

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

**28th November, 2022**

**10.00 a.m. – 12.50 p.m.**

**PRESENT:** Councillors Dave Dempsey (Convener), Tom Adams, Lesley Backhouse, John Beare, Gary Holt, Sarah Neal, Gordon Pryde and Ann Verner.

**ATTENDING:** Eileen Rowand, Executive Director (Finance and Corporate Services), Elaine Muir, Head of Finance, Laura Robertson, Finance Operations Manager, Anne Bence, Accountant, Paul Noble, Accountant; Pamela Redpath, Service Manager (Audit and Risk Management Services), Clare Whyte, Risk Management Team Leader, Audit and Risk Management Services, Lindsay Thomson, Head of Legal and Democratic Services, Lesley Robb, Lead Officer (Committee Services), Wendy MacGregor, Committee Officer and Fiona Smyth, Data Protection Officer, Legal and Democratic Services, Finance and Corporate Services; Pam Ewen, Head of Planning, Economy Planning and Employability Services; Sharon McKenzie, Head of Human Resources, Barbara Cooper, Service Manager, Human Resources Service; Charlie Anderson, Head of Business Technology Solutions; Paul Vaughan, Head of Communities and Neighbourhoods Service, Craig Waddell, Service Manager (Communities and Corporate Development Management Team); Shelagh McLean, Head of Education and Children's Services (Early Years and Directorate Support); Alan Paul, Head of Property Services; and Avril Sweeney, Manager (Compliance), Health and Social Care Localities.

**ALSO IN ATTENDANCE:** Brian Howarth, Audit Director, Patricia Fraser, Senior Audit Manager and Ross Hubert, Senior Auditor, Audit Scotland.

**APOLOGIES FOR ABSENCE:** Councillors Al Clark and Graeme Downie.

**20. DECLARATIONS OF INTEREST**

No declarations were submitted in terms of Standing Order No. 7.1.

**21. MINUTE**

The Committee agreed to approve the minute of the Standards, Audit and Risk Committee meeting on 31st October, 2022.

**22. FIFE COUNCIL AND CHARITABLE TRUSTS - ANNUAL AUDIT REPORT AND AUDITED ACCOUNTS 2022-23**

The Committee considered a report by the Executive Director of Finance and Corporate Services providing the Audited Accounts for Fife Council and Charitable Trusts for 2021-22 as well as the Annual Audit Report. A brief response to the External Auditor's report to Fife Council and the Controller of Audit was also included in the report.

Motion/

**Motion**

Councillor John Beare, seconded by Councillor Sarah Neal, moved as follows:-

'Committee notes it is the remit of the Committee as expressed in para 8.5.3 of Committee Powers is "To review and recommend approval to the Council of the Annual Audited Accounts."

The Committee recommend approval of the Audited Accounts for signature, to the Council for consideration at its meeting of December 8th and note the report by Audit Scotland, the Council's external Auditors and the management responses.'

**Amendment**

Councillor Gordon Pryde, seconded by Councillor Tom Adams, moved as an amendment:-

'that the Standards, Audit and Risk Committee have the authority to approve the Audited Accounts, as stated in the 2014 Regulations, advised by the Head of Legal and Democratic Services.'

**Roll Call**

**For the Motion - 4 votes**

Councillors Lesley Backhouse, John Beare, Sarah Neal and Ann Verner.

**For the Amendment - 4 votes**

Councillors Tom Adams, Dave Dempsey, Gary Holt and Gordon Pryde.

There being an equality of votes, the Convener used his casting vote in favour of the Amendment. The Amendment was accordingly carried.

**Decision**

The Committee:-

- (1) agreed to approve the Audited Accounts for signature;
- (2) noted the report by Audit Scotland, the Council's External Auditors and the management responses;
- (3) agreed the Convener and Depute Convener would seek assurance from officers throughout the forthcoming year, that the actions recommended by Audit Scotland in Appendix 1. Action Plan 2021/22 of the Annual Accounts had been implemented;
- (4) acknowledged the Convener and Head of Finance would continue to review national reports of interest to members for submission to the Committee as necessary; and
- (5)/

- (5) extended thanks and appreciation to the Finance Operations Team, members of staff across Fife Council and Audit Scotland involved in compiling the Audited Accounts and acknowledged the significant approach to partnership working from Audit Scotland, across the six year period as external auditors for Fife Council.

*The Committee adjourned at 11.35 a.m. and reconvened at 11.45 a.m.*

## **23. RISK MANAGEMENT UPDATE**

The Committee considered a report by the Service Manager, Audit and Risk Management Services updating members on the work undertaken to revise the Council's Risk Management Policy and Strategy document, including Risk Appetite and Risk Management Strategy Group (RMSG) Remit. The report also informed members on the level of risk within the Council's Strategic Risk Register as at 10th November, 2022 and on the content of the Risk Management Improvement Plan (RMIP) and progress made towards its implementation.

### **Decision**

The Committee:-

- (1) approved the Council's revised Risk Management Policy and Strategy, including Risk Appetite and RMSG Remit, detailed in Appendix A to the report;
- (2) approved the Council's Strategic Risk Register following the most recent review, detailed in Appendix B to the report;
- (3) noted that the Strategic Risk Register would be continuously reviewed and updated appropriately;
- (4) noted the content of the RMIP and status of actions, detailed in Appendix C to the report; and
- (5) noted that update reports would be submitted to the Committee as required, on the Council's Risk Management arrangements, in line with the Policy and Strategy document.

## **24. DATA PROTECTION ANNUAL REPORT**

The Committee considered a report by the Head of Legal and Democratic Services highlighting key data protection statistics for Fife Council, major developments in relation to data protection law and practice and Fife Council data protection priorities, for the period 1st April, 2021 – 31st March, 2022.

### **Decision**

The Committee noted:-

- (1) the work of the Data Protection Officer and the Data Protection Team to ensure continued compliance across the Council with the UK General Data

Protection Regulation (UK GDPR) and the Data Protection Act 2018, providing/

providing continued support to services across the Council to develop processes and embed systems which complied with the Council's data protection obligations; and

- (2) the performance information detailed in the report.

*Councillors Lesley Backhouse and Ann Verner left the meeting during consideration of the above item.*

**25. REGULATION OF INVESTIGATORY POWERS (SCOTLAND) (RIPSA) ACT 2000**

The Committee considered a report by the Executive Director (Finance and Corporate Services) updating members on the exercise of regulatory powers and the outcome of the recent inspection, in compliance with the Regulation of Investigatory Powers (Scotland) (RIPSA) Act 2000.

**Decision**

The Committee noted:-

- (1) that there had been no applications for RIPSA authorisation since the date of the last report to the Committee in December 2021;
- (2) that Fife Council had received a positive inspection on its processes, procedures and previous use of investigatory powers from the Investigatory Powers Commissioner; and
- (3) the follow up work had been carried out since the inspection.

**26. THE ACTING ETHICAL STANDARDS COMMISSIONER FOR SCOTLAND ANNUAL REPORT 2021/22, THE STANDARDS COMMISSION FOR SCOTLAND (THE COMMISSION) ANNUAL REPORT FOR 2021/22; AND DECISIONS TAKEN BY THE HEARING PANEL OF THE COMMISSION**

The Committee considered a report by the Head of Legal and Democratic Services advising members that the Acting Ethical Standards Commissioner for Scotland and the Standards Commission for Scotland had both published their annual reports for 2021/22; and to report on the findings of the Hearing Panel of the Standards Commission for Scotland during this period.

**Decision**

The Committee noted:-

- (1) the Acting Ethical Standards Commissioner for Scotland Annual Report for 2021/22;
- (2) the Standards Commission for Scotland Annual Report 2021/22;

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- (3) the decisions of the Hearing Panel of the Standards Commission for Scotland, which would continue to be monitored and appropriate reports and/or advice given to the Council if required; and
- (4)/
- (4) that there had been no hearings relating to a Councillor of Fife Council in 2021/22.

### **27. STANDARDS, AUDIT AND RISK COMMITTEE FORWARD WORK PROGRAMME**

The Committee considered the Standards, Audit and Risk Committee Forward Work Programme.

#### **Decision**

The Committee noted the Forward Work Programme which would be updated as appropriate.