

## Standards, Audit and Risk Committee

Committee Room 2, Floor 5, Fife House, North Street,  
Glenrothes / Blended Meeting



Thursday, 18 January, 2024 - 10.00 a.m.

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### 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(s) in particular items on the agenda and the nature of the interest(s) at this stage.
3. **MINUTE** – minute of the meeting of the Standards, Audit and Risk Committee on 9 November 2023 3 – 5
4. **2023/24 ISSUED AUDIT REPORTS** – Report by the Service Manager, Audit and Risk Management Services 6 – 13
5. **RISK MANAGEMENT UPDATE** – Report by the Service Manager, Audit and Risk Management Services 14 – 58
6. **STANDARDS UPDATE – ANNUAL REPORTS, HEARING OUTCOMES AND CONSULTATIONS** – Report by the Head of Legal and Democratic Services 59 – 64
7. **FIFE INTEGRATION JOINT BOARD (IJB) 2022/23 INTERNAL AUDIT REPORT** – Report by the Service Manager, Audit and Risk Management Services 65 – 88
8. **STANDARDS, AUDIT AND RISK COMMITTEE WORK PLAN** – Report by the Executive Director, Finance and Corporate Services 89 – 92

**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.**

Lindsay Thomson  
Head of Legal and Democratic Services  
Finance and Corporate Services

Fife House  
North Street  
Glenrothes  
Fife, KY7 5LT

11 January, 2024

If telephoning, please ask for:

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### **BLENDED MEETING NOTICE**

This is a formal meeting of the Committee and the required standards of behaviour and discussion are the same as in a face to face meeting. Unless otherwise agreed, Standing Orders will apply to the proceedings and the terms of the Councillors' Code of Conduct will apply in the normal way

For those members who have joined the meeting remotely, if they need to leave the meeting for any reason, they should use the Meeting Chat to advise of this. If a member loses their connection during the meeting, they should make every effort to rejoin the meeting but, if this is not possible, the Committee Officer will note their absence for the remainder of the meeting. If a member must leave the meeting due to a declaration of interest, they should remain out of the meeting until invited back in by the Committee Officer.

If a member wishes to ask a question, speak on any item or move a motion or amendment, they should indicate this by raising their hand at the appropriate time and will then be invited to speak. Those joining remotely should use the "Raise hand" function in Teams.

All decisions taken during this meeting, will be done so by means of a Roll Call vote.

Where items are for noting or where there has been no dissent or contrary view expressed during any debate, either verbally or by the member indicating they wish to speak, the Convener will assume the matter has been agreed.

There will be a short break in proceedings after approximately 90 minutes.

Members joining remotely are reminded to have cameras switched on during meetings and mute microphones when not speaking. During any breaks or adjournments please switch cameras off.

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

**Committee Room 2, Floor 5, Fife House, North Street, Glenrothes**

**9 November 2023**

**11.30 am – 2.00 pm**

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

**ATTENDING:** Ken Gourlay, Chief Executive; Eileen Rowand, Executive Director Finance and Corporate Services, Elaine Muir, Head of Finance, Laura Robertson, Finance Operations Manager, Pamela Redpath, Service Manager - Audit and Risk Management Services, Carolyn Ward, Audit Team Leader, Audit and Risk Management Services, Anne Bence, Accountant, Paul Noble, Accountant, Eleanor Hodgson, Accountant and Lesley Kenworthy, Finance Business Partner, Finance and Corporate Services; Cheryl McKenzie, Lead Officer - Technical and Delivery, Solutions and Service Assurance-Suppliers Capacity and Configuration, Business Technology Solutions; Paul Vaughan, Head of Communities and Neighbourhoods, Craig Waddell, Service Manager - Corporate Development, Coryn Barclay, Research Manager and David Paterson, Community Manager (Levenmouth Area), Communities and Neighbourhoods; John Rodigan, Head of Environment and Building Services and Allan Halliday, Manager - Operation and Logistic Commercial; Alan Paul, Head of Property Services; Val Millar, Manager - Communications and Customer Insight and Michelle Smith, Change and Improvement Consultant, Corporate Development; Viki Duffy, Business Support Manager; 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 and Karen Jones, Director of Audit and Assurance, Azets Audit Services.

**APOLOGY FOR ABSENCE:** Councillor Sarah Neal.

**67. DECLARATIONS OF INTEREST**

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

**68. MINUTE**

The committee considered the minute of the Standards, Audit and Risk Committee of 9 November 2023.

**Decision**

The committee agreed to approve the minute.

**69. 2022-23 AND 2023-24 ISSUED AUDIT REPORTS**

The committee considered a report by the Service Manager, Audit and Risk Management Services, providing a summary of findings from the Internal Audit reports finalised since the previous meeting of the committee on 28 September 2023. Any areas of concern were also highlighted and, if applicable, instances where Services were not taking appropriate action.

**Decision**

The committee noted the contents of the report, including the summary of findings detailed at Appendix 1 to the report.

**70. FIFE COUNCIL AND CHARITABLE TRUSTS - ANNUAL AUDIT REPORT AND AUDITED ACCOUNTS 2023-24**

The committee considered a report by the Executive Director, Finance and Corporate Services, presenting the Audited Accounts for Fife Council and Charitable Trusts for 2022-23, as well as the Annual Audit Report. A brief management response was also provided to the External Auditor's report to Fife Council and the Controller of Audit.

A presentation was provided for members detailing the preparation of the annual accounts from the submission of the draft annual accounts presented to the committee in June 2023 to the final set of accounts. Areas of change were also highlighted.

**Decision**

The committee:-

- (1) extended thanks and appreciation to colleagues across Fife Council and Azets, External Auditors, involved in compiling the Audited Accounts for Fife Council and the Charitable Trusts and acknowledged the significant efforts of officers during the process;
- (2) agreed a future workshop/session would be arranged for members of the committee to further discuss Common Good assets and to pursue topics for scrutiny such as governance and long-term management of assets;
- (3) agreed to approve the Fife Council and Charitable Trusts Audited Accounts for signature; and
- (4) noted the report by Azets, the Council's External Auditors and the management responses from Fife Council.

*During consideration of the above item, the Convener agreed to a short adjournment. The committee adjourned at 1.30 pm and reconvened at 1.45 pm.*

*Councillor Al Clark and Graeme Downie left the meeting during consideration of the above item.*

**71. STANDARDS AUDIT AND RISK FORWARD WORK PROGRAMME**

The committee considered a report by the Executive Director, Finance and Corporate Services supporting the committee's consideration of the workplan for future meetings of the committee.

**Decision**

The committee noted the workplan and agreed members would submit suggestions for specific areas they would like to see covered in any of the reports.

18 January 2024

Agenda Item No. 4

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## Issued Audit Reports

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**Report by:** Pamela Redpath, Service Manager, Audit and Risk Management Services

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**Wards Affected:** All

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### Purpose

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To submit to Members of the Standards, Audit and Risk Committee a summary of findings from the Internal Audit Reports that have been finalised since the last meeting of the Standards, Audit and Risk Committee. The reports highlight any areas of concern and, if applicable, instances where Services are not taking appropriate action.

### Recommendation(s)

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Members are asked to note the contents of this report, including the summary of findings at Appendix 1.

### Resource Implications

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None.

### Legal & Risk Implications

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Without suitable internal controls, there is an increased risk that Services and / or the Council will not achieve their objectives.

### Impact Assessment

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An Equality Impact Assessment is not required because the report is not proposing a change or revision to existing policies and practices.

### Consultation

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Audit Services has consulted all subjects of the audit reports.

## 1.0 Background

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- 1.1 Audit Services provides an assurance function that gives the Council an independent and objective opinion on the control environment by evaluating its effectiveness in achieving its objectives. It examines, evaluates and reports objectively on the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 1.2 This report provides a summary of audit reports issued since the last report to this Committee. It describes key findings and highlights areas of concern.

## 2.0 Analysis of Issued Audit Reports

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- 2.1 To enable the Standards, Audit and Risk 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 Services, prepares a report which provides a summary of the audit reports issued by Audit Services.
- 2.2 The reports issued in the current period relate to audits from the 2022/23 and 2023/24 Internal Audit Plans and from work carried out in various Services and Directorates. A short outline of each report is contained in Appendix 1.
- 2.3 Following each completed internal audit / fraud risk report, Services are asked to complete a Post Audit Review (PAR) exercise. This indicates:
  - the Service's progress in implementing agreed recommendations;
  - reasons for non-implementation; and
  - explanations for redundant recommendations.
- 2.4 The results of all PAR exercises are reported to Standards, Audit and Risk Committee separately.

## 3.0 Conclusions

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- 3.1 This period's audits reveal some instances of non-compliance with the Council's governance arrangements. However, these are not systemic failings and, in general, satisfactory procedures are in place and being followed. Appropriate actions have been agreed in all instances to address these shortcomings.
- 3.2 I conclude that the findings do not pose a significant risk and implementation of all actions will improve the Council's control framework.

### List of Appendices

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1. Summary of Audit Reports Issued

Report Contact: Carolyn Ward

Audit Team Manager, Audit and Risk Management Services

Email – [Carolyn.Ward@fife.gov.uk](mailto:Carolyn.Ward@fife.gov.uk)

SERVICE, REPORT AND PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
<p><b>1. Children and Families Service, Housing Services and Health and Social Care Partnership</b></p> <p>Lone Working</p> <p>Report (27/22)</p>	<p>This audit was an assessment of the working practices and procedures in place, and their deployment, to help ensure a safe working environment for employees through the provision of lone working fobs. The audit focussed on the arrangements in place within three of the highest risk areas, Children &amp; Families Service, Housing Services and the Health &amp; Social Care Partnership (H&amp;SCP). This audit forms part of the 2022/23 Audit Plan.</p> <p><u>Audit Opinion:</u></p> <ul style="list-style-type: none"> <li>• Level of Assurance                      Grade 4</li> <li>• System Materiality                      Grade 3</li> <li>• Overall Risk                                  Medium</li> </ul> <p><u>Findings:</u></p> <p>The following areas for improvement were identified:</p> <ul style="list-style-type: none"> <li>• The corporate Lone or Remote Working Procedure (OHS-C-20.G3) has not been adopted and populated as required for the Children &amp; Families Service and Housing Services.</li> <li>• None of the corporate Lone Working procedures checked as part of the audit fieldwork state that new starts should not carry out lone working duties until they have received training and appropriate control measures are in place which may include, in particular for the H&amp;SCP and Council Services audited, the use and issue of SOS fobs. In addition, some of the procedures had not been annotated with a review date.</li> <li>• Corporate Lone Working procedures are not regularly reviewed.</li> <li>• A Risk Assessment (OHS-C-12.F1) has not been carried out for lone working in Children &amp; Families Service and Housing Services.</li> <li>• The Children &amp; Families Service and Housing Services risk registers do not include risks relating to lone working.</li> <li>• An exercise has not been carried out, since the SOS fobs were introduced at the beginning of the pandemic in April 2020, to ensure that all employees at risk have been identified and issued with a fob.</li> <li>• SOS fobs are not physically checked on a regular basis by management to ensure they are working correctly.</li> <li>• Whilst Housing Services and H&amp;SCP receive monthly Total Mobile / Power BI monitoring reports they are not actively reviewing them with a view to identifying and, where appropriate, formally addressing any non-compliant practices. Consequently, no evidence was available to demonstrate that any non-compliant lone working practices were being addressed.</li> </ul>

SERVICE, REPORT AND PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
	<ul style="list-style-type: none"> <li>Children &amp; Families Service does not currently receive regular monitoring reports from Total Mobile / Power BI.</li> </ul> <p>Satisfactory actions have been agreed to address the nine audit recommendations (8 Substantial and 1 Moderate) in the report by 30 April 2024.</p>
<p><b>2. Education and Children's Services</b>  <b>- Education Service</b>  Pupil Equity Funding  Report (02/23)</p>	<p>This audit reviews the framework in place to administer Pupil Equity Funding (PEF) and ensure that it is being effectively invested in line with the Pupil Equity Fund, National Operational Guidance. It forms part of the 2023/24 Internal Audit Plan.</p> <p><u>Audit Opinion:</u></p> <ul style="list-style-type: none"> <li>Level of Assurance            Grade 2</li> <li>System Materiality            Grade 5</li> <li>Overall Risk                    Medium</li> </ul> <p><u>Findings:</u></p> <p>The following areas for improvement were identified:</p> <ul style="list-style-type: none"> <li>PEF Plans and progress reports are not all readily available for stakeholders to view.</li> <li>Some PEF Plans do not provide detail surrounding their approach to stakeholder consultation and other best practice.</li> <li>Some PEF Plans do not provide detail surrounding how they considered the results of stakeholder consultation and other best practice, including performance management, when choosing and adopting priorities.</li> <li>Detail (actions and outcomes) from PEF Plans is not always reflected consistently in corresponding School Improvement Plans and Standards and Quality Reports.</li> <li>Although 98% of all 2022/23 PEF funding was spent by the end of the academic year, 3 schools had significant carry forwards but did not explain as required by the National Operational Guidance, why these should be regarded as exceptional.</li> <li>Some PEF Plans do not provide an explanation for lack of progression and changes made to PEF Plans.</li> </ul> <p>Satisfactory actions have been agreed to address the 6 audit recommendations (5 Substantial and 1 Moderate) in the report by 31 March 2024.</p> <p>Please note: some of the implementation dates have been revised since the final report was issued - the latest implementation date is now 31 Oct 2024.</p>

SERVICE, REPORT AND PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
<p><b>3. Finance and Corporate Services</b></p> <p><b>- BTS</b></p> <p>Follow-Up to Report 83, IT Disaster Recovery (Report 03/23)</p>	<p>The 2023/24 Internal Audit Plan contains an allocation of days for Audit Services to carry out formal follow-up reviews for a planned portfolio of audit reports. This allocation is used to assess, through the consideration of evidence, the extent to which recommendations previously agreed with management have been implemented.</p> <p>This audit is a follow-up review of Report 83, IT Disaster Recovery, which was issued on 29 April 2022.</p> <p>The Audit Opinion in the original internal audit report concluded that the system of controls scored a Grade 3 and the materiality of the area audited scored a Grade 5, making the overall risk High. A number of areas for improvement were identified and four recommendations, which the Service agreed to implement by 31 December 2022, were made to address them.</p> <p>A summary of progress made towards implementing the four recommendations previously agreed with management is as follows:</p> <ul style="list-style-type: none"> <li>• one recommendation (4) has been fully implemented;</li> <li>• two recommendations (2 and 3) have been partially implemented; and</li> <li>• one recommendation (1) has not been implemented, however, it had not yet reached its revised implementation date at the time of this follow up audit.</li> </ul> <p><u>Audit Opinion:</u></p> <ul style="list-style-type: none"> <li>• Level of Assurance                      Grade 2</li> <li>• System Materiality                      Grade 5</li> <li>• Overall Risk                                  Medium</li> </ul> <p><u>Findings:</u></p> <p>Further action is required as follows:</p> <ul style="list-style-type: none"> <li>• BTS should review the content of the current Disaster Recovery (DR) plan with the aim of aligning this to best practice. Once developed, the DR plan should be reviewed at an appropriate periodic basis and after any incident. The plan should be stored in an appropriately secure location, communicated to all relevant employees and assigned to a suitably responsible owner. BTS should explore an additional storage solution for their DR plan.</li> <li>• The revised critical systems list should be used as the basis for recovery testing and prioritisation. Processes should be in place to record lessons learned following system recovery testing.</li> </ul>

SERVICE, REPORT AND PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
	<ul style="list-style-type: none"> <li>The project for air gapping and immutability of backups should be implemented as planned.</li> </ul> <p>Satisfactory actions have been agreed to address the 1 outstanding audit recommendation and the 2 partially implemented audit recommendations (2 Substantial and 1 Moderate) in the report by 30 June 2024.</p>
<p><b>4. Finance and Corporate Services</b>  <b>- Legal and Democratic Services /</b>  <b>Revenue and Commercial Services</b></p> <p>Members' Expenses</p> <p>(Report 04/23)</p>	<p>This audit reviews the arrangements in place within Finance &amp; Corporate Services for managing members' expenses and ensuring they are paid in line with The Local Government (Allowances and Expenses) (Scotland) Regulations 2007 and subsequent amendments (Allowances and Expenses Regulations). It was added to the 2023/24 Internal Audit workplan, following a request from the former Chief Executive.</p> <p><u>Audit Opinion:</u></p> <ul style="list-style-type: none"> <li>Level of Assurance                      Grade 3</li> <li>System Materiality                        Grade 3</li> <li>Overall Risk                                    Medium</li> </ul> <p><u>Findings:</u></p> <p>The following areas for improvement, grouped under Elected Members and Officers, were identified:</p> <p><b><i>Elected Members</i></b></p> <ul style="list-style-type: none"> <li>Members approved the Council's Scheme of Councillors' Remuneration and Expenses (the Scheme) at Full Council in 2022 and were emailed a copy. It is also on the Councillors' hub on Fife Council's intranet and all elected members were invited to relevant training. However, one of eight members contacted (five of whom replied) to confirm their experience of the claims process, said they were unaware of the Scheme although they have claimed expenses under it. Other comments received from the elected members who replied were that: <ul style="list-style-type: none"> <li>➤ they had received no formal training;</li> <li>➤ the role of a member has changed greatly since Covid, which has impacted on what they now claim; and</li> <li>➤ it is not always clear which is the correct category letter for referencing approved duties in claims.</li> </ul> </li> <li>For 2022/23, not all mileage claims were sufficiently detailed to enable Internal Audit to confirm they related to an approved duty.</li> </ul>

SERVICE, REPORT AND PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
	<p><b>Officers</b></p> <ul style="list-style-type: none"> <li>• Although there is a process in place for managing members' expenses, not all steps are documented and those that are available are not up to date or appropriately detailed. For example: <ul style="list-style-type: none"> <li>➢ there are no documented procedures on checking and approval of taxi fares by Legal &amp; Democratic Services (L&amp;DS), processing of conferences, business travel and accommodation by Business Support and approval of these by L&amp;DS; and</li> <li>➢ the Councillors' Expenses Procedure for the processing of claims in Oracle by Revenue &amp; Commercial Services (R&amp;CS) is not sufficiently detailed or up to date: e.g., it does not refer to the checking limit of £250; explain what is considered excessive mileage; or reflect recently revised practices.</li> </ul> </li> <li>• Once an expense claim is processed in Oracle, the full claim details and supporting information provided can no longer be viewed. This makes it difficult to carry out retrospective checks on claims if / when required.</li> <li>• For the 12 expense claims (10 of which were for travel) checked as part of the audit fieldwork, there was no evidence of appropriate scrutiny by R&amp;CS, where applicable, to confirm that, for example: <ul style="list-style-type: none"> <li>➢ appropriate approval was obtained from L&amp;DS for miscellaneous expenses; or</li> <li>➢ further information was sought from the relevant member where claim details were incomplete, such as journey details.</li> </ul> </li> <li>• Mileage claims are still being processed for payment by R&amp;CS where the approved duty has not been sufficiently described on the claim or there is a discrepancy, e.g., two claims included journeys for attending a funeral.</li> <li>• Some members' expense payments differed between the published Elected Members Record of Claims 2022/23 and the general ledger. For example, there were differences of £224.60 and £435.50 regarding two members' taxi payments, and a variance of approximately £850 concerning another member's travel and accommodation payments.</li> </ul> <p>Satisfactory actions have been agreed to address the seven audit recommendations (2 Substantial and 5 Moderate) in the report by 30 June 2024.</p>

SERVICE, REPORT AND PURPOSE	SUMMARY OF FIFE COUNCIL AUDIT REPORTS
<p><b>5. Communities</b>  <b>- Customer and Online Services</b></p> <p>Discretionary Housing Payments</p> <p>Report (05/23)</p>	<p>This audit reviews the arrangements in place to administer Discretionary Housing Payment applications, determinations, and awards in line with relevant Scottish Government regulations.</p> <p><u>Audit Opinion:</u></p> <ul style="list-style-type: none"> <li>• Level of Assurance            Grade 1</li> <li>• System Materiality            Grade 5</li> <li>• Overall Risk                      Low</li> </ul> <p><u>Findings:</u></p> <p>There were no areas for improvement identified and therefore no audit recommendations were made.</p>

18 January 2024

Agenda Item No. 5

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## Risk Management Update

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**Report by:** Pamela Redpath, Service Manager - Audit and Risk Management Services

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**Wards Affected:** All

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### Purpose

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The purpose of this report is to provide Standards, Audit and Risk Committee with an update on:

- The recent Strategic Risk Register review process.
- The new Strategic Risk Register, including the level of residual risk the Council is exposed to as at 17 Nov 2023.

### Recommendation(s)

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Standards, Audit and Risk Committee is asked to:

1. Note the key stages of the comprehensive Strategic Risk Register review process as well as their collaborative nature and timeous completion.
2. Note the level of residual risk that the Council is exposed to as at 17 Nov 2023.
3. Approve the Council's new Strategic Risk Register (Appendix A).
4. Note that further updates on Risk Management arrangements will be provided in line with the approved Policy and Strategy document.

### Resource Implications

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In addition to the central Risk Management Team, responsibilities surrounding risk management activity are Council-wide. Existing resource has been, and will continue to be, utilised for risk management activity.

### Legal & Risk Implications

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If the Council does not have robust risk management arrangements in place, including a Risk Management Policy, Strategy and risk registers, its ability to effectively monitor, manage and mitigate risks and make sound, informed decisions may be impacted. This could lead to, amongst other things, non-compliance with legislation and regulation, legal and financial penalties, the inability to identify and exploit opportunities and the inability to achieve its objectives and deliver better outcomes for Fife.

### Impact Assessment

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An EqIA has not been completed because the changes to the Strategic Risk Register do not require it.

## Consultation

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Members of the Corporate Risk Management Strategy Group (RMSG) and Directorate Leadership / Management Teams have been actively involved, along with approximately 50 additional key Council and H&SCP officers, in developing and agreeing the Council's new Strategic Risk Register. The Council Executive Team has also been consulted on and agreed the new Strategic Risk Register.

## 1.0 Background

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- 1.1 The last Risk Management Update, presented to Standards, Audit and Risk Committee on 30 June 2023, contained a copy of the Council's previous Strategic Risk Register. The register contained 13 risks that were originally defined following a corporate strategic risks survey and virtual workshop facilitated by Zurich during 2021. The first iteration of the previous Strategic Risk Register was approved by the former Standards and Audit Committee on 19 April 2022.
- 1.2 The Council's risk management arrangements have continued to mature over the last 24 months. During that time, the ongoing appropriateness of some of the risk descriptions within the previous Strategic Risk Register were subject to increasing officer scrutiny. There was also concern that there were a few strategic risks, which the Council is exposed to, that were not featuring in the register. With that, came the desire to conduct a comprehensive review of all strategic risks to which the Council is exposed and establish a new baseline in the form of a new Strategic Risk Register.
- 1.3 The intention to review the Council's Strategic Risk Register during 2023 was communicated to Elected Members in the last Risk Management Update. Whilst the risk review methodology and schedule for completion had not been finalised at that stage, there was a commitment made that the results from the review exercise would be presented to CET and Standards, Audit and Risk Committee by the end of the calendar year. The new Strategic Risk Register, which was developed following completion of the review process, fulfils that commitment.

## 2.0 Risk Review Methodology and Schedule

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- 2.1 Following the Standards, Audit and Risk Committee meeting on 30 June, the risk review methodology and schedule were finalised and agreed with the RMSG. Key stages of the Council-wide collaborative review process are summarised in the table below, along with corresponding dates:

Date(s)	Stage
May - Jun	Information gathering / preparatory phase, including horizon scanning and consideration of other Scottish local authorities' risk registers. Risk survey developed in MS Forms.
4 Jul	Risk survey issued via MS Forms to RMSG members for completion in consultation with Directorate Leadership / Management Teams.
4 Sept	Dedicated in-person workshop held to discuss survey results and agree, through the utilisation of Mentimeter, the basis of a new draft Strategic Risk Register.
25 Sept	Proposed formal outline Strategic Risk Register discussed / agreed at RMSG meeting. Groups of key staff to be involved in developing the register further were also identified and subsequently agreed.
25 Sept - 17 Nov	Risk Management Team worked in collaboration with key groups of staff, helping to facilitate the compilation of risk definitions, identification of controls and scoring of risks, before recording it all in Ideagen. This information was reviewed centrally, with follow-up questions asked / answered and some refinements made.
17 - 30 Nov	New draft Strategic Risk Register generated from Ideagen (formerly Pentana) and circulated to RMSG for final review / comment. Comments received from RMSG and some minor amendments made. Final draft Strategic Risk Register generated from Ideagen.

## 3.0 New Strategic Risk Register

- 3.1 The Strategic Risk Register should contain risks of a strategic nature that, if they came to fruition, would impact on the overall delivery of Council objectives as well as the achievement of better outcomes for the Fife community and ultimately the shared Fife Partnership vision of A Fairer Fife.
- 3.2 The likelihood of these strategic risks coming to fruition and the level of impact if they do is dependent on a number of factors, including how well the Council is effectively monitoring, managing and mitigating its risks.
- 3.3 Following completion of the risk review process, during which the points noted in paragraphs 3.1 and 3.2 above were integral to considerations, a new Strategic Risk Register for the Council was compiled, which contains the following 17 strategic risks.

Risk Code	Risk Title
FC001	ICT Failure*
FC002	Increased Inequality*
FC003	Health Deterioration*
FC004	Educational Inequality / Widening Attainment Gap*
FC005	Roads and Transportation Infrastructure Failure*
FC006	Loss of Key Buildings*
FC007	Inclusive and Sustainable Economic Growth in Fife*
FC008	Failure to Address Climate Change*
FC009	Poor Corporate Governance and Leadership
FC010	Elected Members - Failure to comply with Council Governance and Code of Conduct*
FC011	Inability to Ensure Public Safety and Protection*
FC012	Financial Instability*
FC013	Failure to Effectively Discharge Statutory Health and Safety Obligations*
FC014	Workforce Challenges
FC015	Ineffective Information Governance
FC016	Ineffective Transformational Change Agenda / Strategic Planning
FC017	Legal and Regulatory Compliance Failure*

\* featured in some form in the previous Strategic Risk Register.

- 3.4 A full risk description for each risk is detailed in the Strategic Risk Register at Appendix A, along with other key pieces of information related to each risk, including the inherent risk score (uncontrolled), the control framework in place to mitigate the risk, the residual risk score (with mitigating internal controls in mind) and the target risk score (when all possible internal controls are in place and fully effective).

3.5 The risk scores were arrived at utilising a combination of the Risk Likelihood Matrix and the revised Risk Impact Assessment Matrix, known as the PESTELO model, which is summarised below, detailed in the Risk Management Policy and Strategy document and was approved by Standards, Audit and Risk Committee at its meeting on 30 June 23.

- Political / Reputation
- Economic / Financial / Security & Equipment
- Social Impact / Safety of Staff & Clients
- Technological / Business or Service Interruption
- Environmental
- Legal / Statutory Obligations
- Organisational / Staffing & Competence

3.6 Utilising the PESTELO model helped to ensure consistency of approach when assessing risk impact and highlighted where internal controls may still require to be developed, assisting management to be more focused and effective in terms of using, often limited, resource for risk mitigation.

3.7 The overall level of residual risk that the Council is exposed to (as at 17 Nov 2023) is summarised on the Residual Risk 5x5 matrix below. Presented alongside the Inherent Risk 5x5 matrix, the effectiveness of existing control frameworks from a risk mitigation perspective is clearly demonstrated. More specifically, the matrices show that, as a result of the controls in place, the Council’s overall risk exposure has reduced from 17 high risks to 6 high, 8 medium and 3 low risks. Appendix A provides more detailed information on an individual risk basis.



Key:



3.8 Development of the new Strategic Risk Register signifies a new baseline on which the Council can build. Risk management is a continuous process and as such, the risks in the new Strategic Risk Register and the internal control frameworks in place to mitigate them will be monitored, reviewed, and assessed on a continuous basis going forward.

3.9 Any future changes to the Strategic Risk Register should be promptly identified via the established risk review and central Horizon Scanning processes. It is, therefore, not envisaged that the Council will require to undergo another review of this nature.

## 4.0 Conclusions

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- 4.1 Following approval of the new Strategic Risk Register, steps will be taken to set the risk appetite for each of the new strategic risks. Risk appetite levels already set for the risks that featured in some form in the previous Strategic Risk Register will also be reviewed for ongoing relevance and, where appropriate, revised.
- 4.2 The risks in the Council's new Strategic Risk Register and the internal control frameworks in place to mitigate them will be monitored, reviewed, and assessed on a continuous basis going forward.
- 4.3 Further developments to the Council's risk management arrangements, driven by the formal Risk Management Improvement Plan and supplementary Roll Out Plan, will continue into 2023/24 and beyond, with progress being actively monitored by the RMSG. Updates will continue to be provided to CET and Standards, Audit and Risk Committee in line with the approved Policy and Strategy document.

### List of Appendices

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#### A. Strategic Risk Register

#### Report Contacts:

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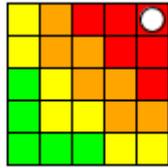
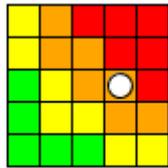
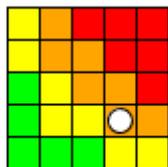
## Fife Council’s Strategic Risk Register

**Risk Matrix:**

	Impact				
Likelihood	None (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Remote (1)	1	2	3	4	5

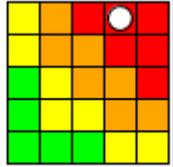
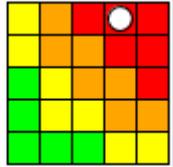
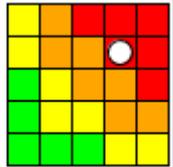
**Key:**

Insignificant	Low	Medium	High
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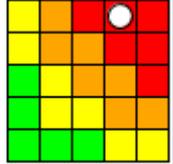
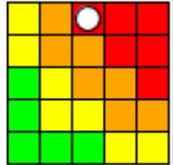
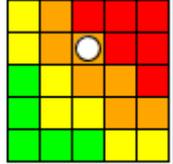
Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC001</b> ICT Failure	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>Misuse, Misappropriation or Mismanagement of IT.</li> <li>Lack of governance/compliance with standards.</li> <li>Lack of alignment to Fife Council priorities and appropriate ICT investment.</li> <li>Cyber-attack or other malicious action.</li> <li>Power outages.</li> <li>Loss of Internet.</li> <li>Fire.</li> <li>Flood.</li> <li>Extreme weather events.</li> <li>Theft.</li> <li>Environmental controls.</li> <li>Hardware failure.</li> <li>3rd Party or commercial failure.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>A critical failure of Fife Council systems could occur &amp; information will not be available to support service delivery.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>Service failure.</li> <li>Impact on service users.</li> <li>Fines &amp; litigation.</li> <li>Loss of reputation / loss of trust.</li> <li>Unplanned costs of recovery.</li> <li>Data Loss.</li> </ul>		25
		Residual Risk Matrix	Residual Risk Score
			12
		Target Risk Matrix	Target Risk Score
			8
Managed by	Eileen Rowand	Assigned To	Charlie Anderson
Last Reviewed	17-Nov-2023	Next Review Due	15-Feb-2024
Latest Note	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b> 17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
BTS008	ICT/Digital Strategy	Fully Effective	
BTS010	System Resilience and Disaster Recovery	Partially Effective	
BTS022	ICT Governance Board	Fully Effective	
FCS001	F&CS Directorate Business Continuity Plans	Partially Effective	
BTS024	Contract Management	Partially Effective	
BTS021	BTS Workforce planning	Partially Effective	
BTS027	Use of Transparent and Standardised IT Process Governance Model (COBIT)	Partially Effective	
BTS029	Solutions Assurance	Fully Effective	
BTS004	Access Rights Management	Partially Effective	
BTS005	Security Incident Management	Fully Effective	
BTS013	Change Approval Boards	Fully Effective	
BTS015	Active Network and Device Monitoring	Partially Effective	
BTS016	Scottish Government Cyber Resilience Strategy	Fully Effective	
BTS033	Corporate Information & Records Management Strategy	Partially Effective	
BTS034	Patch Management Strategy	Fully Effective	
BTS035	Information Governance Working Group	Fully Effective	
RCS016	Scheme of Tender Procedures	Fully Effective	
ER006	Council Incident Management Plans	Partially Effective	
ER007	Exercising - scenario planning	Partially Effective	

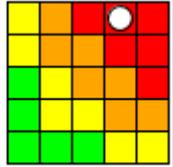
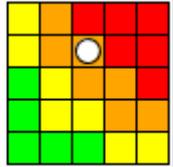
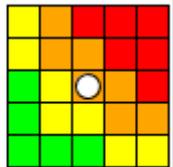
EE001	E&E Directorate Business Continuity Plans	Partially Effective	
CD001	Communities Directorate Business Continuity Plans	Partially Effective	
ECS015	E&CS Directorate Business Continuity Plans	Partially Effective	
HSC023	H&SCP Business Continuity Plans	Partially Effective	
API034	Assessors Business Continuity Plan	Partially Effective	
ER008	Mandatory Emergency Resilience eLearning	Partially Effective	
BTS039	User Access and Authentication Controls	Partially Effective	
BTS040	Security of Digital and Data Assets	Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC002</b> Increased Inequality	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>Negative consequences of long-term social and economic change.</li> <li>Inability to address educational inequality.</li> <li>Impact of welfare, fiscal and monetary policy and other relevant policy as it affects individuals and families' income.</li> <li>Impact of health and wellbeing challenges on already vulnerable people and families.</li> <li>The continuing cycle of poverty.</li> <li>Impact of Scottish Index of Multiple Deprivation (SIMD).</li> <li>Increasing costs of living.</li> <li>Homelessness.</li> <li>Increased risks associated with protected characteristics.</li> <li>Not giving every child the best start in life.</li> <li>Not enabling children, young people and adults to maximise their capabilities and have control over their lives.</li> <li>Failure to create fair employment and good work for all.</li> <li>Failure to ensure a healthy standard of living for all.</li> <li>Not creating and developing healthy and sustainable places and communities.</li> <li>Not strengthening the role and impact of ill health prevention.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>The Inequality gap will widen.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>An increase in poverty rates.</li> <li>An increase in child poverty.</li> <li>Reduced incomes for those already in poverty.</li> <li>An increase in demand for some services including housing, social work, education, advice and rights support, emergency financial assistance, employability and environmental enforcement.</li> <li>Increase in financial destitution requests, mental health (S12 / S21 payment).</li> <li>Increased levels of unsustainable debt in the population.</li> <li>Health inequalities.</li> <li>Increases in specific aspects of poverty including housing, fuel, food, period etc.</li> <li>Fracturing of social cohesion within some communities.</li> <li>Increase in processing times for emergency financial and social support.</li> <li>Educational inequalities.</li> </ul>		20
		<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			20*
		<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
			16

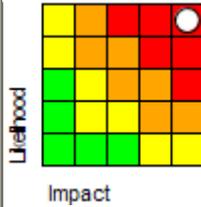
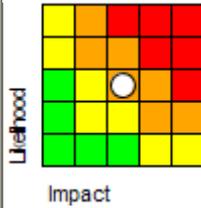
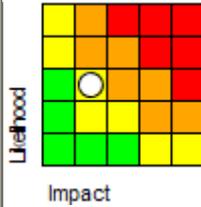
<b>Managed by</b>	Michael Enston	<b>Assigned To</b>	Paul Vaughan	
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024	
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts. *Although the residual risk score (20) is the same as the inherent risk score (20), one of the individual PESTELO impact scores (Economic / Financial impact), has reduced due to some of the mitigating controls in place.		<b>Latest Risk Note Date</b>	17 Nov 2023
<b>Internal Control Code</b>	<b>Internal Control Title</b>		<b>Effectiveness in relation to this Risk</b>	
BE009	Fife Economic Strategy (2023-2030)		Partially Effective	
ECS003	Fife Children's' Service Plan		Partially Effective	
CN006	Area Based Anti-Poverty Action Plan		Partially Effective	
CN007	Fuel Poverty Action Plan		Partially Effective	
CN008	Child Poverty Action Plan & Governance		Partially Effective	
CN009	Winter Cost of Living Plan		Partially Effective	
CN010	Community Recovery Fund		Partially Effective	
ECS004	E&CS Directorate Improvement Plan (2023-2026)		Partially Effective	
HS005	Local Housing Strategy (2022-2027)		Partially Effective	
CN019	Local Community Plans		Partially Effective	
BE019	Community Wealth Building Strategy		Partially Effective	
HSC024	Social Work Processes and Procedures		Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC003</b> Health Deterioration	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Inequality / Poverty Risk.</li> <li>• Local Economy Risk.</li> <li>• Increasing morbidity, as a result of obesity, alcohol &amp; drug misuse, &amp; mental ill-health.</li> <li>• Poor housing access &amp; conditions.</li> <li>• Ageing population &amp; increase in complex health needs.</li> <li>• Impact of welfare, fiscal and health policy and other relevant policy as it affects individuals and families' health.</li> <li>• Longer term impacts of pandemic on mental &amp; physical health.</li> <li>• Lack of investment in mental health services.</li> <li>• Increasing Cost of Living.</li> <li>• Not giving every child the best start in life. (Marmot report)</li> <li>• Not enabling children, young people and adults to maximise their capabilities and have control over their lives. (Marmot report)</li> <li>• Failure to create fair employment and good work for all. (Marmot report)</li> <li>• Not ensuring a healthy standard of living for all. (Marmot report)</li> <li>• Not creating and developing healthy and sustainable places and communities. (Marmot report)</li> <li>• Not strengthening the role and impact of ill health prevention. (Marmot report)</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Public health outcomes do not improve.</li> <li>• Health inequalities increase.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Increased demand on intensive &amp; expensive acute partnership services, such as adult social work and social care.</li> <li>• Increased requests for assessments (e.g. Health, Social Work, NHS, CARF etc.) / limited workforce to meet requests.</li> <li>• Increased costs to deliver NHS services.</li> <li>• People in Fife not living as full a life as possible.</li> <li>• Alcohol &amp; drug related deaths remain at similar levels.</li> <li>• Lower participation in community life &amp; leisure activities.</li> <li>• Increase in mental illness.</li> <li>• Increased rates of stress.</li> <li>• Increased suicide rates.</li> <li>• Increased illness due to poor diets.</li> <li>• Increased illness due to poor living conditions.</li> <li>• Increased widening in mortality rates and life expectancy between most and least deprived communities.</li> </ul>		20
		<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			15
		<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
	12		

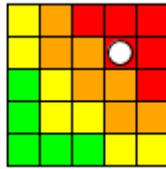
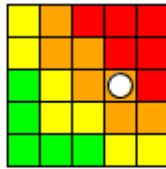
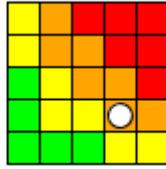
<b>Managed by</b>	Michael Enston	<b>Assigned To</b>	Paul Vaughan
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b> 17 Nov 2023
<b>Internal Control Code</b>	<b>Internal Control Title</b>	<b>Effectiveness in relation to this Risk</b>	
FM022	Monitor School Meal Uptake	Partially Effective	
FM024	Enhance attractiveness and perception of school meals	Partially Effective	
ECS003	Fife Children's' Service Plan	Partially Effective	
CN011	Community Safety Strategy	Partially Effective	
HS005	Local Housing Strategy (2022-2027)	Fully Effective	
CN012	Physical Activity and Sport Strategy	Partially Effective	
CN013	Fife Alcohol and Drug Partnership Strategy	Partially Effective	
HSC021	Mental Health Strategy (H&SCP)	Partially Effective	
HSC025	Suicide Prevention Strategy	Partially Effective	
HSC026	Violence Against Women Strategy	Partially Effective	
CN030	Public Health Strategy	Partially Effective	
CN031	Director of Public Health Annual Report	Partially Effective	
CN032	Obesity and Diabetes Pathway	Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC004</b> Educational Inequality / Widening Attainment Gap	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>Increasing poverty / impact of poverty on families.</li> <li>Non-attendance at school.</li> <li>Disengagement from school – lack of meaningful participation.</li> <li>Increasing Additional Support Needs (ASN), in particular related to family problems, mental health and increased distressed behaviour.</li> <li>A changing profile of children and young people in care or carers.</li> <li>Not having early intervention at the right time.</li> <li>Workforce planning challenges related to recruitment and retention of teachers/support staff.</li> <li>Not targeting limited resources effectively to address need.</li> <li>Insufficient infrastructure (e.g. digital devices and broadband).</li> <li>Funding Policy - short term funding commitments for long term interventions.</li> <li>An unsafe environment, including violence and aggression related incidents against pupils and staff.</li> <li>Increased bullying in schools, including via social media.</li> <li>Schools being closed (fire, flood, weather events).</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>Young people won't achieve the educational attainment and achievement outcomes they are capable of, nor go on to achieve or sustain positive post school destinations.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>Reduced opportunities for achieving a positive post-school destination.</li> <li>A significant equity gap.</li> <li>Increased rates in structural unemployment.</li> <li>Reduced life chances.</li> <li>Children and families more likely to remain in a cycle of poverty.</li> <li>A negative impact on health &amp; wellbeing for those children.</li> <li>A negative impact on community health &amp; wellbeing.</li> <li>Not achieving the 4 capacities as defined by Curriculum for Excellence (CfE).</li> </ul>		20
		<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			12
		<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
	9		
<b>Managed by</b>	Executive Director (Education) - TBC	<b>Assigned To</b>	Karen Hamilton; Sheila Hastie; Shelagh McLean
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b> 17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
ECS003	Fife Children's' Service Plan	Partially Effective	
ECS004	E&CS Directorate Improvement Plan (2023-2026)	Partially Effective	
ECS005	National Improvement Framework for Schools	Partially Effective	
ECS006	Learning with Care Strategy	Partially Effective	
BE020	Opportunities Fife Partnership Funding Framework	Partially Effective	
ECS016	Implementation of European Foundation Quality Management (EFQM)	Partially Effective	
ECS017	School Improvement Plans	Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC005</b> Roads and Transportation Infrastructure Failure	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Insufficient budget allocation to allow proactive maintenance activities to be undertaken.</li> <li>• Failure to achieve target budget spends.</li> <li>• Lack of carriageway revenue maintenance.</li> <li>• Lack of condition survey resources to carry out regular inspections to meet service targets.</li> <li>• Deterioration of highways, lighting, bridges, marine, harbour &amp; seawall infrastructure through lack of financial investment.</li> <li>• Failure to respond appropriately to routine weather warnings.</li> <li>• Extreme weather / climate events exceeding service readiness.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Deterioration leading to unsafe Roads &amp; Transportation infrastructure.</li> <li>• Fife Council fails in its legislative obligations.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Road closures.</li> <li>• Injury or harm to individuals.</li> <li>• Increase in public liability claims and uninsurable risks.</li> <li>• Legal financial penalties.</li> <li>• Impact on tourism if public realm is seen as 'run down'.</li> <li>• Impact on the Fife Economy.</li> <li>• Reputational damage.</li> </ul>		25
		<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			9
		<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
	6		
<b>Managed by</b>	Executive Director (Place)	<b>Assigned To</b>	John Mitchell
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-May-2024
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.	<b>Latest Risk Note Date</b>	17 Nov 2023
<b>Internal Control Code</b>	<b>Internal Control Title</b>	<b>Effectiveness in relation to this Risk</b>	
RT053	Inspection and maintenance of coastal protection measures	Partially Effective	
RT001	Implementation of roads related maintenance strategies, policies and standards	Partially Effective	

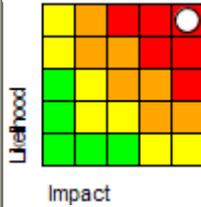
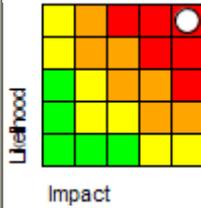
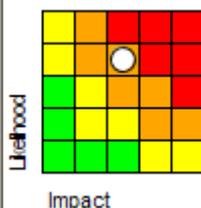
RT002	Annual programme of transportation related maintenance	Partially Effective	
RT003	Capital monitoring procedures	Partially Effective	
RT004	Delivering and maintaining the Roads Asset Management Plan within budget constraints.	Partially Effective	
RT067	'Well-Managed Highway Infrastructure - A Code of Practice' (October 2016) compliance	Partially Effective	
RT068	Monthly review of capital budget for 7 area roads programme	Partially Effective	
FS012	Capital Investment Plan	Partially Effective	
RT069	Systematic Inspections	Fully Effective	
RT070	Annual Review of Roads Condition Indicators (RCI)	Fully Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC006</b> Loss of Key Buildings	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Failure to invest in existing non-domestic land and buildings.</li> <li>• Lack of property maintenance.</li> <li>• Insufficient budget allocation to allow proactive annual maintenance activity to be undertaken at all buildings.</li> <li>• Lack of resources to undertake regular condition surveys to maintain good quality data for non-domestic land and buildings, to support prioritisation for works within limited budget.</li> <li>• Extreme weather events.</li> <li>• Fire.</li> <li>• Flood.</li> <li>• Terrorist attack.</li> <li>• Lack of building security.</li> <li>• Power outages and loss of utilities.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Increasing number of repairs are delivered on an emergency basis leading to building closure.</li> <li>• We lose buildings from which Fife Council services are provided in support of corporate objectives.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Closure of building.</li> <li>• Increased works costs.</li> <li>• Increased insurance claims/premiums and uninsurable risks.</li> <li>• Impact on education.</li> <li>• Impact on service delivery.</li> <li>• Impact on tourism if public realm is seen as 'run down'.</li> <li>• Reputational damage.</li> </ul>		 <p>Likelihood</p> <p>Impact</p>	16
			<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			 <p>Likelihood</p> <p>Impact</p>	12
			<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
			 <p>Likelihood</p> <p>Impact</p>	8
<b>Managed by</b>	Executive Director (Place)	<b>Assigned To</b>	Yvonne Gillespie; Alan Paul	
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024	
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b>	17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
FCS001	F&CS Directorate Business Continuity Plans	Partially Effective	
PS019	Fire Prevention Systems	Partially Effective	
FS012	Capital Investment Plan	Partially Effective	
HR013	Fire Strategy & Action Plan	Partially Effective	
PS022	Property Asset Register (TF Cloud)	Partially Effective	
PS023	Property Services Planned Preventative Maintenance	Partially Effective	
HR033	CONTEST Awareness Training	Partially Effective	
FM046	Access to Fife Council Buildings	Partially Effective	
ER006	Council Incident Management Plans	Partially Effective	
EE001	E&E Directorate Business Continuity Plans	Partially Effective	
CD001	Communities Directorate Business Continuity Plans	Partially Effective	
ECS015	E&CS Directorate Business Continuity Plans	Partially Effective	
HSC023	H&SCP Business Continuity Plans	Partially Effective	
API034	Assessors Business Continuity Plan	Partially Effective	
RT074	Catchment Flood Management Plans	Partially Effective	
RT075	River Basin Management Plans	Partially Effective	
RT076	Shoreline Management Plan	Partially Effective	
PS025	Hardwire Testing Programme	Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC007</b> Failure to Achieve Inclusive and Sustainable Economic Growth in Fife	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>External economic factors outwith the control of Fife Council and its partners, e.g. natural disasters; pandemics; political turmoil; military conflicts; economic crises; supply chain disruption; stock market volatility; inflation and Bank of England interest rate changes; sustainable food, water, fuel and energy supplies; the impacts of climate change etc.</li> <li>The ongoing impact of the UK exit from the European Union, including supply chain arrangements; trade agreements; price inflation; migration; and labour and skills shortages.</li> <li>Changing business needs/demands &amp; changing business models e.g. business skills (including up-skilling and re-skilling); digital delivery; remote working; improved productivity; fuel and energy efficiency; the transition to net zero; transportation and logistics etc.</li> <li>The increasing use of modern technology, automation and artificial intelligence (AI) to drive business productivity and efficiency, often with a knock-on impact on jobs and skills.</li> <li>A poorly skilled and/or motivated workforce e.g. linked to health, poverty and disability inequalities; early years development; school attainment; careers advice; further &amp; higher education opportunities; experiential learning opportunities; re-skilling and up-skilling, employability support etc.</li> <li>A lack of private sector investment at both local and national level e.g. in infrastructure; technology; research &amp; development; the transition to net zero; workforce development (including up-skilling and re-skilling) etc.</li> <li>A lack of public and private sector investment in the quality and resilience of key business infrastructure i.e. digital connectivity; transport connectivity; modern business premises; town centres; sustainable energy networks; utilities; the transition to net zero; partnership arrangements etc.</li> <li>Changing consumer demands and expectations e.g. the global increase in online retail; popularity of out-of-town retail developments; demand for 'experiential' tourism; entertainment and retail offerings; digital delivery; changing expectations in relation to accommodation; hospitality and the night-time economy etc.</li> <li>Competition from other parts of Scotland, the UK or abroad.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>The Fife economy does not achieve inclusive and sustainable growth and falls behind the performance of the rest of Scotland and the UK.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>An increase in business closures / reduction in business start-ups.</li> <li>A reduction in indigenous business growth, investment and competitiveness.</li> <li>A reduced ability to attract inward business investment in Fife.</li> <li>A lack of opportunities in Fife for those seeking employment, particularly our young people.</li> <li>Labour market and skills shortages for businesses in Fife.</li> <li>A reduction in the working age population in Fife if people have to relocate to find employment.</li> <li>A demise in the standard/quality of premises and lack of modern, energy efficient, fit-for-purpose business premises.</li> <li>The ongoing demise of traditional town centres / high street retail.</li> <li>A failure to deliver a just transition to net zero.</li> </ul>	<p>Likelihood</p> <p>Impact</p>	20
		<p>Likelihood</p> <p>Impact</p>	16
		<p>Likelihood</p> <p>Impact</p>	9

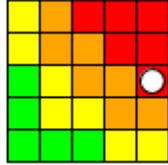
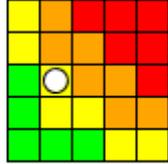
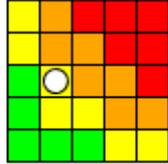
<b>Managed by</b>	Executive Director (Place)	<b>Assigned To</b>	Gordon Mole
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b> 17 Nov 2023
<b>Internal Control Code</b>	<b>Internal Control Title</b>	<b>Effectiveness in relation to this Risk</b>	
BE009	Fife Economic Strategy (2023-2030)	Partially Effective	
BE008	Provide support to businesses to help locate in Fife, through Fife Council Economic Development activities	Partially Effective	
BE016	Business Gateway Fife supporting Indigenous Growth	Partially Effective	
BE017	City Region Deal Investment	Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC008</b> Failure to Address Climate Change	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Climate change from carbon emissions. (mitigation)</li> <li>• Impacts resulting from climate emissions. (adaptation)</li> <li>• Lack of resources for crucial mitigation or adaptation projects.</li> <li>• Lack of public action.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Fife Council fails to meet its duties under the Climate Change (Scotland) Act and contribute towards tackling the global Climate Emergency.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Asset damage / shorter lifecycle of assets, especially due to flooding.</li> <li>• Additional health &amp; safety risks arising from climate related environmental impacts e.g. heatwaves, snow, ice, floods and landslips.</li> <li>• Financial costs.</li> <li>• Legal costs and reputational damage if perceived not to have acted or to have been otherwise liable.</li> <li>• Fife Council does not meet its targets to reduce carbon emissions of net zero by 2045.</li> <li>• Fife Council does not meet its legal obligations to adapt to the impacts of climate change.</li> <li>• Fife Council and the wider community do not adapt or prepare for increased frequency or severity of severe weather events.</li> <li>• Loss of trust in Fife Council's ability to deliver its commitments.</li> <li>• Impact on Transport infrastructure and ability to get around.</li> <li>• Increased emergency response.</li> <li>• Increased social and economic costs to people dealing with the fall out of climate change.</li> <li>• Increased environmental impacts, detrimental impact on habitats and species.</li> </ul>		25
		<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			25*
		<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
			12
<b>Managed by</b>	Executive Director (Place)	<b>Assigned To</b>	Pam Ewen
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.  * Although the residual risk score (25) is the same as the inherent risk score (25), a number of the individual PESTELO impact scores (Economic / Financial, Technological, Legal and Organisational) have reduced due to some of the mitigating controls put in place.	<b>Latest Risk Note Date</b>	17 Nov 2023
<b>Internal Control Code</b>	<b>Internal Control Title</b>	<b>Effectiveness in relation to this Risk</b>	
BE009	Fife Economic Strategy (2023-2030)	Partially Effective	

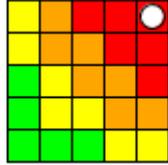
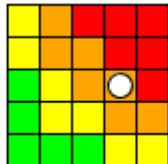
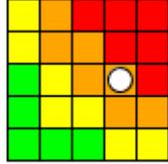
RT054	Implement 6 Year Programme of Local Flood Risk Management Plans	Partially Effective	
HS005	Local Housing Strategy (2022-2027)	Partially Effective	
CN027	Fife Allotment and Community Food Strategy	Partially Effective	
RT073	Local Transport Strategy for Fife (2023-2033)	Partially Effective	
EBS019	Zero Waste Fife (2018-2028)	Partially Effective	
PLA015	Local Development Plan	Partially Effective	
CN028	Forest and Woodland Strategy (2013-2018)	Fully Effective	
CN029	Local Biodiversity Action Plan (2013-2018)	Fully Effective	
PR018	Fife Air Quality Strategy (2021-2025)	Partially Effective	
RT074	Catchment Flood Management Plans	Partially Effective	
RT075	River Basin Management Plans	Partially Effective	
EBS020	Fleet Replacement Programme	Partially Effective	
PLA016	Sustainable Energy and Climate Action Plan (SECAP)	Partially Effective	
RT076	Shoreline Management Plan	Partially Effective	
PLA017	Local Heat and Energy Efficiency Strategy	Partially Effective	
CD008	Communities Service Change Plans	Partially Effective	
EE002	E&E Service Change Plans	Partially Effective	
ECS018	E&CS Service Change Plans	Partially Effective	
FCS004	F&CS Service Change Plans	Partially Effective	
HSC034	H&SCP Service Change Plans	Partially Effective	
PLA018	Risk and Vulnerability Assessment	Partially Effective	
PLA019	Addressing Climate Change Board	Fully Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC009</b> Poor Corporate Governance & Leadership	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Poor Corporate Governance e.g. Fife Council's Code of Corporate Governance (COCG) is inadequate and not consistently applied.</li> <li>• Poor Leadership.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Fife Council does not behave with integrity, demonstrating a strong commitment to ethical values and respecting the rule of law.</li> <li>• Fife Council does not ensure openness and comprehensive stakeholder engagement.</li> <li>• Fife Council does not define outcomes in terms of sustainable economic, social and environmental benefits etc. per the Delivering Good Governance in Local Government.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Poor Culture.</li> <li>• Staff being unaware of the Code of Corporate Governance and of legislative and regulatory obligations and a changed policy environment.</li> <li>• Insufficient assurance from the Chief Executive in signing off annual accounts.</li> <li>• Fife Council being non-compliant with applicable legislation or regulation.</li> <li>• Negative impact on service delivery and service users.</li> <li>• Negative impact on resources / financial collapse.</li> <li>• Reputational damage / loss of trust in Fife Council.</li> <li>• Potential for legal action against Fife Council or other challenges to processes &amp; decisions.</li> </ul>		<p>Likelihood</p> <p>Impact</p>	25
			<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			<p>Likelihood</p> <p>Impact</p>	6
			<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
			<p>Likelihood</p> <p>Impact</p>	6*
<b>Managed by</b>	Eileen Rowand	<b>Assigned To</b>	Lindsay Thomson	
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-May-2024	
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts. * Although the residual risk score (6) is the same as the target risk score (6), one of the individual PESTELO impact scores, relating to organisational impact has reduced from a 3 to a 2.		<b>Latest Risk Note Date</b>	17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
LD012	COSLA Membership and participation	Fully Effective	
LD013	Horizon Scanning	Fully Effective	
LD014	Committee Report Governance	Partially Effective	
LD015	Continuing Professional Development	Fully Effective	
LD016	Knowledge Management	Partially Effective	
LD017	ALEO Governance Maturity Matrix	Partially Effective	
LD018	Corporate Governance Framework	Fully Effective	
LD022	Fife Council ALEO Governance Framework	Partially Effective	
LD023	Annual Governance Process	Partially Effective	
LD024	Corporate Governance Group	Fully Effective	
HR046	OPM Leadership Development Programme	Partially Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC010</b> Elected Members - Failure to comply with Council Governance and Code of Conduct	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>Lack of knowledge and understanding of, or adherence to, Fife Council's governance arrangements and / or the external regulatory environment applicable to elected members. e.g. the Standards Commission for Scotland Councillors' Code of Conduct and associated guidance and advice notes and Fife Council's Member Officer Protocol.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>The expected high standards of conduct as supported by the Code's key principles of duty, selflessness, integrity, objectivity, accountability, openness, honesty, leadership and respect are not consistently demonstrated.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>Ineffective decision making.</li> <li>Sanctions against individual elected members (by Standards Commission).</li> <li>Reputational damage (Fife Council &amp; individual member).</li> <li>By elections and associated costs.</li> </ul>		 <p>Liability Impact</p>	15
			Residual Risk Matrix	Residual Risk Score
			 <p>Liability Impact</p>	6
			Target Risk Matrix	Target Risk Score
			 <p>Liability Impact</p>	6*
Managed by	Eileen Rowand	Assigned To	Lindsay Thomson	
Last Reviewed	17-Nov-2023	Next Review Due	15-May-2024	
Latest Note	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts. * Although the residual risk score (6) is the same as the target risk score (6), one of the individual PESTELO impact scores, relating to organisational impact has reduced from a 2 to a 1.		Latest Risk Note Date	17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
LD006	Registers of members interests	Partially Effective	
LD002	Standards, Audit & Risk Committee monitoring arrangements	Partially Effective	
LD003	Standards Commission guidance and updates	Partially Effective	
LD004	Code of Conduct for elected members	Partially Effective	
LD005	Elected member induction process	Partially Effective	
LD007	Elected members development focus group and ongoing training programme	Partially Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC011</b> Inability to Ensure Public Safety & Protection	<p><b>Adults and Vulnerable Children</b>  <b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Budget pressures.</li> <li>• Increasing pressure and demand on Social Work.</li> <li>• Lack of workforce capacity to meet service demands.</li> <li>• Failures within a 3rd sector or independent provider meaning they are unable to fulfil their obligations.</li> <li>• Lack of resources, e.g. Housing to support individuals.</li> <li>• Stretched managerial capacity to demonstrate compliance of ongoing robust practice.</li> <li>• Individual error / negligence.</li> <li>• Unable to recruit the right people with the right skills.</li> </ul> <p><b>Serious Organised Crime</b>  <b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Lack of partnership working, intelligence/data not being shared.</li> <li>• Changes in the market - moving to online buying, implications of EU exit, effects of product safety. More economic changes are associated with crime in areas that are economically challenged.</li> <li>• Cost of living, more opportunity for Serious Organised Crime along with scams targeting vulnerable people.</li> <li>• Illegal products, counterfeiting and scams.</li> <li>• Illegal Immigrants, People Trafficking, Modern Slavery.</li> <li>• Larger scale illegal disposal of waste including hazardous material.</li> <li>• Fraud.</li> <li>• Cyber-crime.</li> </ul> <p><b>CONTEST</b>  <b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Failure to meet our obligations around implementation of the CONTEST Strategy.</li> <li>• Staff not being aware of the signs that a vulnerable person is being radicalised (PREVENT).</li> <li>• Failure to safeguard and support vulnerable people and stop them from becoming terrorists or supporting terrorism. (PREVENT).</li> <li>• Failure to stop terrorist attacks happening in Fife. (PURSUE).</li> <li>• Failure to keep the public safe by strengthening our protection against a terrorist attack in Fife so reducing our vulnerability (PROTECT).</li> <li>• Failure to save lives, reduce harm and aid recovery quickly in the event of a terrorist attack (PREPARE).</li> </ul>	 <p>Lifehood</p> <p>Impact</p>	25
		<p><b>Residual Risk Matrix</b></p>  <p>Lifehood</p> <p>Impact</p>	12
		<p><b>Target Risk Matrix</b></p>	<p><b>Target Risk Score</b></p>
		 <p>Lifehood</p> <p>Impact</p>	12

<p><b><u>Building Safety</u></b>  <b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Wilful Fire Raising.</li> <li>• Lack of investment / maintenance (Structure and Security of Buildings).</li> <li>• Natural Hazards, flooding, high winds etc.</li> <li>• Building Safety Checks, fire, water etc. (Expand wording).</li> <li>• Property Services various sampling programmes, maintenance schedules.</li> <li>• Building Standards including dangerous buildings.</li> <li>• Housing Maintenance Programme.</li> <li>• Gas maintenance checks for all Fife Council housing properties monitored by the Scottish Housing Regulator.</li> <li>• Utility checks for all Fife Council property.</li> </ul> <p><b><u>Environmental</u></b>  <b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Fly Tipping.</li> <li>• Air Pollution.</li> <li>• Land Contamination.</li> <li>• Water Contamination.</li> <li>• Noise Pollution.</li> <li>• Chemical, Biological, Radiological, Nuclear.</li> <li>• Severe Weather Risks, Natural Hazards, flooding, high winds etc.</li> <li>• Human Disease.</li> <li>• Food Safety.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Fife Council is unable to meet its public protection and other relevant statutory duties, either discharged internally across directorates / services, and/ or via commissioned services.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Significant harm to individuals and communities.</li> <li>• Potential harm, injury, or death of service users.</li> <li>• Exploitation of children or adults.</li> <li>• Impact on Fife employees, including health, safety and wellbeing.</li> <li>• Legal costs &amp; litigation.</li> </ul>		
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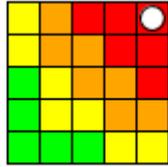
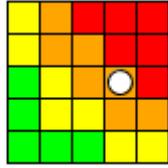
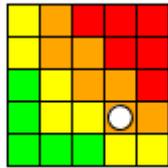
	<ul style="list-style-type: none"> <li>• Breach of legislation, regulation and duty of care.</li> <li>• Loss of public trust in Fife Council/reputational damage.</li> <li>• Loss of public trust in partners, e.g. NHS or IJB.</li> <li>• Loss of Key Buildings.</li> <li>• Economic impact on Fife.</li> <li>• Failure to deliver key Fife Council services and Fife Council priorities.</li> <li>• A threat to resources and public security.</li> <li>• Negative feelings/perceptions of safety within their communities.</li> </ul>				
<b>Managed by</b>	Ken Gourlay	<b>Assigned To</b>	TBC		
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024		
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.			<b>Latest Risk Note Date</b>	17 Nov 2023
<b>Internal Control Code</b>	<b>Internal Control Title</b>			<b>Effectiveness in relation to this Risk</b>	
BTS016	Scottish Government Cyber Resilience Strategy			Partially Effective	
ECS003	Fife Children's' Service Plan			Partially Effective	
HS005	Local Housing Strategy (2022-2027)			Partially Effective	
ECS007	Chief Officers Public Safety Group (COPS)			Fully Effective	
ECS008	Workforce Resilience/Planning			Partially Effective	
ECS009	Commissioning Practice			Partially Effective	
ECS012	Initiation of huddles to ensure capacity can meet demand			Fully Effective	
ECS013	Child Protection Committee			Partially Effective	
ECS014	Adult Support and Protection Committee			Fully Effective	
CN020	Fife Council CONTEST Group			Fully Effective	
CN021	Multi-Agency Fife CONTEST GROUP			Fully Effective	

HR033	CONTEST Awareness Training	Partially Effective	
RCS010	Whistleblowing Policy	Partially Effective	
RCS016	Scheme of Tender Procedures	Partially Effective	
FM046	Access to Fife Council Buildings	Partially Effective	
HS007	CONTEST - Information on fife.gov and Fife Council intranet	Fully Effective	
HS008	Single Point of Contact (SPOC) for CONTEST	Fully Effective	
FM047	Bomb threats and suspicious packages checklist	Partially Effective	
ER006	Council Incident Management Plans	Partially Effective	
HS009	Prevent Multi Agency Panel (PMAP)	Fully Effective	
PR019	Fife Council Environmental Vandalism Strategy 2022-2024	Partially Effective	
PR020	Dangerous Buildings Processes and Procedures	Partially Effective	
PR021	Licensing and Inspection of HMO's and Short Term Lets	Partially Effective	
PR022	Licensing (Events and Public Safety)	Partially Effective	
PR023	Sampling Programmes covering food, water, air etc	Partially Effective	
PR024	Contaminated Land Strategy	Fully Effective	
PR025	Air Quality Strategy and Action Plans	Fully Effective	
PR026	Joint Health Protection Plan	Partially Effective	
PR027	Service Delivery Plan - Environmental Health (Food and Workplace Safety)	Partially Effective	
PR028	Building Standards Framework - Building Standards Verification and Certification	Fully Effective	
ER009	Resilience Policy and Framework	Partially Effective	

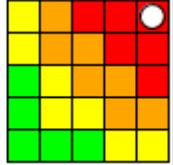
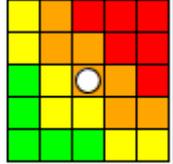
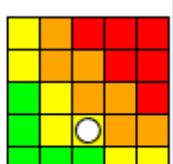
HS010	Single Point of Contact (SPOC) for Serious Organised Crime	Fully Effective	
PRO006	Financial Governance surrounding Procurement	Fully Effective	
HSC027	Public Protection Committees	Partially Effective	
HSC028	Committee Sub Groups	Fully Effective	
HSC029	Chief Officer of Public Safety Meetings (COPS)	Fully Effective	
HSC031	Sub Group and National Group Connections	Fully Effective	
HSC032	Single and Multi-Agency Activity Audits	Fully Effective	
HSC033	Scrutiny Committee Reporting Process	Fully Effective	
HSC035	Workforce Action Plan	Partially Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC012</b> Financial Instability	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Inadequate funding for Plan for Fife opportunities including our statutory responsibilities.</li> <li>• Unplanned expenditure.</li> <li>• Savings or efficiencies not being delivered.</li> <li>• Increased demand for services.</li> <li>• Challenging Economic Environment – Inflation, interest rates, supply chains.</li> <li>• Impact of Government Policy on Funding.</li> <li>• Impact of Government policy on ability to generate income e.g. Council Tax freeze, rent cap.</li> <li>• Poor corporate governance and leadership.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Fife Council's Financial sustainability is compromised.</li> <li>• Financial Collapse.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Fife Council - and its partners - fail to deliver Plan for Fife ambitions.</li> <li>• Ability to deliver Fife Council services.</li> <li>• A failure to meet the needs of communities.</li> <li>• A failure to address inequalities.</li> <li>• Customer / Citizen dissatisfaction with Fife Council.</li> <li>• Reputational Damage.</li> <li>• Reduction of balances (reserves) to an unacceptable level.</li> </ul>		<p>Lifehood</p> <p>Impact</p>	25
			Residual Risk Matrix	Residual Risk Score
			<p>Lifehood</p> <p>Impact</p>	9
			Target Risk Matrix	Target Risk Score
			<p>Lifehood</p> <p>Impact</p>	9
Managed by	Eileen Rowand	Assigned To	Elaine Muir; Laura C Robertson	
Last Reviewed	17-Nov-2023	Next Review Due	15-May-2024	
Latest Note	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		Latest Risk Note Date	17 Nov 2023

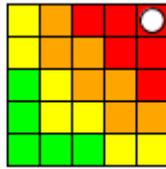
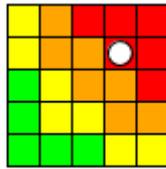
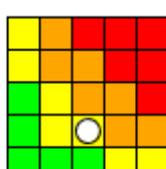
Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
FS006	Budget Process	Fully Effective	
FS007	Medium Term Financial Strategy	Fully Effective	
FS008	Financial Regulations	Partially Effective	
FS009	Long Term Budget Planning Model	Partially Effective	
FS012	Capital Investment Plan	Fully Effective	
FS014	Housing Revenue Account (HRA) Business Plan	Fully Effective	
FS015	Budget Monitoring	Fully Effective	
FS018	Scenario Planning	Fully Effective	
LD018	Corporate Governance Framework	Partially Effective	
FS020	Investment Strategy Group	Fully Effective	
FS021	Capital Strategy	Fully Effective	
FS022	Financial Risk Register	Fully Effective	
FS023	Reconciliation Framework and Monitoring	Fully Effective	

Risk Code & Title	Risk Description	Inherent Risk Matrix	Inherent Risk Score
<b>FC013</b> Failure to Effectively Discharge Statutory Health and Safety Obligations	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Insufficient capacity to address Health &amp; Safety as a priority.</li> <li>• Attitude / perception that Health &amp; Safety is not a priority.</li> <li>• Lack of clarity or understanding of roles and responsibilities.</li> <li>• Lack of leadership &amp; priority given to Health &amp; Safety.</li> <li>• Failing to establish, update, deploy or maintain effective health and safety systems, risk identification and risk mitigation measures.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Accident, injury or harm to a member of staff, service user, contractor or other 3rd party occurs.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Specified injury.</li> <li>• A fatality.</li> <li>• Harm.</li> <li>• Dangerous occurrence.</li> <li>• Notifiable disease.</li> <li>• Increased work-related stress.</li> <li>• Lost time / absences.</li> <li>• Loss of productivity.</li> <li>• Fines.</li> <li>• Regulatory investigations.</li> <li>• Prosecution by HSE.</li> <li>• Imprisonment.</li> <li>• Claims / litigation against Fife Council.</li> <li>• Legal costs for Fife Council.</li> <li>• Talent exiting the organisation early, and associated costs.</li> <li>• Reputational damage.</li> </ul>		25
		<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			12
		<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
			8
<b>Managed by</b>	Ken Gourlay	<b>Assigned To</b>	Barbara Cooper; Sharon McKenzie
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b> 17 Nov 2023

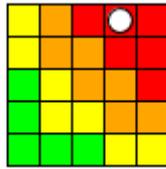
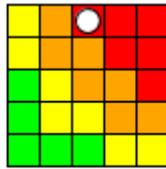
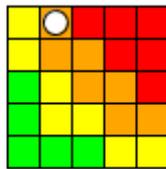
Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
HR011	Council Health & Safety Guidance	Fully Effective	
HR012	Governance and Scrutiny processes	Fully Effective	
HR013	Fire Strategy & Action Plan	Partially Effective	
HR015	HR Health and Safety Policies	Partially Effective	
HR016	Risk Assessment of work tasks and activities	Partially Effective	
HR018	Mandatory Mentally Healthy Workplace Training	Partially Effective	
HR021	Health and Safety Management Framework	Partially Effective	
HR022	Corporate Health and Safety Strategy Group (CHSSG)	Fully Effective	
HR024	Health Surveillance Programme	Partially Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC014</b> Workforce Challenges	<p><b>As a result of:</b>            A range of factors at national and local level which combine to create a more competitive labour market and a potentially more challenging organisation to resource and develop in keeping with Fife Council's vision, such as:</p> <ul style="list-style-type: none"> <li>• National shortages in some professions and in some skills areas at levels that didn't previously exist – hospitality, social care and childcare, some teaching posts, HGV drivers, IT etc.</li> <li>• Legislative Changes relating to UK Immigration Law.</li> <li>• Changes in people's expectations about work and reward (CIPD report).</li> <li>• Demographic changes - fewer economically active people looking for work.</li> <li>• Fife Council's ageing workforce profile.</li> <li>• Higher levels of sickness absence.</li> <li>• Insufficient capacity to meet current and future demands.</li> <li>• Poor wellbeing.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• Fife Council will not have the right people in the right place at the right time.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• A failure to deliver on the Plan for Fife and its outcomes.</li> <li>• Insufficient workforce to safely deliver critical services, including statutory services.</li> <li>• Inability of Directorates and Services to deliver on aspects of their Directorate / Service plans, meet KPI and SPI targets.</li> <li>• An inability to deliver organisational change well.</li> <li>• A perpetual negative cycle of reduced staff morale, motivation and attendance.</li> <li>• Increased number of leavers.</li> <li>• Increased costs associated with staff vacancies / absences e.g. agency / supply staff, advertising / relocation fees.</li> </ul>			25
			Residual Risk Matrix	Residual Risk Score
				9
			Target Risk Matrix	Target Risk Score
				6
Managed by	Eileen Rowand	Assigned To	Fiona Allan; Jacqui Cameron; Anne-Marie Cardle; Barbara Cooper; Sharon McKenzie; Gordon Walker	
Last Reviewed	17-Nov-2023	Next Review Due	15-May-2024	
Latest Note	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		Latest Risk Note Date	17 Nov 2023

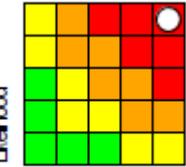
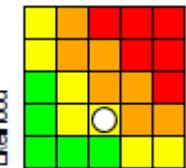
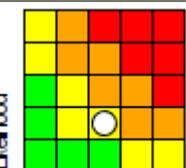
Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
HR010	HR Workforce Strategy and Action Plan	Fully Effective	
HR012	Governance and Scrutiny processes	Fully Effective	
HR026	Job Evaluation Procedures and Processes	Partially Effective	
HR035	Recruitment Strategy and Agency Worker Framework	Fully Effective	
HR036	HR Policies Procedures and Legislative Checks	Partially Effective	
HR037	Workforce Youth Investment Programme	Fully Effective	
HR038	Mandatory Learning Framework	Partially Effective	
HR039	Digital Champions Programme	Partially Effective	
HR041	First Contact HR Processes	Partially Effective	
HR040	Oracle Cloud Management Information	Partially Effective	
HR042	Leadership Development	Partially Effective	
HR043	Learning Resources	Partially Effective	
HR044	Workforce Planning Process	Partially Effective	
HR045	Professionally Qualified and Resourced HR Teams	Partially Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC015</b> Ineffective Information Governance	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>• Human error.</li> <li>• Lack of effective governance.</li> <li>• Lack of horizon scanning.</li> <li>• Lack of buy in / compliance.</li> <li>• Lack of data driven culture in Fife Council.</li> <li>• Siloed approaches to data.</li> <li>• Inappropriate access controls to secure data.</li> <li>• Inappropriately / maliciously accessing data.</li> <li>• Ineffective and / or non-completion off training.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>• The Council does not meet its statutory duties under GDPR and DPA, FOISA and EIR.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>• Data Breaches.</li> <li>• Poor information management (Confidentiality, Integrity and Availability).</li> <li>• Bad decision making.</li> <li>• Waste of resources.</li> <li>• Harm to individuals, including staff.</li> <li>• Loss of trust.</li> <li>• Reputational Damage.</li> <li>• Regulatory consequences, e.g. fines, improvement actions.</li> </ul>		 <p>Likelihood</p> <p>Impact</p>	25
			<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			 <p>Likelihood</p> <p>Impact</p>	16
			<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
 <p>Likelihood</p> <p>Impact</p>	6			
<b>Managed by</b>	Eileen Rowand	<b>Assigned To</b>	Charlie Anderson; Diarmuid Cotter; Lindsay Thomson	
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Jan-2024	
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		<b>Latest Risk Note Date</b>	17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
BTS016	Scottish Government Cyber Resilience Strategy	Partially Effective	
BTS033	Corporate Information & Records Management Strategy	Partially Effective	
BTS035	Information Governance Working Group	Partially Effective	
LD025	Information Governance Training Modules	Partially Effective	
LD026	Information Security Policy, Procedures and Guidance	Partially Effective	
LD027	Data Protection Policy, Procedures and Guidance	Partially Effective	
COS002	Information Request Policy, Procedures and Guidance	Partially Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC016</b> Ineffective Transformational Change Agenda/Strategic Planning	<p><b>As a result of:</b></p> <ul style="list-style-type: none"> <li>Increasing pressures from Cost of Living Crisis.</li> <li>Increasing demand for services.</li> <li>Being unable to identify and agree significant, viable change options for senior officer and Elected Member agreement.</li> <li>Insufficient resources being available to deliver the agreed change programme, including the skills and capacity of staff.</li> <li>Insufficient programme / project planning and monitoring arrangements.</li> <li>Lack of partnership buy in.</li> <li>Demographic trajectory (increase in older people and changes in needs as a consequence).</li> <li>Sector reorganisations e.g. National Care Service, Educational Reform etc.</li> <li>Technological / scientific advances e.g. digital, AI.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>Fife Council does not improve / change sufficiently enough or at pace.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>Fife Council being unable to timeously support future service delivery models e.g. People &amp; Place, No Wrong Door.</li> <li>Fife Council being unable to respond and adapt to sector reorganisation.</li> <li>Fife Council Outcomes not being met (Plan for Fife and Recovery and Reform).</li> <li>Service priorities not being achieved.</li> <li>A sustainable financial position not being achieved.</li> <li>Diminished credibility and reputation.</li> <li>Adverse impacts on people's life chances.</li> <li>Increase in the impact of cost of living and poverty.</li> <li>Adverse impacts on infrastructure and place making.</li> <li>Reduction in performance levels across all reported indicators and the consequential impact of this.</li> </ul>		 <p>Likelihood</p> <p>Impact</p>	20
			<b>Residual Risk Matrix</b>	<b>Residual Risk Score</b>
			 <p>Likelihood</p> <p>Impact</p>	15
			<b>Target Risk Matrix</b>	<b>Target Risk Score</b>
			 <p>Likelihood</p> <p>Impact</p>	10
<b>Managed by</b>	Michael Enston	<b>Assigned To</b>	Craig Waddell	
<b>Last Reviewed</b>	17-Nov-2023	<b>Next Review Due</b>	15-Feb-2024	
<b>Latest Note</b>	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts. Most of the controls on this risk are designed to address the impact of the risk, rather than the likelihood of the risk and this can be seen in the reduction of the risk score from 20 to 15. The target score (10) reflects that little can be done to mitigate the likelihood, however, more can be done to mitigate the impact.		<b>Latest Risk Note Date</b>	17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
FS007	Medium Term Financial Strategy	Fully Effective	
HR034	Managing Workforce Change Policy	Fully Effective	
CD002	Engagement with Elected Members on Change	Partially Effective	
CD003	Engagement with Trade Unions on Change	Fully Effective	
CD004	Council Leadership Team (CLT)	Partially Effective	
FC140	Council Executive Team (CET)	Fully Effective	
CD005	Change Planning Process	Partially Effective	
CD006	Reform Board	Fully Effective	
CD007	Leadership Summits	Fully Effective	

Risk Code & Title	Risk Description		Inherent Risk Matrix	Inherent Risk Score
<b>FC017</b> Legal and Regulatory Compliance Failure	<p><b>As a result of:</b></p> <p>Failing to keep up to date with and / or failing to implement proper planning systems in response to and/or failure to comply with:</p> <ul style="list-style-type: none"> <li>Legislative changes.</li> <li>Government policy changes including sector reorganisation.</li> <li>Regulatory changes.</li> </ul> <p><b>There is a risk that:</b></p> <ul style="list-style-type: none"> <li>Fife Council is unaware of changes to the national legislative, policy &amp; regulatory framework.</li> <li>Fife Council does not plan effectively to meet these changes.</li> <li>Fife Council is in breach of its statutory obligations.</li> </ul> <p><b>Which may result in:</b></p> <ul style="list-style-type: none"> <li>Fife Council being non-compliant with applicable legislation or regulation.</li> <li>Negative impact on service delivery and service users.</li> <li>Negative impact on resources.</li> <li>Reputational damage / loss of trust in Fife Council.</li> <li>Potential for legal action against Fife Council or other challenges to processes &amp; decisions.</li> <li>Financial penalties.</li> </ul>			25
			Residual Risk Matrix	Residual Risk Score
				6
			Target Risk Matrix	Target Risk Score
				6
Managed by	Eileen Rowand	Assigned To	Lindsay Thomson	
Last Reviewed	17-Nov-2023	Next Review Due	15-May-2024	
Latest Note	Risk developed as part of Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts.		Latest Risk Note Date	17 Nov 2023

Internal Control Code	Internal Control Title	Effectiveness in relation to this Risk	
LD012	COSLA Membership and participation	Fully Effective	
LD013	Horizon Scanning	Fully Effective	
LD014	Committee Report Governance	Fully Effective	
LD015	Continuing Professional Development	Fully Effective	
LD016	Knowledge Management	Partially Effective	

Internal Control Code Prefix and Corresponding Organisation / Directorate / Service					
API	Assessors	ER	Emergency Resilience	HSCICJ	H&SCP - Improving the Cancer Journey
ARM	Audit and Risk Management	EE	Enterprise and Environment Directorate	HSCIJB	H&SCP - Integrated Joint Board
BV	Bereavement Services	EBS	Environment and Building Services	LD	Legal and Democratic Services
BE	Business and Employability	FM	Facilities Management	PLA	Planning Service
BTS	Business Technology Solutions	PEN	Fife Council Local Government Pension Fund	PRO	Procurement
CN	Communities and Neighbourhood	FCS	Finance and Corporate Services Directorate	PS	Property Services
CD	Communities Directorate	FS	Finance Service	PR	Protective Services
COD	Corporate Development	HSC	Health and Social Care	RCS	Revenue and Commercial Services
COS	Customer and Online Services	HS	Housing Services	RT	Roads and Transportation
ECS	Education and Children Services	HR	Human Resources		

18 January 2023  
Agenda Item No. 6

## Standards Update – annual reports, hearing outcomes and consultations

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Report by: Lindsay Thomson, Head of Legal and Democratic Services

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Wards Affected: N/A

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### Purpose

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The purpose of this report is to advise Committee that the Ethical Standards Commissioner for Scotland and the Standards Commission for Scotland have both published their annual reports for 2022/23; to report on the findings of the Hearing Panel of the Standards Commission for Scotland during this period and to advise members about the current consultations.

### Recommendation(s)

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The Committee is asked to:-

- (1) Note the Ethical Standards Commissioner for Scotland Annual Report for 2022/23;
- (2) Note the Standards Commission for Scotland Annual Report 2022/23 (both covered in section 1 of this paper);
- (3) Note the decisions of the Hearing Panel of the Standards Commission for Scotland, which will continue to be monitored and appropriate reports and/or advice given to the Council if required (section 2 of this paper);
- (4) Note that there has been one hearing related to a Fife Council Councillor in 2022/23, the outcome of which was reported to full Council in September 2023;
- (5) Note that the Monitoring Officer will continue to offer comment on the draft revised guidance on the Councillors' Code of Conduct through the SOLAR working group; and
- (6) Agree to delegate any Fife Council response to the following consultations (noted in section 3 of this report) to the Head of Legal & Democratic Services in consultation with the Chair of the Standards, Audit and Risk Committee and the Spokesperson for Finance, Economy & Strategic Planning
  - a. Standards Commission for Scotland draft strategic plan for 2024-2028 (comments due by the end of January 2024) and the
  - b. Ethical Standards Commissioner's draft strategic plan 2024-2028 (comments due by the end of January 2024)

## **Resource Implications**

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There are no resource implications identified at this stage.

## **Legal & Risk Implications**

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The Council and its members should be aware of the work undertaken by the Ethical Standards Commissioner and Standards Commission for Scotland and the decisions the Commission has taken. This will increase understanding of the Councillors' Code of Conduct and minimise the risk of any breach of that Code.

This paper supports the mitigations identified in relation to strategic risk FC0019.

## **Impact Assessment**

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

## **Consultation**

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None

# 1.0 Annual Reports 2022/23

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## Ethical Standards Commission for Scotland

- 1.1 The Ethical Standards Commissioner for Scotland recently published his annual report for 2022/23. Members will be aware that the role of the Ethical Standards Commissioner for Scotland is to investigate complaints made against councillors (amongst other functions) and more generally to encourage fairness, good conduct and transparency in public life in Scotland. A copy of the annual report for 2022/23 can be found here [ESC Annual Report 2022-23 | Ethical Standards Commissioner](https://www.ethicalstandardscommissioner.gov.uk/annual-report-2022-23). Members should also note that Ian Bruce was appointed as Commissioner formally on 1 March 2023 for a six year term following a period of acting up. Members may recollect that in the 2021/22 annual report Mr Bruce had expressed the view that the organisation was on the road to recovery after a period of extreme challenge which he had described in the previous year's report as akin to "rebuilding a plane in flight". <https://www.standardscommissionscotland.org.uk/uploads/tinymce/SCfSAnnualReport2018-19.pdf>
- 1.2 In terms of this year's annual report, of particular interest to members in relation to performance of the ESC will be:
- (a) a reduction in the number of new complaints received and a reduction in the backlog of complaints. Initial screening of complaints has reduced from a wait time of 11 months to 4 months.
  - (b) an increase in the number of complaint cases concluded during the course of the year – up 44% to 127.
  - (c) an increase in the number of complaints reported to the Standards Commission for Scotland to a total of 45 (an increase of 29%).
  - (d) an acknowledgement that the time taken to investigate cases is too long. In response new staff have been recruited and new KPIS introduced to drive performance improvement.
  - (e) the publication of an Investigations Manual and the consequent withdrawal of the Standards Commission for Scotland Direction in August 2023
  - (f) that complaints involving disrespect to employees or members of the public are the largest category, with complaints about disrespect to other councillors in third place. Complaints about disrespect make up about 40% of the total number of cases. Members of the public are by far more likely to complain about councillors, accounting for almost 80% of the total.
  - (g) most complaints were closed at the initial assessment stage on the basis of insufficient evidence, with 36% being fully investigated. Of the 36% investigated only 8% of the total number of complaint cases (17 cases out of 218) concluded that there had been a breach and
  - (h) there was one interim report seeking suspension during 2022/23 but the SCS decided not to impose a suspension.

Detailed statistics are available at pages 17 to 23 and page 27 of the report.

- 1.3 Members may also wish to note that the Commissioner has drawn attention to the following matters in his report
- (a) the comprehensive update to the section 22 report laid by the Auditor General which had made 26 recommendations (section 22 reports relatively infrequent and are prepared to address specific concerns or issues identified by the Auditor General) and
  - (b) his commitment to ensuring that all interactions with complainers and respondents are characterised by transparency, empathy, kindness and respect.

### **Standards Commission for Scotland**

- 1.4 The Standards Commission for Scotland also recently published its annual report and accounts for 2022/23 and a copy of this report can be accessed at the Standards Commission for Scotland website:  
[1694683337230906FINALSCS\\_Annual\\_Report\\_20222023\\_proof\\_03.pdf](https://www.standardscommissionscotland.org.uk/uploads/tiny_mce/SCfS_Annual_Report_20222023_proof_03.pdf)  
[https://www.standardscommissionscotland.org.uk/uploads/tiny\\_mce/SCfS\\_Annual\\_Report\\_2018-19.pdf](https://www.standardscommissionscotland.org.uk/uploads/tiny_mce/SCfS_Annual_Report_2018-19.pdf)
- 1.5 Of particular interest to members will be:
- (a) the statistics set out from page 19 of the report summarising decisions on case reports, hearings, sanctions, appeals and timescales for the process;
  - (b) in the 6 cases heard by the Commission in 2022/23 (up one from the previous year), there were 3 findings of a breach (involving four councillors) of the Councillors' Code of Conduct resulting in 2 censures and 1 partial and
  - (c) there were 32 cases (up from 19) considered by the Commission which required no further action (so no hearing was held as there was no alleged breach of the code after the investigation).
- 1.6 Members may also wish to note that key objectives of the Commission continued to be:
- (a) To have a positive impact on ethical standards in public life.
  - (b) To pursue continuous improvement in the ethical standards framework and the way we do our work.
  - (c) To pursue and develop strong relationships with our stakeholders.
  - (d) To ensure all stakeholders have easy access to high quality information about the organisation, its work, and any initiatives
- 1.7 Some of the key achievements set out by the Standards Commission this year include a focus on promoting awareness of the revised Code of Conduct, the preparation of revised Advice Notes and new easy reference cards for Councillors on the Code of Conduct, the development of e-learning and animated videos and a review of the Hearing Rules which included the introduction of a new webpage. Further information on the work of the Commission in terms of their measurement of impact, focus on improvement and engagement with stakeholders can be found in sections 3-5 of the report (pages 7-14).

## 2.0 Hearing Panel - Decisions

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2.1 The Committee has agreed that the reports and findings of the Standards Commission for Scotland be monitored to enable appropriate reports and/or advice to be given to the Council. These decisions are published on the website of the Standards Commission for Scotland [www.standardscommissionscotland.org.uk](http://www.standardscommissionscotland.org.uk).

2.2 In contrast to last year this year has seen much more activity in this area as noted in the Standards Commission for Scotland Annual Report. The following cases are recommended for detailed review:

City of Glasgow Council LA/G/3563 – this case concerns campaigning activity and the use of the Council’s resources. It will be taken into account when the pre-election guidance is reviewed for the general election this year.

City of Edinburgh Council LA/E/3651 – this case reiterates the need to withdraw fully from the meeting following a declaration of interest. It has been reflected in the recent review of Standing Orders.

Stirling Council LA/S/3571 – this case concerned disrespect towards officers, operational over-involvement and a failure to be seen to act fairly in a Licensing Board hearing. The outcome was a five month suspension.

Dundee City Council LA/D/3756 and 3742 – this case concerned profane and abusive social media postings and then subsequent disrespectful conduct towards officers raising concerns about the social media posting. It also had equalities protected characteristic considerations. A censure was the outcome as the respondent was a former councillor and therefore no more serious sanction was available. See also case Aberdeenshire Council LA/As/3780 where a councillor was censured in relation to a social media posting which was disrespectful, even though the panel accepted that the councillor was trying to stand against what she perceived to be bullying and harassment of others.

South Lanarkshire Council LA/SL/3558 a and b – these cases concern the sharing of confidential information (which was not always marked as such). One case resulted in a two month suspension and the other in a censure, reflecting the nuanced approach the panel will take to determining sanction based on a range of factors, even where the findings on the code are relatively similar.

2.3 The full annual report gives a brief summary of all of the cases (page 29-74 of the annual report), including those where there was no further action (referred to as “do neither cases” as there is neither further investigation or a hearing). These cases are instructive in terms of the approach that the Standards Commission may take to allegations and any mitigation that is advanced. Members also receive the “Standards Update” by email which is a regular bulletin summarising the work of the Standards Commission for Scotland.

### **3.0 Consultations**

There are currently two live consultations which concern the strategic plans for both the Commissioner and the Standards Commission. Neither represent a significant change in direction. The consultations have been shared with all councillors through the Standards Update emails. Any comments from councillors will be incorporated into a brief Fife Council response which will be finalised in consultation with Chair of the Standards, Audit and Risk Committee and the Spokesperson for Finance, Economy & Strategic Planning.

### **3.0 Conclusion**

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- 3.1 The summaries of cases and the activity of the Ethical Standards Commissioner and the Standards Commission for Scotland in the year 2022/23 should be of interest to members and this report is another mechanism for sharing information on the Councillors' Code of Conduct and how it is promoted and enforced.

#### **Report Contact**

Lindsay Thomson  
Head of Legal and Democratic Services  
Finance & Corporate Services,  
Fife House, North Street, Glenrothes

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18 January 2024

Agenda Item No. 7

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## **Fife Integration Joint Board (IJB) Internal Audit Report**

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**Report by:** Pamela Redpath, Service Manager, Audit and Risk Management Services

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**Wards Affected:** All

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### **Purpose**

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To submit to Members of the Standards, Audit and Risk Committee an internal audit report from the Fife IJB's 2021/22 Internal Audit Plan on Clinical & Care Governance.

### **Recommendation(s)**

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Members are asked to note, for assurance purposes, the information contained within the Clinical & Care Governance internal audit report at Appendix 1.

### **Resource Implications**

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None.

### **Legal & Risk Implications**

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Without proper corporate governance, risk management and internal controls in place, the risk increases that the IJB, and its Health and Social Care Partnership, will not achieve its objectives and may suffer financial loss and / or reputational damage. Obtaining independent assurances around the IJB's framework of governance, risk management and control through delivery of internal audits in the IJB Internal Audit Plan are of fundamental importance to the Council.

### **Impact Assessment**

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An Equality Impact Assessment is not required because the report is not proposing a change or revision to existing policies and practices.

### **Consultation**

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No consultation required.

## 1.0 Background

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- 1.1 The Integrated Resources Advisory Group guidance states that it is the responsibility of the IJB to establish adequate and proportionate internal audit arrangements for review of the adequacy of the arrangements for risk management, governance and control of the delegated resources. This responsibility includes determining who will provide the internal audit service for the IJB and nominating a Chief Internal Auditor.
- 1.2 The IJB formally took over operational responsibility of the delegated functions with effect from 1 April 2016. As detailed in the Chief Internal Auditor's Annual Internal Audit Report for 2022/23 for the Fife IJB, Fife, Tayside and Forth Valley Audit and Management Services (FTF) was appointed as the Internal Auditors for Fife IJB for financial year 2021/22 onwards, including the role of Chief Internal Auditor. Prior to that, Fife Council's Audit Services provided those services.
- 1.3 The Internal Audit Output Sharing Protocol sets out principles in relation to the sharing of key internal audit outputs between the IJB, Fife Council and NHS Fife, including Internal Audit plans, individual audit reports and annual audit reports. In the context of Fife Council and in relation to individual audit reports specifically, the Internal Audit Output Sharing Protocol requires relevant IJB internal audit reports to be presented to Fife Council's Standards, Audit and Risk Committee for assurance purposes.
- 1.4 Under the arrangements detailed above, a review of Clinical & Care Governance was undertaken by FTF on behalf of the IJB. A copy of the audit report is attached at Appendix 1. The objectives of the audit and corresponding level of assurance can be found in the Executive Summary of the audit report at paragraphs 4 and 5 respectively. The audit report was submitted to the IJB's Audit and Assurance Committee in November 2023.

## 2.0 Conclusions

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- 2.1 As detailed in the Chief Internal Auditor's 2022/23 Annual Internal Audit Report for the Fife IJB, FTF was appointed as the Internal Auditors for financial year 2021/22 onwards, including the role of Chief Internal Auditor. Prior to that, Fife Council's Audit Services provided those services.
- 2.2 The Internal Audit Output Sharing Protocol requires relevant IJB internal audit reports to be presented to Fife Council's Standards, Audit and Risk Committee for assurance purposes.

### List of Appendices

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Appendix 1 - Fife IJB's Internal Audit Report No. F06/22 - Clinical & Care Governance

Report Contact:

Pamela Redpath

Service Manager – Audit & Risk Management Services

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# FTF Internal Audit Service

## Clinical & Care Governance Report No. F06/22

**Issued To:** Nicky Connor, Director of Health and Social Care  
Audrey Valente, Chief Finance Officer (Fife HSCP)

Jennifer Rezendes, Principal Social Work Officer (Fife HSCP)  
Helen Hellewell, Deputy Medical Director (Fife HSCP)  
Lynn Barker, Director of Nursing (Fife HSCP)  
Cathy Gilvear, Head of Quality, Clinical & Care Governance (Fife HSCP)  
Shirley-Anne Savage, Associate Director of Quality and Clinical Governance (NHS Fife)

Avril Sweeney, Risk Compliance Manager (H&SCP)  
Fiona McKay, Head of Strategic Planning, Performance & Commissioning  
Vanessa Salmond, Acting Head of Corporate Services  
Pamela Redpath, Service Manager- Audit and Risk Management Services (Fife Council)

Fife Integration Joint Board Audit and Assurance Committee  
External Audit

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Draft Report Issued	18 August 2023
Management Responses Received	16 October 2023
Target Audit & Risk Committee Date	13 September 2023
<b>Final Report Issued</b>	<b>31 October 2023</b>

## CONTEXT AND SCOPE

1. The Strategic Plan for Fife 2019-2022 included a number of actions to improve the quality of care, but no overarching objective in relation to Clinical and Care governance or quality.
2. The recently updated Strategic Plan for Fife 2023-2026 includes a section on Clinical & Care Governance – Quality Matters Assurance listing the five key principles of clinical and care governance as:
  - *‘Clearly defined governance functions and roles are performed effectively.*
  - *Values of openness and accountability are promoted and demonstrated through actions.*
  - *Informed and transparent decisions are taken to ensure continuous quality improvement.*
  - *Staff are supported and developed.*
  - *All actions are focussed on the provision of high quality, safe, effective and person-centred services.’*

The mission statement for Fife IJB is *‘We will transform how we provide services to ensure these are safe, timely, effective, high quality and based on achieving personal outcomes’.*

3. There are currently two Strategic risks relevant to this audit:
  - 10 – Adult and Child Protection - There is a risk that the IJB does not receive sufficient assurance to enable it to fulfil its statutory duty for Adult and Child protection, leading to negative impacts for individuals and for multi-agency working and damage to the reputation of the partner organisations and the IJB (moderate)
  - 11 – Clinical and Care Governance - There is a risk that the IJB does not receive sufficient assurance to enable it to fulfil its statutory duty for C&CG, leading to negative impacts on the delivery of care to individuals, the Strategic Plan and damage to the reputation of the partner organisations and the IJB (moderate).
4. Our audit specifically considered whether:
  - Responsibilities and lines of accountability between the parties and the IJB are clear.
  - There is a clear, fully resourced plan to implement the Clinical and Care Governance Framework.
  - Care Governance processes and procedures are sufficient to deliver required levels of assurance, proportionate to risk, across all services.
  - Clinical and Care Governance processes are aligned to performance and risk management.
  - Responsibility and accountability for Vulnerable Adult and Children Support & Protection is clear.
  - Risks 10 and 11 are adequately described and scored, with appropriate assurance in place over mitigating controls.

**AUDIT OPINION**

5. The Audit Opinion of the level of assurance is as follows:

Level of Assurance		System Adequacy	Controls
Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.

A description of all definitions of assurance and assessment of risks are given in Section 4 of this report.

6. The previous Chief Internal Auditor chaired an Assurance Mapping Group that developed Committee Assurance Principles which provide a consistent and coherent approach to the provision of assurance in line with governance mapping methodology. The group also developed a series of questions to help Committees assess the assurances they receive on risks delegated to them, and these have been appended to the Fife IJB Risk Management Strategy.
7. The principles have been referenced in previous committee papers and the new Chief Internal Auditor will present a refreshed version to the Senior Leadership Team (SLT) in November 2023, along with a proposal for a process of formal approval and adoption by the IJB. The principles have been discussed with senior managers during this review.

**Developments to Clinical and Care Governance Assurance Processes**

8. During this audit and through our regular liaison with the Head of Quality, Clinical and Care Governance, we have been pleased to note the clear willingness to improve governance and assurance processes related to Clinical and Care Governance in the Health and Social Care Partnership (HSCP).
9. A number of groups and committees are referenced in our report and to provide context the organisational chart of Groups, Committees and Boards is provided at appendices 1 and 2.
10. Developments to Clinical and Care Governance Assurance processes have included:
  - Section 5.8 of the Fife Health and Social Care Integration Scheme states that ‘*The IJB will agree a clinical and care governance framework setting out efficient and effective arrangements for clinical and care governance, supported by the appropriate professional advice, covering all delegated services and at the interface between services. This framework will be developed in partnership with both Parties and the arrangements will clearly set out assurances to the IJB and its partners as well as those for the escalation and resolution of clinical and care risks*’.

- The Quality and Communities Committee (Q&CC) reports to the IJB. A short life working group was established to revise the Q&CC Terms of Reference (ToR) and to improve the assurance provided to it. The ToR was refreshed in 2022 and a further update is scheduled in the Q&CC workplan for 2023 /24.
- At operational level, the Quality Matters Assurance and Safety Huddle (QMASH) continued to meet on a fortnightly basis. This huddle provides Senior Leadership, Professional Leads and Managers with the opportunity to view and review extensive data on quality and safety matters.
- A report summarising key items considered at Clinical and Care Quality Matters Assurance Group (QMAG) meetings is provided to the IJB's SLT Assurance Group. QMASH meetings take place fortnightly and the SLT Assurance Group is informed that they are taking place.
- The QMAG Quality Report is presented to the Q&CC and the NHS Fife Clinical Governance Oversight Group (CGOG) and is a standing item on their workplans.
- In response to a recommendation in our NHS Fife 2022/23 Internal Control Evaluation Report (B08/23) a report on inspections undertaken by external bodies (e.g. the Mental Welfare Commission) is now presented to each NHS Fife CGOG meeting and is included as a standing item on their agenda.
- The Head of Quality, Clinical & Care Governance and the Principal Social Work Officer meet on a weekly basis to improve assurance and governance arrangements in relation to social care with appropriate input from performance management.
- From June 2023, reports on risk 10 relating to Adult and Child Protection are presented to both QMAG and CGOG, with quarterly reports on Child Protection and Adult Support and Protection to be presented in 2023/24 to QMAG and CGOG (clinical elements only).
- Provision of Clinical Governance assurance is at a more mature stage than reporting on social care. However, assurances on social care have been enhanced through the Chief Social Work Officer's Annual Report 2021/22, reported to Q&CC in March 2023. The SLT Assurance Group is to receive a quarterly report on adult protection in 2023/24 and a more detailed paper on Social Care assurance is to be presented to each QMAG meeting in 2023/24.
- The latest workplan for QMAG includes the following items relevant to social care assurance:
  - Social Work Assessment Waiting Times
  - Care Home Grading Report
  - Adult Protection (Social Care)
  - Anticipatory Care Plan (Care Homes)

- Since January 2023, every health incident graded as major or extreme on DATIX is considered by a panel of HSCP multi-disciplinary leaders with meetings held every Tuesday and Friday morning. This process also considers Duty of Candour implications/compliance. Meetings to date have been effective with appropriate challenge regarding the findings and course of action being recommended. The Principal Social Work Officer has advised that a process for providing assurance on social care incidents can be developed and this is being explored with the Head of Quality, Clinical & Care Governance, with a solution to be presented to SLT for approval.

### **Clinical and Care Governance and Assurance Arrangements**

11. A Fife HSCP Clinical & Care Governance Strategic Framework (C&CGSF) is in development and is scheduled to be presented to the IJB for approval by January 2024. This will outline the arrangements for providing strategic direction and assurance on health and social care to the IJB, Fife Council and NHS Fife.
12. This framework will complement the NHS Fife Clinical Governance Strategic Framework approved by Fife NHS Board in March 2023, which describes HSCP Clinical and Care Governance Assurance Arrangements.
13. The SLT Assurance Group recently received a presentation on the development of the C&CGSF which included an illustration of Fife governance structures for clinical and care (appendix 1). This is consistent with the structure included in the NHS Fife Clinical Governance Strategic Framework (appendix 2).
14. Assurances flow from the three portfolio Quality Matters Assurance Groups to the Fife HSCP QMAG, and on to the HSCP SLT Assurance Group then into the IJB and governance structures of Fife Council and NHS Fife. Assurance reporting to the IJB is via the Quality and Communities Committee (Q&CC). A mapping exercise was undertaken at portfolio level to determine whether all services were providing assurance on clinical and care governance. Identified gaps are being addressed with a driver diagram and workplan in place to monitor improvements including the introduction of a standard template for services to report into their respective Portfolio QMAGs.
15. We confirmed that the groups listed in the framework are meeting regularly and that the HSCP QMAG is the group that is effectively the engine driver for Clinical and Care Governance assurance within the HSCP. The framework provides for escalation from the SLT Assurance Group into the governance structures of the IJB, Fife Council and NHS Fife, although the group has not exercised this in 2022/23. Assurance has however been provided as follows:
  - Q&CC provided an annual assurance statement for 2022/23 to the IJB that concluded its remit had been fulfilled.
  - Q&CC received a year-end paper providing assurance on the operational governance and assurance mechanisms in place within the HSCP.
  - QMAG provided an annual Assurance Statement for 2022/23 to Q&CC that concluded its remit had been fulfilled.
  - QMAG considered Quality Reports at each meeting, including reporting on adverse events.

While governance arrangements continue to evolve, suggested improvements are included at action plan point 1 below, along with a recommendation that these be considered in the development of the C&CGSF.

**Alignment of Clinical and Care Governance Processes to Performance and Risk Management**

16. Risk management processes related to clinical and care governance are in place through:

- Q&CC – Included in ToR and papers on the Quality and Communities Strategic Risk Register and a review of IJB Risk Management in 2022/23 were considered.
- QMAG - Included in ToR and papers in 2022/23 on the management of service operational risks across Health and Social Care services related to clinical and care governance and quality of care were considered.
- Fortnightly QMASH meetings – Categorisation of risks between portfolios and of high risks by subject.
- NHS Fife’s Clinical Governance Committee - Included in ToR and papers considered on the move from Board Assurance Frameworks to a Corporate Risk Register and on Corporate Risks aligned to the CGC in 2022/23.
- NHS Fife’s CGOG – as per the NHS Fife Clinical Governance Committee and including deep dives into these risks in 2022/23.

17. The risk reporting to Q&CC is focussed on the strategic risks but neither the papers nor the minutes include a conclusion on whether the mitigations referred to in the risk register will be sufficient to reduce the risk to its target level within an acceptable timescale. This is to be improved with bi-annual reporting on strategic risks with a programme of deep dives, including conclusions on whether planned mitigations are sufficient to reduce the risk to its target level within an acceptable timescale, being presented to the meetings in between. It is acknowledged by management that risk management processes at portfolio level are at a low level of maturity and work is being undertaken to improve this.

18. There is potential to link these risk management processes further with performance and quality management processes as the reporting of performance information does not always link to relevant risks and vice versa. For example, the HSCP Annual Performance Report presented to Q&CC in September 2022 included narrative that set the performance in context but did not explicitly link performance to the risks it relates to. Similarly, the Quality and Communities Strategic Risk Register presented to Q&CC in November 2022 referred to relevant performance measures for each risk but did not include performance data. Linking the risks and performance information would allow readers to determine the impact of risk mitigations on performance. Further examples of opportunities for this are evident in performance and risk reporting to QMAG. Work is ongoing to develop the draft performance framework further and introduce Key Performance Indicators (KPIs) and a balanced scorecard approach.

19. The risk descriptions of risks 10 and 11 have been updated since this audit was planned and adequately describe the risks and their context in terms of the IJB and the partner organisations. The scoring of these risks (both moderate) is in line with our findings in this review, but we would expect these to reduce once the issues highlighted have been addressed. The risk mitigations recorded against risks 10 and 11 should be updated to include actions to address the issues highlighted in this report until they are implemented.

**Responsibility and Accountability for Adult Support & Protection and Child Protection**

20. The responsibilities and accountabilities for Adult Support & Protection and Child Protection are outlined in the Terms of Reference of the Child Protection Committee and the Adult Support and Protection Committee. These committees have oversight responsibilities for multi-agency working that are embedded in legislation. Fife Council and NHS Fife hold duties under both Acts and, as such, must ensure that practices of their

respective workforces adhere to the legislation and respective statutory practice guidance. They must ensure processes are in place to monitor any improvement activity through data, audit, inspection and learning reviews.

21. The Integration Scheme describes functions delegated to the IJB by Fife Council and NHS Fife and includes the following:
  - Adult Support & Protection (delegated from/integrated with Fife Council and undertaken by social workers)
  - Child Protection (delegated from NHS Fife)
22. Appendix 4 of the HSCP Scheme of Delegation states that the Director of Health and Social Care, where appropriate acting in consultation with the Chief Executives of Fife Council and NHS Fife, is authorised to carry out functions related to Adult and Child Protection covered by legislation.
23. The ToR of the Fife Council People and Communities Scrutiny Committee and the IJB's Q&QC also include relevant responsibilities relating to Adult and Child Protection. Our review of the papers presented to these committees and to the SLT Governance and Assurance Group found that there was no regular reporting on Adult and Child Protection.
24. The Principal Social Work Officer advised us of the current flow of assurances regarding Adult and Child Protection ultimately to the Chief Officers' Public Safety Group, including the Child Protection Committee and the Adult Support and Protection Committee. This delivers rigor in providing assurance of legislative compliance. Assurance for the IJB is evolving from the Portfolio QMAGs through QMAG to SLT Assurance Group and Q&CC. This is to be documented in the CCGSF and will include a reflection of whether current arrangements align with the Blueprint for Good Governance: second edition, issued in December 2022.

#### **Assurance provided to the IJB and Quality and Communities Committee regarding Risk 10 Adult and Child Protection Governance Arrangements**

25. Whilst the IJB and the Q&CC were provided with assurance regarding Child and Adult Protection in 2022/23, assurances did not conclude on how actions/controls impact on the scoring of risk 10 and the assurance provided was presented after the Q&CC had concluded on its annual assurance report. The table at appendix 3 of this report lists the assurances provided the IJB and Q&CC relevant to the mitigation of risk 10 and the issues we identified with this assurance.

### **ACTION**

26. The action plan at Section 2 of this report has been agreed with management to address the identified weaknesses. A follow-up of implementation of the agreed actions will be undertaken in accordance with the audit reporting protocol.

### **ACKNOWLEDGEMENT**

27. We would like to thank all members of staff for the help and co-operation received during the course of the audit.

**Barry Hudson BAcc CA**  
Regional Audit Manager

### Action Point Reference 1 – Clinical and Care Governance Assurance

#### Finding:

Our review of papers presented to the groups involved in clinical and care governance identified that:

- a. The reporting from the three service portfolios to QMAG in 2022/23 was not in a consistent format and the updates were frequently verbal. However, all three portfolios have now established their own Quality Matters Assurance Groups which report into the HSCP QMAG. Reports from all three portfolios are scheduled for each QMAG meeting in the 2023/24 workplan, and we are advised that reporting into the portfolio groups by services is also improving.
- b. Although the IJB received minutes of each Q&CC meeting in 2022-23 it did not receive an assurance report from Q&CC.
- c. In 2022/23 QMAG minutes were not routinely presented to Q&CC and no assurance report from QMAG was presented to Q&CC.
- d. The ToR of the four Fife Council scrutiny committees is generic and whilst this includes the power for the committee to request relevant people to present to it, it does not refer to receiving escalation reports from the IJB's SLT Assurance Group.
- e. The updated Q&CC ToR do not fully address issues previously identified by internal audit. Specifically, there is no reference the Integration Scheme nor NHS Fife's Clinical Governance Arrangements and reporting lines from QMAG. The remit also duplicates roles that are NHS Fife Clinical Governance Committee's responsibility without describing how the groups will interact.
- f. QMAG minutes and an assurance report were not presented to NHS Fife's CGOG in 2022/23.
- g. Fife Council's People and Communities Scrutiny Committee has responsibility for monitoring the performance of services against service delivery and financial targets, but it does not receive regular reports from the IJB's Q&CC regarding clinical and care governance performance measures.

#### Audit Recommendation:

As part of the development of the Clinical and Care Governance Strategic Framework the issues highlighted above should be reviewed alongside the Blueprint for Good Governance so that assurances are linked to relevant risk, streamlined (no omission & no unnecessary duplication), relevant, reliable and sufficient.

This should include documenting the assurance routes for Adult and Child Protection ultimately to the relevant committees and groups in the 3 partner bodies (IJB, Fife Council and NHS Fife).

Assessment of Risk:	
<p>Moderate</p>	<div style="display: flex; align-items: center; gap: 10px;">  <p>Weaknesses in design or implementation of controls which contribute to risk mitigation.</p> <p><b>Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.</b></p> </div>
Management Response/Action:	
<p>As part of the development of the Clinical and Care Governance Strategic Framework the issues highlighted in the recommendation section will be considered alongside the Blueprint for Good Governance so that assurances are linked to relevant risk, streamlined (no omission &amp; no unnecessary duplication), relevant, reliable and sufficient.</p> <p>This will include documenting the assurance routes for Adult and Child Protection to the relevant committees and groups in the 3 partner bodies (IJB, Fife Council and NHS Fife).</p> <p>A number of the individual points raised within the recommendations have been addressed and outstanding recommendations will be addressed accordingly.</p>	
Action by:	Date of expected completion:
<p><b>Lynn Barker, Director of Nursing</b></p> <p><b>Dr Helen Hellewell, Deputy Medical Director</b></p> <p><b>Jennifer Rezendes, Principal Social Work Officer</b></p>	<p><b>31 March 2024</b></p>

## Action Point Reference 2 – Risk Management and Performance

### Finding:

The reporting of performance information to Q&CC and QMAG does not always refer to related risks and vice versa.

For example, the HSCP Annual Performance Report presented to Q&CC in September 2022 did include narrative that sets the performance in context but did not explicitly link the performance to the recorded related risks. Similarly, the Quality and Communities Strategic Risk Register presented to Q&CC in November 2022 refers to relevant performance measures for each risk but does not include performance data. Further examples of opportunities for this are evident in performance and risk reporting to QMAG.

The risk mitigations recorded against risks 10 and 11 do not fully address the issues identified in this report.

The risk reporting to Q&CC is focussed on the strategic risks but neither the papers nor the minutes include a conclusion on whether the mitigations referred to in the risk register will be sufficient to reduce the risk to its target level within an acceptable timescale.

### Audit Recommendation:

- a. Reporting to Q&CC and QMAG should explicitly link performance data to the risks recorded that relate to it. Linking the risks and performance information in this way would allow readers of the report to determine the impact risk mitigations are having on performance.
- b. The risk mitigations recorded against risks 10 and 11 in the IJB's strategic risk register should be updated to reflect the issues identified in this report until they are addressed.
- c. Risk reporting to the Q&CC on the strategic risks associated with Clinical and Care Governance should conclude on whether the mitigations referred to in the risk register will be sufficient to reduce the risk to its target level within an acceptable timescale.

### Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

**Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.**

### Management Response/Action:

Going forward, we will develop reporting to Q&CC and QMAG in order to link performance data to the risks recorded that relate to it. Linking the risks and performance information in this way would allow readers of the report to determine the impact risk mitigations (SMART actions and/or internal controls) are having on it.

The risk mitigations (SMART actions) recorded against risks 10 and 11 in the IJB's strategic risk register will be updated to reflect the issues identified in this report. As part of the deep dive risk review process, the risks will also be updated to consider appropriate target levels, the risk appetite of the IJB and any external factors that may influence the risk over which we have limited control.

Risks will continue to be reported to QMAG, QCC and the IJB in line with the developing risk reporting framework.

<b>Action by:</b>	<b>Date of expected completion:</b>
<b>Lynn Barker Director of Nursing</b> <b>Dr Helen Hellewell, Deputy Medical Director</b> <b>Jennifer Rezendes, Principal Social Work Officer</b> <b>Fiona McKay, Head of Strategic Planning, Performance and Commissioning</b> <b>Audrey Valente, Chief Finance Officer</b>	<b>31 March 2024</b>

### Action Point Reference 3 – Adult and Child Protection Risk Assurance

#### Finding:

Having reviewed the assurances provided to the IJB and its Quality and Communities Committee regarding Child and Adult Protection in 2022/23 to date, it is our opinion that these assurances are not being delivered in a manner that is fully consistent with the following:

Assurances should be:

- a. Explicitly linked to the relevant risk with an explicit conclusion from the responsible director or officer.
- b. Streamlined so that there is no omission and no unnecessary duplication.
- c. Relevant: data should not be presented just because it is readily available.
- d. Reliable: assurances should be evaluated so that it is clear how much weight should be placed on any piece of evidence and how they fit in with other relevant evidence.
- e. Sufficient: there should be sufficient evidence in total to allow a reasonable conclusion to be reached.

The assurances provided to date are listed in the table at appendix 3 below along with our comments highlighting issues related to the assurance principles listed above.

There was not regular reporting on Adult and Child Protection to the Fife Council People and Communities Scrutiny Committee, the IJB's Quality and Communities Committee or SLT Assurance Group in 2022/23.

The assurance provided to the IJB and Q&CC in 2022/23 is therefore not sufficient to allow members to conclude on the effectiveness of the controls in place to mitigate risk 10 or on whether the risk will be mitigated to a tolerable level within an acceptable timescale.

We also noted that the Fife MAPPAs report for 2021/22, which includes assurances relevant to risk 10, was not presented to Fife IJB or the Q&CC in 2022/23.

#### Audit Recommendation:

- a. The IJB & Q&CC should receive assurance regarding risk 10 – Child and Adult Protection in a manner consistent with the principles identified above. This should be regular and timely and should include assurance on whether the controls in place are operating effectively and whether the combination of these controls with planned mitigations will be sufficient to reduce the risk score a tolerable level within an acceptable timescale.
- b. The Fife MAPPAs Annual Report should be scheduled on the workplans of the IJB and Q&CC at a time that allows it to be considered prior to concluding on year-end assurances.

Assessment of Risk:	
<p>Significant</p>	<div style="display: flex; align-items: center;">  <p>Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.</p> <p><b>Requires action to avoid exposure to significant risks to achieving the objectives for area under review.</b></p> </div>
Management Response/Action:	
<p>The risk mitigations (SMART actions) recorded against risks 10 in the IJB’s strategic risk register will be updated to reflect the issues identified in this report. As part of the deep dive risk review process, the risks will also be updated to consider appropriate target levels, the risk appetite of the IJB and any external factors that may influence the risk over which we have limited control.</p> <p>The IJB &amp; Q&amp;CC will receive assurance regarding risk 10 – Child and Adult Protection in a manner consistent with the principles identified above as best practice. This will be regular and timely and will include assurance on the controls in place to ensure that they are operating effectively.</p> <p>The combination of these internal controls and planned mitigations (SMART actions) will be considered to ensure that these aim to reduce the risk score to a tolerable level within an acceptable timescale.</p> <p>Going forward, the Fife MAPPA Annual Report will be scheduled on the workplans of the IJB and Q&amp;CC at a time that allows it to be considered prior to concluding on year-end assurances.</p>	
Action by:	Date of expected completion:
<p><b>Lynn Barker, Director of Nursing</b></p> <p><b>Dr Helen Hellewell, Deputy Medical Director</b></p> <p><b>Jennifer Rezendes, Principal Social Work Officer</b></p>	<p><b>31 March 2024</b></p>

Action Point Reference 4 – Adult and Child Protection Reporting	
<b>Finding:</b>	
<p>The Terms of Reference of the Fife Council People and Communities Scrutiny Committee and the IJB’s Quality and Communities Committee also include relevant responsibilities relating to Adult and Child Protection. Our review of the papers presented to these committees and SLT Governance and Assurance found that there was no regular reporting to them regarding Adult and Child Protection.</p>	
<b>Audit Recommendation:</b>	
<p>Regular reporting on Adult and Child Protection to the Fife Council People and Communities Scrutiny Committee and the IJB’s Quality and Communities Committee and SLT Governance and Assurance should be established.</p>	
<b>Assessment of Risk:</b>	
<p>Significant</p>	<div style="display: flex; align-items: center; gap: 10px;">  <p>Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.</p> <p><b>Requires action to avoid exposure to significant risks to achieving the objectives for area under review.</b></p> </div>
<b>Management Response/Action:</b>	
<p>Regular reporting on Adult and Child Protection to the Fife Council People and Communities Scrutiny Committee and the IJB’s Quality and Communities Committee and SLT Governance and Assurance will be put in place to provide assurance.</p>	
<b>Action by:</b>	<b>Date of expected completion:</b>
<p><b>Lynn Barker, Director of Nursing</b></p> <p><b>Dr Helen Hellewell, Deputy Medical Director</b></p> <p><b>Jennifer Rezendes, Principal Social Work Officer</b></p>	<p><b>31 March 2024</b></p>

Action Point Reference 5 – Fife HSCP Scheme of Delegation	
<b>Finding:</b>	
<p>Appendix 4 of the Fife HSCP Scheme of Delegation includes responsibilities of the Director of Health and Social Care and refers to the legislative premise for these. This does not include the following Acts which are also relevant:</p> <ul style="list-style-type: none"> <li>• Mental Health (Care and Treatment) (Scotland) Act 2003</li> <li>• The Social Care (Self Directed Support) (Scotland) Act 2013</li> <li>• Carers (Scotland) Act 2016</li> </ul>	
<b>Audit Recommendation:</b>	
<p>The Fife HSCP Scheme of Delegation should be updated to fully reflect the legislative responsibilities of the Director of Health and Social Care for Adult Support and Protection and Child Protection including the Acts listed above and any others that are relevant.</p>	
<b>Assessment of Risk:</b>	
<p>Moderate</p>	<div style="display: flex; align-items: center;">  <p>Weaknesses in design or implementation of controls which contribute to risk mitigation.</p> <p><b>Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.</b></p> </div>
<b>Management Response/Action:</b>	
<p>The Fife HSCP Scheme of Delegation will reflect the Scheme of Integration and will be reviewed and updated as part of the annual review process to reflect the legislative responsibilities of the Director of Health and Social Care for Adult Support and Protection and Child Protection including the Acts listed above and any others that are relevant.</p>	
<b>Action by:</b>	<b>Date of expected completion:</b>
<p><b>Audrey Valente, Chief Finance Officer</b></p> <p><b>Vanessa Salmond, Head of Corporate Governance/IJB Secretary</b></p>	<p><b>31 March 2024</b></p>

**Definition of Assurance**

To assist management in assessing the overall opinion of the area under review, we have assessed the system adequacy and control application, and categorised the opinion based on the following criteria:

Level of Assurance		System Adequacy	Controls
Substantial Assurance		A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Controls are applied continuously or with only minor lapses.
Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.
Limited Assurance		Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Controls are applied but with some significant lapses.
No Assurance		Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	Significant breakdown in the application of controls.

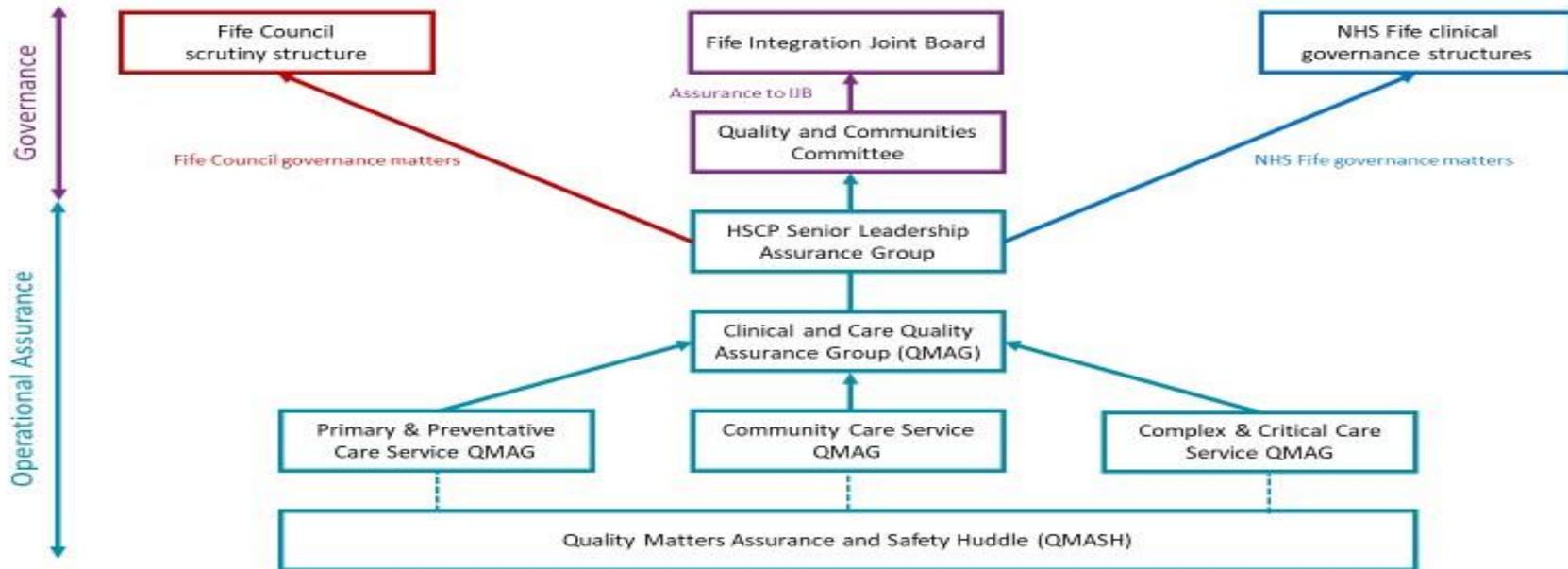
*Assessment of Risk*

To assist management in assessing each audit finding and recommendation, we have assessed the risk of each of the weaknesses identified and categorised each finding according to the following criteria:

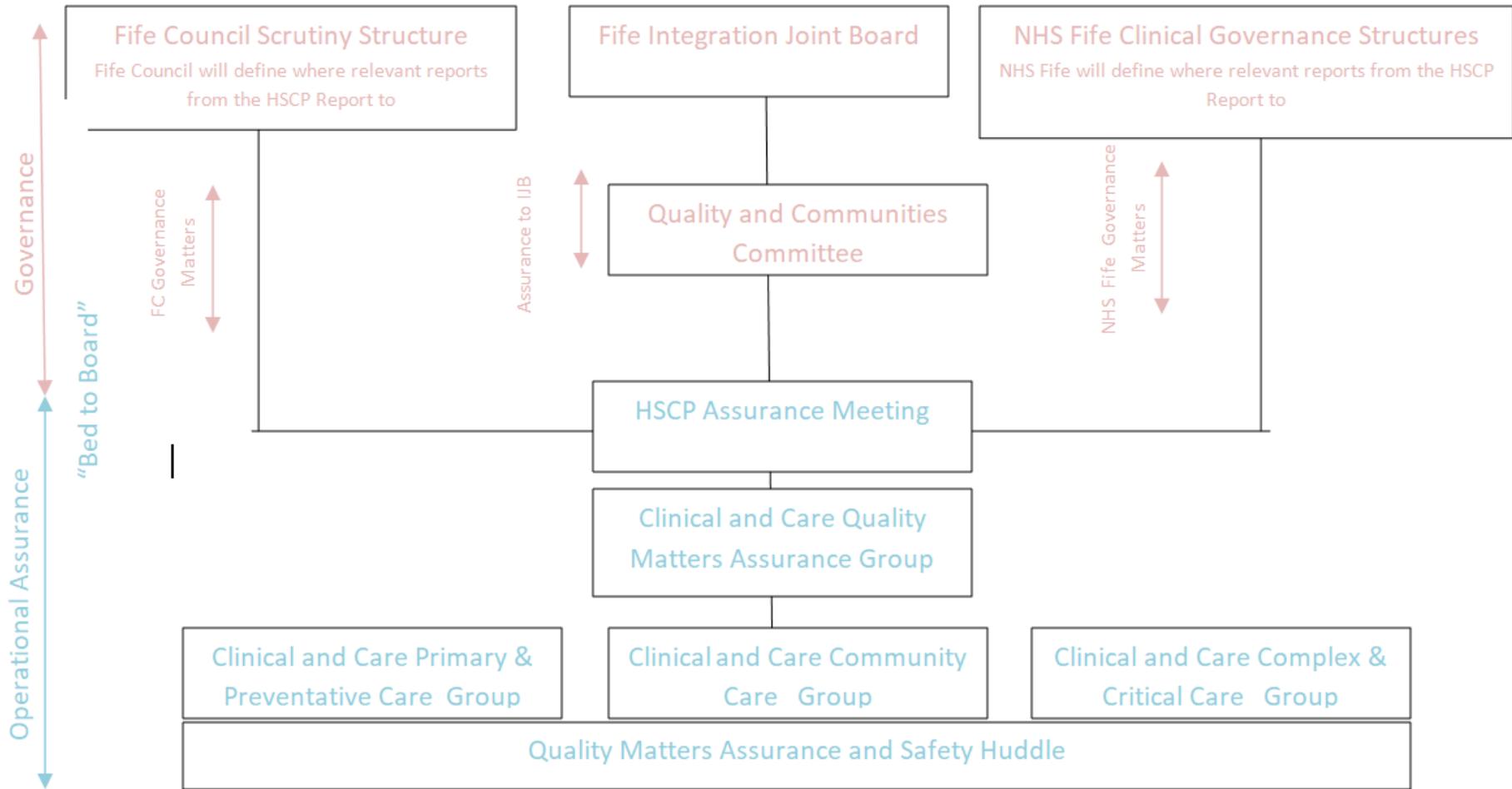
Risk Assessment		Definition	Total
Fundamental		Non Compliance with key controls or evidence of material loss or error. <b>Action is imperative to ensure that the objectives for the area under review are met.</b>	None
Significant		Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. <b>Requires action to avoid exposure to significant risks to achieving the objectives for area under review.</b>	Two (Ref. 3 & 4)
Moderate		Weaknesses in design or implementation of controls which contribute to risk mitigation. <b>Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.</b>	Three (Ref. 1, 2 & 5)
Merits attention		There are generally areas of good practice. <b>Action may be advised to enhance control or improve operational efficiency.</b>	None



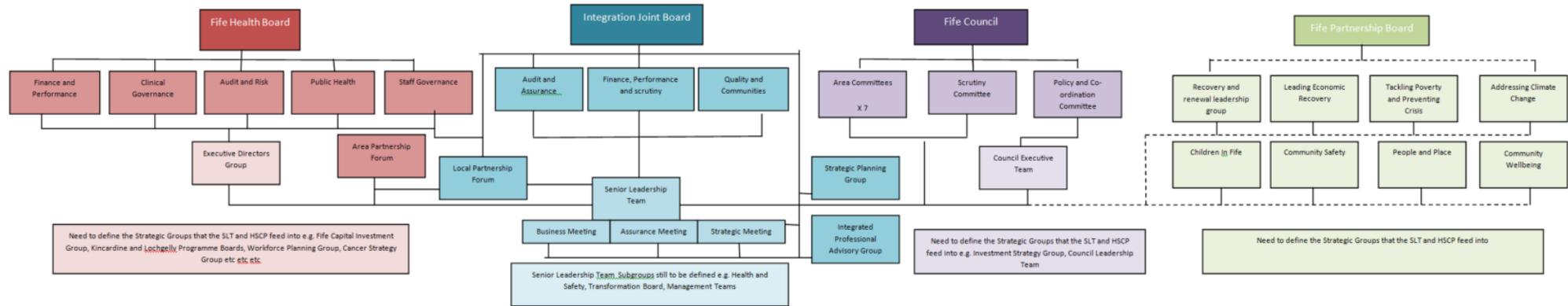
# Fife Governance Structures



Clinical and Care Governance – Chart of Groups, Committees and Boards from NHS Fife Clinical Governance Strategic Framework



Clinical and Care Governance – Chart of Groups, Committees and Boards from NHS Fife Clinical Governance Strategic Framework



Assurances to the IJB and Quality and Communities Committee in 2022/23 Regarding Risk 10 - Adult and Child Protection

Meeting	Assurance Presented	Issues
IJB September 2022	IJB Risk Register including Risk 10 regarding Adult and Child Protection	The risk report doesn't include any indication of how effectively Internal Controls are functioning and therefore no overt assurance on this is provided. SMART Actions listed all have September 2022 target dates but no indication of whether these have been undertaken, or of the impact on the risk score of this.
Q&CC September 2022	Child Protection Annual Report - Child Protection Committee 2020/21	SBAR Risk section refers to risk register established by the Child Protection Committee as under review but doesn't refer to strategic risk 10.  The content of the report does not specifically conclude on Risk 10 or the effectiveness of the controls in place to mitigate this.  Report is for 2020/21 and is to be aligned to the academic year in future. It was presented to Q&CC in September after the year-end so timeliness of assurance is an issue as it is presented after Q&CC have concluded on their own annual assurance.
	Revised Child Protection Guidelines	Risk section of the SBAR explains that there are risks that the revised guidance may not be implemented in time and that a risk register will be developed by the implementation group but it does not cross refer to risk 10.
Q&CC November 2022	Quality and Communities Strategic Risk Register	Includes risk 10 but doesn't include any indication of how Internal Controls are functioning, therefore no overt assurance is provided.
Q&CC March 2023	Joint Inspection of Adult Services Improvement Plan	Joint Inspection of Adult Services Improvement Plan includes action plan with actions assigned to senior managers with due dates for each action but neither the SBAR nor the report include cross reference to risk 10 and how the actions will impact upon this risk.
	Fife Adult Support and Protection Committee Biennial Report 2020-2022	SBAR Risk section refers to risk register established by the Fife Adult Support and Protection Committee but doesn't refer to strategic risk 10. The report covers 2020-22. The report does not include a specific risk management section.  The timing of presentation of this report also leaves the whole of the current financial year not covered.
	Chief Social Work Officer's Report 2021-22	The risk section of the SBAR does not cross refer to risk 10. The report includes assurances relevant to Child and Adult Protection throughout but does not conclude on how these impact upon risk 10.

18 January 2024

Agenda Item No. 6

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## Standards, Audit and Risk Committee Workplan

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**Report by:** Eileen Rowand, Executive Director, Finance and Corporate Services

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**Wards Affected:** All

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### Purpose

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This report supports the Committee's consideration of the workplan for future meetings of the Committee.

### Recommendation(s)

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It is recommended that the Committee review the workplan and that members come forward with suggestions for specific areas they would like to see covered in any of the reports.

### Resource Implications

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Committee should consider the resource implication for Council staff of any request for future reports.

### Legal & Risk Implications

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Committee should consider seeking inclusion of future items on the workplan by prioritising those which have the biggest impact and those which seek to deal with the highest level of risk.

### Impact Assessment

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None required for this paper.

### Consultation

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The purpose of the paper is to support the Committee's discussion and therefore no consultation is necessary.

## 1.0 Background

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- 1.1 Each Committee operates a workplan which contains items which falls under the headings: items for decision and Scrutiny/Monitoring. These items will often lead to reactive rather than proactive scrutiny. Discussion on the workplan agenda item will afford members the opportunity to shape, as a committee, the agenda with future items of business it wishes to review in more detail.

## 2.0 Conclusions

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- 2.1 The current workplan is included as Appendix one and should be reviewed by the committee to help inform scrutiny activity.

### List of Appendices

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1. Standards, Audit and Risk Committee forward work plan.

### Background Papers

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act, 1973:-

None

### Report Contact

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Email- [helena.couperwhite@fife.gov.uk](mailto:helena.couperwhite@fife.gov.uk)

<b>Standards, Audit and Risk Committee of 14 March 2024</b>			
<b>Title</b>	<b>Service(s)</b>	<b>Contact(s)</b>	<b>Comments</b>
Code of Governance	Finance and Corporate Services	Lindsay Thomson, Pamela Redpath	
Safeguarding Public Money: are you getting it right?		Pamela Redpath	
Internal Audit Charter	Finance and Corporate Services	Pamela Redpath	
Whistle Blowing Policy Update	Finance and Corporate Services	Pamela Redpath (Lindsay Thomson/ Sharon McKenzie)	
2023/24 Issued Audit Reports	Finance and Corporate Services	Pamela Redpath	
Internal Audit Plan - Progress Report	Finance and Corporate Services	Pamela Redpath	

<b>Standards, Audit and Risk Committee of 23 May 2024</b>			
<b>Title</b>	<b>Service(s)</b>	<b>Contact(s)</b>	<b>Comments</b>
2023/24 Issued Audit Reports	Finance and Corporate Services	Pamela Redpath	
Post Audit Review Performance Report	Finance and Corporate Services	Pamela Redpath	
2024/25 Internal Audit Plan	Finance and Corporate Services	Pamela Redpath	

<b>Standards, Audit and Risk Committee of 28 June 2024</b>			
<b>Title</b>	<b>Service(s)</b>	<b>Contact(s)</b>	<b>Comments</b>
Minute	Finance and Corporate Services		
Fife Council Unaudited Annual Accounts 2023-24 - DRAFT	Finance and Corporate Services	Elaine Muir	
Fife Council Charitable Trusts - Unaudited Annual Report and Financial Statements 2023-24 - DRAFT	Finance and Corporate Services	Elaine Muir	

<b>Standards, Audit and Risk Committee of 28 June 2024</b>			
<b>Title</b>	<b>Service(s)</b>	<b>Contact(s)</b>	<b>Comments</b>
Annual Governance Statement for the year to 31 March 2024	Finance and Corporate Services	Elaine Muir	
2023/24 Issued Audit Reports	Finance and Corporate Services	Pamela Redpath	
2023/24 Internal Audit Annual Report	Finance and Corporate Services	Pamela Redpath	
Risk Management Update	Finance and Corporate Services	Pamela Redpath	

<b>Unallocated</b>			
<b>Title</b>	<b>Service(s)</b>	<b>Contact(s)</b>	<b>Comments</b>
Regulation of Investigatory Powers Scotland (RIPSA) Act 2000	Finance and Corporate Services	Lindsay Thomson	Tbc
National Fraud Initiative (NFI) in Scotland 2023	Finance and Corporate Services	Pamela Redpath	Annual report by Audit Scotland, expected Oct 2024