Standards and Audit Committee

Due to Scottish Government guidance relating to Covid-19, the meeting will be held remotely

Thursday, 11th February, 2021 - 10.00 a.m.

AGENDA

		Page Nos.
1.	**APOLOGIES FOR ABSENCE**	
2.	**DECLARATIONS OF INTEREST** – In terms of Section 5 of the Code of Conduct, members of the Committee are asked to declare any interest in particular items on the agenda and the nature of the interest(s) at this stage.	
3.	**MINUTE –** Minute of meeting of Standards and Audit Committee of 17th December, 2020.	3 – 7
4.	**RISK MANAGEMENT STRATEGY AND STRATEGIC RISK REGISTER REVIEWS** – Report by the Head of Finance.	8 – 12
5.	**UPDATE ON 2020/21 REVISED AUDIT PLAN AND ANALYSIS OF ISSUED REPORTS** – Report by the Service Manager, Audit and Risk Management.	13 – 28
6.	**STANDARDS AND AUDIT COMMITTEE FORWARD WORK PROGRAMME**	29 - 30

Members are reminded that should they have queries on the detail of a report they should, where possible, contact the report authors in advance of the meeting to seek clarification.

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Head of Legal and Democratic Services
Finance and Corporate Services

Fife House
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4th February, 2021

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THE FIFE COUNCIL - STANDARDS AND AUDIT COMMITTEE – REMOTE MEETING

17th December, 2020 **10.00 a.m. – 11.15 a.m.**

PRESENT: Councillors Dave Dempsey (Convener), Lesley Backhouse, John Beare, Bobby Clelland, Dave Coleman, Gordon Langlands, Derek Noble, Ann Verner and Ross Vettraino.

ATTENDING: Elaine Muir, Head of Finance, Avril Cunningham, Service Manager, Audit and Risk Management Services, Finance Services; Diarmuid Cotter, Head of Customer and Online Services and Laura McDonald, Customer Experience Lead Officer, Customer and Online Services; Morag Ferguson, Head of Legal and Democratic Services, Helena Couperwhite, Manager - Committee Services, Fiona Stuart, Data Protection Officer and Wendy MacGregor, Committee Officer, Legal and Democratic Services.

ALSO IN ATTENDANCE: Tim Bridle, Audit Manager, Audit Scotland.

160. DECLARATIONS OF INTEREST

No Declarations of Interest were submitted in terms of Standing Order No. 7.1.

161. MINUTES -

(a) Standards Audit Committee of 15th October, 2020

Decision

The Committee agreed to approve the minute.

(b) Standards and Audit Committee of 26th November, 2020

Decision

The Committee agreed to approve the minute.

162. INFORMATION REQUESTS ANNUAL REPORT 2019-20

The Committee considered a report by the Head of Customer and Online Services, Communities detailing requests for information received in terms of the Freedom of Information (Scotland) Act 2002 (FOISA): the Environmental Information (Scotland) Regulations 2004 (EIR) and the GDPR/Data Protection Act 2018 (DPA).

Decision/

Decision

The Committee:-

(1) noted the continued increase in workload arising from managing information requests;

(2) noted the performance as detailed in the report;

(3) requested that a Service breakdown for Social Work Services - Children and Families and Criminal Justice, be included in future submissions to the Committee, as detailed in Appendix 1 of the report; and

(4) acknowledged the progress in liaison with the Information Management and Request Team (IMRT) and the ICT Governance Board to monitor and improve performance.

163. DATA PROTECTION ANNUAL REPORT

The Committee considered a report by the Data Protection Officer, Legal and Democratic Services highlighting key data protection statistics for Fife Council.

Decision

The Committee:-

(1) acknowledged the work of the Data Protection Officer and the Data Protection Team to ensure continued compliance across the Council with the General Data Protection Regulation (GDPR) and, to adapt processes to enable vital data sharing initiatives to take place in a compliant way;

(2) considered and noted the performance as detailed in the report;

(3) expressed concern over low statistics from Services across the Council that had failed to complete the mandatory Data Protection training and that Service participation would continue to be monitored;

(4) noted the steps being taken via the Information Governance Working Group; the ICT Governance Board and staff communications to improve performance; and

(5) agreed that refresher training on Data Protection would be provided for all Fife Council elected members.

164. REGULATION OF INVESTIGATORY POWERS (SCOTLAND) ACT 2000

The Committee considered a report by the Executive Director - Finance and Corporate Services updating members on the use of the Regulation of Investigatory Powers in 2019 and 2020.

Decision/

Decision

The Committee noted the use of the Regulation of Investigatory Powers in 2019 and 2020.

165. THE STANDARDS COMMISSION FOR SCOTLAND – ANNUAL REPORT AND ACCOUNTS FOR 2019/20; AND DECISIONS TAKEN BY THE HEARING PANEL OF THE STANDARDS COMMISSIONER FOR SCOTLAND

The Committee considered a report by the Head of Legal and Democratic Services advising members that the Standards Commission for Scotland had published its annual report and accounts for 2019/20; and reported on the findings of the Hearing Panel of the Standards Commission for Scotland during the period 2019/20.

Decision

The Committee noted:-

(1) the annual report and accounts for 2019/20 of the Standards Commission for Scotland;

(2) the findings of the Public Standards Commissioner and the decisions of the Hearing Panel of the Standards Commission for Scotland in the period 2019/20, which would continue to be monitored and appropriate reports and/or advice given to the Council; and

(3) noted that a link to the Annual Report would be circulated to all elected members.

166. COVID-19 GUIDE FOR AUDIT AND RISK COMMITTEES

The Committee considered a report by the Executive Director - Finance and Corporate Services highlighting the key issues raised in the 'Covid-19 Guide for Audit and Risk Committees ' published by Audit Scotland in August 2020 and to inform the Standards and Audit Committee members of the outcome of the self-assessment using its best practice checklists.

Decision

The Committee noted

(1) the contents of the report; and

(2) the outcome of the self assessment as detailed in Appendix 1 of the report.

167./

167. UPDATE ON 2020/21 REVISED AUDIT PLAN AND ANALYSIS OF ISSUED REPORTS

The Committee considered a report by the Service Manager, Audit and Risk Management Services providing an update on 2020/21 audits and analysis of the findings of the audit reports issued since the last report to this Committee. The report highlighted any areas of concern identified and instances where, in the view of the Service Manager, Audit and Risk Management, appropriate action was not being taken.

Decision

The Committee noted the contents of the report and the summary report attached as Appendix 1.

Councillor Lesley Backhouse left the meeting during consideration of the above item.

168. POST AUDIT REVIEW REPORT

The Committee considered a report by the Service Manager, Audit and Risk Management Services, the purpose of which was to provide an update on internal audit reports issued in the period 1 July 2019 to 30 June 2020. It also provided an update of progress for the period prior to 1 July 2019.

Decision

The Committee noted the contents of the report and the satisfactory progress that had been made in implementing recommendations.

169. NATIONAL FRAUD INITIATIVE 2020/21 PROGRESS

The Committee considered a report by the Service Manager, Audit and Risk Management Services, the purpose of which was to advise the Committee of the progress of the 2019/20 National Fraud Initiative Exercise.

Decision

The Committee noted:-

(1) the contents of the report and the progress made to date; and

(2) the outcome of the June 2020 Pensions to DWP Deceased exercise.

170. INTEGRATION JOINT BOARD ANNUAL AUDIT REPORT 2019/20

The Committee considered a report by the Service Manager, Audit and Risk Management Services, the purpose of which was to present the Integration Joint Board (IJB) Annual Audit report 2019/20 to the Committee for noting as part of the overall assurance portfolio in support of the governance statement. In return, the Fife Council Annual Audit Report would be shared with the IJB Audit and Risk Committee for their consideration.

Decision/

Decision

The Committee noted:-

(1) the contents of the report; and

(2) from March 2021, the audit for the Integration Joint Board would be passed to the NHS Fife, and that collaboration between Internal Auditors from Fife Council and NHS Fife would take place to ensure the transition of the auditors role.

171. SPSO NEWS - OCTOBER, NOVEMBER AND DECEMBER 2020

Decision

The Committee noted the terms of the SPSO News summaries forwarded to them electronically and decisions relating to Fife Council.

11th February, 2021

Agenda Item No. 4

Risk Management Strategy and Strategic Risk Register Reviews

Report by: Elaine Muir, Head of Finance, Finance and Corporate Services

Wards Affected: All

Purpose

The purpose of this report is to update members on the reviews of the Council's Risk Management Strategy and the Strategic Risk Register.

Recommendation(s)

Members are asked to note the arrangements for the Risk Management Strategy and the Council's Strategic Risk Register reviews, which have been agreed by the Council Executive Team (CET)

Resource Implications

There is a budget of £10k in the Zurich risk management fund for funding risk reviews, and while detailed costs have not yet been provided, there is an indication this will cover at least the Risk Management Strategy review, with the costs for the Strategic Risks Register review funded from the Risk Management budget.

Legal & Risk Implications

If the Council does not have a suitable strategy and structure in place to support its risk management arrangements, it will reduce its ability to effectively manage risks leading to financial and legal penalties, waste of resource by focusing on wrong priorities, the inability to benefit from considered opportunities and the inability to achieve objectives.

If the Council's Strategic Risk Register is not regularly and systematically reviewed it could lead to waste of resource by focussing on the wrong priorities, the inability to benefit from considered opportunities and the inability to achieve objectives.

Impact Assessment

An EqIA is not required because the report does not propose a change or revision to existing policies and practices.

Consultation

Consultation has taken place with the Senior Strategic Risk Management Consultant, Zurich Insurance Company Ltd on the format and content of the reviews.

1.0 Background

1.1 The Council has a risk management framework in place; however, it is important to review these arrangements periodically to ensure risk continues to be managed effectively. The Risk Management Strategy review was last reviewed in 2016 and approved in April 2017.

1.2 The Strategic Risk Register (SRR) was reviewed in 2018/2019, which provided the opportunity to ensure the SRR aligned to the Plan for Fife 2017-2027. The full Strategic Risk Register was presented to CET on 5 February and to Standards and Audit Committee on 20 February 2020. The timing of this SRR review would ensure the revised focus on reform of key aspects of the Plan for Fife, and the impacts of Covid-19 and the Brexit deal, is reflected in the strategic risks.

1.3 This paper sets out the background to the roles and responsibilities in relation to Risk Management and provides an update to how these reviews will be managed.

2.0 Roles and Responsibilities for Risk Management

2.1 The Risk Management Manual sets out the roles and responsibilities for the Council's Officers, with Executive Directors/Heads of Service responsible for management of risks within their own Directorate/Service.

2.2 However, in April 2017, CET approved revised roles and responsibilities in light of the Directorate restructuring and the introduction of 3S. This approach incorporated the following support roles:

Risk Management Team:

- providing professional advice and support to all Council Services
- developing training materials, guidance notes and templates to support the risk management process
- providing support and guidance to the Standards and Audit Committee, Council Management Team, Risk Management Strategy Group and the Operational Risk Management Group to undertake their roles in developing and implementing the risk management strategy and framework
- administering the risk element of Pentana

Corporate Development Team

- are responsible for the facilitation and challenge role, along with risk monitoring linked to the Council Planning process for Finance and Corporate Services, Communities and Environment and Enterprise Directorates. Education and Children's Services and Health and Social Care have support within the Directorate for managers to manage risks.

Business Support

- provide administrative support for the Directorate for the day to day administration of the Directorate risks for example updating risk scores etc. on Pentana for Managers and providing ad hoc reports.

2.3 However, this approach was dependent on the appropriate resources being available to support these functions.

2.4 The risk management strategy review will help address any gaps that have emerged as the demand on resources has changed since the 2017 review and pick up on actions to make risk management more effective and become more embedded across the organisation.

3.0 Risk Management Strategy review

3.1 A refresh of the risk management strategy and processes is overdue and necessary to drive improvements in risk management and to work towards embedding risk management across the Council.

3.2 A new approach is being taken to this review, with the Senior Strategic Risk Management Consultant, Zurich Insurance Company Ltd leading the review, providing an independent viewpoint. Whilst we are already aware of where many of the areas for improvement lie, this will help identify solutions, utilising experience of good practice from other Local Authorities.

3.3 The exercise will be in the form of a Risk Management Health Check, which follows the 3 lines of defence model to review how risks are identified and managed by each line in the organisation.

- 1st line – Operational Management (risk owners)
- 2nd line - Risk, Assurance and compliance functions which oversee the processes and systems in place
- 3rd line – independent assurance, such as internal and external audit

3.4 This would be completed in 3 stages:

- a desktop review of Risk Management information, policies and procedures.
- discussions with a section of Council staff from each line of deference, and the Convenor of Standards and Audit Committee, to see how the policies and procedures work in practice. This will comprise of 6-8 interviews lasting 30-45 minutes.
- A report with practical recommendations on areas for improvement – possibly presented at a small virtual workshop with representation from each Directorate. This will provide an action plan which can be implemented over time.

3.5 The review will cover the risk management framework and processes, risk management responsibilities, risk management training, and reporting on risks, and form the basis for revision of the Risk Management Manual, with the aim of embedding risk management part of the everyday decision-making processes.

3.6 It is envisaged that the outcome of this exercise would be reported to CET in May 2021, with proposed changes to the strategy, and once finalised, would be submitted to Standards and Audit Committee in June for approval.

4.0 Strategic Risk Register review

4.1 All strategic risks are managed by Executive Directors or above, to enable clear visibility of risks to achieving the Council's objectives and whether effective control measures in place to reduce the likelihood and impact of these risks.

4.2 Risks are generally assigned to Heads of Service or a senior manager who are the risk owners. Each Strategic Risk has a risk owner who is responsible for ensuring the risk is regularly reviewed and monitored. Where the score is 8 or greater the risk owner is responsible for putting an action plan in place to reduce the risk score to below 8. Actions are listed in the risk register under each strategic risk. The risk owner is also responsible for monitoring existing controls to ensure they are operating.

4.3 For the last Strategic Risk Register review, the workshop was led by the Senior Strategic Risk Management Consultant, Zurich Insurance Company Ltd, with support provided by the Corporate Development Team. They worked with relevant Services to finalise risk descriptions, profiles and actions for input into Pentana. However, in spite of the team's efforts, it took almost a year for the risk register to be fully updated due to lack of engagement.

4.4 It is proposed that the Risk Consultant will also undertake this review but using a different approach to ensure the risk register is completed within a reasonable timescale and to take account of the need to perform the review remotely.

4.5 Risk identification will be undertaken using a phased approach, with a survey issued across all Directorate Leadership Teams using Microsoft Forms. A 100% response rate will be required to ensure that risks have been considered from all perspectives.

4.6 The result of the survey will be compared with the current strategic and service risks, and those of other Councils to ensure that no obvious areas have been missed. The Risk Consultant will collate the results, and for the key risks identified for each Directorate, will work with Directorates to define and score the risks.

4.7 It is anticipated that the outcome from this exercise will be presented at a virtual workshop, which will reflect on the scoring and prioritisation of risks. Participation will be required from strategic risk owners from all Directorates.

4.8 It is envisaged that the outcome of this exercise would be reported to CET in May 2021, with proposed changes to the strategic risk register, and once finalised, would be submitted to Standards and Audit Committee in June for approval.

5.0 Conclusion

5.1 Risk management, to be effective, has to become part of the everyday processes, and the forthcoming reviews will help to provide a renewed focus on risk management, serve to raise awareness and provide an action plan to address areas for improvement.

Report Contact
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11th February, 2021
Agenda Item No. 5

Update on 2020/21 Revised Audit Plan and Analysis of Issued Reports

Report by: Avril Cunningham, Service Manager, Audit and Risk Management Services

Wards Affected: All

Purpose

To provide the Committee with an update on 2020/21 audits and analysis of the findings of the audit reports issued since the last report to this Committee. The report highlights any areas of concern identified and instances where, in the view of the Service Manager, Audit and Risk Management, appropriate action is not being taken.

Recommendation(s)

Members are asked to note the contents of this report and the summary report attached as Appendix 1.

Resource Implications

None.

Legal & Risk Implications

If Services do not have suitable internal controls in place, there is an increased risk that Service and/or Council objectives will not be achieved.

Impact Assessment

An EqIA has not been completed and is not necessary as this report is not proposing a change or revision to existing policies and practices.

Consultation

Audit Services has consulted with all subjects of the reports.

1.0 Introduction

1.1 The purpose of Audit Services is to provide an assurance function that gives an independent and objective opinion to the Council on the control environment by evaluating its effectiveness in achieving its objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

1.2 This report provides an update on 2020/21 audits and an analysis of the audit reports issued by Audit Services since the last report to this Committee, providing details of the key findings from the reports along with areas of concern which require to be brought to the Committee's attention.

2.0 Performance Scorecard (based on Original Audit Plan)

2.1 Audit Services' Balanced Scorecard focuses on achievement of objectives, such as completion of the original audit plan (to 31 March 2021), performance timescales, customer satisfaction, cost of audit and staffing.

2.2 The results for Quarter 3 are based on Week 40, as monitoring meetings are undertaken on a 4-weekly basis. A short note on each of these is given below:

Customer Satisfaction
Audit Services issues questionnaires after the completion of each job to identify customer satisfaction. The percentage of satisfied audit clients, based on the scoring of the one questionnaire received this quarter, was 78%. This is against an overall target of 85%.

Planned Work
Against a target of completing 69% of the original audit plan, 43% has been achieved to date. A revised audit plan was agreed on 15 October to take account of the impact of COVID-19, on which progress is reported at Section 3.

Adherence to the Annual Audit Plan
Against a target of 69% adherence to the annual audit plan, 56% has been achieved to date. This is wider than the performance indicator above as it includes time allocated in the audit planning process for contingency, corporate fraud investigations and consultancy and advice, as well as planned audits. A revised audit plan was agreed on 15 October to take account of the impact of COVID-19, on which progress is reported at Section 3.

Percentage of Planned Productive Days against Total Days
Against a target of 75% productive days, 63% has been achieved to date. A revised audit plan was agreed on 15 October to take account of the impact of COVID-19, on which progress is reported at Section 3.

Percentage of the Audit Plan Completed v. Budget
This indicator measures budget days against actual days. If the percentage result is positive, this indicates that we are going over budget on audit jobs. A negative figure means that we are under budget on audit jobs. However, until the end of an audit, the actual figure is based on an estimate of the stage of completion of the audit, so it is subjective while audits are in progress. Actual against budget is monitored at four-weekly meetings. To date, Audit Services is 13% over budget, overall, on audit jobs.

Timescales
For the issue of formal draft and final reports within timescale, Audit Services achieved 100% and 100% respectively against a target of 90%.

3.0 Update on progress (Revised Audit Plan)

3.1 On 15 October 2020, Standards and Audit Committee approved a revised audit plan for 2020/21, to take account of the impact of COVID-19, and an extension of the time available to complete the amended plan to 31 May 2021.

3.2 As a result of the changing risk landscape due to COVID-19, the operational audit plan needs to be flexible and responsive, and further changes may be required as the year progresses, which negates the use of the quarterly performance scorecard for monitoring performance as this is based on the original plan. Therefore, it was agreed that an update on progress on planned audits would be brought to Standards and Audit Committee.

3.3 An update on the revised audit plan is included at Appendix 1. There are approximately 509 audit days left until 31 May 2021, and the days required for audits in the revised plan totals approximately 538. Progress has been impacted by a long-term absence in the Team and, for this quarter in particular staff holidays in December. We will monitor progress closely but, as our target is 90% of planned work, no further amendment to the plan is proposed at the current time.

4.0 Audit / Corporate Fraud Reports

4.1 To enable the Standards and Audit Committee to form an opinion on the effectiveness of the internal control environment, to provide assurance where internal controls are working well and to highlight areas for concern, the Service Manager, Audit and Risk Management, prepares this report which provides a summary of the audit reports issued by Audit Services.

4.2 The reports issued in the current period cover a number of Services and areas. A short outline of each report is contained in Appendix 1.

4.3 The summaries relate to Fife Council Audits and Corporate Fraud reports.

4.4 Under the Fife Integration Board (IJB) Audit Output Sharing Protocol, IJB audit report summaries, are also included for noting.

4.5 For each completed audit / fraud risk review report, services are required to complete a Post Audit Review Action Plan (PAR). This indicates the Service's progress in implementing agreed actions, reasons for non-implementation and explanations if a recommendation is no longer applicable. The outcome of this is reported to Standards and Audit Committee twice a year.

5.0 Conclusion

5.1 The audits carried out in this period have identified that, despite a number of instances where the Council's governance arrangements have not been followed, these do not show systemic failings and, in general, satisfactory procedures are in place and are being complied with. Appropriate actions have been agreed in all instances to address these shortcomings.

5.2 I would therefore conclude that the findings do not pose a significant risk to the Council and, when all the actions are implemented, the control framework of the Council will be improved.

List of Appendices

1. Performance Scorecard 2020/21 – Quarter 3
2. Summary of Audit Reports Issued
3. Update on Revised Operational Audit Plan 2020/21

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Appendix 1 Scorecard 2020-21 - Quarter 3	Notes	Quarter 1 Apr-Jun	Quarter 2 Jul-Sep	Quarter 3 Oct-Dec	Quarter 3 Target/Budget	Annual Target/Budget
Customer						
Customer Satisfaction Rate (%) (FCS ARM 06)	Percentage of satisfied audit clients	85%	92%	78%	85%	85%
Achievement of Audit Plan						
Planned work completed (%) (FCS ARM 09)	Percentage of planned work which has been completed (cumulative)	17%	31%	43%	69%	90%
Efficiency of Adherence to Audit Plan (FC5 ARM 03)	Efficiency of Adherence to the annual audit plan (cumulative)	18%	29%	56%	69%	90%
Chargeable time (%) (FCS ARM 04)	Percentage of productive days as a measure of total days (cumulative)	67%	66%	63%	75%	75%
Budget against Actual (FCS ARM 05)	Percentage of the audit plan completed within budget (cumulative)	-12%	1%	13%	0%	0%
Timescales						
Formal Drafts issued (FCS ARM 08)	Figures taken from timescales spreadsheet	3	7	7		
Formal Drafts issued in agreed timescale (Draft reports)	Figures taken from timescales spreadsheet	2	5	7		
Formal Drafts issued in agreed timescale (Draft reports) (%)		67%	71%	100%	90%	90%
Final Reports/MLs issued (FCS ARM 07)	Figures taken from timescales spreadsheet	3	8	8		
Final Reports/MLs issued in agreed timescale	Figures taken from timescales spreadsheet	3	7	8		
Final Reports/MLs issued in agreed timescale (Final reports) (%)		100%	88%	100%	90%	90%

Update on Revised Operational Audit Plan 2020/21

	Key to progress
	Complete
	Review stage and above (nearing completion)
	In progress (time against audit in % plan)
	Not started

Revised 2020/21 Audit Plan			
Plan No	**Plan Description**	**Status at week 32**	**Status at week 40**
	GOVERNANCE		
1	Plan for Fife	Testing underway	Report review stage
3	Corporate Governance & Best Value (Service Level)	Exit meeting draft report with Service	Final report issued
5	Risk Management & Business Continuity (Service Level)	Completed action plan with TL for review	Final report issued
5	Risk Management & Business Continuity (Service Level)	Report review stage	Report review stage
7	Health & Safety Corporate	Formal draft report with Service	Formal draft report with Service
8	Management of Information (Corporate) - Follow Up	Follow up - Waiting on information from Service - reminders issued	Formal draft report with Service

Plan No	Plan Description	Status at week 32	Status at week 40
9	Management of Information (Service Level)	Final report issued	Final report issued
9	Management of Information (Service Level)	Audit set up - fieldwork not started	Audit set up - fieldwork not started
14	Partnership Working	**Not started**	**Not started**
15	Performance Management	Report review stage	Report review stage
	MEMBERS		
18	Election Expenses	Exit meeting draft report with Service	Final report issued
	MAIN SYSTEMS		
23	Capital Budget Setting & monitoring	Audit fieldwork ongoing - waiting for information from Service	Audit fieldwork ongoing - waiting for information from Service
28	Non-Domestic Rates	Audit set up - fieldwork not started	Audit set up - fieldwork not started
29	Debtors	Waiting for meeting / information with Service	Exit Meeting arranged
30	Payment Strategy/Income Collection/PCI DSS	Audit set up ongoing	Audit set up ongoing
32	Asset Management (CAM Land & Buildings)	Audit fieldwork almost complete - waiting on information from Service	Draft report being finalised

Plan No	Plan Description	Status at week 32	Status at week 40
34	Housing & Council Tax Benefits	Final report issued	Final report issued
	SUBSIDIARY SYSTEMS		
37	Valuation List	Audit fieldwork ongoing	Audit fieldwork ongoing
	STAFFING		
43	Human Resources (Service Level)	Follow up being set up - Service raised concerns regarding timing due to Oracle implementation, so audit deferred towards end of year	Follow up being set up - Service raised concerns regarding timing due to Oracle implementation, so audit deferred towards end of year
	INCOME		
48	Leasing of Industrial & Commercial Premises	Final report issued	Final report issued
	PURCHASES		
52	Capital Expenditure Service Level	Set up in progress	Set up complete. About to start testing
57	Concessionary fares and subsidised transport	**Not Started**	**Not Started**
58	Review of SLAs/Internal Contracts	COBIT Review Assessment Process, no report to Committee	COBIT Review Assessment Process, no report to Committee
62	Fleet Management	Testing underway	Testing underway
64	Management of Contracts	Set up - fieldwork not started	Set up - fieldwork not started

Plan No	Plan Description	Status at week 32	Status at week 40
	HEALTH & SOCIAL CARE		
8	Transformation Programme - Home Care audit	Testing started	Testing started
69	Resource Transfers	**Not started**	**Not started**
71	Clients Funds/Assets - **Follow up**	Follow up at review stage (desktop exercise as no audit visits)	Follow up at review stage (desktop exercise as no audit visits)
73	Employability	Audit fieldwork ongoing	Draft report at review stage
	OTHER SERVICES		
74	Contact Centre	Draft report with Service	Final report issued
80	Litigation and Licensing	Final report issued	Final report issued
	INFORMATION TECHNOLOGY AUDITS		
97	Change Management	In progress	In progress
100	Management of Availability, Capacity & Continuity	**Not Started**	**Not Started**
104	Management of Service Requests & incidents	Final report issued	Final report issued
	MINI AUDITS		
107	Purchasing Cards (Education)	Set up started	Set up started
	CONTINUOUS AUDITING		
112	Purchasing Cards	Continuous auditing - no report to Committee	Continuous auditing - no report to Committee

Plan No	Plan Description	Status at week 32	Status at week 40
113	Duplicate Suppliers	Set up started	Set up started
114	Payroll monthly checks	Continuous auditing - no report to Committee	Continuous auditing - no report to Committee
	Audit Certification		
115	External Grants Received (including EU) process	Ongoing (certification as required)	Ongoing (certification as required)
115	External Grants Received - Leader	Final report issued	Final report issued
116	Audit Certification **- Fitzgerald Trust, Clipper, FET, Grants, etc.**	Ongoing (certification as required)	Ongoing (certification as required)
	Post Audit Review and Follow Up		
117	PAR Reviews	Ongoing	Ongoing
	Planned consultancy		
118	COBIT 5 Capability Assessment (BTS)	Waiting for information from Service	Waiting for information from Service
119	Data Matching	**Not yet requested by Service**	**Not yet requested by Service**
120	National Fraud Initiative - Administration	NFI exercise ongoing	NFI exercise ongoing
121	Link Officer Governance Group	Ongoing	Ongoing
122	Voluntary Sector Task Group	Ongoing	Ongoing

Plan No	Plan Description	Status at week 32	Status at week 40
123	Social Work Boards	Ongoing	Ongoing
Plan no.	**Unplanned audit work – now included in 2020/21 revised plan**		
	Unplanned Carry Forwards from 2019/20		
43	Human Resources (Service Level) - follow up	Report issued	Report issued
118	Grants to Voluntary Organisations	Report issued	Report issued
95	Management of Portfolio, Programmes and Projects	Set up complete	Set up complete
23	Revenue Budget Setting & Monitoring	Report issued	Report issued
22	Revenue Budget Setting and Monitoring (Communities)	Report issued	Report issued
127	COBIT5 Capability Assessment	Report issued	Report issued
85	Health & Safety Risk Assessments	Report at review stage	Report at review stage
67	Childcare Payments Follow-Up	Desktop follow up - remote testing required to complete audit	Desktop follow up - remote testing required to complete audit
101	Management of IT Security - Cybersecurity	**Not started**	**Not started**

Plan No	Plan Description	Status at week 32	Status at week 40
123	City Deals- FI3P	Consultation exercise complete	Consultation exercise complete
	Additional Work Requested in 2020/21		
	Procurement Contract Review (requested by Committee)	Audit ongoing	Audit ongoing
	COVID 19 Fin Gov & Supplier Relief Scheme	Review complete - advice and guidance provided	Review complete - advice and guidance provided
	Business Grants Process	Review complete - advice and guidance provided	Review complete - advice and guidance provided

SERVICE, REPORT and PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
1. Finance and Electoral Services • Claim for European Parliamentary Election Fees and Charges (Report 47)	This audit reviews the systems in place within Electoral Services for managing election expenses and ensuring compliance with the guidance received. The level of assurance provided merits a Grade 3. Audit's assessment of the materiality of the system is a Grade 3, accordingly, the overall risk is assessed as medium. Findings: In general, the controls were sound; however, the audit identifies the following areas for improvement: • Documented procedures are not adequately detailed and in draft format. • National Insurance contributions have been included in error and other staff costs have been incorrectly described on the claim form. • There is no documented process to ensure that all eligible expenditure is included in the claim. • The completed claim form does not include the level of detail specified in the government guidance. • No budgets are in place for elections, and there are no written procedures for any part of the budgetary process. Satisfactory actions have been agreed for 4 recommendation in the report by 30/06/2021. Recommendations: 1 Substantial, 3 Moderate

2. Customer and Online Services Contact Centre (Report 48)	This audit reviews how effectively Customer and Online Services manages the Contact Centre. Due to Covid restrictions the Contact Centre currently has a number of staff working from home The level of assurance provided merits a Grade 2. Audit's assessment of the materiality of the system is a Grade 3, accordingly, the overall risk is assessed as low. Findings: In general, the controls were sound; however, the audit identifies the following area for improvement: • The Service has still to consider and address additional information security risks of Contact Centre staff working from home. Satisfactory actions have been agreed for 1 recommendation in the report by 31/12/2020. Recommendation: 1 Substantial

3. Communities Local Code of Corporate Governance (Report 49)	This audit reviews how well Communities demonstrates its commitment to the Local Code of Corporate Governance and the associated annual governance assurance process. We are satisfied that Communities' annual assessment demonstrates it is overall compliant with the Council's Code of Corporate Governance. Findings: In general, the controls were sound; however, the audit identifies the following areas for improvement: • There is no evidence retained to demonstrate that Communities' annual assessment was signed off by the relevant Heads of Service and/or Executive Director. • Communities has still to identify areas for improvement / appropriate actions, where applicable, as part of the annual assessment process. • There is no process for monitoring and reviewing areas for improvement. Satisfactory actions have been agreed for 4 recommendations in the report by 31/01/2021. Recommendations: 2 Substantial, 2 Moderate

4. Health and Social Care – Audit Services (Resources) Risk Management and Business Continuity (Report 50)	This audit reviews how well Health & Social Care, Adult Services (Resources), controls its Risk Management Framework and if effective arrangements are in place for managing risks. The level of assurance provided merits a Grade 3. Audit's assessment of the materiality of the system is a Grade 3, accordingly, the overall risk is assessed as medium. Findings: In general, the controls were sound; however, the audit identifies the following areas for improvement: • The Service Manager for Adult Services (Resources) has not attended appropriate Risk Management training. • Risk registers, although available, do not identify all internal controls and Risk Owners. • Business Continuity Plans are not regularly tested. • Performance Reports do not include a section on Risk Management. Satisfactory actions have been agreed for 6 recommendations in the report by 31/06/2021. Recommendations: 6 Moderate

Standards and Audit Committee of 15th April, 2021			
Title	**Service(s)**	**Contact(s)**	**Comments**
Minute of meeting - 11.02.21			
Update on 2020/21 Revised Audit Plan and Analysis of Issued Audit Reports		Avril Cunningham	Audit Year extended to May 2021, update report expected in April Committee?
Post Audit Review Report		Avril Cunningham, Carolyn Ward	
Forward Work Programme			

Standards and Audit Committee of 3rd June, 2021			
Title	**Service(s)**	**Contact(s)**	**Comments**
Minute of meeting - 15.04.21			
Update on 2020/21 Revised Audit Plan and Analysis of Issued Audit Reports		Avril Cunningham, Carolyn Ward	
Audit Plan June 2021 - March 2022		Avril Cunningham, Carolyn Ward	
Assurance Statement 2021		Avril Cunningham, Carolyn Ward	Tentative - may be deferred to meeting on 29.06.21
Risk Managment Strategy Review			
Strategic Risk Register Review		Avril Cunningham, Carolyn Ward	
Forward Work Programme			

Standards and Audit Committee of 29th June, 2021			
Title	**Service(s)**	**Contact(s)**	**Comments**
Unaudited FC Annual Accounts		Elaine Muir	
Unaudited Charitable Accounts		Elaine Muir	

Unallocated			
Title	**Service(s)**	**Contact(s)**	**Comments**
Financial Overview Report		Elaine Muir	
Local Government in Scotland: Challenges and Performance		Niki Ross	report from Audit Scotland
Complaints Performance Update		David Thomson-CRM	last committee date Sept 2020 - expected Sept 2021?
Data Protection Annual Report	Legal & Democratic Services	Fiona Stuart	First Annual report to Committee in Dec 2020, thereafter due annually August/September
Information Requests - Annual Report 2020/21	Communities	Laura McDonald-im	Annual report expected Nov/Dec 2021
The Standards Commission for Scotland Annual Report 2020/21		Morag Ferguson	Annual Report, expected Nov/Dec 2021
IJB Annual Audit Report 2020/21	Finance and Corporate Services	Avril Cunningham	Annual report expected Nov/Dec 2021