

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

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

**30 September 2024**

**10.00 am – 12.45 pm**

**PRESENT:** Councillors David Dempsey (Convener), Tom Adams, David Alexander, Lesley Backhouse, John Beare, Al Clark, Gordon Pryde, Ann Verner and Ross Vettraino (substituting for Councillor Alycia Hayes).

**ATTENDING:** Ken Gourlay, Chief Executive; Eileen Rowand, Executive Director Finance and Corporate Services, Elaine Muir, Head of Finance; Les Robertson, Head of Revenue and Commercial Services, Laura Robertson, Pensions Service Manager, Pamela Redpath, Service Manager - Audit and Risk Management Services, Carolyn Ward, Audit Team Leader, Clare Whyte, Risk Management Team Leader, Hazel Hastie, Auditor, Audit and Risk Management Services, Anne Bence, Accountant, Paul Noble, Accountant, Tracy Hirst, Finance Operations Manager and Caroline Macdonald, Procurement Service Manager, Finance and Corporate Services; Martin Kotlewski, Service Manager (BTS Solutions and Service Assurance), Business Technology Solutions; Jacqui Cameron, Service Manager (Human Resources Policy and Reward), Human Resources; Alan Paul, Head of Property Services; Sinead O'Donnell, Policy and Delivery Manager (Communications and Engagement), Michelle Smith, Change and Improvement Consultant, David Paterson, Community Manager (Levenmouth Area), Communities and Neighbourhoods, Communities Directorate; Lindsay Thomson, Head of Legal and Democratic Services, Elona Thomson, Committee Officer and Wendy MacGregor, Committee Officer, Legal and Democratic Services.

**ALSO ATTENDING:** Andrew Ferguson, Amy Hughes and Karen Jones, Azets Audit Services.

**APOLOGIES FOR ABSENCE:** Councillors Aude Boubaker-Calder and Alycia Hayes.

**113. DECLARATIONS OF INTEREST**

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

**114. MINUTE**

The committee considered the minute of the meeting of the Standards, Audit and Risk Committee of 22 August 2024.

**Decision**

The committee agreed to approve the minute.

**115. BEST VALUE CORPORATE SELF-ASSESSMENT**

The committee considered a report by the Chief Executive presenting the corporate self-assessment report, demonstrating how Fife Council was delivering on Best Value requirements.

**Decision**

The committee: -

- (1) noted the first annual self-assessment of how Fife Council was delivering Best Value;
- (2) agreed that the Controller of Audit report would be submitted to this committee on 13 February 2025 and that officers would engage with members in relation to completion of the Best Value report, prior to submission of the report to this committee later in 2025; and
- (3) agreed the report would be made available to the public via the best value section of the council's performance pages on the Fife Council website.

**116. 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) containing the Audited Accounts for Fife Council and Charitable Trusts for 2023-24 as well as the Annual Audit Report. The report also provided a brief response to the External Auditor's report to Fife Council and the Controller of Audit.

**Decision**

The committee: -

- (1) agreed to approve the Fife Council and Charitable Trusts Audited Accounts for signature;
- (2) noted the report by Azets, the council's External Auditors, and the management responses from Fife Council;
- (3) agreed that a report on the findings from the Annual Audit - Best Value Thematic Review, carried out by Azets External Auditors, would be submitted to the next meeting of this committee on 25 November 2024; and
- (4) extended their thanks and appreciation to all staff across council services and to Azets Audit Services for their contributions and assistance during the accounting and auditing process.

*The committee adjourned at 11.30 am and reconvened at 11.45 am.*

**117. 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 that had been finalised since the previous meeting of the committee on 22 August 2024. The report also highlighted areas of concern 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 in the report.

**118. RISK MANAGEMENT UPDATE**

The committee considered a report by the Service Manager, Audit and Risk Management Services in relation to the updated council's Risk Management Policy and Strategy document and provided an update on progress made towards implementing the Risk Management Improvement Plan (RMIP) and Roll Out Plan.

**Decision**

The committee:-

- (1) approved the council's revised Risk Management Policy and Strategy which included the risk appetite and roles and responsibilities as detailed within Appendix A to the report;
- (2) noted the contents of the RMIP and status of actions as detailed within Appendix B to the report;
- (3) noted the summarised contents and progress of the Roll Out Plan as detailed within Appendix C to the report; and
- (4) noted that further updates on Risk Management arrangements would be provided throughout 2024/25 in line with the Policy and Strategy document.

**119. NATIONAL FRAUD INITIATIVE (NFI) SCOTLAND**

The committee considered a report by Service Manager Audit and Risk Management Services providing a copy of Audit Scotland's national report on the 2022/23 National Fraud Initiative (NFI) exercise, and an update on local planning and preparations for the 2024/25 NFI exercise.

**Decision**

The committee:-

- (1) noted Audit Scotland's national report summarising the outcomes from the 2022/23 NFI exercise, published August 2024 and detailed within Appendix A to the report;

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- (2) noted progress towards planning and preparations for the 2024/25 NFI exercise; and
- (3) reviewed the completed NFI Self-Appraisal Checklist, for those charged with governance, detailed within Appendix B to the report.

### 120. **STANDARDS AUDIT AND RISK COMMITTEE WORK PLAN**

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

#### **Decision**

The committee:-

- (1) noted the content of the workplan of the Standards, Audit and Risk Committee;
- (2) agreed that the committee meeting scheduled for 31 October 2024 would be cancelled as it was not required following the committee's approval of the accounts;
- (3) agreed the Best Value Controller of Audit Report (including the Best Value Thematic Review) would be submitted to the 24 April 2025 committee meeting;
- (4) requested if reports on Member Officer Protocol and Whistle Blowing Procedures could be submitted to a future meeting of this committee for consideration and review; and
- (5) agreed a report on Corporate Fraud Activity would be submitted to the next meeting of the committee on 28 November 2024.