated with the recommendations of this report.
5.2	<b>Financial</b>
5.2.1	There are no financial implications associated with the recommendations of this report.
5.3	<b>Environmental &amp; Sustainability</b>
5.3.1	There are no environmental implications associated with the recommendations of this report.
5.4	<b>Workforce</b>
5.4.1	There are no workforce implications associated with the recommendations of this report.
5.5	<b>Health &amp; Safety</b>
5.5.1	There are no health and safety implications associated with the recommendations of this report.
5.6	<b>Health &amp; Wellbeing</b>
5.6.1	There are no health and wellbeing implications associated with the recommendations of this report.
5.7	<b>Training</b>
5.7.1	There are no training implications associated with the recommendations of this report.
5.8	<b>Timing</b>
5.8.1	Each HMFSI Action Plan will be reported to the Senior Management Board on a quarterly cycle until completion.
5.9	<b>Performance</b>
5.9.1	This process supports robust challenge and scrutiny of our performance against HMSFI recommended improvements.
5.10	<b>Communications &amp; Engagement</b>
5.10.1	There is no implication associated with the recommendations of this report.
5.11	<b>Legal</b>
5.11.1	The arrangements for independent inquiries into the state and efficiency of the SFRS are a statutory requirement as laid out in Section 43 of the Fire Scotland Act 2005.
5.12	<b>Information Governance</b>
5.12.1	A Data Protection Impact Assessment (DPIA) is not required for this report as there is no sensitive information to consider.

5.13 5.13.1	<b>Equalities</b> An Equality and Human Rights Impact Assessment (EHRIA) is not required for this this report. These will be captured by Directorate and LSO EHRIAs	
5.14 5.14.1	<b>Service Delivery</b> There are no service delivery implications associated with the recommendations of this report.	
<b>6</b>	<b>Core Brief</b>	
6.1	The Director of Strategic Planning, Performance and Communications provided ARAC members with an update on all live Audit and Inspection Action Plans for their information.	
<b>7</b>	<b>Assurance (SFRS Board/Committee Meetings ONLY)</b>	
7.1	<b>Director:</b>	Mark McAteer, Director of Strategic Planning, Performance and Communications
7.2	<b>Level of Assurance: (Mark as appropriate)</b>	<del>Substantial</del> / <b>Reasonable</b> / <del>Limited</del> / <del>Insufficient</del>
7.2	<b>Rationale:</b>	Following receipt of Audit Reports, Action Plans are developed in conjunction with Directorates and approved via the Strategic Leadership Team and the nominated Executive Committee of the Board. Quarterly reporting is made to the Senior Management Board and nominated Executive Board until full completion of the Action Plan.
<b>8</b>	<b>Appendices/Further Reading</b>	
8.1	Appendix A: Audit and Inspection Overview Dashboard	
<b>Prepared by:</b>		Louise Patrick, Strategic Planning and Partnerships Coordinator
<b>Sponsored by:</b>		Richard Whetton, Head of Governance, Strategy and Planning
<b>Presented by:</b>		Mark McAteer, Director of Strategic Planning, Performance and Communications
<b>Links to Strategy and Corporate Values</b>		
Our audit and inspection process contributes to Strategic Outcome 5 of the Strategic Plan 2022-25: We are a progressive organisation, use our resources responsible and provide best value for money to the public.		
<b>Governance Route for Report</b>	<b>Meeting Date</b>	<b>Report Classification/ Comments</b>
<i>Senior Management Board</i>	<i>15 November 2023</i>	<i>For recommendation</i>
<i>Service Delivery Committee</i>	<i>28 November 2023</i>	<i>For scrutiny (Firefighting in High Rise Buildings)</i>
<i>Audit and Risk Assurance Committee</i>	<i>18 January 2024</i>	<i>For Information Only</i>
<i>Change Committee</i>	<i>15 February 2024</i>	<i>For scrutiny (CCMS)</i>

AUDIT AND INSPECTION OVERVIEW DASHBOARD

APPENDIX A

HMFSI Thematic Reports Progress Dashboard

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG
Apr-22	Health and Safety: An Operational Focus	PC	Mar-24	-	18	Nov-23	Feb-23	0	8	0	9	0	0	1	0	0	80%	Yellow
Sep-22	Firefighting in Highrise Buildings	SDC	Mar-24	-	8	Nov-23	Feb-23	0	4	0	1	0	0	0	0	0	75%	Yellow
Apr-23	Command and Control Mobilising System (CCMS)	CC	Mar-24	-	6	Nov-23	Feb-23	0	1	0	5	0	0	0	0	0	85%	Green
Sep-23	Climate Change – Impact on Operational Activity - plan in development	TBC	TBC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Oct-23	East Service Delivery Area (ESDA) - plan in development	TBC	TBC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dec-23	Review of contingency planning arrangements in relation to potential industrial action - report going to SLT in early 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

HMFSI Focused Reports Progress Dashboard

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG
May-23	Review of contingency planning arrangements in relation to potential industrial action - plan in development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

HMFSI Local Area and Service Delivery Area Inspection Reports Progress Dashboard

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG
N/A	Local Area Inspection National Recommendations	SDC	N/A	N/A	11	Dec-22	N/A	0	0	0	11	0	0	0	0	0	100%	Inactive

Closed Audit and Inspection Action Plans

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG	Closed Date
Apr-15	HMFSI - Performance Management Systems	SDC	Jul-20	May-20	32	May-20	N/A	0	0	0	26	0	2	4	0	0	100%	Closed	
Jul-17	HMFSI - Operations Control Dundee and Highlands and Islands Support	SDC	Dec-20	May-20	24	May-20	N/A	0	0	0	24	0	0	0	0	0	100%	Closed	
Jan-18	HMFSI - Fire Safety Enforcement	SDC	Mar-20	Mar-23	20	Mar-23	N/A	0	0	0	19	0	0	0	0	1	100%	Closed	May-23
May-18	Audit Scotland - Scottish Fire and Rescue Service Update	ARAC	Dec-21	Feb-23	36	Feb-23	N/A	0	0	0	33	0	0	0	1	2	100%	Closed	Mar-23
Feb-19	HMFSI - Provision of Operational Risk Information	SDC	Mar-22	Dec-22	25	Feb-23	N/A	0	0	0	20	0	0	0	5	0	100%	Closed	Feb-23
May-19	HMFSI - Management of Fleet and Equipment	SDC	Mar-22	May-22	38	May-22	N/A	0	0	0	32	0	0	6	0	0	100%	Closed	May-22
Feb-20	LAI - Dumfries and Galloway	N/A	Jun-21	N/A	12	Dec-22	N/A	0	4	0	7	0	1	0	0	0	100%	Closed	
Jun-20	LAI - Edinburgh City	N/A	Apr-21	N/A	11	Dec-22	N/A	0	5	0	0	0	6	0	0	0	100%	Closed	
Aug-20	HMFSI - Command and Control: Aspects of Incident Command	SDC	Mar-22	Dec-23	25	Nov-22	N/A	0	0	0	25	0	0	0	0	0	100%	Closed	Nov-22
Mar-21	HMFSI - Assessing the Effectiveness of Inspection Activity	ARAC	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	Closed	
May-21	LAI - Midlothian	N/A	Mar-22	Mar-23	7	Dec-22	N/A	0	0	0	7	0	0	0	0	0	100%	Closed	
Dec-21	LAI - Argyll & Bute and East & West Dunbartonshire	N/A	Apr-23	N/A	6	Dec-22	N/A	0	5	0	1	0	0	0	0	0	100%	Closed	
May-22	SMARTEU Covid 19 Structured Debrief Summary	SDC	Mar-23	May-23	7	Mar-23	N/A	0	0	0	7	0	0	0	0	0	100%	Closed	May-23
Dec-20	Planning and Preparedness for COVID Review	SDC	May-26	Aug-23	15	Aug-23	N/A	0	0	0	12	0	0	0	3	0	100%	Closed	Aug-23
Mar-23	Training of RDS Personnel	PC	Mar-23	Aug-23	31	Aug-23	N/A	0	0	0	27	0	0	0	4	0	100%	Closed	Sep-23

HMFSI Inspection Forecast

Expected	Title	Type
2023-24	West Service Delivery Area (WSDA) - audit ongoing	SDA
2024-25	North Service Delivery Area (NSDA)	SDA

HMFSI Possible Areas of Interest as outlined within the 2023-25 Inspection Plan

Expected	Title	Type
TBC	SFRS Planning and preparedness for a response to Marauding Terrorist Attack	Focused
TBC	The state of provision of specialist resources (appliances, equipment and staff inc. training)	Focused
TBC	Recognising and embedding organisational learning	Focused
TBC	National resilience assets - provision, location, skills and usage	Focused
TBC	Fire cover - distribution, modelling and standards	Focused
TBC	HR/Workforce planning - recruitment, attrition, diversity, skills (all duty systems); support to LSO areas	Focused
TBC	Administration and use of technology	Focused
TBC	Operations Control	Focused
TBC	RVDS Duty System	Focused



Report No: C/ARAC/04-24

Agenda Item: 9.1

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE							
Meeting Date:	18 JANUARY 2024							
Report Title:	EXTERNAL AUDIT – AUDIT DIMENSIONS AND BEST VALUE REPORT & ANNUAL REPORTS 21 & 22							
Report Classification:	For Scrutiny	<b>SFRS Board/Committee Meetings ONLY</b> For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>						
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>
<b>1</b>	<b>Purpose</b>							
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with a progress report on the Deloitte Audit Dimensions and Best Value Report for year ending 31 March 2021 and the Annual Report and Accounts Audit for 2020/21 and 2021/22.							
<b>2</b>	<b>Background</b>							
2.1	Deloitte, as External Auditors to Scottish Fire and Rescue Service (SFRS), undertook an Audit Dimensions and Best Value review for year ended 31 March 2022, with the Follow Up report issued on 19 January 23. The report is designed to help the Audit Committee and the SFRS Board discharge their governance duties on the following areas: <ul style="list-style-type: none"> <li>• Financial Management</li> <li>• Financial sustainability</li> <li>• Governance and transparency</li> <li>• Value for money; and</li> <li>• Best Value</li> </ul>							
2.2	The report was provided to SFRS as part of their overall 2021/22 audit responsibilities and provided to ARAC at a private meeting on 19 January 2022. The final report contained 28 recommendations for improvement, with 18 actions now agreed as complete and work continuing on the remaining 10. Responsible Owners continue to provide management responses for each recommendation with initial feedback now being received from Audit Scotland, which is outlined within Appendix A.							
2.3	Separately Deloitte undertook the 2020/21 and 2021/22 Annual Report and Accounts audit, resulting in a number of recommendations being identified. An action plan has been developed for each year to monitor the Services agreed responses and Audit Scotland and will review progress. These are attached as Appendix B (2020/21) and Appendix C (2021/22).							
<b>3</b>	<b>Main Report/Detail</b>							
3.1	<b>Audit Dimensions and Best Value review</b>							
3.1.1	The Audit and Risk Assurance Committee received a copy of the reporting framework and updates at previous meetings with further updates provided to the Good Governance Board. Appendix A to this report now details progress made as at 21 November 2023.							

3.1.2	<p>Progress by Audit Dimension as detailed in Appendix A:</p> <ul style="list-style-type: none"> <li>• Financial Management (89% complete)</li> <li>• Financial Sustainability (50% complete)</li> <li>• Governance &amp; Transparency (100% complete)</li> <li>• Value for Money (40% complete)</li> </ul>
3.1.3	<p>In October 2023, Audit Scotland reviewed the outstanding recommendations and aligned management responses and issued comment in a report to ARAC. Audit Scotland's comments have been included within Appendix A and were passed to responsible officers for consideration.</p>
3.1.4	<p>Where an action was considered complete by the Responsible Officer and Audit Scotland have now agreed this position, the * has been removed and marked Blue within the Appendix A Dashboard.</p>
3.1.5	<p>Since Audit Scotland's review in October 2023, any action that has now been considered complete by the Responsible Officer, with supporting evidence provided, will be marked Blue* within the Appendix A Dashboard as these are still subject to review by the external auditor. Action 2.8 has a requested new date of 30 June 2024 to align with the improvement plan work on the SAMP for property and the risk based report.</p>
3.1.6	<p>Following review by Audit Scotland a further three actions, previously classed as complete, now require further evidence to be supplied before they can be closed:</p> <ul style="list-style-type: none"> <li>• Actions 2.5 and 2.11. Audit Scotland to undertake further review before confirming additional information required.</li> <li>• Action 4.3. Audit Scotland have requested further information to support closure. This has been discussed with Directorate with further information still to be received.</li> </ul>
3.1.7	<p>The Verification Team will continue to engage with relevant action owners to update the monitoring plan and with Audit Scotland to identify any additional evidence still required to allow actions to be closed.</p>
3.1.8	<p>Following changes within the Finance and Contractual Service management structure the Director of Finance and Contractual Services will reassign ownership of the actions and ensure progress continues throughout the transition period.</p>
3.2	<p><b>Annual Report and Accounts</b></p>
3.2.1	<p>Deloitte undertook an annual audit of the Annual Report and Accounts, with their final report for the 2020/21 audit identifying 8 internal control recommendations.</p>
3.2.2	<p>Appendix B details agreed management actions and progress made against each. Following review of these actions Deloitte's deemed 3 of these as remaining open and provided comment. Since then, 2 of these actions have been identified as complete by the Responsible Officer with supporting evidence provided for review. These actions have been marked Blue* within the Appendix B Dashboard and Audit Scotland have still to confirm whether they are happy that these are marked as complete.</p>
3.2.3	<p>Deloitte undertook an annual audit of the Annual Report and Accounts, with their final report for the 2021/22 audit identifying 14 internal control recommendations.</p>
3.2.4	<p>Appendix C contains the related Dashboard along with agreed management actions and progress made against each. Two of these actions have been identified by the Responsible Officer as complete with supporting evidence provided for review. These</p>



	actions have been marked Blue* within the Appendix C Dashboard and Audit Scotland have still to confirm whether they are happy that these are marked as complete.
<b>4</b>	<b>Recommendation</b>
4.1	The Audit and Risk Assurance Committee is asked to scrutinise progress against the External Audit recommendations.
<b>5</b>	<b>Key Strategic Implications</b>
<b>5.1</b>	<b>Risk</b>
5.1.1	The report identifies progress against the Audit Dimensions and Best Value Report undertaken by External Audit. Risks associated with the report are aligned to those identified by External Audit within their final report
<b>5.2</b>	<b>Financial</b>
5.2.1	The report identifies progress against the Audit Dimensions and Best Value Report undertaken by External Audit. Financial implications associated with the report are aligned to those identified within the final report and actions taken by responsible officers to manage identified risks.
<b>5.3</b>	<b>Environmental &amp; Sustainability</b>
5.3.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.4</b>	<b>Workforce</b>
5.4.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.5</b>	<b>Health &amp; Safety</b>
5.5.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.6</b>	<b>Health &amp; Wellbeing</b>
5.6.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.7</b>	<b>Training</b>
5.7.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.8</b>	<b>Timing</b>
5.8.1	The report is provided to the Good Governance Board to ensure any relevant information can be presented to the Audit and Risk Assurance Committee on a quarterly basis.
<b>5.9</b>	<b>Performance</b>
5.9.1	The report provides information on agreed management actions arising from External Audit's report. The management responses are agreed by External Audit and the Board with ongoing reports used to monitor performance.
<b>5.10</b>	<b>Communications &amp; Engagement</b>
5.10.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.11</b>	<b>Legal</b>
5.11.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>5.12</b>	<b>Information Governance</b>
5.12.1	DPIA completed - No. The report provides a summary of information and actions to be taken by Directorates, and named individuals, to manage any significant risk identified. The responsible Directorate will ensure that any relevant DPIA is completed as required.

5.13 5.13.1	<b>Equalities</b> EHRIA completed - No. Where an equalities assessment is required, this will be determined by the responsible Directorate and progressed accordingly.
5.14 5.14.1	<b>Service Delivery</b> Any implications arising from the report will be managed by the relevant Directorate.
<b>6</b>	<b>Core Brief</b>
6.1	Not applicable
<b>7</b>	<b>Assurance (SFRS Board/Committee Meetings ONLY)</b>
7.1	<b>Director:</b> Sarah O'Donnell, Director of Finance and Contractual Services
7.2	<p><b>Level of Assurance: (Mark as appropriate)</b> <del>Substantial</del>/Reasonable/Limited/Insufficient</p> <p>Deloitte provided the following commentary:</p> <p><u>Financial Management</u> The Service continues to have strong financial management processes in place which it has strengthened in the year by more transparent reporting particularly around savings / asset backlogs.</p> <p><u>Financial Sustainability</u> The Service has achieved short-term financial balance in 2021/22. The Service is faced with significant legacy issues with regards to capital investment, which is reported throughout the Service and there is recognition of this fact. The Service has refreshed its Risk Based Capital Investment Strategy in the current period and recognises that this needs to be continually refreshed in line with its strategy and the future revision of its Medium-Term Financial Plan and Long-Term Financial Strategy.</p> <p><u>Governance and transparency</u> The Service continues to have strong leadership in place. The Board has seen changes in the current year, which were predominantly in line with individuals terms and expected retirements. We are pleased to note that the Board no longer holds closed sessions and provides recording of meetings online for the public. We recommend that with the continued relaxation of restrictions that the Service reviews whether the meetings could become fully accessible in future.</p> <p><u>Value for money</u> The Service continues to have a clear Performance Management Framework in place. We understand that the Service is refreshing its Performance Management Framework and considering the benchmarking and trend data that the Service will use for reporting as part of this refresh.</p> <p><u>Best value</u> The Service has sufficient arrangements in place to secure Best Value with a focus on continuous improvement, although there is room for improvement in the Service's internal process for identifying areas for improvement and implementing the necessary changes.</p>

7.3	<b>Rationale:</b>	The report is based upon work undertaken by Deloitte as external auditors to SFRS and management responses reviewed by external audit and agreed by the Service. Audit Scotland are now in the process of reviewing the information with further feedback still to be received. I have confidence that the information is correctly reported based upon these returns.
<b>8</b>	<b>Appendices/Further Reading</b>	
8.1	Appendix A – External Audit Wider Scope Dashboard	
8.2	Appendix B – External Audit Annual Report 2021	
8.3	Appendix C – External Audit Annual Report 2022	
<b>Prepared by:</b>		David Johnston, Risk and Audit Manager
<b>Sponsored by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Presented by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Links to Strategy and Corporate Values</b>		
External Audit forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:		
<b>Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.</b>		
<ul style="list-style-type: none"> <li>Objective 5.1: Remaining open and transparent in how we make decisions.</li> <li>Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.</li> </ul>		
<b>Governance Route for Report</b>		<b>Meeting Date</b>
<i>Audit and Risk Assurance Committee</i>		<i>18 January 2024</i>
		<b>Report Classification/ Comments</b>
		<i>For Scrutiny</i>

APPENDIX A

EXTERNAL AUDIT DIMENSIONS & BEST VALUE REPORT - Dashboard

STATUS KEY				
GREEN	AMBER	RED	WHITE	BLUE
On Target	Sight Delay	Major Delay	Not Started	Complete

\* Marked Complete subject to confirmation from External Audit

FINANCIAL MANAGEMENT

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1.1	Acting Director of Finance & Procurement	HIGH	31/03/2022	28/02/2023	24.03.2023	-	-	✓	-	100%	BLUE
1.2	Acting Director of Finance & Procurement	HIGH	31/03/2022	-	13.09.2022	-	-	✓	-	100%	BLUE
1.3	Acting Director of Finance & Procurement	HIGH	31/03/2023	31/03/2024	24.03.2023	-	✓	-	-	10%	GREEN
1.4	Acting Director of Finance & Procurement	MEDIUM	31/03/2023	-	24.03.2023	-	-	✓	-	100%	BLUE
1.5	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	30/06/2022	13.09.2022	-	-	✓	-	100%	BLUE
1.6	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	31/03/2023	24.03.2023	-	-	✓	-	100%	BLUE
1.7	Acting Director of Finance & Procurement	MEDIUM	n/a	n/a	n/a	n/a	n/a	n/a	✓	n/a	BLUE
1.8	Acting Head of Finance & Procurement	MEDIUM	30/09/2022	-	19.05.2022	-	-	✓	-	100%	BLUE
1.9	Chair of ARAC	MEDIUM	31/03/2022	-	16.03.2022	-	-	✓	-	100%	BLUE

FINANCIAL SUSTAINABILITY

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
2.1	Acting Director of Asset Management	HIGH	31/03/2022	31/03/2023	03.04.2023	-	-	✓	-	100%	BLUE
2.2	Acting Director of Asset Management	HIGH	31/03/2022	30/06/2024	19.11.2023	-	✓	-	-	65%	GREEN
2.3	Acting Director of Finance & Procurement	HIGH	31/03/2023	31/03/2024	24.03.2023	-	✓	-	-	10%	GREEN
2.4	Acting Director of Finance & Procurement	HIGH	31/03/2023	-	27.05.2022	-	-	✓	-	100%	BLUE
2.5	Director of People (formerly Director of People & Organisational Development)	HIGH	31/12/2022	30/09/2023	14.11.2023	-	✓	-	-	100%	AMBER
2.6	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	31/03/2023	24.03.2023	-	-	✓	-	100%	BLUE
2.7	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	-	08.03.2022	-	-	✓	-	100%	BLUE
2.8	Acting Director of Asset Management	MEDIUM	31/03/2022	30/06/2024	19.11.2023	-	✓	-	-	65%	GREEN
2.9	Acting Director of Asset Management	MEDIUM	31/03/2022	31/05/2022	20.01.2023	-	-	✓	-	100%	BLUE
2.10	Director of Training, Safety & Assurance	MEDIUM	31/03/2022	18/10/2023	14.11.2023	-	-	✓	-	100%	BLUE*
2.11	Director of People (formerly Director of People & Organisational Development)	MEDIUM	31/03/2022	31/03/2023	14.11.2023	-	✓	-	-	100%	AMBER
2.12	Director of People (formerly Director of People & Organisational Development)	MEDIUM	31/03/2023	-	19.05.2023	-	-	✓	-	100%	BLUE

GOVERNANCE & TRANSPARENCY

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
3.1	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	-	08.03.2022	-	-	✓	-	100%	BLUE
3.2	Director of Strategic Planning, Performance & Communications	HIGH	31/08/2021	n/a	05.01.2022	n/a	n/a	✓	n/a	100%	BLUE

VALUE FOR MONEY

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
4.1	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	31/01/2023	17.11.2023	-	-	✓	-	100%	BLUE*
4.2	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	31/03/2023	18.05.2023	-	-	✓	-	100%	BLUE
4.3	Director of Service Development	HIGH	31/03/2022	30/06/2023	16.11.2023	-	-	✓	-	100%	AMBER
4.4	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	-	26.05.2022	-	-	✓	-	100%	BLUE
4.5	Director of People (formerly Director of People & Organisational Development)	MEDIUM	31/12/2022	31/03/2024	21.11.2023	-	✓	-	-	90%	GREEN

FOLLOW PREVIOUS YEARS ACTIONS

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1	Director of Finance & Contractual Services	MEDIUM	31/03/2021	31/03/2023	24.03.2023	-	-	✓	-	100%	BLUE

## Outstanding Actions

STATUS KEY	
GREEN	On Target to complete within agreed date
AMBER	Slight delay but evidence of progress
RED	Major delay or No evidence of progress
BLUE	Action Completed

\* Marked Complete subject to confirmation from External Audit

EXTERNAL AUDIT DIMENSIONS & BEST VALUE REPORT – FINANCIAL MANAGEMENT		Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
				H	M	L	H	M	L	H	M	L
		9	89%	2	5	0	1	0	0	0	1	0
Rec No.	Financial Reporting	The annual budget should provide a high-level summary of how resources are allocated against the Service's outcomes, to enable the Board to challenge whether resources are appropriately allocated and sufficiently targeted to address areas of poor performance.		Action Date Due	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status				
1.3	Responsible Owner Agreed Response Acting Director of Finance & Procurement	SFRS agree with this recommendation and will seek to engage with the Board on the presentation of the budget to demonstrate how resources are allocated to outcomes to aid scrutiny.		31/03/2023	31/03/2024	HIGH	10%	GREEN				
Progress to Update		Discussion with Audit Scotland on action. Auditors have confirmed there are no examples to follow. Audit Scotland have suggested a revised action (s) 1) That SFRS present regular resource monitoring to the Board that includes Actual V Budget spend by Directorate to enable greater scrutiny of financial information and linkage to outcomes 2) That SFRS considers developing financial reporting against a single outcome being Climate Change. This would facilitate learning and also provide information to support Scottish Government's objectives of net zero.										
Outstanding actions to close the recommendation		The above actions will now be progressed. Audit Scotland will consider this update for ARAC on 5 <sup>th</sup> October 2023										
External Audit Comments – October 2023		We understand that Home Fire Safety Visits will be considered rather than climate change as a budget area on which to develop an approach for allocating costs to outcomes. Audit Scotland will continue to work with finance on this project. As action is not yet complete, we have no further comment at this time.										

EXTERNAL AUDIT DIMENSIONS & BEST VALUE REPORT – FINANCIAL SUSTAINABILITY		Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
				H	M	L	H	M	L	H	M	L
		12	50%	2	4	0	3	3	0	0	0	0
Rec No. 2.2	<b>Capital Planning &amp; Asset Management</b> Instead of reporting against a single 'backlog' figure, the Service should differentiate between required capital investment to transition from the current asset base to the required asset base, and actual maintenance/repair/replacement backlogs, to enable appropriate assessment of the risk of asset failure and the impact of delayed capital investment on service delivery.	Target Due	3rd Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response <b>Acting Director of Asset Management</b>	As part of the work for the new Asset Strategy documents for Fleet, Property and Equipment, a detailed examination of current maintenance backlog figures will be undertaken. The intention will be to differentiate the backlog figure between required capital investment to transition from the current asset base to the required asset base, as well as to highlight actual maintenance/ repair/ replacement backlogs.	31/03/2022	30/06/2024	HIGH	65%	GREEN					
Progress to Update		Work on an updated document detailing a 10-year risk-based approach to the Capital Programme for Property, Fleet and Equipment is now complete and will be presented to the Board in February 2024.										
Outstanding actions to close the recommendation		A formal reporting document will be produced for submission to Scottish Government; although it is recognised that this will have to be revisited at a future date to align the strategy with the outcomes from the SDMP process.										
External Audit Comments – October 2023		As the agreed action is not yet complete, external audit has not commented at this time.										
Rec No. 2.3	<b>Medium-to-Long Term Financial Planning</b> The LTFS should be revised to demonstrate how the Service plans to allocate resources against outcomes over the length of the Strategy. Alternatively, the MTFM could be revised to serve this purpose.	Action Date Due	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Agreed. As indicated at 1.3 the Service will review the LTFS and will include how the service applies budget resources to outcomes.	31/03/2023	31/3/2024	HIGH	10%	GREEN					
Progress to Update		Audit Scotland have confirmed there are no examples to follow. The revised action will be to consider how SFRS could present Directorate information over MTFM to enable greater scrutiny by Board. In addition, in developing the LTFS considers budget allocation on a single outcome being climate change.										
Outstanding actions to close the recommendation		Development of the LTFS based on discussions with Audit Scotland and review in October 2023										
External Audit Comments – October 2023		As the agreed action is not yet complete, external audit has not commented at this time.										
Rec No. 2.5	<b>Workforce Planning</b> Subject to ongoing work on the vision for the future, the Workforce and Strategic Resourcing Plan needs to be reviewed to clearly set out how it is aligned to the Strategic Plan, LTFS, and other key strategic documents – including any successor to the Transformation Programme.	Action Date Due	2nd Agreed Revised Date	Priority	% Complete	Status						

	<p>Responsible Owner Agreed Response</p> <p><b>Director of People</b> (formerly Director of People and Organisational Development)</p>	<p>Agreed. The Service will ensure that this is achieved via the Strategic Workforce &amp; Resourcing Plan (WFP) which is already commissioned by the POD Workforce Planning and Resourcing Team with an expected publish date of Q4 2021/22. This document is developed in line with the aims of the SFRS Strategic Plan, the Future Vision, AOP, and any other relevant future plans via focus groups which assess the key data and ensure it is integrated into the WFP. The plan is organic in nature and is adjusted in accordance with any change factors identified via the aforementioned Forums and will align in the same way with any future strategic plans. These are scrutinised and approved via through a chain of governance from POD DMT through to the SFRS Board and any challenges, risks and mitigations are identified in the relevant Risk Registers.</p>	31/12/2022	30.09.2023	HIGH	100%	AMBER
Progress to Update	<p>Work continues on the Strategic Resourcing approach, including modelling scenarios based on available data related to the Pensions Remedy. These impacts are dynamic due to factors such as recent changes to Pensions entitlement including increased commutation factors, implementation of legislation relating to the Deferred Choice Underpin in October 2023 and Average Weekly Earnings amendments.</p> <p>Additionally, workforce planning models are adapted to take account of organisational change delivered via the Strategic Service Review Programme which has led to interim and permanent changes to the Wholetime Uniformed Target Operating Model, the potential impact at Flexi Duty Officer level of increased forecast leavers of “in scope” personnel and the transition to the new structure of the People Directorate.</p> <p>A detailed Workforce Planning update is provided to the SLT on a monthly basis to enable agile, data based decision making.</p>						
Outstanding actions to close the recommendation	<p>Awaiting to have discussion with the auditors to understand what their specific requirements are around more evidence required.</p> <p>Revised date and % would follow after this discussion.</p>						
External Audit Comments – October 2023	<p>The agreed action is seeking linkages between the Workforce and Strategic Resourcing Plan and the service’s long term plans. We have sighted evidence which provides a flavour of the range of activity being undertaken to plan for the future. At this stage in the audit process, we do not have a sufficient enough understanding of the wider workforce planning landscape to be conclude on the action. Further audit review to be undertaken.</p>						
Rec No. 2.8	<p><b>Capital Planning &amp; Asset Management</b></p> <p>The Service should ensure that the Capital Programme is linked to the LTFS, AMS and Resource Budget, setting out how the Capital Programme progresses these and the anticipated consequences of the capital investment decisions on the resource budget over the period.</p>		Action Date Due	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status
	<p>Responsible Owner Agreed Response</p> <p><b>Acting Director of Asset Management</b></p>	<p>Agreed. The Service recognises that capital funding received is less than required to fully address the asset backlog from legacy services. SFRS has worked with Scottish Government to secure additional funding where possible and has agreed to share premises at 51 stations with other public sector organisations including police and ambulance service. SFRS has applied for funding to support decarbonisation of its activities and this includes fleet and property which will partially support addressing our asset backlog. SFRS will continue to work with Scottish Government to seek additional funding where this is available. Within this context, the Service will update the LTFS, based on the revised AMS and highlight the impacts on the resource budget.</p>	31/03/2022	30.06.2024	MEDIUM	65%	GREEN
Progress to Update	<p>The Asset Management and Finance Departments are developing a new report, which will be presented on an annual basis. The report will show how the Capital Programme is linked to the LTFS and the Strategic Asset Management Plan document for Property, which is scheduled for completion on 31st March 2023.</p> <p>This report will further detail how delivery of the Capital Programme progresses the LTFS and the AMS, whilst also showing the consequences of the capital investment decisions on the resource budget over the year.</p>						
Outstanding actions to close the recommendation	<p>Staff from the Asset Management and Finance Departments will continue to meet to develop the format of the new report based on the Strategic Asset Management Plan (SAMP) for Property and the risk-based approach to the Capital Programme Report. Request to move the completion date for this action to <b>30<sup>th</sup> June 2024</b> to tie in with improvement plan work on the SAMP for Property and the Risk Based Report.</p>						
External Audit Comments – October 2023	<p>As the agreed action is not yet complete, external audit has not commented at this time.</p>						

Rec No. <b>2.10</b>	<b>Workforce Planning</b> The Training Strategy should be clearly linked to the Strategic Plan and the Workforce and Strategic Resourcing Plan, including measurable actions and targets	Action Date Due	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Director of Training, Safety and Assurance</b>	The foreword of the Training Strategy specifically mentions the following “The Training Strategy supports the intended outcomes of the SFRS Strategic Plan 2019-22, the findings of the Training and Employee Development (TED) Review and compliments the People and Organisational Development (POD) Directorate plans”. With regards measurable actions and targets, 7 priorities (Actions) are identified with dates identified as quarters across a number of years. Recovery plans are now in place and they also support the delivery of the strategy with dates and targets. Within the Training Function the Continuous Improvement Plan Actions and Targets are set with dates and support the delivery of the Strategy. In recognising the comments made, the strategy will be reviewed to strengthen the link to the POD Resourcing Plans.	31/03/2022	18.10.2023	MEDIUM	100%
Progress to Update		Having completed all stakeholder engagement and scrutiny through executives and non-executive meetings, our finalised/design version of our Training Vision & Strategy was presented to SLT and approved on the 8 <sup>th</sup> November 2023. This will now be published.				
Outstanding actions to close the recommendation						
External Audit Comments – October 2023		As the agreed action is not yet complete, external audit has not commented at this time.				
Rec No. <b>2.11</b>	<b>Workforce Planning</b> Progress on implementing the Workforce and Strategic Resourcing Plan should be considered on a periodic basis the relevant committee or the Board, to ensure that there are effective targets in place and to assess performance against them.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Director of People</b> (formerly Director of People and Organisational Development)	Agreed. This will be done via the People Board and People Committee which will agree targets and monitor progress against them.	31/03/2022	31/03/2023	MEDIUM	100%
Progress to Update		Ongoing workforce planning and resourcing activity is maintained as Business as Usual with resilient recruitment and promotional Holding Pools in place. Ongoing engagement and reporting within SFRS governance maintains oversight on current landscape and horizon scans for future risk. The refreshed Strategic Resourcing plan, once agreed, will be progressed via appropriate governance routes and a monthly report is produced for the Senior Leadership Team to ensure organisational awareness of any resourcing related risks.				
Outstanding actions to close the recommendation		Finalise our documented approach to Strategic Workforce Planning and progress this through the SFRS governance route. Awaiting to have discussion with the auditors to understand what their specific requirements are around more evidence required. Revised date and % would follow after this discussion.				
External Audit Comments – October 2023		Monthly workforce updates are provided to the Strategic Leadership Team. These cover operational stats e.g. TOM headcount, potential retirement numbers, recruitment, transfers, support staff numbers, and are used to inform forecasting and decision making. Comprehensive workforce management information reports are provided quarterly to the People Committee. At this stage, Audit Scotland have not sighted reports providing progress updates on performance against the plan e.g. no reference to targets etc. More evidence required.				



EXTERNAL AUDIT DIMENSIONS & BEST VALUE REPORT – VALUE FOR MONEY			Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
					H	M	L	H	M	L	H	M	L
			5	40%	2	0	0	2	1	0	0	0	0
Rec No. <b>4.1</b>	<b>Performance Management Framework</b> The Service should report on the process it has undertaken to attempt benchmarking of performance internally, in order to ensure that local areas learn from good practice elsewhere in the Service. This report should identify those areas where effective benchmarking can be carried out and how this will be done going forward, as well as reporting on those areas where effective benchmarking cannot be carried out and why this is the case.		Target Date	2 <sup>nd</sup> Agreed Revised Date		Priority	% Complete	Status					
	Responsible Owner Agreed Response <b>Director of Strategic planning, Performance &amp; Communications</b>	Agreed. As part of the annual review of the Performance Management Framework (PMF) an annual performance report detailing trends in performance including relevant benchmarking data from Services elsewhere in the UK will be produced for the Board. The Business Intelligence and Data Services Team continues to support the Service Delivery Directorate on internal benchmarking and sharing of improvement practices across the Service. The development of performance monitoring across the service will be reported to Good Governance Board. This will include reporting on benchmarking of internal performance.	31/03/2022	31/03/2023		HIGH	100%	BLUE*					
Progress to Update			The PMF reports on indicators which affect 'Scotland' and at present there is no national standards to benchmark selected indicators against. SFRS official statistics published each year does provide a 'Great Britain' comparison for fires, types of fire and resulting casualties but not for 'organisational' statistics. For local area consideration, work is still on-going through the NFCC to redesign EFRS family groups. Once complete this will allow SFRS to compare Local Senior Officer (LSO) areas to EFRS of similar geodemographic structure. The timescale for SFRS cannot be determined until conclusion of NFCC work (unknown). Reporting solutions (dashboards) have been rolled out to Service Delivery at a management level (Continuous Improvement Forums (CIF)) and in local solutions for LSO areas. This has been done using Power BI. These provide the means for localised comparison of operational activity and for some community safety engagement such as Home Fire Safety Visits. Improvements in all aspects of data management is required in order to broaden local comparisons to organisational data which is now a focus of the Data Governance Group. There is no update on Fire Service family groupings from NFCC. Engagement is still on-going with Heads of Function to identify which key indicators within their area of business can be built to demonstrate success towards the Strategic Plan. The draft PMF in that respect is delayed but planned steps have been revised aiming to have document with SMB on the 15 <sup>th</sup> February and still presented to the Board on the 31 <sup>st</sup> March										
Outstanding actions to close the recommendation			Action has been marked as 100% complete as we have identified how local areas can consider operational performance across other areas. This is done to suit their management arrangements where the 'good practice' can be shared in settings such as CIF. It is possible for commanders within Service Delivery to benchmark across all areas of Scotland now. We also have benchmarking published within the official stats publications. Regional performance is also published within our organisational performance material. This is all inter-Scotland benchmarking, but this was very much our starting point, and are planning on introducing UK benchmarking from Q1 24-25. This will make use of the CIPFA fire services benchmarking tool which the service has agreed to purchase. This tool is used by the majority of other UK FRS services and by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). This tool will show how SFRS compares to all other UK FRS against a range of indicators. (It won't be perfect, but it will be standard). Also discussed, is a desire to undertake international comparison activity and we about to commence some initial international benchmarking with Fire Emergency New Zealand (FENZ).										
External Audit Comments – October 2023			The revised Performance Management Framework was approved by the Board in April 2023. This contains an approved suite of performance indicators which will be regularly monitored. Internally, a 'dashboard' has been developed using software called PowerBi which will enable the performance of different parts of the service to be compared and to drill down to different levels of the service. While tools are in place, more evidence of benchmarking and improvement is required.										
Rec No. <b>4.3</b>	<b>Performance Management Framework</b> Consideration should be given to the development of a systematic programme of operational self-assessment to demonstrate the Service's commitment to continuous improvement.		Action Date Due	2 <sup>nd</sup> Revised Date		Priority	% Complete	Status					
	Responsible Owner Agreed Response <b>Director of Service Development</b>	Agreed. SFRS does not have at this time a specific forward-looking plan for service improvement. The service improvement team work proactively with Directorates to support Service Improvement across the Service to ensure appropriate methodologies are being used and good practice applied. A Service Improvement Framework to ensure the systematic approach to continuous improvement will be developed to demonstrate the commitment to	31/03/2022	30/06/2023		HIGH	100%	AMBER					

		continuous improvement across the service. That is to say, we do not have a defined framework in place today that has a specific and structured approach to Self-Assessment required to assess SFRS wide performance and for the identification of service wide improvements. The Deloitte finding is specific to operational self-assessment. SFRS do align to and train our internal employees on the use of the Public Service Improvement Framework (PSIF) designed by NHS National Education for Scotland (NES) for continuous improvement and are currently going through a 2 <sup>nd</sup> cohort of training delivered by NHS. However, the Embedding of those skills, practices and frameworks that allow for self-assessment and continued improvement across SFRS that is seen as sustainable would be our next maturity step. In addition, the forward-looking objective has to be how we integrate self-assessment into our existing planning and review frameworks, along with how we introduce a process of identification and prioritisation of improvement to ensure we align organisation resources appropriately. Lastly, we need to consider how we might bring transparency and visibility to the results of these assessments and share widely within the organisation and highlight agreed actions resulting from it. The target date set across for this recommendation is for the development of the relevant framework, with adopting and embedding across the Service expected to occur beyond this date.					
Progress to Update		We have concluded our consideration of a systematic programme of operational self-assessment to demonstrate the Service's commitment to continuous improvement. This involved selecting a methodology, the European Foundation for Quality Management (EFQM), training key staff in this, developing a test of change, and implementing this test of change within the D&G LSO Area. Local Areas for Improvement and expansion of strengths have been prioritized and embedded in the local improvement plan, whilst national findings are being given consideration in support of prioritization within the Strategic Service Review. The Test of Change on EFQM Self-Assessment will now not go to CPIG, but is being included into Corporate Services Review of SSRP.					
Outstanding actions to close the recommendation		Supporting evidence to be forwarded by responsible owner					
External Audit Comments – October 2023		Supporting evidence demonstrating completed actions has yet to be provided by the service. No further comment at this point.					
Rec No. 4.5	<b>Equalities</b> Annual reporting on equality outcomes should provide reporting against targets (where they exist) and summarised trend data to demonstrate where inequalities are being reduced and where further work is required.	Action Date Due	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status	
	Responsible Owner Agreed Response <b>Director of People</b> (formerly Director of People and Organisational Development)	Agreed. This will be collated throughout the year and summarised for the Annual Report.	31/12/2022	31/03/2024	MEDIUM	90%	GREEN
Progress to Update		A Mainstreaming Report for 2022-23 was published in April 2023. The Equality Partnership Group has been reconvened with a series of meetings scheduled for 2023/24. Further support in gathering information on progression of the Equality Outcomes is being provided by the introduction of the Strategic People Partner role providing closer working relationships between the People Directorate functions and senior management across SFRS.					
Outstanding actions to close the recommendation		Evidence on progress against the Equality Outcomes is being progressed principally through the Equality Partnership Group and the EDI business partnership route and will form the basis of a published report in April 2024, with governance taking place in Q4 of 2023/24. This will provide evidence of three successive annual reports and allow this action to be closed. The Mainstreaming Report for April 2024 is being prepared during Q3 2023/24 with contributions from across SFRS.					
External Audit Comments – October 2023		As the agreed action is not yet complete, external audit has not commented at this time.					

APPENDIX B

STATUS KEY				
GREEN	AMBER	RED	WHITE	BLUE
On Target	Sight Delay	Major Delay	Not Started	Complete

**EXTERNAL AUDIT REPORT dated 15 December 2021 – OTHER SIGNIFICANT FINDINGS – INTERNAL CONTROLS**

Dashboard

\* Marked Complete subject to confirmation from Deloitte

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1	Acting Director of Finance & Procurement	HIGH	31/06/2022	-	30.05.2022	-	-	✓	-	100%	BLUE
2	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	31.01.2023	14.03.2023	-	-	✓	-	100%	BLUE*
3	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	31.08.2022	-	-	✓	-	100%	BLUE
4	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	31.08.2022	-	-	✓	-	100%	BLUE*
5	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	30.05.2022	-	-	✓	-	100%	BLUE
6	Acting Director of Finance & Procurement	LOW	31/12/2021	-	21.02.2022	-	-	✓	-	100%	BLUE
7	Acting Director of Finance & Procurement	LOW	31/10/2023	31.10.2024	02.10.2023	-	✓	-	-	25%	GREEN
8	Acting Director of Finance & Procurement	LOW	31/10/2022	-	30.05.2022	-	-	✓	-	100%	BLUE

EXTERNAL AUDIT FINAL ISA260 SFRS 2021 REPORT dated 15 December 2021 – OTHER SIGNIFICANT FINDINGS – INTERNAL CONTROL		Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
				H	M	L	H	M	L	H	M	L
		8	88%	1	4	2	0	0	1	0	0	0
Rec No.	Management Review	Target Date	2nd Agreed Revised Date	Priority	% Complete	Status						
2	We have identified a number of required adjustments to the disclosures included within the Annual Report and Accounts during our audit. In future years, we would encourage the Service to further enhance their existing processes in reviewing the Annual Report and Accounts before submitting the draft Annual Report and Accounts for audit, to minimize the number of required changes											
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	SFRS will enhance the peer review process to include the disclosure checklist and improve the overall quality of the Annual Report and Accounts	31/10/2022	31/01/2023	MEDIUM	100%	BLUE*					
Progress to Update		Review of checklist is included in the year end process. Checklists have been received from Deloitte and will be used to review the Draft Annual Report and Accounts. Checklists will be reviewed for changes and incorporated in final document. Reviews took place and adjustments made. The only outstanding task is to complete and sign the Annual Report of Accounts. The original date was based on the date of signing being 27 October 2022. This was delayed and took place on 26 January 2023.										
Outstanding actions to close the recommendation		Action considered to be closed. Review of the FR&M checklist to ensure changes are incorporated and carry out peer review is part of the year end process.										
External Audit Comments as per 2021/22 Update - 23/01/23		During 2021/22 we have identified some required changes as part of the initial draft that was provided to audit, however, these were not of the same scale as in prior year. We consider this action still open.										
Rec No.	Holiday Pay Accrual Calculation	Action Date Due	Agreed Revised Date	Priority	% Complete	Status						
4	From our work in respect of the holiday pay accrual, we understand that one individual is responsible for the preparation of the holiday pay accrual. Management should look to plan for the future and ensure that within the wider team there are people who are able to cover this role to add greater resilience to the preparation of key working papers.											
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	The long-term aim is to automate this process within our HR/Finance systems. The Decision Support Manager will work with the Finance Business Partner to increase resilience for this task going forward.	31/10/2022	n/a	MEDIUM	100%	BLUE*					
Progress to Update		The balance has been reviewed by management and is no longer considered necessary and has therefore been removed.										
Outstanding actions to close the recommendation												
External Audit Comments as per 2021/22 Update - 23/01/23		We have identified similar issues in the current period and consider this action to remain open										

Rec No.	<b>Impairment Review</b> Non-current assets that are not subject to the formal revaluation review in the year should be reviewed for impairment indicators. As part of the year-end financial reporting process this should be documented in a management paper clearly setting out the process and discussions that have taken place. This should address impairment indicators for each asset class i.e. Vehicles, ICT Equipment, Operational Equipment.	Action Date Due	1 <sup>st</sup> Agreed Revised Date	Priority	% Complete	Status	
7	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	The SFRS will carry out an annual review for different categories of assets to take into account potential changes in value.	31/10/2023	31.10.2024	LOW	25%	GREEN
Progress to Update	Impairment reviews have been carried out in previous years on Ops Equipment and Heritage Assets. Reviews of ICT completed. A review of Vehicles has started and will be carried out over the next 2 financial years. Properties are reviewed for revaluation purposes at least once every 2 years and are therefore considered for impairment at that point. ICT and Intangible Assets reviews completed and adjusted where necessary.						
Outstanding actions to close the recommendation	An impairment review of vehicles is required to complete the action. This was planned as part of the year end processes for 2022/23, however additional work involved in implementing IFRS 16 Leases has led to this work being delayed. Change date to 31 October 2024 in line with expected completion of audit and approval of Accounts for sign-off.						
External Audit Comments as per 2021/22 Update - 23/01/23	From our work, we have identified that management have not completed this action and we consider it open in the current period.						

## APPENDIX C

STATUS KEY				
GREEN	AMBER	RED	WHITE	BLUE
On Target	Sight Delay	Major Delay	Not Started	Complete

### EXTERNAL AUDIT FINAL ISA260 SFRS 2022 REPORT dated 23 January 2023 – OTHER SIGNIFICANT FINDINGS – INTERNAL CONTROLS

#### Dashboard

\* Marked Complete subject to confirmation from External Audit

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1	Acting Director of Finance & Procurement	MEDIUM	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
2	Acting Director of Finance & Procurement	LOW	30.04.2023	-	29.05.2023	-	-	✓	-	100%	BLUE*
3	Acting Director of Finance & Procurement	LOW	27.06.2023	-	29.05.2023	-	-	✓	-	100%	BLUE*
4	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
5	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
6	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
7	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
8	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
9	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
10	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
11	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
12	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN
13	Acting Director of Finance & Procurement	LOW	31.12.2024	-	02.10.2023	✓	-	-	-	0%	GREEN
14	Acting Director of Finance & Procurement	LOW	31.12.2023	-	02.10.2023	-	✓	-	-	75%	GREEN

EXTERNAL AUDIT FINAL ISA260 SFRS 2022 REPORT dated 23 January 2023 – OTHER SIGNIFICANT FINDINGS – INTERNAL CONTROL		Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
				H	M	L	H	M	L	H	M	L
		14	14%	0	0	2	0	1	11	0	0	0
Rec No. <b>1</b>	<b>Property, Plant &amp; Equipment</b> Management revalue 50% of their land and buildings annually as part of their revaluation of Property, Plant and Equipment. Accounting standards permit this so long as the valuation of assets not revalued in the year remains materially accurate at the year-end date. We have undertaken a review based on the Build Cost Indices (BCIS) for those assets not revalued in the year and have determined that the valuation is not materially misstated. Management did not perform this assessment themselves, and with the significant movement in the BCIS rates in the current period, driven by the current macroeconomic climate, we recommend that in future periods management perform an assessment of the movement in BCIS and the impact on the assets not valued in the period and provide this assessment to the auditors.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	The SFRS will seek early discussions with auditors to determine expectations relating to revaluation of properties	31/12/2023	n/a	MEDIUM	75%	GREEN					
Progress to Update		A meeting was held with Audit Scotland to discuss requirements. An assessment of any change in valuations for those properties not included in the rolling programme will be included in the overall valuation report.										
Outstanding actions to close the recommendation		Valuations have been carried out and resulting figures incorporated into the Accounts. Draft Annual Accounts have been completed – this action can be closed once audit scrutiny has been passed. This will become business as usual.										
Rec No. <b>2</b>	<b>Management Paper</b> From our work in respect of IFRS 16, Leases, we identified that management do not routinely prepare management accounting papers. Whilst we understand that the Service estimates the impact of IFRS 16 to not be material, it is good practice that where there is a key judgement or new accounting standard, that a management paper is completed and provided to both audit and ARAC.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	We will review our approach to management papers and discuss with the new auditors.	30/4/2023	n/a	LOW	100%	BLUE*					
Progress to Update		SFRS has planned for the introduction of IFRS 16 and reported on this to the ARAC in previous years. The budgetary impact has been included in the Accounting Policies paper for the ARAC meeting on 6 April 2023.										
Outstanding actions to close the recommendation		ARAC to note contents of the Accounting Policies paper on 6 April 2023.										
Rec No. <b>3</b>	<b>National Fraud Initiative</b> As part of our work in respect of the National Fraud Initiative (NFI) we identified that the self-appraisal checklist was not reviewed by ARAC. We recommend that the Key Contact and ARAC should review the self-appraisal checklist as a means of monitoring the body's planning and progress with the NFI exercise going forward.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	The NFI process is treated as business as usual and the outcomes are already reported to the Good Governance Board as well as ARAC. The Service has the responsibility to ensure that the process is carried out while the ARAC has the role to scrutinise the outcomes of the exercise.	27/06/2023	n/a	LOW	100%	BLUE*					

Progress to Update		Information on the NFI process has been reported to the Good Governance Board and to the Audit and Risk Assurance Committee meeting on 27 <sup>th</sup> June 2023. Going forward, the checklist will be shared with the ARAC as part of its preparations for the next exercise starting.				
Outstanding actions to close the recommendation						
Rec No. 4	<b>Prepayments</b> As part of our unrecorded liabilities work we identified that management have received an invoice which is for a future period and have recorded this within the ledger on receipt and recorded Dr Expenditure Cr Accruals. However, they posted Cr Expenditure Dr Prepayments. This results in the residual entries being Dr Prepayments Cr Accruals, which is grossing up the balance sheet. We recommend that management revise their processes to ensure that only items which have been paid and relate to future periods are included within prepayments and only items which have not yet been paid and relate to the current period are included within accruals.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	We will review and update internal processes to ensure accuracy going forward.	31/12/2023	n/a	LOW	75%
Progress to Update		This point was raised as part of year end debrief. Checks were carried out to review prepayments and when payments are made, resulting in a similar occurrence as noted in 21/22. This was corrected.				
Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny. This will become business as usual.				
Rec No. 5	<b>Classification within Trade Payables and Accruals</b> As part of our work in respect of liabilities we have identified classification errors between trade payables and accruals. We recommend that management refresh their processes in respect of the classification between liability categories to ensure that items are correctly classified.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	We commit to review our processes to provide required information.	31/12/2023	n/a	LOW	75%
Progress to Update		This point was raised as part of year end debrief. Balances will be reviewed to consider appropriateness of classification.				
Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny. This will become business as usual.				
Rec No. 6	<b>Provision and accrual classifications</b> As part of our accruals work we identified classification errors in respect of provisions and accruals. We recommend that management refresh their processes in respect of the classification between liability categories to ensure that items are correctly classified.	Target Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	We commit to reviewing categorisation annually based on up to date information.	31/12/2023	n/a	LOW	75%
Progress to Update		Noted in year end debrief.				



Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny. This will become business as usual.				
Rec No. 7	<b>Purchase Order Recording</b> As part of our accruals work we identified that a purchase order (PO) was cancelled when work was no longer required, however, an associated accrual has been recorded incorrectly and this accrual was then not removed. We recommend that management review their processes for the recording of POs and then the impact this has on accruals to ensure that POs are only recorded within expenditure when the work has been completed and that where a PO is cancelled that there is a check to ensure that if there is an associated accrual that this is also reversed.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	We will review and update internal procedures to ensure accuracy going forward.	31/12/2023	n/a	LOW	75%
Progress to Update		Noted in year-end debrief.				
Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny. This will become business as usual.				
Rec No. 8	<b>Assets Held for sale (AHFS)</b> As part of our work in respect of Property, Plant and Equipment we identified that the AHFS net book value was negative, which management have detailed is a result of rounding of the years. Property, Plant and Equipment assets should not be reported at a negative net book value. We recommend that management implement a process which ensures that assets cannot be held at a negative net book value and that there is a system check that ensures that asset values cannot reduce below £0.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	While the values are trivial, we will review and adjust	31/12/2023	n/a	LOW	75%
Progress to Update		Noted in year-end debrief. Adjustment to be made as required.				
Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny.				
Rec No. 9	<b>Loss on disposal of assets</b> As part of our work in respect of Property, Plant and Equipment disposals we identified that management have not disclosed the loss of disposal of assets where they have paid for the assets to be disposed of within note 26 and also the cash flow statement. We recommend that management implement a process and control to capture where there has been a disposal of Property, Plant and Equipment and the associated cost of this disposal, including where the Service pays for an asset to be removed in order to provide these disclosures in future reporting periods.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Procedures will be updated to ensure that disposal costs are included in the calculation of gain or loss on disposal of assets.	31/12/2023	n/a	LOW	75%
Progress to Update		Noted. This will form part of business as usual. Information will be gathered to ensure correct treatment.				

Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny. This will become business as usual.				
Rec No. 10	<b>Provisions Disclosure</b> As part of our review of the financial statements we identified that management had not split their provisions disclosure between short term and long term. The initial disclosure, and review of historic trends suggested that on average circa 25% of the provision is short term and the remaining is long term. We recommend that management refresh their processes for determining the provisions split and should ensure that they are explicitly considering the likely timing of payment.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Agreed.	31/12/2023	n/a	LOW	75%
Progress to Update		Noted. Change was made in 2021/22 Accounts.				
Outstanding actions to close the recommendation		Provisions at 31 March 2023 to be reviewed and agreed. This process to become business as usual.				
Rec No. 11	<b>Provisions</b> Following challenge by audit, management have identified that the legacy service employee related liabilities provision included within the financial statements is not a valid provision. As this is clearly trivial, it is planned that this will be reversed in financial year 2022/23. We recommend that management ensure that they review their provisions balance and prepare a management paper to support the balances included within this note, with explicit reference to IAS37 when considering whether the previously recorded provisions continue to be appropriate to be recorded.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Reviews will be carried out and recorded to ensure provisions are valid.	31/12/2023	n/a	LOW	75%
Progress to Update		Noted. The balance noted has been amended in 2022/23 Accounts.				
Outstanding actions to close the recommendation		Provisions at 31 March 2023 to be reviewed, agreed and successfully pass audit scrutiny. This process will become business as usual.				
Rec No. 12	<b>Trade Receivables</b> As part of our work inn respect of Trade Receivables we have identified that management have incorrectly included within the year-end balance money which has been settled at the year-end date and is therefore not a valid year-end Trade receivable. Management should review their processes for the recording of Trade Receivables balance to ensure that they are matching receipts to the Trade Receivables balance such that when the item is paid, the associated Trade Receivable is removed from the general ledger.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Procedures will be updated and reviews undertaken to ensure treatment is correct.	31/12/2023	n/a	LOW	75%
Progress to Update		Noted in year end debrief. Action will be taken to determine a method to identify similar transactions.				

Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny. This will become business as usual.				
Rec No. <b>13</b>	<b>FFPS: Booth Case</b> In March 2019, the High Court ruled in favour of an individual challenging the exclusion of certain pay allowances (paid to firefighters in addition to basic pay) from the definition of Pensionable Salary used in relation to their benefit entitlement in the Firefighters' Pension Scheme (Wales) ("Booth v Mid and West Wales"). As a result of this judgement, it was decided that certain pay supplements awarded to Instructors and Fire Investigation Officers in the SFRS should be pensionable for the purposes of calculating benefit entitlements in the FPS. GAD have advised that they will review the position again once further information on the retrospective impact of this change is available. We recommend that this should be revisited for the 2023 year-end when further information should be available to make a reliable estimate for inclusion in the 2023 accounts.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Agreed	31/12/2024	n/a	LOW	0%
Progress to Update		The SPPA will set up a working group to progress this task which in turn will provide the information that will allow GAD to include the impact in the IAS19 Pension benefit reports. This work has still to be done. The SFRS will engage with the SPPA and GAD on progress however may be 2023/24 Accounts before the impact can be quantified.				
Outstanding actions to close the recommendation		GAD have noted that they will not have the correct information to allow incorporation in the 2022/23 Accounts. The Action due date is based on inclusion in 2023/24 Accounts.				
Rec No. <b>14</b>	<b>Remuneration Report</b> As part of our work on the remuneration report, we identified errors in respect of the pension related benefits, time apportioning of pension benefit and inconsistencies within the disclosure of the percentile pay ratio and the lowest paid range disclosure. We recommend that management refresh their review process for the current period, to ensure that all of these items are captured.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response <b>Acting Director of Finance &amp; Procurement</b>	Amendments to be made	31/12/2023	n/a	LOW	75%
Progress to Update		Noted in year-end debrief, amendments will be made in 2022/23 Accounts where necessary.				
Outstanding actions to close the recommendation		Complete the Annual Accounts and successfully pass audit scrutiny.				



Report No: C/ARAC/06-23

Agenda Item: 10

<b>Report to:</b>		<b>AUDIT AND RISK ASSURANCE COMMITTEE</b>							
<b>Meeting Date:</b>		<b>18 JANUARY 2024</b>							
<b>Report Title:</b>		<b>QUARTERLY UPDATE OF GIFTS, HOSPITALITY &amp; INTERESTS REGISTER</b>							
<b>Report Classification:</b>		<b>For Scrutiny</b>	<b>SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u></b>						
			<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>
<b>1</b>	<b>Purpose</b>								
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with the 2023/24 Q3 update on the Gifts, Hospitality and Interests Register.								
<b>2</b>	<b>Background</b>								
2.1	The Scottish Fire and Rescue Service (SFRS) Gifts, Hospitality and Interests policy establishes a formal and consistent approach in relation to the offer, refusal and acceptance of gifts and hospitality and ensures that conflicts of interest are identified and avoided where possible.								
2.2	The policy reflects the general underlying principle that SFRS will operate in an open and transparent manner and aims to ensure that the conduct of all staff is impartial, honest and beyond reproach at all times, ensuring that SFRS suffers no reputational damage.								
2.3	As part of the policy the Director of Financial Services will publish a register of Gifts, Hospitality and Interests with a value in excess of £50 submitting a report on a quarterly basis to the Audit & Risk Assurance Committee (ARAC) and GGB for noting. The Risk and Audit Section will be responsible for managing any relevant information.								
<b>3</b>	<b>Main Report/Detail</b>								
3.1	The Gifts, Hospitality and Interests (GHI) register for 2023/24, up to 4 December 2023, identifies 45 entries, with further information identified within Appendix A to this report. Separately, a further 2 declarations, under the £50 threshold, were received but not published.								
3.2	Following the previous report to ARAC in September 2023 a further 8 entries were added to the 2023/24 Q2 register. These entries related to offers of Hospitality. The GHI register published on the website has been updated to include this information.								
3.3	Engagement in relation to gifts, hospitalities and interests has continued with meetings held with all Directorates Management Teams, LSO meetings and Functional meetings to communicate the requirements of the policy and examples of declarations that need to be made.								

<b>4</b>	<b>Recommendation</b>
4.1	The report is provided to the Audit and Risk Assurance Committee for scrutiny.
<b>5</b>	<b>Key Strategic Implications</b>
5.1	<b>Risk</b>
5.1.1	The report reflects the general underlying principle that SFRS will operate in an open and transparent manner and aims to ensure that the conduct of all staff is impartial, honest and beyond reproach at all times, ensuring that SFRS suffers no reputational damage and minimises the risk of fraud to the Service.
5.2	<b>Financial</b>
5.2.1	The report identifies declarations made in relation to Gifts, Hospitality and Interests, minimising the risk of fraud and associated financial loss to the Service.
5.3	<b>Environmental &amp; Sustainability</b>
5.3.1	Any implications arising from the report will be managed by the relevant Directorate.
5.4	<b>Workforce</b>
5.4.1	Any implications arising from the report will be managed by the relevant Directorate.
5.5	<b>Health &amp; Safety</b>
5.5.1	Any implications arising from the report will be managed by the relevant Directorate.
5.6	<b>Health &amp; Wellbeing</b>
5.6.1	Any implications arising from the report will be managed by the relevant Directorate.
5.7	<b>Training</b>
5.7.1	Any implications arising from the report will be managed by the relevant Directorate.
5.8	<b>Timing</b>
5.8.1	The report is provided to the Audit and Risk Assurance Committee on a quarterly basis as required.
5.9	<b>Performance</b>
5.9.1	The report provides information on declarations received and actions taken to increase awareness and ownership within the Service, the result of which will be increased levels of reporting.
5.10	<b>Communications &amp; Engagement</b>
5.10.1	Any implications arising from the report will be managed initial through Finance and Procurement and by the relevant Directorate to ensure policy is adhered to.
5.11	<b>Legal</b>
5.11.1	Any implications arising from the report will be managed by the relevant Directorate.
5.12	<b>Information Governance</b>
5.12.1	DPIA completed – Yes, in relation to the Gifts, Hospitality and Interests Policy.
5.13	<b>Equalities</b>
5.13.1	EHRIA completed – Yes, in relation to the Gifts, Hospitality and Interests Policy.
5.14	<b>Service Delivery</b>
5.14.1	Any implications arising from the report will be managed by the relevant Directorate.

<b>6</b>	<b>Core Brief</b>	
6.1	Not applicable	
<b>7</b>	<b>Assurance (SFRS Board/Committee Meetings ONLY)</b>	
7.1	<b>Director:</b>	Sarah O'Donnell, Director of Finance and Contractual Services
7.2	<b>Level of Assurance:</b>	<del>Substantial/Reasonable/Limited/Insufficient</del>
7.3	<b>Rationale:</b>	It is acknowledged that further work is required to mature the GHI framework and build additional ownership and awareness throughout the Service, ensuring declarations received are accurate and timely. Additional engagement undertaken throughout the Service is resulting in additional declarations and queries being received indicating an improving position.
<b>8</b>	<b>Appendices/Further Reading</b>	
8.1	Appendix A – Gifts Hospitality and Interests Register Q3 2023-24	
<b>Prepared by:</b>		Hazel Buttery, Fraud, Risk and Compliance Officer
<b>Sponsored by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Presented by:</b>		David Johnston, Risk and Audit Manager
<b>Links to Strategy and Corporate Values</b>		
External Audit forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:		
<b>Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.</b>		
<ul style="list-style-type: none"> <li>Objective 5.1: Remaining open and transparent in how we make decisions.</li> <li>Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.</li> </ul>		
<b>Governance Route for Report</b>		<b>Meeting Date</b>
<i>Audit and Risk Assurance Committee</i>		<i>18 January 2024</i>
		<b>Report Classification/ Comments</b>
		<i>For Scrutiny</i>

Date	Employee Name	Employee Position	Details of Gift / Hospitality (G/H) & Interest	G/H or Interest	Estimated Value	From (Organisation offering)	Exceptional Circumstances	Any other Organisation involved	Accepted / declined	Comments
17/04/2023	Paul Timmons	SC	Paint & brushes for Kilwinning FS rear garage. Area used as a safe space by key partners for the community	Gift	£50	Crown Paints Irvine	N/A	Crown Paints Irvine	Accepted	Discussion with Property, when costings & further plans for safety hub are realised a paper will be submitted to AMLB for approval
18/04/2023	Liz Barnes	SLT	Opera at Theatre Royal with a range of clients from different organisations	Hospitality	£100	Miller Samuel Hill Brown Solicitors	N/A	Miller Samuel Hill Brown Solicitors	Accepted	Networking with other employers
15/06/2023	William Stoops	WC	Olympic style free weights to SFRS Community Fire Stations in Dundee area	Gift	£100	David Lloyds Gym Group	N/A	David Lloyds Gym Group	Accepted	Weight plates of various denominations
15/06/2023	William Stoops	WC	Part personal trainer with David Lloyds Gym Group	Interest	Unknown	David Lloyds Gym Group	N/A	David Lloyds Gym Group	N/A	
02/07/2023	Richard Whetton	Support Staff	Charity golf day including round of golf & lunch	Hospitality	£100	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
02/07/2023	Roddy MacKinnon	Support Staff	Charity golf day including round of golf & lunch	Hospitality	£60	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
02/07/2023	Iain Morris	Support Staff	Charity golf day including round of golf & lunch	Hospitality	£60	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
02/07/2023	Ijaz Bashir	Support Staff	Charity golf day including round of golf & lunch	Hospitality	£60	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
02/07/2023	Scott Roberts	Support Staff	Charity golf day including round of golf & lunch	Hospitality	£60	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
02/07/2023	Stuart Free	Support Staff	Charity golf day including round of golf & lunch	Hospitality	£60	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
07/07/2023	Russell Munn	Support Staff	Invitation to comedy evening in Edinburgh Festival Venue	Hospitality	£100	Stantec	N/A	Stantec	Declined	
12/07/2023	Graham Davidson	RWMB	Sub-contractor to Robertson FM	Interest	Unknown	G.A Davidson	N/A	Roberston FM	N/A	
25/07/2023	Ross Haggart	Chief Officer	A2 piece of art	Gift	£367	Drew Carr	N/A	N/A	Accepted	A tribute to the Service following efforts at both School of Arts fires
25/07/2023	Barry Florence	RCMC	Company director of H.M Sheridan	Interest	Unknown	H.M Sheridan	N/A	H.M Sheridan	N/A	H.M Sheridan supply packed lunches to SFRS
10/08/2023	Andy Watt	ACO	BBC commentary covering shinty Camanachd Cup Semi Final & MacAulay Cup Final	Interest	£800	BBC Alba	N/A	BBC Alba	N/A	
14/08/2023	Roddy MacKinnon	Support Staff	Entertainment and refreshments at the Belfry Hotel	Hospitality	£50	MSA Safety	N/A	MSA Safety	Declined	
14/08/2023	Iain Morris	Support Staff	Entertainment and refreshments at the Belfry Hotel	Hospitality	£50	MSA Safety	N/A	MSA Safety	Declined	
15/08/2023	Iain Morris	Support Staff	Dinner and drinks event	Hospitality	£50	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Accepted	Concert in aid of Scottish Fire Brigades Heritage Trust and the Soldiers charity
15/08/2023	David McCarrey	AC	Charity concert	Hospitality	£50	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	Concert in aid of Scottish Fire Brigades Heritage Trust and the Soldiers charity
15/08/2023	Stephen Wright	DACO	Charity concert	Hospitality	£50	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	Concert in aid of Scottish Fire Brigades Heritage Trust and the Soldiers charity
15/08/2023	Mark McAteer	Support Staff	Attendance at a networking conference and overnight accommodation	Hospitality	£500	Blue Light Partnership Network	N/A	Blue Light Partnership Network	Declined	Offer declined due to conflict with current role
16/08/2023	William Stoops	WC	Invite to the Edinburgh Tattoo	Hospitality	£120	Mr JJ Chalmers	N/A	Mr JJ Chalmers	Accepted	To enhance the SFRS role of Veterans/Reserve Forces Co-Ordinator
18/08/2023	Iain Morris	Support Staff	Overnight stay and a la carte industry networking dinner	Hospitality	£500	Platform Events UK	N/A	Platform Events UK	Declined	UK Projects & Development platform

22/08/2023	Iain Morris	Support Staff	Fundraising dinner & drinks	Hospitality	£50	Fire Aid and International Development	N/A	Angloco (sponsors)	Declined	
23/08/2023	Chloe Alexander	FFC	2 x tickets Royal Military Tattoo	Hospitality	£220	Royal Edinburgh Military Tattoo	N/A	Royal Edinburgh Military Tattoo	Accepted	Offer from REMT as thanks to SFRS for our part in the safe delivery of the Tattoo in 2023
23/08/2023	Allan Day	FFC	1 x ticket Royal Military Tattoo	Hospitality	£110	Royal Edinburgh Military Tattoo	N/A	Royal Edinburgh Military Tattoo	Accepted	Offer from REMT as thanks to SFRS for our part in the safe delivery of the Tattoo in 2023
23/08/2023	Caroline Gallagher	FFC	1 x ticket Royal Military Tattoo	Hospitality	£110	Royal Edinburgh Military Tattoo	N/A	Royal Edinburgh Military Tattoo	Accepted	Offer from REMT as thanks to SFRS for our part in the safe delivery of the Tattoo in 2023
23/08/2023	Ryan Hall	FF	2 x tickets Royal Military Tattoo	Hospitality	£220	Royal Edinburgh Military Tattoo	N/A	Royal Edinburgh Military Tattoo	Accepted	Offer from REMT as thanks to SFRS for our part in the safe delivery of the Tattoo in 2023
23/08/2023	Meg Hutchison	FFC	2 x tickets Royal Military Tattoo	Hospitality	£220	Royal Edinburgh Military Tattoo	N/A	Royal Edinburgh Military Tattoo	Accepted	Offer from REMT as thanks to SFRS for our part in the safe delivery of the Tattoo in 2023
23/08/2023	Magda Kozłowska	SCC	2 x tickets Royal Military Tattoo	Hospitality	£220	Royal Edinburgh Military Tattoo	N/A	Royal Edinburgh Military Tattoo	Accepted	Offer from REMT as thanks to SFRS for our part in the safe delivery of the Tattoo in 2023
31/08/2023	Graeme Junner	FF	FF Junners wife is a partner for Miller Samuel Hill Brown who SFRS trade with	Interest	Data retained by Compliance	Miller Samuel Hill Brown Solicitors	N/A	Miller Samuel Hill Brown Solicitors	N/A	
31/08/2023	Ross Haggart	CO	Charity Gala concert	Hospitality	£100	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	
31/08/2023	Ross Haggart	CO	The Clyde Recycling Charity Sports Dinner in aid of the FF Charity	Hospitality	£80	Kevin Biles	N/A	Fire Fighters Charity	Declined	
19/09/2023	Richard McInnes	SC	Meal after the emergency services show	Hospitality	£50	learnPro Group	N/A	learnPro Group	Accepted	CEO had paid the bill and wouldn't accept any payment
19/09/2023	Andy Scott	Support Staff	Meal after the emergency services show	Hospitality	£50	learnPro Group	N/A	learnPro Group	Accepted	CEO had paid the bill and wouldn't accept any payment
19/09/2023	Darran Dunsmore	Support Staff	Meal after the emergency services show	Hospitality	£50	learnPro Group	N/A	learnPro Group	Accepted	CEO had paid the bill and wouldn't accept any payment
22/09/2023	Sandra Fox	Support Staff	Dinner at Gaucho Edinburgh	Hospitality	£50	Matt Rockall, Motorola	N/A	Motorola	Declined	
26/09/2023	Brian Saunders	Support Staff	Evening meal before a Motorola Demonstration and installation of new Airwave Radios into Fire Appliances	Hospitality	£50	Motorola Solutions	N/A	Motorola	Declined	In line with current contracts and ongoing procurement exercises, this invite presented a conflict of interest
27/09/2023	Liz Barnes	SLT	Evening event	Hospitality	£50	The Leaders Council of Great Britain and Northern Ireland	N/A	The Leaders Council of Great Britain and Northern Ireland	Declined	
02/10/2023	John Thomson	Support Staff	Dinner and drinks event	Hospitality	£50	Scottish Fire Brigades Heritage Trust	N/A	Scottish Fire Brigades Heritage Trust	Declined	Concert in aid of Scottish Fire Brigades Heritage Trust and the Soldiers charity
10/10/2023	Stephen Davies	Support Staff	VSA's Best of Care Ball	Hospitality	£100	Atkins Realis	N/A	Atkins Realis	Declined	
19/10/2023	Donald MacAulay	RCMC	Donald's partner is a listed director of Ness Sports & Recreation Association who SFRS trade with	Interest	Unknown	Ness Sports & Recreation Association	N/A	Ness Sports & Recreation Association	N/A	Identified through NFI
24/10/2023	Hamish Thomson	RFFC	RFF Thomsons wife is a member of Orkney Islands Council & on the board of Orkney Ferries who SFRS trade with	Interest	Unknown	Orkney Ferries Ltd	N/A	Orkney Ferries Ltd	N/A	Orkney Ferries are the only Ferry company that links the outer islands to mainland Orkney. Orkney Ferries would have been approved as a supplier prior to Mellisa being nominated on 2022
10/11/2023	Bryan Todd	GC	3 course evening meal & lunch	Hospitality	£50	Draeger Safety UK Limited	N/A	Draeger Safety UK Limited	Accepted	Hospitality provided by Draeger UK users group meeting in Cardiff



15/11/2023	Ross Haggart	CO	Excellence in Fire & Emergency Awards luncheon & sponsors dinner	Hospitality	£100	Fire Knowledge Magazine	N/A	Fire Knowledge Magazine	Declined	
------------	--------------	----	--	-------------	------	-------------------------	-----	-------------------------	----------	--

<b>Report to:</b>		<b>AUDIT AND RISK ASSURANCE COMMITTEE</b>						
<b>Meeting Date:</b>		<b>18 JANUARY 2024</b>						
<b>Report Title:</b>		<b>RISK UPDATE REPORT</b>						
<b>Report Classification:</b>		<b>For Scrutiny</b>					<b>SFRS Board/Committee Meetings ONLY</b> <b>For Reports to be held in Private</b> <b>Specify rationale below referring to</b> <u><b>Board Standing Order 9</b></u>	
<b>1</b>	<b>Purpose</b>							
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with an overview of the current risks highlighted by Directorates.							
<b>2</b>	<b>Background</b>							
2.1	The purpose of the risk register is to inform decision making through Scrutiny and Assurance processes, providing additional awareness of the risks we face and the actions required to minimise these risks.							
2.2	The ARAC is responsible for advising the Board and the Accountable Officer on the adequacy and effectiveness of the Service's arrangements for risk management and has oversight of the Strategic Risk Register.							
2.3	The Strategic Leadership Team (SLT) has responsibility for the identification and management of risk and will ensure that Risk Registers present a fair and reasonable reflection of the most significant risks impacting upon the organisation. The SLT will champion the importance of risk management in supporting the achievement of the Service's strategic outcomes and objectives.							
2.4	Risk Registers are prepared in consultation with the Board and SLT and are managed collectively by the SLT, with each Directorate Risk allocated to an identified Head of Function. These Responsible Owners provide information on the current controls in place and identify additional actions still required.							
<b>3</b>	<b>Main Report/Detail</b>							
3.1	<b>Risk Overview</b>							
3.1.1	The risk register is a management tool that provides assurance to the Service and its scrutiny bodies that the significant risks of the organisation have been identified, managed and are subject to ongoing monitoring, review and discussion.							
3.1.2	Following discussion within SLT all Directorate risks will be aligned to the Strategic Plan with only those risks rated 15 or above to be included within reporting templates. This will allow scrutiny to be focused on the most significant risks impacting upon Directorates and consideration of related control actions. The table below identifies the alignment between the 2022-25 Strategic Outcomes and the current Directorate Risks, with the number of related live control actions in brackets:							

Strategic Outcomes		Directorate Risks					Total
		VH	H (15+)	H (<15)	M	L	
Outcome 1	Community safety and wellbeing improves as we deploy targeted initiatives to prevent emergencies and harm.						0
Outcome 2	Communities are safer and more resilient as we respond effectively to changing risks.	3 (8)	1 (3)	4 (4)	3 (9)		11
Outcome 3	We value and demonstrate innovation across all areas of our work.	1 (2)		2 (2)	4(5)		7
Outcome 4	We respond to the impacts of climate change in Scotland and reduce our carbon emissions.				1 (1)		1
Outcome 5	We are a progressive organisation, use our resources responsibly and provide best value for money to the public	2 (4)	2 (3)	6 (9)	3 (5)		13
Outcome 6	The experience of those who work for SFRS improves as we are the best employer we can be.	2 (2)		3 (5)	2 (4)		7
Outcome 7	Community safety and wellbeing improves as we work effectively with our partners			1 (1)			1
		8	3	16	13		40

3.1.3 Outcome 1 has no aligned Directorate risks with Outcomes 4 and 7 having 1 risk each. Directorates were asked to align risk to a single outcome so there may be overlaps with other outcomes not identified.

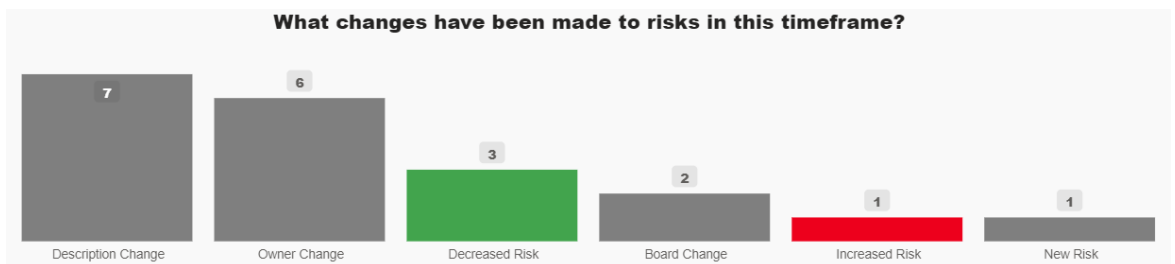
3.1.4 Each of the identified risks also have a number of closed actions, 141 in total, which can be viewed within the risk dashboard and operating business as usual controls.

3.1.5 In relation to the current period Directorates reviewed registers identifying 40 Directorate risks, aligned to all Committee’s and Executive Boards, with 11 risks rated at 15 or above, falling to the right of the shaded line:

		What is the current status of each risk?				
		Probability				
		1	2	3	4	5
Impact	1					
	2			1		
	3		3	5	2	2
	4		4	13	7	
	5		1	1	1	

3.1.6 Appendix A to the report provides information on those risks rated 15 or above, together with their associated live control actions. The information is also available through the risk dashboard and a copy of the link is attached for information - [Risk Dashboard](#). Risks SDD007, FCS005 and FCS016 are aligned to the Audit and Risk Assurance Committee.

3.1.7 Following review in November the following changes have been made to risks over the last quarter:



3.1.8 The table below highlights the 4 risks where the risk rating has changed.

Risk ID	Risk Name	Change Type	Change
SDD002	There is a risk that the Directorate is unable to ensure access to high quality usable data to inform organisational decision making relative to Service Development due to data protection, cost, resources or capability. This could result in failure to achieve objectives in terms of continuous improvement, best value positive change.	Decreased Risk	From: 12 (3 x 3) To: 9 (3 x 3) "Risk Rating updated to 9, 12 was in error."
TSA018	There is a Directorate risk, of an inability to maintain or improve our training delivery due to insufficient capacity being available within the Training Function to meet current demand, which could result in current and future negative impact on currency in operational skills & capacity, associated legal and regulatory compliance and financial and reputational cost. (Capacity meaning: the ability to do or produce)	Decreased Risk	Both Probability and Impact Decreased From: 16 (4 x 4) To: 9 (3 x 3) "Reduce risk rating from 16 to 9 due to significant progress made filling vacancies. This may increase again depending on Pensions Remedy and we will increase the rating accordingly."
SPPC015	There is a risk that the services consultation and engagement processes do not adequately capture stakeholder feedback because of a lack of consistency across the organisation resulting in a loss of workforce, stakeholder and public confidence.	Decreased Risk	Impact Decreased From: 8 (2 x 4) To: 6 (2 x 3) "Risk reduced to 6. All internal processes now in place and will be monitored for quality assurance. Public Consultation planned for 2024."
SDD001	There is a risk that the Directorate is unable to deliver against stated commitments and ambitions, due to limited resources and capacity whilst responding to concurrent events, and in light of the constraints brought about by the strategic resource spending review. This could result in a lack of ability to deliver, impacting on the support and delivery performance as a Directorate across the wider SFRS.	Increased Risk	Probability Increased From: 9 (3 x 3) To: 15 (5 x 3) "Updated probability from 3 to 5 due to capacity impacts and description updated as Directorate established."

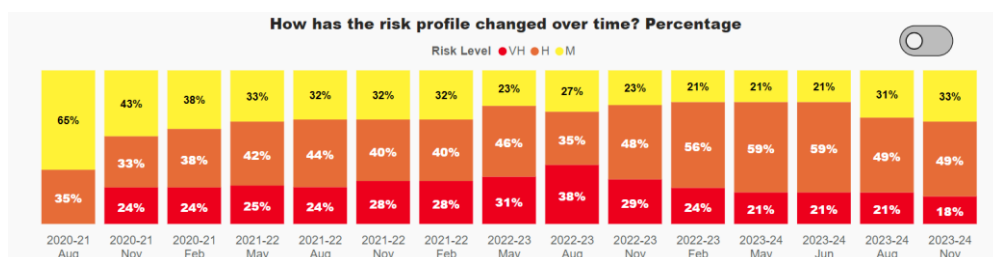
3.1.9 Finance and Contractual Services have added a new risk highlighting challenges currently being faced by an overspend of expenditure in the current financial year.

Risk Description	Responsible Officer	Risk Rating	Control Actions
There is a risk to the Service where the forecasted financial position exceeds Departmental Resource Expenditure Limits (RDEL) set by Scottish Government, caused by an overspend of expenditure in the current financial year. This could result in adverse publicity of the Service within the media and an inability to provide required Services aligned to the Services Strategic Plan, within spending limits. In addition, it could lead to negative external scrutiny for SFRS Accountable Officer through ARAC and potential escalation by Scottish Government and our external auditors to the Public Audit Committee.	Director of Finance and Contractual Services	16 (14xP4)	SLT agree the additional savings that can be applied in year to budgets to reduce overspend.  SFRS to produce a business case justification signed off by accountable officer to Scottish Government seeking permission to overspend within the current financial year. (Agreed action ) 15/12/23.  Approval of business case by Scottish Government by Director General for Education and Justice.

3.1.10 Please note the following changes impacting the reporting threshold:

- TSA018 has reduced from a risk rating of 16 to 9 and will therefore fall below the reporting threshold.
- SDD001 has increased from 9 to 15 and will therefore now be added to reportable risks.

3.1.11 The table below provides a snapshot of the changes to the risk profile from 2020-21 to the last update in November 2023.



3.2  
3.2.1

**Progress of Control Actions**

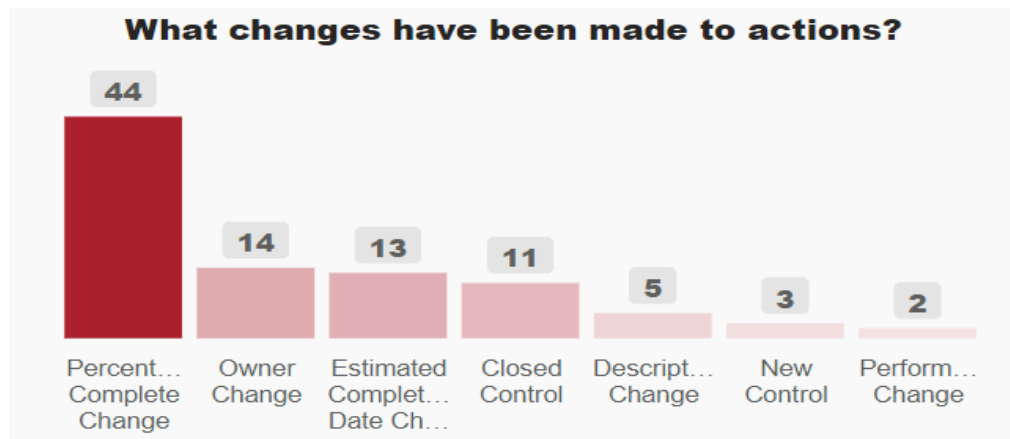
Without action taken on progressing identified controls, risks are likely to remain static and additional reporting has now been put in place to manage control actions through a RAG status, similar to internal audit. This will focus scrutiny on priority areas, allowing responsible officers to provide assurance updates.

Green	On target or within 3 months of original due date
Amber	3-9 months delay from original due date
Red	Delay of over 9 months from original due date



3.2.2

Following review, the following changes have been made to control actions:



3.2.3

Information on the 17 control actions, now classed as 9 months or more from their original due date, is attached in Appendix B.

- Risk SDD001, rated 15, has two actions classed as over 9 months from original due date. (Highlighted in blue).
- Risks FCS002 (rated 9) and FCS006 (rated 8) are both aligned to ARAC with 3 actions classed as over 9 months from original due date. (Highlighted in green).

3.2.4

All control actions are discussed with relevant owners to ensure they are completed on time where possible. Where this is not possible comments have been added indicating progress made and work still to be completed.

**4**

**Recommendation**

4.1

- The Audit and Risk Assurance Committee is asked to:
- Scrutinise the information presented within the report.

<b>5</b>	<b>Key Strategic Implications</b>
5.1	<b>Risk</b>
5.1.1	The report identifies risks from each Directorate together with the significant changes made since the last update. Each Directorate will be responsible for the identification and mitigation of any associated risk and for the update of relevant risk registers.
5.2	<b>Financial</b>
5.2.1	The report identifies risks from each Directorate with financial implications arising from control decisions to be managed by the relevant Directorate.
5.3	<b>Environmental &amp; Sustainability</b>
5.3.1	Any implications arising from the report will be managed by the relevant Directorate.
5.4	<b>Workforce</b>
5.4.1	Any implications arising from the report will be managed by the relevant Directorate.
5.5	<b>Health &amp; Safety</b>
5.5.1	Any implications arising from the report will be managed by the relevant Directorate.
5.6	<b>Health &amp; Wellbeing</b>
5.6.1	Any implications arising from the report will be managed by the relevant Directorate.
5.7	<b>Training</b>
5.7.1	Any implications arising from the report will be managed by the relevant Directorate.
5.8	<b>Timing</b>
5.8.1	The report is provided to the Audit and Risk Assurance Committee on a quarterly basis.
5.9	<b>Performance</b>
5.9.1	The risk report is used to ensure risks are identified and suitably managed by relevant Directorates.
5.10	<b>Communications &amp; Engagement</b>
5.10.1	Any implications arising from the report will be managed by the relevant Directorate.
5.11	<b>Legal</b>
5.11.1	Any implications arising from the report will be managed by the relevant Directorate.
5.12	<b>Information Governance</b>
5.12.1	DPIA completed - No. The report provides a summary of risks identified by Directorates. Each Directorate will ensure that any relevant DPIA is completed as required.
5.13	<b>Equalities</b>
5.13.1	EHRIA completed - No. An assessment was undertaken in relation to the Risk Management Policy. Any individual elements of work, which may have an impact upon Equalities, will require to be assessed and managed by the relevant Directorate.
5.14	<b>Service Delivery</b>
5.14.1	Any implications arising from the report will be managed by the relevant Directorate.
<b>6</b>	<b>Core Brief</b>
6.1	Not applicable

<b>7</b>	<b>Assurance (SFRS Board/Committee Meetings ONLY)</b>	
7.1	<b>Director:</b>	Sarah O'Donnell, Director of Finance and Contractual Services
7.2	<b>Level of Assurance: (Mark as appropriate)</b>	<b>Substantial/Reasonable/Limited/Insufficient:</b> There is room for improvement in the identification of the right risks, controls and the completion of mitigating actions within identified timescales.
7.2	<b>Rationale:</b>	The report is based upon information identified by each Directorate and I have confidence that the information is correctly reported based upon these returns.
<b>8</b>	<b>Appendices/Further Reading</b>	
8.1	Appendix A – Significant Risks	
8.2	Appendix B – Outstanding Control Actions (Over 9 months)	
8.3	<u>Further Reading:</u> Risk Dashboard ( <a href="#">Link</a> )	
<b>Prepared by:</b>		David Johnston, Risk and Audit Manager
<b>Sponsored by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Presented by:</b>		Sarah O'Donnell, Director of Finance and Contractual Services
<b>Links to Strategy and Corporate Values</b>		
Risk Management forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:		
<b>Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.</b>		
<ul style="list-style-type: none"> <li>Objective 5.1: Remaining open and transparent in how we make decisions.</li> <li>Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.</li> </ul>		
<b>Governance Route for Report</b>		<b>Meeting Date</b>
<i>Audit and Risk Assurance Committee</i>		<i>18 January 2024</i>
		<b>Report Classification/ Comments</b>
		<i>For Scrutiny</i>

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
FCS012	2	There is a risk that the significant supply chain shortages will be experienced in relation to the supply of commodities for construction, fleet and ICT equipment because of a lack of global manufacturing capacity as a result of Covid-19. This will result in delay to projects specified within the capital programme and potential increases in both capital and revenue costs as demand outstrips supply.			SDC	Head of Asset Management	16	8	16
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Continue to monitor and re-phase 2023/24 Capital Programme as required, ensuring required levels of governance maintained.		31/03/2024	31/03/2024	Head of Asset Management	Continue to monitor and re-align workplan to address current challenges experienced, accelerating or delaying projects, and moving priorities aligned to available supplies			On Target or 3 months from due date	



**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description	Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
POD015	2	There is a risk that the People and Finance teams are unable to effectively support the significant number of concurrent Pensions related exercises and associated implementations due to competing priorities and capacity constraints, and not receiving timely information and engagement from the Scottish Public Pensions Agency resulting in lack of clarity and discontent for employees, and potential legal challenge and / or employee relations issues resulting in delays, employee discontent , uncertainty over procedures and entitlements, and financial disadvantage.	PC	Deputy Head of People	16	4	16
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment		Action Status
Continue to monitor the resource requirements related to each Pensions exercise and capacity within the People and Finance teams to support this as a result of reprioritising work activities or the need for business case for additional resource if appropriate.		31/03/2025	31/03/2025	Deputy Head of People	Currently this is being progressed alongside business as usual work activity within existing teams/roles in People and Finance however, work has commenced to quantify the type of activity which will be required and the potential resource impact to support each Pensions exercise to inform decision making regarding how implementation of each of these will be supported.		On Target or 3 months from due date
Engage with Scottish Public Pensions Agency and stakeholders to develop appropriate employee communications on each Pension related exercise to ensure current and former employees are updated on the potential impacts and implementation arrangements timeously.		31/03/2025	31/03/2025	Deputy Head of People	Early discussions have taken place on the range of communications which may be required to support each exercise. Clarification is still required on timescales for each of these, as well as who will have responsibility for preparation and issue of each communication, along with collation of responses.		On Target or 3 months from due date
Ensure regular participation in process planning, and ongoing dialogue is in place with Scottish Public Pensions Agency and Finance colleagues through a number of informal and formal forums and provide regular progress updates to SFRS management teams and stakeholders to ensure appropriate oversight and escalation of potential challenges should these arise.		31/12/2023	31/03/2025	Deputy Head of People	Regular dialogue continuing to take place. Workshop with all relevant SFRS/SPPA stakeholders being set up for November to ensure discussions are linked and with a view to establishing a detailed, clear action plan with timelines and responsibilities for each pension theme. Risk spotlight on this risk presented at PB on 1 Nov for update and dialogue re controls.		On Target or 3 months from due date

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description	Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
TSA019	2	There is a Directorate risk, of an inability to maintain or improve our training delivery due to the limited finance/budget available for capital investment, condition and location of our Training Estate and therefore lack of access to appropriate facilities, which could result in current and future negative impact on currency in operational skills & capacity, associated legal and regulatory compliance and financial and reputational cost.	PC	Head of Training	16	8	16
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment		Action Status
Implementation of the recommendations from the draft contaminants POG with a timeline of Immediate, Medium and Long-term actions.		31/03/2025	31/03/2025	Head of Training	The draft POG has now been changed to a SOP. A tab for the implementation for training has been added to the SFRS implementation plan. This poses significant challenges for Training, particularly around the provision of PPE for instructors and students. Workshops have also been arranged to discuss the challenges and identify solutions.		On Target or 3 months from due date
Review of BA,CFBT & TV courses to see if learning outcomes can be met without the need for live fire exercises.		31/03/2024	31/03/2024	Head of Training	The review of a BA training is underway. Implementation of the BA recovery Plan and New BAU model will see this work completed.		On Target or 3 months from due date
Review the current Laundry requirement for Structural Firefighting PPE and the possibility of laundering Instructors PPE on site.		31/03/2024	31/03/2024	Head of Training	SFRS laundering contract is not fit for purpose for training. This has been recorded in the implementation plan and highlighted at several meetings. Washing machines have been implemented at the NTC and Portlethen as interim measures. A trail of the issue of a 4th Set of PPE is also underway at the NTC. Costings of the provision for a 4th set for all instructors has been provided. The option of an alternative type of PPE for instructors is also being explored.		On Target or 3 months from due date
Training Centre welfare facilities Dundee Airport		31/03/2024	31/03/2024	Head of Training	Report on Dundee Airport has been provided by H&S. A Training Function Management meeting has been arranged to discuss the outcomes and impact of CFBT training at the site. A business case for the purchase of Showers for Dundee Airport is to be formulated. Agreement in principle to purchase portable shower units for Dundee Airport CFBT site signed off at AMLB on 2nd May. Business case presented and agreed at AMLB on the 5th of September. Progression of situation at Portlethen has been put on hold pending the outcome of Dundee Airport		On Target or 3 months from due date

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
SD001	2	There is a risk of failure to mobilise to an incident due to a technical failure of the existing mobilising systems. As a result, we would be failing to meet our statutory duty and also potentially bring reputational damage to the Service.			SDC	Head of Operations	15	10	15
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Procurement and implementation of Vision 5 Disaster Recovery System (for EOC and DOC)		31/12/2023	31/12/2023	Head of Function	Training of DOC personnel in the Vision 5 DR system commencing November 2023. A number of faults remain outstanding whilst working closely with SSS to provide a resolution. Ongoing discussions with SSS regarding EOC routing issues. OC Systems running tests on EOC area to establish any essential work required in order to progress training for EOC personnel.			On Target or 3 months from due date	
Procurement and implementation of DS300 ICCS (for DOC and JOC)		31/03/2024	31/03/2024	Head of Function	Work has been progressed in relation to Dundee and Johnstone and will continue to be managed through an ICT Project.			On Target or 3 months from due date	
Support the design, procurement, delivery and implementation of the New Mobilising System (NMS) - Phase 1		31/12/2023	31/12/2023	Head of Function	Service Delivery will support the delivery of the SFRS Project as required.			On Target or 3 months from due date	

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
SDD007	3	There is a risk that we will be unable to maintain adequate levels of Cyber Security to avoid any breach due to lack of resources/ skills or appropriate policy and process being in place. This could result in failure of access to or stability of systems affecting SFRS activity.			ARAC	Acting Head of ICT	20	12	20
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Carry out second bi-annual test exercise of the Cyber Security Incident Plan.		31/03/2024	31/03/2024	Acting Head of ICT	This control action aims to confirm the controls implemented including awareness training for users are effective in protecting the Service from cyber attack.			On Target or 3 months from due date	
In conjunction with Multi Factor Authentication (MFA), enhance the current M365 conditional access policies to control all devices and apps that connect to our M365 data and enforce our organisational policies.		31/03/2024	31/03/2024	Acting Head of ICT	This control action aims to introduce further technical measures to minimise the opportunity for cyber-attacks			On Target or 3 months from due date	

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
FCS005	5	There is a risk that the Service may be unable to secure levels of funding required to achieve its strategic objectives. Additional pressure has been placed upon government finances causing uncertainty over future funding settlements. This could result in delays to agreed and future projects requiring a resetting of the Services objectives.			ARAC	Director of Finance and Contractual Services	16	8	16
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Continue to secure Capital and Resource Funding and review spending in line with the Resource Spending Review action plan		31/03/2024	31/03/2024	Head of Finance and Procurement	Focus now on 23/24 budgets with work progressing each month. Discussions continue with SG - expected Budget allocation to be given in Dec 23 for 24/25			On Target or 3 months from due date	

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
FCS016	5	There is a risk to the Service where the forecasted financial position exceeds Departmental Resource Expenditure Limits (RDEL) set by Scottish Government, caused by an overspend of expenditure in the current financial year. This could result in adverse publicity of the Service within media and an inability to provided required Services aligned to the Services Strategic Plan. In addition, it could lead to negative external scrutiny for SFRS’s Accountable Officer through ARAC and potential escalation by Scottish Government and our external auditors to the Public Audit Committee.			ARAC	Director of Finance and Contractual Services	16	9	New
Controls Actions		Original Due Date	Est’ Completion Date	Owner	Comment			Action Status	
SFRS to produce a business case justification signed off by accountable officer to Scottish Government seeking permission to overspend within the current financial year.		18/12/2023	18/12/2023	Head of Finance and Procurement	Business Case submitted to Scottish Government			On Target or 3 months from due date	
SLT agree the additional savings that can be applied in year to budgets to reduce overspend		19/12/2023	19/12/2023	Head of Finance and Procurement	Reported to SLT on 19th December 2023			On Target or 3 months from due date	
Approval of business case by Scottish Government by Director General for Justice Portfolio		29/02/2024	29/02/2024	Head of Finance and Procurement	Awaiting feedback from Scottish Government			On Target or 3 months from due date	

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
SDD001	5	There is a risk that the Directorate is unable to deliver against stated commitments and ambitions, due to limited resources and capacity whilst responding to concurrent events, and in light of the constraints brought about by the strategic resource spending review. This could result in a lack of ability to deliver, impacting on the support and delivery performance as a Directorate across the wider SFRS.			CC	Director of Service Development	15 (increased)	4	9
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Development of business cases, recruitment and implementation of posts to allow the population of proposed Directorate Structure in line with organisational need		31/03/2022	31/03/2024	Heads of Function	Business Cases for ICT and SDMP have been completed. Portfolio Office Business Case Target operating model approved in principle with required funding to be identified. Work ongoing to review ICT structure.			Over 9 months from original due date	
Development of market allowance business cases, recruitment and implementation of posts to improve the recruitment to vacant posts and ensure retention of existing ICT staff.		31/12/2022	31/03/2024	Acting Head of ICT	Market Allowance process completed successfully. Recruitment to vacant posts restarted subject to potential operating model changes and SLT approval. Awaiting outcome of ICT structure review.			Over 9 months from original due date	

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
SDD009	5	There is a risk of the Directorate being unable to embed Strategic Change capabilities across the SFRS as a result of organisational constraints that limit critical resource capacity and capability both within the Portfolio Office and across SFRS functions, which includes the necessity to further develop and build the skills and competencies that are required of a Strategic Change function. This could result in a number of consequences for SFRS which would include our ability to deliver change on time and within budget and to quality standards			CC	Head of Portfolio	15	6	15
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Development of business cases, recruitment and implementation of posts, Partnership working across the service and continued professional development (CPD) of Strategic Change related roles will essential in the mitigation of this risk		31/03/2023	31/03/2024	Head of Portfolio	Business Cases for ICT and SDMP have been completed. Portfolio Office Business Case Target operating model approved in principle with required funding to be identified. Further business case requested by acting director of finance for roles support SSRP.			3-9 months from original due date	



**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
TSA014	6	There is a risk of not being able to demonstrate legislative compliance because of gaps identified in risk control measures, management arrangements and alignment with recognised standards resulting in potential criminal/civil litigation, and reputational damage.			PC	Head of Safety and Assurance	16	4	16
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Identify areas for improvement within risk assessments in SFRS and develop a programme of work to collaborate with business partners		31/03/2024	31/03/2024	Head of Safety and Assurance	Identification process is ongoing in preparation for developing risk assessments 15.08.23 BP's Gantt Charts populated with status of RA's and reviews of RA's ongoing. 16.10.23 BP's Gantt Chart RA's under review/development.			On Target or 3 months from due date	

**Appendix A – Significant Risks and Related Control Actions  
(Risks rated 15 or above)**

Risk ID	Strategic Outcome	Risk Description			Committee Alignment	SLT Risk Owner	Risk Rating	Target	Previous Risk Rating
TSA015	6	There is a risk of insufficient resources within SA to meet the changing needs of the service due to the impact of new and emerging organisational priorities, failure to attract and retain suitably qualified and experienced candidates etc. This may result in reduced engagement with employees, an inability to enhance the delivery model to complete the 2022-26 HS Strategy, criminal/civil litigation, and associated financial and reputational cost, adverse scrutiny and an impact upon the well-being of staff.			PC	Head of Safety and Assurance	16	4	16
Controls Actions		Original Due Date	Est' Completion Date	Owner	Comment			Action Status	
Develop strategic workforce plan and process that enable a workforce that will deliver Health and Safety Strategy 2022-2026.		31/03/2024	31/03/2024	Head of Safety and Assurance	Review current structure and submit proposals through governance. 15.08.23 Regular meetings with People Manager 16.10.23 Planning continues and pending HS role in Assets.			On Target or 3 months from due date	

**Appendix B – Outstanding Control Actions  
(9 months or more overdue)**

Risk ID	Strategic Outcome	Risk Rating (I x P)	Action Description	Action Due Date	Est' Completion Date	Responsible Officer	Action Comment
FCS002	2	9 (3x3)	AM providing background information and professional advice to SDMP team with regards to the suitability and condition assessments of operational stations.	2021-10	31/03/2024	Head of Asset Management	Asset Management providing further data to assist the progress of the Service Delivery Model Programme (SDMP) Team. This includes the recently approved Strategic Asset Management Plan for Property. All SAMPs will align to SDMP which has been delayed as well as the outcomes of the SSRP. Work also progressing on a revised Risk Based Investment Report to be submitted for approval in March 2024.
FCS002	2	9 (3x3)	Work to be progressed on a number of strategic documents including an Estates Strategy, Fleet Strategy and a revised Property Asset Management Plan which will be based upon the outcome of the SDMP report.	2021-03	31/12/2023	Head of Asset Management	The SAMP for Property was approved by the Board on 30th March 2023. The SAMP for Equipment was approved by the Board in August 2023. Completion date moved previously to align with the overarching Asset Management Policy which is going to The Board for approval in December 2023.
SD006	2	12 (4x3)	Operational Availability Group to monitor availability throughout the year and implement further controls as required.	2022-03	31/03/2024	Director of Service Delivery	The current risk and control measure will be further discussed at the forthcoming DMT in August to establish the most appropriate control actions and responsible owners.
POD002	3	12 (4x3)	Appointment to the wider Programme Team positions; building the capability of the project team; and ensuring team members' substantive posts are backfilled.	2021-03	31/03/2024	Head of People	Project team contracts extended to 31 March 2024. Dialogue ongoing with Police Scotland and Scottish Government on potential collaboration opportunities

**Appendix B – Outstanding Control Actions  
(9 months or more overdue)**

Risk ID	Strategic Outcome	Risk Rating (I x P)	Action Description	Action Due Date	Est' Completion Date	Responsible Officer	Action Comment
SDD002	3	9 (3x3)	Continued delivery of the Service Delivery Model Programme against agreed programme timelines and milestones	2022-03	31/03/2024	Director of Service Development	SDMP Development Phase concluded in September 2023. Reports detailing core programme elements will be submitted for formal approval. SDMP Transition to Programme End Phase (Oct 23-Mar 24) will deliver the "handover" of SDMP processes and methodology to relevant Directorates/Functions.
SDD002	3	9 (3x3)	Establish process for the provision and sharing of relevant data	2021-03	31/03/2024	Director of Service Development	ICT implementation of a jointly agreed "Specification of CRIM Future Requirements" is ensuring the necessary support and maintenance of hardware, software and data supply. SDMP Team members sit on the Data Governance Board strengthening the ability to embed this action into SFRS data management planning.
SDD002	3	9 (3x3)	Ongoing creation of Community Risk Index Model	2021-03	30/11/2023	Director of Service Development	CRIM Flooding and Built Environment risk metrics, maps and dashboards have been delivered by external partner SWECO. Products are being tested to ensure SFRS self-sufficiency in future maintenance and data refresh. DAMSL (University of Nottingham) are integrating Flooding and Built Environment into CRIM coding. Their Interim Statistical Report includes options for future CRIM development.
SDD005	3	10 (5x2)	Ongoing engagement with Scottish Government	2022-03	31/03/2024	Head of ICT	This will continue throughout 2023/24 until further information is received from SG. Funding for Data First interim solution has been confirmed. Recent years' funding has been agreed and provided by SG showing their commitment to funding the programme in full to date. Following an independent review by Intelligens SG have confirmed their support for continuing with the Programme. There are no controls in this risk past their completion date, the date changes each year as it is an ongoing action.

**Appendix B – Outstanding Control Actions  
(9 months or more overdue)**

Risk ID	Strategic Outcome	Risk Rating (I x P)	Action Description	Action Due Date	Est' Completion Date	Responsible Officer	Action Comment
SDD006	3	8 (4x2)	Ongoing engagement with Scottish Government	2022-03	31/03/2024	Head of ICT	Partner engagement continues through the Scottish Strategic Group led by SG and the Scottish Tactical Group facilitated by SG.
FCS006	5	8 (4x2)	Improve finance system capability after move to cloud	2022-03	31/03/2024	Head of Finance and Procurement	Build of the functionality has progressed and now at the final stages, moving towards implementation
SDD001 (15+)	5	15 (3x5)	Development of business cases, recruitment and implementation of posts to allow the population of proposed Directorate Structure in line with organisational need	2022-03	31/03/2024	Director of Service Development	Business Cases for ICT and SDMP have been completed. Portfolio Office Business Case Target operating model approved in principle with required funding to be identified. Work ongoing to review ICT structure.
SDD001 (15+)	5	15 (3x5)	Development of market allowance business cases, recruitment and implementation of posts to improve the recruitment to vacant posts and ensure retention of existing ICT staff.	2022-12	31/03/2024	Director of Service Development	Market Allowance process completed successfully. Recruitment to vacant posts restarted subject to potential operating model changes and SLT approval. Awaiting outcome of ICT structure review.
SDD004	5	6 (2x3)	Consideration should be given to the development of a Service Improvement Framework and Self-Assessment to ensure the systematic approach to continuous improvement which demonstrates the commitment to continuous improvement across the service	2022-03	31/03/2024	Head of Portfolio	SFRS Maturity Assessment drafted and will inform the SFRS continuous improvement strategy 22-25 which is currently under development. In addition a new Self-Assessment framework (EFQM) is now currently progressing through a Test of Change. It is anticipated that by the end of Q2 23 enhanced maturity can be recorded against Communication of CI Success and Management Support with the delivery of the EFQM Test of Change Report. We are in the process of reviewing the opportunity to introduce a LEAN approach to the corporate services review, this will provide an opportunity to introduce an industry standard approach to continuous improvement initiatives.

**Appendix B – Outstanding Control Actions  
(9 months or more overdue)**

Risk ID	Strategic Outcome	Risk Rating (I x P)	Action Description	Action Due Date	Est' Completion Date	Responsible Officer	Action Comment
POD005	6	6 (3x2)	Implement agreed action plan milestones for 2021/22 aligned to Mental Health Strategy	2022-03	31/03/2024	Head of People	Proposed delivery of priorities and actions for remainder of 2023/24 agreed at MHWG. Resources agreed to support with stakeholders.
POD005	6	6 (3x2)	Implement evidence based health surveillance to help mitigate the risk associated with exposure to contaminants	2021-03	31/03/2024	Head of People	Procurement process being progressed to appoint qualified HSE doctors to carry out asbestos medicals. SFRS supported Prof. Stec's research with c180 staff participating. Outcome and findings anticipated in Q1 24/25 and will inform future practice.
POD005	6	6 (3x2)	Strengthen Health and fitness arrangements	2021-03	31/03/2024	Head of People	Procurement exercise for the external framework of practitioners is nearing completion. Upskilling of Fitness Practitioners will be completed in October 2023 enabling a more multi-disciplinary approach to injury and prevention and rehabilitation to be implemented. Further firefighter charity workshops are continuing in set areas with 132 staff having attended sessions to date.
POD011	6	6 (3x2)	Prioritise tasks associated with completing policy reviews, process reviews and implementation.	2022-03	31/12/2023	Head of People	An interim addendum to the Trainee Firefighter Development Programme policy has been implemented in Q1. This addendum will remain in place until the updated policy is implemented in Q4.



# HM Fire Service Inspectorate

**Report to:** SCOTTISH FIRE AND RESCUE SERVICE  
AUDIT AND RISK ASSURANCE COMMITTEE

**Meeting Date:** 18 January 2024

**Report By:** HM Fire Service Inspectorate

**Subject:** Routine Report on HMFSI business

## 1. PURPOSE

- 1.1 To provide the Audit and Risk Assurance Committee with an update on HMFSI inspection and reporting activity.

## 2. RECOMMENDATIONS

- 2.1 That the Committee notes the update from HMFSI.

## 3. ACTIVITY AND PROGRESS

### 3.1 Service Delivery Area Inspection

HMFSI has previously advised the Committee of the replacement of Local Area Inspections and the development of, and move towards, carrying out the inspection and reporting of local service delivery at an SDA level. Following on from the successful completion of the ESDA Inspection, HMFSI has commenced its inspection process within the West Service Delivery (WSDA).

We continue to engage with the DACO and senior management team for the Area to discuss our ongoing fieldwork and answer any questions. We continue to work through an inspection schedule and have completed fieldwork in the East and West Dunbartonshire, Argyll and Bute (EWDAB), East, North and South Ayrshire (ENSA) and Dumfries and Galloway (D&G), Lanarkshire (LAN) and East Renfrew, Renfrew and Inverclyde (ERRI) LSO Areas. We have also been meeting external and internal partners to discuss their relationship with the WSDAI and/or the SFRS. We have also just completed a 10-week online survey process and requested a range of data from the SFRS to assist in our desktop analysis phase.

Further inspection teams are due to visit the City of Glasgow (CoG) LSO week commencing 8 January 2024 with further engagement also scheduled in this period. The overall Inspection fieldwork and analysis for the WSDA is scheduled to be complete by early 2024 with the final report due thereafter in the late spring/early summer of 2024.

## **3.2 Thematic Inspection Work**

### **Mental Health and Wellbeing Provision in the SFRS**

Mental Health and Wellbeing within the SFRS has been highlighted in the Chief Inspector's Plan 2022-25 as an area for a thematic inspection. The purpose of this inspection is to consider the Services' provision of Mental Health and Wellbeing services in line with the SFRS Mental Health Strategy 2020-2023. It considered the desire of the Service to culturally normalise and destigmatise mental health within the workplace and provides a balanced view of the support systems and processes that have been put in place to support the strategy outcomes.

The report contains 20 recommendations, mainly in relation to:

- the cultural change and destigmatisation of the way in which mental health is viewed within the SFRS;
- how the Service can derive the maximum benefit for all of its employees through the systems and processes it has put in place to support positive mental health;
- the way in which the Service considers how best to allocate the resources that are required to achieve the desired outcomes that are set out in its Mental Health Strategy.

The SFRS has achieved many notable successes relating to its Mental Health Strategy, these and areas of good practice are highlighted within the report.

We are pleased to advise the Committee that the report has now published and was laid in the Scottish Parliament on 13 December 2023.

### **Organisational Culture**

HMFSI are currently preparing to carry out an inspection of organisational culture within the SFRS.

The original consultation period for this inspection outline closed on 1 November 2023, and following comments from SFRS, a HMFSI/SLT Workshop will take place in January 2024 to further discuss the draft outline. We anticipate this inspection will take around 12 months to complete.

**HM Chief Inspector Robert Scott QFSM**

**Date: 18 January 2024**



**AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN**

**Agenda Item 14.1**

	<b>STANDING ITEMS</b>	<b>FOR INFORMATION ONLY</b>	<b>FOR SCRUTINY</b>	<b>FOR RECOMMENDATION</b>	<b>FOR DECISION</b>
<b>26 MARCH 2024</b>	<ul style="list-style-type: none"> <li>Chair’s Welcome</li> <li>Apologies</li> <li>Consideration of and Decision of any items to be taken in Private</li> <li>Declaration of Interests</li> <li>Minutes of Previous Meeting</li> <li>Action Log</li> <li>Review of Actions</li> <li>Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days</li> <li>Date of Next Meeting</li> </ul> <p><b>HOT DEBRIEF</b></p>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li>HMFSI Quarterly Report</li> </ul> <p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>	<p><u>Standing/Regular Reports</u></p> <p><b>Internal Audit</b></p> <ul style="list-style-type: none"> <li>Internal Audit Progress Report 2023/24</li> <li>Progress Update – Internal Audit Recommendations</li> </ul> <p><b>External Audit</b></p> <ul style="list-style-type: none"> <li>Wider Scope and Other External Audit Actions (JT)</li> <li>Independent Audit/ Inspection Action Plan Update</li> <li>Internal Controls Updates - Strategic Risk Register - Anti Fraud/Whistleblowing</li> <li>Arrangements for Preparing the AGS 2022/23 (Annual)</li> <li>Gifts and Hospitality – Quarterly Update</li> </ul> <p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>	<p><u>Standing/Regular Reports</u></p> <p><b>Internal Audit</b></p> <ul style="list-style-type: none"> <li>Draft Internal Audit Plan 2024/25</li> </ul> <p><b>External Audit</b></p> <ul style="list-style-type: none"> <li>External Audit – The Audit Plan 2023/24</li> </ul> <p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li>Accounting Policies</li> </ul> <p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>
<b>25 JUNE 2024</b>	<b>ANNUAL PRIVATE MEETING WITH INTERNAL AUDIT</b>				
	<ul style="list-style-type: none"> <li>Chair’s Welcome</li> <li>Apologies</li> <li>Consideration of and Decision of any items to be taken in Private</li> <li>Declaration of Interests</li> <li>Minutes of Previous Meeting</li> <li>Action Log</li> <li>Review of Actions</li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li>HMFSI Quarterly Report</li> </ul>	<p><u>Standing/Regular Reports</u></p> <p><b>Internal Audit</b></p> <ul style="list-style-type: none"> <li>Internal Audit Progress Report 2024/25</li> <li>Final reports: - TBC</li> <li>Progress Update – Internal Audit Recommendations</li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li></li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li>Committee Audit Annual Report 2023/24 to the Accountable Officer and Board (BB)</li> </ul>

**AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN**

	<b>STANDING ITEMS</b>	<b>FOR INFORMATION ONLY</b>	<b>FOR SCRUTINY</b>	<b>FOR RECOMMENDATION</b>	<b>FOR DECISION</b>
	<ul style="list-style-type: none"> <li>Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days</li> <li>Date of Next Meeting</li> </ul> <p><b>HOT DEBRIEF</b></p>	<p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>	<p><b>External Audit</b></p> <ul style="list-style-type: none"> <li>Wider Scope and Other External Audit Actions (JT)</li> <li>Independent Audit/ Inspection Action Plan Update</li> <li>Internal Controls Updates - Strategic Risk Register - Anti Fraud/Whistleblowing</li> <li>Gifts and Hospitality – Quarterly Update</li> <li>SFRS Annual Governance Statement 2023/24</li> </ul> <p><u>New Business</u></p> <ul style="list-style-type: none"> <li>National Fraud Initiative Report (JT)</li> <li>Risk Spotlight: – TBC</li> </ul>	<p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>	<p><u>New Business</u></p> <ul style="list-style-type: none"> <li></li> </ul>
<b>17 OCTOBER 2024</b>	<b>ANNUAL PRIVATE MEETING WITH EXTERNAL AUDIT</b>				
	<ul style="list-style-type: none"> <li>Chair’s Welcome</li> <li>Apologies</li> <li>Consideration of and Decision of any items to be taken in Private</li> <li>Declaration of Interests</li> <li>Minutes of Previous Meeting</li> <li>Action Log</li> <li>Review of Actions</li> <li>Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days</li> <li>Date of Next Meeting</li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li>HMFSI Quarterly Report</li> </ul>	<p><u>Standing/Regular Reports</u></p> <p><b>Internal Audit</b></p> <ul style="list-style-type: none"> <li>Internal Audit Progress Report 2024/25</li> <li>Progress Update – Internal Audit Recommendations</li> </ul> <p><b>External Audit</b></p> <ul style="list-style-type: none"> <li>External Audit – 2023/24 Audit Plan Progress Report</li> <li>Wider Scope and Other External Audit Actions (JT)</li> <li>Independent Audit/ Inspection Action Plan Update</li> <li>Internal Controls Updates</li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li>SFRS Draft Annual Report and Accounts 2023/24 (Private)</li> </ul> <p><b>External Audit</b></p> <ul style="list-style-type: none"> <li>Private Session – Annual Report to Members and Auditor General for Scotland</li> <li></li> </ul>	<p><u>Standing/Regular Reports</u></p> <ul style="list-style-type: none"> <li></li> </ul>

**AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN**

	<b>STANDING ITEMS</b>	<b>FOR INFORMATION ONLY</b>	<b>FOR SCRUTINY</b>	<b>FOR RECOMMENDATION</b>	<b>FOR DECISION</b>
	<b>HOT DEBRIEF</b>		<ul style="list-style-type: none"> <li>- Strategic Risk Register</li> <li>- Anti Fraud/Whistleblowing</li> <li>• Gifts and Hospitality – Quarterly Update</li> </ul>		
		<u><b>New Business</b></u>	<u><b>New Business</b></u>	<u><b>New Business</b></u>	<u><b>New Business</b></u>
		•	•	•	•
<b>23 JANUARY 2025</b>	<ul style="list-style-type: none"> <li>• Chair’s Welcome</li> <li>• Apologies</li> <li>• Consideration of and Decision of any items to be taken in Private</li> <li>• Declaration of Interests</li> <li>• Minutes of Previous Meeting</li> <li>• Action Log</li> <li>• Review of Actions</li> <li>• Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days</li> <li>• Date of Next Meeting</li> </ul> <b>HOT DEBRIEF</b>	<u><b>Standing/Regular Reports</b></u> <ul style="list-style-type: none"> <li>• HMFSI Quarterly Report</li> </ul>	<u><b>Standing/Regular Reports Internal Audit</b></u> <ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2024/25</li> <li>• Progress Update – Internal Audit Recommendations</li> </ul> <b>External Audit</b> <ul style="list-style-type: none"> <li>• Wider Scope and Other External Audit Actions (JT)</li> <li>• Independent Audit/ Inspection Action Plan Update</li> <li>• Internal Controls Updates - Strategic Risk Register - Anti Fraud/Whistleblowing</li> <li>• Gifts and Hospitality – Quarterly Update</li> </ul>	<u><b>Standing/Regular Reports Internal Audit</b></u> <ul style="list-style-type: none"> <li>• Draft Internal Audit Plan 2025/26</li> </ul> <b>External Audit</b> <ul style="list-style-type: none"> <li>•</li> </ul>	<u><b>Standing/Regular Reports</b></u>
		<u><b>New Business</b></u>	<u><b>New Business</b></u>	<u><b>New Business</b></u>	<u><b>New Business</b></u>
		•	•	•	•
<b>25 MARCH 2025</b>	<ul style="list-style-type: none"> <li>• Chair’s Welcome</li> <li>• Apologies</li> <li>• Consideration of and Decision of any items to</li> </ul>	<u><b>Standing/Regular Reports</b></u> <ul style="list-style-type: none"> <li>• HMFSI Quarterly Report</li> </ul>	<u><b>Standing/Regular Reports Internal Audit</b></u> <ul style="list-style-type: none"> <li>• Internal Audit Progress Report 2024/25</li> <li>• Progress Update – Internal</li> </ul>	<u><b>Standing/Regular Reports Internal Audit</b></u> <ul style="list-style-type: none"> <li>• Draft Internal Audit Plan 2025/26</li> </ul>	<u><b>Standing/Regular Reports</b></u> <ul style="list-style-type: none"> <li>• Accounting Policies</li> </ul>

**AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN**

	<b>STANDING ITEMS</b>	<b>FOR INFORMATION ONLY</b>	<b>FOR SCRUTINY</b>	<b>FOR RECOMMENDATION</b>	<b>FOR DECISION</b>
	be taken in Private <ul style="list-style-type: none"> <li>• Declaration of Interests</li> <li>• Minutes of Previous Meeting</li> <li>• Action Log</li> <li>• Review of Actions</li> <li>• Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days</li> <li>• Date of Next Meeting</li> </ul> <b>HOT DEBRIEF</b>	<p align="center"><u><b>New Business</b></u></p> <ul style="list-style-type: none"> <li>•</li> </ul>	Audit Recommendations <b>External Audit</b> <ul style="list-style-type: none"> <li>• Wider Scope and Other External Audit Actions (JT)</li> <li>• Independent Audit/ Inspection Action Plan Update</li> <li>• Internal Controls Updates - Strategic Risk Register - Anti Fraud/Whistleblowing</li> <li>• Arrangements for Preparing the AGS 2023/24 (Annual)</li> <li>• Gifts and Hospitality – Quarterly Update</li> </ul> <p align="center"><u><b>New Business</b></u></p> <ul style="list-style-type: none"> <li>•</li> </ul>	<b>External Audit</b> <ul style="list-style-type: none"> <li>• External Audit – The Audit Plan 2024/25</li> </ul> <p align="center"><u><b>New Business</b></u></p> <ul style="list-style-type: none"> <li>•</li> </ul>	<p align="center"><u><b>New Business</b></u></p> <ul style="list-style-type: none"> <li>•</li> </ul>