

THE FIFE COUNCIL - STANDARDS, AUDIT AND RISK COMMITTEE – BLENDED MEETING

Committee Room 2, Fife House, North Street, Glenrothes.

30 June 2023

10.00 am - 1.00 pm

PRESENT: Councillors Dave Dempsey (Convener), Lesley Backhouse, John Beare, Al Clark, Graeme Downie, Gary Holt, Sarah Neal, Gordon Pryde and Ross Vettraino (substituting for Anne Verner).

ATTENDING: Eileen Rowand, Executive Director, Finance and Corporate Services; Elaine Muir, Head of Finance; Les Robertson, Head of Revenue and Commercial Services; Pamela Redpath, Service Manager – Audit and Risk Management Services; Laura Robertson, Finance Operations Manager; Anne Bence, Accountant; Paul Noble, Accountant; Paul Vaughan, Head of Communities and Neighbourhoods; Joan Lamie, Service Manager (Housing Estates and Safer Communities); Gavin Smith, Service Manager (Housing Management Executive); Susan Keenlyside, Service Manager, Sustainable Transport and Parking; John Rodigan, Head of Environment and Building Services; John Mitchell, Head of Roads and Transportation Services; Alan Paul, Head of Property Services; Tariq Ditta, Head of Facilities Management Services; Lindsay Thomson, Head of Legal and Democratic Services; Helena Couperwhite, Manager – Committee Services; and Wendy MacGregor, Committee Officer, Legal and Democratic Services.

ALSO ATTENDING: Nick Bennett, Engagement Lead, Azets Audit Services.

APOLOGIES FOR ABSENCE: Councillors Tom Adams and Ann Verner.

43. DECLARATIONS OF INTEREST

No declarations of interest were submitted in terms of Standing Order No. 22.

44. MINUTE

The Committee considered the minute of the Standards, Audit and Risk Committee meeting on 25 May 2023.

Arising from the minute, in relation to Para 39 (2) – (2022/23 Issued Audit Reports) - concerns were raised in relation to ensuring that new staff within Education and Children's Services and Health Social Care and current staff, were all registered with the Scottish Social Services Council (SSSC) identified as part of the five recommendations (one being critical) in the audit process. Assurance was requested from the Service Manager, Audit and Risk Management Services, for confirmation that these five recommendations, had been implemented by the deadline of 30 June 2023.

Decision

The committee:-

- (1) requested a report for consideration at its meeting on 17 August 2023 providing an update on the registration of staff with the SSSC, as part of the five recommendations; and
- (2) agreed to approve the minute.

45. 2021/22 AND 2022/23 ISSUED AUDIT REPORTS

The committee considered a report by the Service Manager, Audit and Risk Management Services summarising findings from the Internal Audit Reports finalised since its meeting on 25 May 2023. The report also highlighted any areas of concern and if applicable, instances where Services were not taking appropriate action.

Decision

The committee:-

- (1) noted the contents of the report and the summary of findings detailed at Appendix 1 of the report;
- (2) requested a briefing note for members, detailing issues and challenges relating to the operation of and maintenance on hybrid (hydrogen/ diesel) vehicles following concerns on reliability – the convener to liaise with the convener of the relevant scrutiny committee to determine whether any scrutiny was required;
- (3) requested a briefing note for members detailing the number of vacant surplus properties owned by the council, why they were vacant and any action the council was taking regarding disposals; and
- (4) requested a briefing note for all members providing detail on sundry debt collection, relating to the number of invoices raised and issued to home owners/occupiers requesting payment for joint repairs on partly owned council property, to include the number of invoices paid by home owners/occupiers.

46. 2022/23 INTERNAL AUDIT ANNUAL REPORT

The committee considered a report by the Service Manager, Audit and Risk Management Services, providing the 2022/23 Internal Audit Annual Report including an independent annual internal audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control framework. Also included in the report was a summary of the key activities of Audit Services from which the opinion was derived.

Decision

The Committee:-

- (1) noted the contents of the report; and

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- (2) commended the effective controls and operations implemented by the Service Manager, Audit and Risk Management Service and team, to provide reasonable assurance on the adequacy and effectiveness of the Council's framework of governance, risk management and control.

Committee adjourned at 11.20 am and the Committee reconvened at 11.30 am.

47. ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2023

The committee considered a report by the Executive Director, Finance and Corporate Services presenting the Annual Governance Statement for consideration, approval and inclusion in the unaudited Annual Accounts for the year ended 31 March 2023.

Decision

The Committee:-

- (1) noted the contents of the report;
- (2) approved the Annual Governance Statement, attached as an Appendix to the report and
- (3) noted that, following approval, the Executive Director, Finance and Corporate Services would include the Annual Governance Statement in the Annual Accounts for the year to 31 March 2023.

48. FIFE COUNCIL UNAUDITED ANNUAL ACCOUNTS 2022-23

The committee considered a report by the Executive Director, Finance and Corporate Services relating to the unaudited accounts for Fife Council and its group for 2022-23.

Decision

The committee:-

- (1) considered and noted the draft unaudited accounts for Fife Council and its group for 2022-23;
- (2) requested a briefing note for all members on concession service charges featured in the annual accounts, with consideration to be given on the requirement for a workshop; and
- (3) requested the updated annual governance statement be included in the draft annual accounts.

Cllr Al Clark left the meeting during consideration of the above item.

49. FIFE COUNCIL CHARITABLE TRUSTS - UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS 2022-23

The committee considered a report by the Executive Director, Finance and Corporate Services relating to the unaudited annual accounts and financial statements for Fife Council Charitable Trusts for 2022-23.

Decision

The committee considered and noted the unaudited annual accounts and financial statements for Fife Council Charitable Trusts for 2022-23.

50. RISK MANAGEMENT UPDATE

The committee considered a report by the Service Manager, Audit and Risk Management Services relating to an update to the Council's Risk Management Policy and Strategy document and providing an update on progress made towards implementing the Risk Management Improvement Plan (RMIP) and Roll Out Plan. The report also included an update on the level of risk within the Council's Strategic Risk Register as of 29 May 2023.

Decision

The committee:-

- (1) approved the council's revised Risk Management Policy and Strategy, which included the new Risk Impact Assessment Matrix as detailed at Appendix A to the report;
- (2) noted the content of the RMIP and status of actions, detailed at Appendix B to the report;
- (3) noted the summarised content and progress of the Roll Out Plan, detailed at Appendix C to the report;
- (4) approved the council's Strategic Risk Register following the most recent review, detailed at Appendix D to the report and noted that the Strategic Risk Register would be continuously reviewed and updated where appropriate;
- (5) noted the planned comprehensive review of the risks within the Strategic Risk Register (SRR); and
- (7) noted that further updates on Risk Management arrangements would be provided throughout 2023/24 in line with the Policy and Strategy document.

Councillor Graeme Downie left the meeting during consideration of the above item.