



SCOTTISH
FIRE AND RESCUE SERVICE

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PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE

THURSDAY 13 OCTOBER 2022 @ 1000 HRS

**BRAIDWOOD SUITE, SCOTTISH FIRE AND RESCUE SERVICE HEADQUARTERS,
WESTBURN DRIVE, CAMBUSLANG, G72 7NA / CONFERENCE FACILITIES**

AGENDA

1 CHAIR'S WELCOME

2 APOLOGIES FOR ABSENCE

3 CONSIDERATION OF AND DECISION ON ANY ITEMS TO BE TAKEN IN PRIVATE

4 DECLARATION OF INTERESTS

Members should declare any financial and non-financial interest they have in the items of business for consideration, identifying the relevant agenda item, and the nature of their interest.

5 MINUTES OF PREVIOUS MEETINGS: TUESDAY 28 JUNE 2022 *B Baverstock*
(attached)

The Committee is asked to approve the minutes of these meetings.

6 ACTION LOG *(attached)* *Board Support*

The Committee is asked to note the updated Action Log and approve the closed actions.

7 ANNUAL PROCUREMENT REPORT 2021/22 *(attached)* *J Thomson*

The Committee is asked to recommend this report.

8 INTERNAL AUDIT

8.1 Internal Audit Progress Report 2022/23 *(attached)* *Azets*

- Final Report Revenue and Funding Maximisation *(attached)*

- Final Report Post Pandemic Review *(attached)*

8.2 Progress Update – Internal Audit Recommendations *(attached)* *Azets*

Please note that this meeting will be recorded and published on the SFRS Website.

OFFICIAL

- 8.3 Internal Audit on Portfolio Office – Enhanced Management Response
(attached) S Stevens

The Committee is asked to scrutinise these reports.

- 9 INDEPENDENT AUDIT/INSPECTION ACTION PLAN UPDATE**
(attached) M McAteer

The Committee is asked to scrutinise this report.

- 10 EXTERNAL AUDIT**
10.1 Audit Dimensions and Best Value Report for Year Ended 31 March 2021
(attached) J Thomson

The Committee is asked to scrutinise this report.

- 11 INTERNAL CONTROLS UPDATE**
11.1 Overview of Strategic Risk Register and Committee Aligned Directorate
Risks (attached) D Johnston
11.2 Anti-fraud and Whistleblowing (verbal) J Thomson

The Committee is asked to scrutinise these reports.

- 12 QUARTERLY UPDATE OF GIFTS, HOSPITALITY AND INTERESTS REGISTER** (attached) D Johnston

The report is for information only

- 13 QUARTERLY UPDATE REPORT ON HMFSI BUSINESS** (attached) HMFSI

The report is for information only

- 14 REVIEW OF ACTIONS** Board Support

- 15 FORWARD PLANNING** B Baverstock
15.1 Committee Forward Plan Review (attached)
15.2 Items for Consideration at Future Integrated Governance Forum, Board
and Strategy Day meetings

- 16 DATE OF NEXT MEETING**
Thursday 17 November 2022 @ 1100 hrs (Special)

PRIVATE SESSION

- 17 MINUTES OF PREVIOUS PRIVATE MEETINGS: TUESDAY 28 JUNE 2022** (attached) B Baverstock

The Committee is asked to approve the minutes of these meetings.

Please note that this meeting will be recorded and published on the SFRS Website.

OFFICIAL

18 ACTION LOG *(attached)*

Board Support

The Committee is asked to note the updated Action Log and approve the closed actions.

19 INVESTIGATION REPORT – TRAUMA BAGS/SMOKE DETECTORS – FOLLOW UP *(attached)*

J Thomson

The Committee is asked to scrutinise this report.

20 RISK SPOTLIGHT – SCOTTISH WATER SERVICE LEVEL AGREEMENT *(attached)*

D Farries

The Committee is asked to scrutinise this report.

Please note that this meeting will be recorded and published on the SFRS Website.



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PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE

TUESDAY 28 JUNE 2022 @ 1000 HRS

BY CONFERENCE FACILITIES

PRESENT:

Brian Baverstock, Chair (BB)
Malcolm Payton (MP)
Mhairi Wylie (MW)

Lesley Bloomer, Deputy Chair (LBI)
Tim Wright (TW)

IN ATTENDANCE:

Mark McAteer (MMcA)
John Thomson (JTh)
David Johnston (DJ)
Andy Main (AM)
Lynne McGeough (LM)
Gillian Callaghan (GC)
Gary Devlin (GD)
Paul Kelly (PK)
Graeme Fraser (GF)
Kirsty Darwent (KD)
Alistair Cameron (AC)
Pamela Nicol (PN)

Director of Strategic Planning, Performance and Communications
Acting Director of Finance and Procurement
Risk and Audit Manager
Head of Portfolio Office
Acting Head of Finance and Procurement
Internal Audit (Azets)
Internal Audit (Azets)
Internal Audit (Azets)
HMFSI
Chair of the Board
Group Commander Board Support
Corporate Admin Assistant Team Leader / Minutes

OBSERVERS:

Lynne McGeough (LMcG), Acting Head of Finance and Procurement
Karen Horrocks, Assistant Verification and Risk Officer

1 CHAIR'S WELCOME

- 1.1 The Chair opened the meeting and welcomed those participating via conference facilities and Malcolm Payton to his first Committee meeting as a Member.
- 1.2 The Committee were reminded to raise their hands, in accordance with the remote meeting protocol, should they wish to ask a question.
- 1.3 This meeting would be recorded and published on the public website.

2 APOLOGIES

- 2.1 Martin Blunden, Chief Officer
Ross Haggart, Deputy Chief Officer
Caroline Jamieson, Deloitte
Pat Kenny, Deloitte
Robert Scott, HMFSI

3 CONSIDERATION OF AND DECISION ON ANY ITEMS TO BE TAKEN IN PRIVATE

- 3.1 The Committee discussed and agreed the following item to be taken in private:
Final Internal Audit Report: Investigation of Alleged Misappropriation of Smoke Detectors and Trauma Bag.

4 DECLARATIONS OF INTERESTS

- 4.1 No declarations of interest were declared.

5 MINUTES OF PREVIOUS PUBLIC MEETING:

5.1 Thursday 30 March 2022

- 5.1.1 The minutes were agreed as an accurate record of the meeting.

5.2 Matters Arising

- 5.2.1 There were no matters arising.

- 5.3 **The minutes of the meeting held on 30 March 2022 were approved as a true record of the meeting.**

6 ACTION LOG

- 6.1 The Committee considered the action log and noted the updates.

- 6.2 **The Committee noted the updated Action Log and approved the removal of completed actions.**

7 COMMITTEE ANNUAL REPORT 2021/22 TO THE BOARD AND ACCOUNTABLE OFFICER OF SCOTTISH FIRE AND RESCUE SERVICE

- 7.1 The Chair advised, in accordance with the Audit and Risk Assurance Committee's (ARAC) Terms of Reference, this report had been prepared for the Board and Accountable Officer to provide the Committee's opinion on the effectiveness of governance, risk management and internal controls across the organisation. This opinion was based on the work received by the Committee over the year 2021/22 and was intended to assist with the preparation of the Annual Governance Statement.

- 7.2 The Committee sought amendment to the wording of Section 3.1 to clarify that, because of Covid restrictions, meetings had been held via MS Teams, which allowed access by the public.

ACTION: BST

- 7.3 **The Committee approved the Committee Annual Report 2021/22 to the Board and Accountable Officer of Scottish Fire and Rescue Service.**

8 ANNUAL GOVERNANCE STATEMENT FOR ACCOUNTING PERIOD 2021/22

- 8.1 MMcA presented the Annual Governance Statement (AGS) to the Committee for inclusion in the Annual Report and Accounts of the Scottish Fire and Rescue Service (SFRS) for the year ended 31 March 2022.

- 8.2 On 30 March 2022, the ARAC considered the SFRS's approach for preparing the AGS for the year ended March 2022. This approach follows an Assurance plan that enables SFRS to manage and assess the evidence that underpins the preparation of the AGS in a structured way.

- 8.3 Evidence has been drawn from the following key assurance providers outlined in the Scottish Public Finance Manual (SPFM):

- ARAC Annual Report
- Views of Internal Audit
- Views of External Audit

- Assurances from Executive Directors and Senior Managers using the self-assessment Certificate of Assurance process

8.4 MMcA concludes that there are no significant issues to draw to the Committee's attention.

8.5 The Committee highlighted 2 minor clerical errors in the table at 2.2 and 2.3.1 of the report which will be amended to reflect attendance.

ACTION: BST

8.6 Discussion took place regarding the position of the Accountable Officer and all agreed that the report is written in 'the office of' the Accountable Officer rather than one individual and therefore no amendment was needed.

8.7 **The Committee scrutinised the report.**

9 DEBT WRITE OFF 2021/22

9.1 JTh presented the Committee with details of proposed debt write-off's for 2021/22.

9.2 The Committee is asked to recommend that the debts of £3,719.21 identified in Appendix A are passed to the Board for approval to be written off. All efforts have been taken to collect the debts however they are now time barred from legal action being taken.

9.3 The Committee seeks assurance that late notification of resignation is not a systemic problem. LMcG advises of stringent controls and improved legal processes in place.

9.4 A breakdown of outstanding debt (value of £168,424.07) as at 6 April 2022, would be provided to the Committee Chair. Assurance was given that stringent controls and measures were now in place and the value of debt in the forthcoming year should reduce significantly.

ACTION: JTh/LMcG

9.5 **The Committee scrutinised the report.**

10 INTERNAL AUDIT

10.1 SFRS Internal Audit Annual Report 2021/22

10.1.1 GD presented a report to the Committee which summarised the conclusions and key findings from the internal audit work undertaken at SFRS during the year ended 31 March 2022 and provides an overall opinion on SFRS's governance, risk management and internal control frameworks. The following key points were highlighted:

- Azets is of the opinion that SFRS has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.
- Summary of reports by control objective assessment and action grade was highlighted to the Committee.
- The report highlighted that there is scope for improvement regarding progress made in implementing agreed internal audit actions.
- A specialist ICT follow-up review was also carried out in relation to the ICT and Data Security Audit and found that progress has been made against all agreed actions.
- Five Grade 3 recommendations were made in relation to the Portfolio Office review.
- Two Grade 3 (high risk exposure) recommendations were made in relation to the Fire Safety Enforcement review.

10.1.2 The Committee welcomed the report and encouraged the timely clearance of actions and recommendations.

10.1.3 In relation to Appendix 2, Summary of Internal Quality Assurance (QA) Assessment, GD confirmed that SFRS audit files were included in the sample for this exercise, the results of which were positive.

10.1.4 Following discussion on Appendix 3, Progress against KPI's, it was agreed that in future Azets would provide a summary of the meetings held and feedback/assurances gathered from this process.

ACTION: Azets

10.1.5 **The Committee scrutinised the report.**

10.2 Internal Audit Progress Report 2022/23

10.2.1 GC presented the Committee with details of the progress made in relation to the audits contained within the 2022 / 2023 agreed audit plan and to confirm that the audit programme is generally progressing as planned. The following key points were highlighted:

- An audit plan is now in place and dates have been agreed with management.
- Revenue Maximisation audit and Post Pandemic Review have now commenced and are scheduled to be presented at the ARAC meeting in October 2022.

10.2.2 GC asked for feedback on the report. The Committee welcomed the inclusion of the outline scope for upcoming reviews and the opportunity this provided to comment on these.

10.2.3 In relation to Revenue Maximisation control objectives, the Committee asked if Azets will be able to look at the Service's income derived from shared premises. GC explained that SFRS has clear arrangements to identify, assess and decide upon potential revenue generating initiatives to ensure they are aligned with SFRS 's strategy. The Committee ask if the control objectives are written too narrow. The Committee's view is that this review needs to consider all aspects of revenue maximisation, including commercialisation; innovation; sponsorship; borrowing; creation of subsidiaries and Arms Length Foundations. GD advised that the Azets review would look at wider areas, including those highlighted by the Committee.

10.2.4 In relation to Post Pandemic review, the Committee asked if the Service has defaulted back to practices used pre-pandemic without due consideration of benefits planned and unexpected which came from different ways of working. GC explained that action plans are developed in relation to the implementation of noted objectives which are subject to regular monitoring and reporting on progress. It is expected that a change in practice will be highlighted at this stage. The Committee also felt the words 'take cognisance' (in control objective 3) were too weak and that ensuring potential efficiencies were identified and maximised should be a key focus from the review. Azets agreed and stated this was the intention and would amend the wording accordingly.

ACTION: Azets

10.2.5 Portfolio Office Internal Audit Report 2021 / 2022

PK presented a report to the Committee in which Azets assessed whether there were effective controls over the Change Portfolio, to confirm that programmes and projects were being effectively managed, in a manner consistent with the Scottish Government's programme and project management principles. In conclusion, Management should explore opportunities to accelerate implementation of the Portfolio Office Roadmap to reduce the risk of change activities not being in line with best practice. The report makes seven recommendations, five at Grade 3 (high risk exposure).

10.2.6 With regard to the control objectives documented in the report, AM advised that significant work has been progressed in some areas (since the review) whilst other areas had not progressed as much due to capacity challenges. To deliver strategic change well, it is not the sole responsibility of the portfolio function, the organisation needs to delivery effective changes and this requires the Portfolio Office to integrate and partner with other functions

to embed best practice.

- 10.2.7 AM provided assurance that a programme of training had been undertaken for Senior Responsible Officers (SRO) who take an executive lead on projects and programmes, with some project leads having completed external training such as Managing Successful Programmes (MSP). However, the challenge going forward would be staff moving roles, a situation compounded by recent pensions remedy issues.
- 10.2.8 It was noted that the organisation does not consistently align to the five case model (for developing business cases) however it is the intention to do this proportionately eg PTFAS is aligned to this approach.
- 10.2.9 In terms of timelines for management actions in response to the internal audit recommendations, the Portfolio Office can accelerate some of the work but it is the organisational capacity to execute support and implement the necessary further developments. Resourcing challenges within the Portfolio Office will also impact in terms of delivery timelines.
- 10.2.10 The findings and recommendations in the report make a number of significant points about the pace and effectiveness of change and the resourcing of and commitment to the portfolio change function. The management responses to these points reflect the operational position (as articulated by the Head of Function), but do not address the more strategic issues around timing, effectiveness and resources. The Committee asks that the Deputy Chief Officer considers these issues (as necessary, along with the responsible Directors/wider SLT colleagues) and provides an enhanced response on how these key points are to be addressed. The Committee would like this enhanced response to be circulated in advance of its next meeting.

ACTION: Deputy Chief Officer

10.2.11 **The Committee scrutinised the report.**

10.3 Progress Update - Internal Audit Recommendations

- 10.3.1 GC presented a report which provides the Committee with the status of recommendations raised by Internal Audit. This report maintains the previous format for updates with the addition of comments on the current status from Azets who have made the following observations:
- Good progress has been made in implementing agreed internal audit recommendations with 11 actions being classed as closed.
 - Some actions are nearing completion with final steps to be taken by management before recommendations can be classed as fully implemented.
 - Three 'high grade' recommendations remain outstanding in respect of Water Planning Arrangements, one of which is dependent on the agreement of Scottish Water for its completion.
- 10.3.2 The Committee welcomed the addition of *the 'Key Actions – by months past the original due date'* Dashboard, which provides a very clear summary of progress and delays.
- 10.3.3 In regard to Recommendation 5a, Risk Appetite, the Committee asked when the statement would be drafted for future submission to the Board. BB advised that a further board development session is being planned which should enable agreement on risk appetite statements.
- 10.3.4 The Committee can now see Actions being closed, the exception to this is the ongoing failure to address the actions regarding Water Planning. JTh anticipated that this may now have to be escalated to Scottish Government. The Committee would like to get an update on progress on the Water Planning recommendations at its next meeting.

(Meeting broke at 1154 hrs and reconvened at 1159 hrs)

11 INDEPENDENT AUDIT / INSPECTION ACTION PLAN UPDATE

11.1 MMcA presented the report to the Committee, consisting of the overview dashboard and the detailed Audit Scotland Action Plan progress report. On the latter, there had been no further progress on the one remaining actions (No 1a – RDS Terms and Conditions). Rather than reproducing the full action plan for subsequent meetings, it was agreed that a verbal update on No 1a would be sufficient. However, the dashboard should continue to come to each meeting.

11.2 **The Committee scrutinised the report.**

12 EXTERNAL AUDIT

12.1 Deloitte - Audit Dimensions and Best Value Report for Year Ended 31 March 2021

JTh presented a progress report on Deloitte, Audit Dimensions and Best Value report who, as External Auditors to Scottish Fire and Rescue Service (SFRS) undertook a review for the year ended 31 March 2021, designed to help ARAC and the SFRS Board discharge their governance duties on the following areas:

- Financial Management (67% complete)
- Financial sustainability (33% complete)
- Governance and transparency (100% complete)
- Value for money (20% complete)

12.2 Overall, good progress has been made particularly in the wider scope audit. Where an action is identified as complete by the Responsible Officer, evidence is forwarded to Deloitte who will then review and conclude position.

12.3 JTh highlighted the one high priority outstanding action in relation to last year's audit regarding PPE, noting that this action is now complete.

12.4 The Committee thanked JTh for the report and transparency in the delivery with regards to progress made to date. The Committee also expressed their disappointment that there was no representation for Deloitte at today's meeting.

12.5 **The Committee scrutinised the report.**

13 INTERNAL CONTROLS UPDATE

13.1 Overview of Strategic Risk Register and Committee Aligned Directorate Risks

13.1.1 DJ presented the quarterly report and updated Strategic Risk Report to the Committee with the purpose of providing additional awareness of the risks faced and the actions required to minimise these risks. Highlighting the following:

- SLT reviewed 9 strategic risks and outlined 4 changes in terms of assessments made.
- DJ provided assurance of a continual review, meeting with Heads of Function to ensure risk is monitored and reported back.
- Significant work is being carried out with the Portfolio Office to ensure that reporting of risk and awareness of risk from a Change / Portfolio perspective is aligned to the overall framework.
- In relation to capacity and work plan within Data Services, it is the intention to simplify reporting within a dashboard.

13.1.2 In relation to Risk SDD007 Cyber Security, rollout of multi-factor authentication, the Committee requested clarity around the delay and any concerns associated with this.

13.1.3 In relation to Risk SDD004 Organisational Culture of Continual Development and Improvement, risk probability has increased due to ongoing challenges in relation to recruitment of posts, the Committee queried which posts this related to and what is being done to address these issues.

13.1.4 DJ offered to provide a fuller update on the Strategic Risks highlighted and report back to the Committee via email.

ACTION: DJ

13.1.5 BB proposed holding a workshop with ARAC and Chairs of the other Committees to look at the risk registers to gain a fuller understanding of how these are used at the executive level and, importantly, how they support effective scrutiny by ARAC and the other Board Committees.

ACTION: BB

13.1.6 **The Committee scrutinised the report.**

13.2 Anti-Fraud and Whistleblowing

13.2.1 JTh advised the Committee that he had nothing further to disclose at this stage, however a verbal update would be provided during the private session.

13.2.2 **The Committee agreed that this should be discussed during the private session.**

14 NATIONAL FRAUD INITIATIVE EXERCISE 2020/21

14.1 DJ presented the Committee with an update on the outcome of the National Fraud Initiative (NFI) Exercise 2020-21. The exercise commenced in September 2020 with SFRS providing datasets for payroll and trade creditors as per the prescribed timetable and guidance issued by Audit Scotland. These datasets were then matched between the participating bodies. The following areas were highlighted:

- Audit Scotland released a total of 1,055 matches between January and May 2021.
- SFRS investigated all matches prioritising those of high risk, of which there were 3 identified within payroll.
- 1,041 (99%) matches have been investigated and closed with no issue of fraud identified.
- 5 matches have been referred to HR for further investigation.

14.2 In relation to the Companies House matches which identified 22 potential conflicts of interest. As this number seemed high, the Committee questioned how the conclusion of the associated investigations was that there was no risk to SFRS. DJ provided an example and assurances that the areas of activity specific to the individual's roles (in the 22 cases) within the Service were being examined and that no risk has been identified to date.

14.3 The Committee highlighted a fundamental and serious weakness in not getting staff to register interests. In regard to the 22 potential conflicts, further information was requested around how many had previously registered interest and assurance that action has been taken to manage any conflict. The Committee would be content to receive this information via email.

ACTION: DJ

14.4 The Committee shared their dismay that 9 of these matches relate to external bodies such as Councils, Police Scotland and Colleges despite public sector organisations in Scotland being required to participate in NFI's.

14.5 **The Committee noted the report.**

15 QUARTERLY UPDATE OF GIFTS, HOSPITALITY AND INTERESTS REGISTER

15.1

DJ provided the Committee with 2021/22 Quarter 4 and 2022/23 Quarter 1 updates on the Gifts, Hospitality and Interests Register, highlighting the following areas:

- The register for 2021/22 as at the end of Q4 identifies 5 entries and no declarations have been received during Q1 of 2022/23.
- A gift declaration was made in relation to a monetary donation to the Fire Fighters Charity, this was under the £50 threshold.
- A presentation is currently being developed in relation to Gifts, Hospitality and Interests to be utilised via LCMS to widen engagement and communications.

15.2

Regarding Appendix A in relation to 'paid for meals' JTh clarified this was a result of a cancelled party night due to covid restrictions, where individuals who contributed personally to these meals were subsequently unable to attend. The establishment (Arta) did not offer a refund and through discussion, these hot meals were donated to Cowcaddens Fire Station rather than go to waste. It was noted that Finance and Procurement Directorate did not pay for a party night and the Register should be amended for complete clarity before being published on the website.

15.3

ACTION: DJ

The Committee noted the report.

16 ANNUAL UPDATE REPORT ON HMFSI BUSINESS

16.1

GF presented the report to the Committee with an update on HM Fire Service Inspectorate's (HMFSI) inspection and reporting activity for 2021/22. The report also provides an update with regard to inspection work underway and planned for 2022/23, highlighting the following areas:

- During 2021/22 HMFSI concluded 2 Local Area Inspections (LAI's) in Argyll and Bute and Angus together with one Thematic Inspection of the management of Health and Safety with an operational focus.
- An additional fact-finding inspection was undertaken on preparations made in relation to COP26 Climate Change Event and concluded that SFRS had adequately planned and prepared for the Conference.
- A review into how the Service prepares for, and carries out firefighting in high rise buildings also formed part of the inspection with fieldwork almost concluded and the report being drafted. It is anticipated that the report will be laid in Parliament in July / early August 2022.
- HMFSI intends to move to a system of measuring performance against a range of themes across each of the Local Senior Officer (LSO) areas within one of the three Service Delivery Areas (SDA) and are currently in the planning and data collection stage to inspect in the East SDA.
- In relation to Climate Change and the impact on operational activity, the aim of this inspection is to assess the effectiveness, efficiency and preparedness of the Service and alignment to Scottish Government policies.

16.2

Regarding Climate Change, the Committee suggested that, if there was scope within the fieldwork, the Inspectorate look at how the SFRS is able to support fire services outwith Scotland in relation to tackling wild fires which are now occurring more frequently.

16.3

The Committee noted the report.

17 REVIEW OF ACTIONS

17.1

AC confirmed that 11 formal actions were recorded during the meeting.

18 FORWARD PLANNING

18.1

Committee Forward Plan Review

18.1.1

There are no items to note for the Committee Forward Plan Review.

18.2

Items for Consideration at Future IGF, Board and Strategy Day Meetings

18.2.1

There are no items for consideration at Future IGF, Board and Strategy Day Meetings.

19 DATE OF NEXT MEETING

19.1 The next meeting is scheduled to take place on 13 October 2022 at 1000 hrs.

There being no further matters to discuss the public meeting closed at 1245 hrs.

PRIVATE SESSION

20 MINUTES OF PREVIOUS PRIVATE MEETING: WEDNESDAY 30 MARCH 2022

20.1 The minutes of the private meeting held on 30 March 2022 were approved as a true record of the meeting.

21 ACTION LOG

21.1 The Committee considered the action log and noted the updates.

21.2 **The Committee noted the rolling Action Log and approved the removal of completed actions.**

22 INTERNAL AUDIT

Final Report: Investigation of Alleged Misappropriation of Smoke Detectors and Trauma Bags.

22.1 GC presented the report to the Committee advising that Azets were requested by SFRS management to carry out an investigation into the facts surrounding the alleged misappropriation of these items.

22.2 **The Committee scrutinised the report.**

DRAFT

AUDIT AND RISK ASSURANCE COMMITTEE ROLLING ACTION LOG



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Background and Purpose

A rolling action log is maintained of all actions arising or pending from each of the previous meetings of the Committee. No actions will be removed from the log or completion dates extended until approval has been sought from the Committee.

The status of actions are categorised as follows:

- Task completed – to be removed from listing
- No identified risk, on target for completion date
- Target completion date extended to allow flexibility
- Target completion date unattainable, further explanation provided.

Actions/recommendations

Currently the rolling action log contains 11 actions. A total of 9 of these actions have been completed.

The Committee is therefore asked to approve the removal of the 9 actions noted as completed (Blue status), note 2 actions categorised as Green status and note no actions categorised as Yellow status on the action log.

ROLLING ACTION LOG



Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
Meeting Date: 28 June 2022						
Item 7.2	Committee Annual Report 2021/22 to the Board and Accountable Officer of Scottish Fire and Rescue Service: Revise wording at section 3.1 and provide more detail in relation to meetings deemed to have been held in public during the period of Covid.	BST	July 2022		July 2022	Completed (13/10/2022): Wording updated for clarity around public access and transparency over this period.
Item 8.5	Annual Governance Statement for Accounting Period 2021/22: Regarding an omission, update all new Board Members 'joined date' for the record and re-confirm Board Member attendance at Committee to ensure complete accuracy.	BST	July 2022		July 2022	Completed (13/10/2022): AGS updated accordingly to ensure accuracy and now submitted for inclusion in the Annual Report and Accounts 2021/22.
Item 9.4	Debt Write Off 2021/22: A breakdown of outstanding debt as at 6 April 2022 to be provided to the Committee Chair.	JTh/ LMcG	October 2022		October 2022	Completed (13/10/2022): Outstanding Debt information shared with the Chair via email (05/10/2022)
Item 10.1.4	SFRS Internal Audit Annual Report 2021/22: Following discussion on Appendix 3, Progress against KPI's, it was agreed that in future Azets would provide a summary of the meetings held and feedback/assurances gathered from this process.	Azets	October 2022			Updated (13/10/2022): The Performance Standard states that SFRS's Risk and Audit Manager will hold post audit discussions with key contacts. This will be fed back to Azets who will take on board any comments and take appropriate action, if required. The 2 most recent audits have only just been completed so it is too early to have received feedback, although this will take place and a summary will be provided to the next ARAC meeting. A meeting will

						be held between Azets and SFRS's Risk and Audit Manager to discuss the format of the feedback to ensure consistency.
Item 10.2.4	Internal Audit Progress Report 2022/23: The Committee also felt the words 'take cognisance' (Post Pandemic Review control objective 3) were too weak and that ensuring potential efficiencies were identified and maximised should be a key focus from the review. Azets agreed and stated this was the intention and would amend the wording accordingly.	Azets	October 2022		October 2022	Completed (13/10/2022): Control objective reworded. 'Take cognisance' replaced with 'consider potential efficiency savings and modernisation of the service.'
Item 10.2.10	Internal Audit Report – Portfolio Office: The findings and recommendations in the report make a number of significant points about the pace and effectiveness of change and the resourcing of and commitment to the portfolio change function. The management responses to these points reflect the operational position (as articulated by the Head of Function), but do not address the more strategic issues around timing, effectiveness and resources. The Committee asks that the Deputy Chief Officer considers these issues (as necessary, along with the responsible Directors/wider SLT colleagues) and provides an enhanced response on how these key points are to be addressed. The Committee would like this enhanced response to be circulated in advance of its next meeting.	DCO (SS)	August 2022		October 2022	Completed (13/10/2022): Update report to be presented at the next meeting on 13 October 2022.
Item 10.3.4	Progress update – Internal Audit Recommendations: The Committee would like to get an update on progress on the Water Planning recommendations at its next meeting.	Azets	October 2022			Updated (13/10/2022): There has been no further progress reported by management to Azets in relation to the Water Planning recommendations. Further update – Scottish Water Service

OFFICIAL

						Level Agreement Update report to be presented to the next meeting (13 October 2022)
Item 13.1.4	Overview of Strategic Risk Register and Committee Aligned Directorate Risks: Risk & Audit Manager to update the Committee with more detail, specifically regarding SDD007 & SDD004 risks and mitigations (via email).	DJ	August 2022		August 2022	Completed (13/10/2022): Additional information provided by DJ and circulated to the Committee via email (30/08/2022).
Item 13.1.5	Overview of Strategic Risk Register and Committee Aligned Directorate Risks: BB proposed holding a workshop with ARAC and Chairs of the other Committees to look at the risk registers to gain a fuller understanding of how these are used at the executive level and, importantly, how they support effective scrutiny by ARAC and the other Board Committees.	BB	October 2022		August 2022	Completed (13/10/2022): Workshop held on 16 August 2022
Item 14.3	National Fraud Initiative Exercise 2020/21: In regard to the 22 potential conflicts, further information was requested around how many had previously registered interest and assurance that action has been taken to manage any conflict (via email).	DJ	August 2022		September 2022	Completed (13/10/2022): Request information circulated to the Committee (email 06/09/2022).
Item 15.2	Quarterly Update of Gifts, Hospitality and Interests Register: Amend the register and detail around Finance and Procurement regarding the cancelled event to clarify payment was from individuals who contributed personally.	DJ	August 2022		August 2022	Completed (13/10/2022): Register has been updated and available on the website.



Report No: C/ARAC/34-22

Agenda Item: 7

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	ANNUAL PROCUREMENT REPORT FOR THE PERIOD 1 APRIL 2021 – 31 MARCH 2022						
Report Classification:	For Recommendation	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	To provide the Audit and Risk Assurance Committee (ARAC) the Annual Procurement Report for the period 1 April 2021 – 31 March 2022, which the Scottish Fire and Rescue Service (SFRS) is required to prepare and publish under the requirements of the Procurement Reform (Scotland) Act 2014.						
2	Background						
2.1	The Procurement Reform (Scotland) Act 2014 (“the Act”) provides a national legislative framework and states obligations for Scottish public bodies such as a sustainable procurement duty, community benefits requirements and additional duties that affect lower threshold procurement exercise referred to as “regulated procurements”.						
2.2	The Act requires contracting authorities with regulated procurement activity of £5 million or more per annum to have prepared a Procurement Strategy and subsequently to produce an Annual Procurement Report after the end of each financial year. The Annual Procurement Report reviews the contracting authority’s regulated procurement activities against its stated procurement strategy.						
2.3	For the purposes of the Act, the SFRS is a public sector contracting authority due to its annual regulated procurement spend and therefore is required to produce and publish an Annual Procurement Report as soon as reasonably practical after the end of its financial year.						
2.4	These individual annual procurement reports published by relevant public bodies in Scotland inform a separate annual report on public procurement activity across Scotland prepared each year by Scottish Ministers.						
2.5	The SFRS when preparing its Annual Procurement Report, must include the following: (a) A summary of the regulated procurements that have been completed during the year covered by the report. (b) A review of whether those procurements complied with the contracting authority’s procurement strategy. (c) To the extent that any regulated procurements did not comply, a statement of how the contracting authority intends to ensure that future regulated procurements do comply.						

	<p>(d) A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the financial year covered by the report.</p> <p>(e) A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurement during the reporting period covered by the report.</p> <p>(f) A summary of the regulated procurements the authority expects to commence in the next two financial years.</p>
3	Main Report/Detail
3.1	The Annual Procurement Report for the period 1 April 2020 – 31 March 2021 has been prepared in accordance with legislative reporting requirements and is attached at Appendix A.
3.2	Forty-five regulated procurements were awarded during the year with a total estimated value of £186,358,893 exclusive of VAT.
3.3	SFRS is committed to paying suppliers on time and we understand the importance of prompt payment to our supply base. SFRS achieved 98% of suppliers paid with 30 days and 82% within 10 days.
3.4	The benefits of collaborating with partner organisations is recognised and the SFRS Procurement Team seek new opportunities to undertake joint working where possible. In the reporting period, approximately 85% of total contract spend was through collaborative contracts such as Scottish Government, Scotland Excel, Crown Commercial Services or NFCC Frameworks. Savings of £1.18million being achieved through the use of Scottish Government frameworks.
3.5	Our procurement processes are applied in a manner which facilitates the involvement of small and medium-sized enterprises (SME), Supported Business and third sector bodies. We continue with our membership of the Supplier Development Programme (SDP) which consists of Local Authorities, Scottish Government and a range of other public bodies working together to support SMEs in all aspects of tendering. During the reporting period, the Procurement Team attended the “virtual” Meet the Buyer events held online both on a national and local basis
3.6	SFRS’s continued commitment to deliver on its sustainability duty and demonstrate community benefits through the delivery of relevant procurement activity is described in detail in the report but the following highlights key achievements.
3.7	<u>Supplier Spend</u>
3.7.1	In financial year 2021/22, 47.25% (£46.15million) of the SFRS total spend was with suppliers based in Scotland, which represented an increase of 1.10% on the previous reporting period
3.8	<u>Engagement with Supplier Development Programme</u>
3.8.1	The Supplier Development Programme (SDP) was engaged to provide direct support in the procurement of Hard Facilities Management to assist in engaging more directly with potential supply chains and Small and Medium Sized Enterprises (SMEs). The success in this approach led to the SDP producing a good practice guide and a joint submission from SFRS / SDP / successful contractor being shortlisted in the 2022/23 GO Awards in the category of Contract and Supplier Management
3.9	<u>Fleet Initiatives</u>
3.9.1	With financial support provided by Transport Scotland and working in partnership with Scottish Government and Scottish Enterprise, we have awarded a contract for the development of a prototype low carbon fire appliance which will have similar operational

	capabilities to the current diesel internal combustion engine appliances operated by the Service.
3.9.2	We purchased an additional 60 electric cars and 3 minibuses within the financial year. The SFRS now operate a fleet of 174 low emissions vehicles to support the work of rural firefighters and have charging points at 65 locations which supports the decarbonisation of our light fleet.
3.10	<u>Carbon Management</u>
3.10.1	we continue to invest in technologies to reduce waste energy. In financial year 2021/22, we completed 127 projects linked to climate change and invested £3.70million and worked with our contractors to install smart energy controls, low carbon heating, pollution prevention measures, solar panels in our properties throughout Scotland.
3.11	<u>Supported Business</u>
3.11.1	Our procurement activities continue to promote and explore opportunities to engage with the Supported Business and Third Sector. Although no new contracts were awarded within the reporting period, there was still spend of approximately £90,000 excl. VAT with this sector through existing arrangements.
3.12	<u>Station Storage Solutions</u>
3.12.1	We are working in partnership with the Scottish Prison Service on a contract for the Supply of Station Storage Solutions which provides opportunities for those individuals within the care of the Scottish Prison Service to gain valuable social skills and realistic work skills to enhance employability prospects.
3.13	<u>Fair Work</u>
3.13.1	SFRS is an Accredited Living Wage employer and through its procurement activity, it continues to ensure that Fair Work provisions are included in relevant contracts, to the extent permitted by law. In the reporting period, twenty-three regulated contracts included Fair Work criterion in the evaluation process. Eleven suppliers who were awarded a regulated contract committed to pay the Real Living Wage and 4 suppliers who were awarded contracts are accredited Living Wage employers.
3.14	<u>Project Bank Accounts</u>
3.14.1	A PBA was used on the Portlethen Training Centre project and has also been established on the West Asset Resource Centre project, which was awarded in February 2022. The PBA requires payments made directly and simultaneously by SFRS to members of the construction supply chain involved in the Project and supports prompt payment which assist firms involved in construction projects with their cashflows.
3.15	<u>McDonald Road Modernisation</u>
3.15.1	This project has now been completed and the community benefits delivered are detailed within Appendix Bii of the Annual Procurement Report
3.16	<u>Portlethen Training Centre</u>
3.16.1	This project has now been completed and delivered social value impact inclusive of local economic value of £0.92million. The community benefits delivered are detailed within Appendix Biii of the Annual Procurement Report.
4	Recommendation
4.1	The Audit and Risk Assurance Committee is asked to recommend the Annual Procurement Report for the period 1 April 2021 – 31 March 2022 to the SFRS Board, as attached at Appendix A, for approval.

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5	Core Brief	
5.1	Not applicable.	
6	Appendices/Further Reading	
6.1	Appendix A – Annual Procurement Report for the period 1 April 2021 – 31 March 2022.	
7	Key Strategic Implications	
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)	Yes
Prepared by:	Stephen McDonagh, Procurement Manager	
Sponsored by:	John Thomson, Acting Director of Finance and Procurement	
Presented by:	John Thomson, Acting Director of Finance and Procurement	
Links to Strategy and Corporate Values		
Strategic Outcome 4: We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland		
Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Good Governance Board</i>	<i>28 September 2022</i>	<i>For Recommendation</i>
<i>Strategic Leadership Team</i>	<i>5 October 2022</i>	<i>For Recommendation</i>
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For Recommendation</i>
<i>SFRS Board</i>	<i>27 October 2022</i>	<i>For Decision</i>



**ANNUAL PROCUREMENT REPORT
FOR THE PERIOD
1st APRIL 2021 – 31ST MARCH 2022**

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Section 1: Introduction

- 1.1 The Scottish Fire and Rescue Service (SFRS) is the world's fourth largest fire and rescue service, committed to ensuring the safety and wellbeing of the people of Scotland. We are a national organisation delivering our front-line services locally from three strategically positioned hubs based in the North, West and East of the country.
- 1.2 The strategic priorities for the Scottish Fire and Rescue Service (SFRS) are set out within the Fire and Rescue Framework for Scotland 2022 and the SFRS Strategic Plan 2022-25.
- 1.3 In delivering our services we recognise the significant role we play in helping to achieve the Scottish Government's purpose, which is to focus government and public services on creating a more successful country by increasing sustainable economic growth and providing opportunities for all of Scotland to flourish.
- 1.4 An Annual Operating Plan is produced each year to support the delivery of the SFRS Strategic Plan and uphold corporate values.
- 1.5 In accordance with its legislative obligations under the Procurement Reform (Scotland) Act 2014, the SFRS publishes a Corporate Procurement Strategy which is maintained by the SFRS Finance and Procurement Department and it aligns procurement activity with the SFRS Corporate Plan and Annual Operating Plan.
- 1.6 As required under section 15 of the Procurement Reform (Scotland) Act 2014 ("the Act"), the SFRS publishes an Annual Procurement Report, as required by section 18 of the Act.
- 1.7 The Annual Procurement Report monitors the authority's regulated procurement activities against delivery of its procurement strategy.
- 1.8 The Scottish Fire and Rescue Service is pleased to publish our fifth Procurement Report covering the period 1st April 2021– 31st March 2022. The content of this Report covers all regulated procurements completed during this period and details how those procurements supported the objectives included within our Corporate Procurement Strategy.
- 1.9 The success in delivery of the Corporate Procurement Strategy is achieved only by working in partnership with colleagues across the Service and this positive commitment and collective contribution from all is highlighted within this report. We look forward to the continuation of this collaborative approach in the delivery of our new procurement strategy.

- 1.10 Our Corporate Procurement Strategy articulates how our procurement activity is aimed at supporting the delivery of SFRS strategic priorities and undertaking these in a manner which supports delivery against National Outcomes.
- 1.11 This report details six main areas, the first five cover mandatory reporting with the sixth discretionary, these being:
- i. Summary of Regulated Procurement Completed
 - ii. Review of Regulated Procurement Compliance
 - iii. Community Benefits Summary
 - iv. Supported Business Summary
 - v. Future Regulated Procurement
 - vi. Procurement Performance Analysis
- 1.12 We also take the opportunity within the report to detail the key achievements of our Procurement Team and our key priorities for the Team in financial year 2021-22.

John Thomson

Acting Director of Finance and Procurement

Section 2: Summary of Regulated Procurement

- 2.1 Section 18(2)(a) of the Procurement Reform (Scotland) Act 2014 requires organisations to include: “a summary of the regulated procurements that have been completed during the year covered by the report”
- 2.2 The Procurement Reform (Scotland) Act Section 18 states that relevant bodies must prepare an annual procurement report on its regulated procurement activities as soon as reasonably practical after the end of the financial year. A regulated procurement as defined by the Act is any procurement for supplies or services with a value more than £50,000 and for works contracts with a value over £2million.
- 2.3 A regulated procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. Regulated procurements can refer to new contracts and framework agreements but also to mini-competitions and call offs from existing framework agreements.
- 2.4 Wherever possible, the SFRS, has sought to make use of national, sectoral and local collaborative contracts and frameworks.
- 2.5 SFRS regulated procurement within the reporting period was undertaken across 6 categories of spend:
- i. Fleet
 - ii. Personal Protective Equipment
 - iii. Operational Equipment
 - iv. Property and Facilities
 - v. ICT
 - vi. Corporate
- 2.6 Table 1 below summaries the regulated procurement awarded by the Scottish Fire and Rescue Services in the period 1st April 2021 – 31st March 2022.

Number of Regulated Procurements Awarded	45
Total Estimated Value of Awarded Regulated Procurements (excl VAT)	£186,358,893

- 2.7 Full details of these regulated procurements can be found in Appendix A.
- 2.8 Contracts which are worth less than the £50k or £2m thresholds are known as “Non-Regulated” procurement. Details of the non-regulated procurements awarded during the reporting period can be found in Appendix A. This information has been provided in order for the SFRS to provide transparency of this area of expenditure.
- 2.9 Section 9 of the Procurement Reform (Scotland) Act 2014 details the sustainable procurement duty and in particular the facilitation of the involvement of small and medium sized enterprises. During the period circa £27 million of the £82 million third party spend was with SME's.
- 2.10 The SFRS is a Living Wage Accredited Employer and is committed to working with our contractors to ensure the same commitment to fair working practices. In all relevant procurement exercises, there is provision included within the invitation to tender for those organisations who participate in our procurement activity to highlight their commitment.

Section 3: Review of Regulated Procurement Compliance

3.1 Overview of Regulated Procurement Compliance

- 3.1.1 Section 17 of the Procurement Reform (Scotland) Act 2014 requires that regulated procurements be carried out in accordance with the organisation's procurement strategy, so far as reasonably practical.
- 3.1.2 Section 18(2) states that an annual procurement report must include, at 18(2)(b), "a review of whether those procurements complied with the authority's procurement strategy" and, at 18(2)(c), "to the extent that any regulated procurements did not comply, a statement of how the authority intends to ensure that future regulated procurements do comply".
- 3.1.3 The corporate procurement strategy 2021-24, as approved by the Board of the Scottish Fire and Rescue Service in April 2021, sets out the basis for all procurement activity across the SFRS and it ensures that our procurement activity is undertaken in an efficient and customer focused manner which adds values whilst ensuring compliance with legislative duties. It is aligned to the Scottish Model of Procurement.
- 3.1.4 The Procurement Strategy sets out the basis for all procurement activity across the SFRS and it continues to ensure that procurement activity enables delivery of the SFRS Strategic Plan and Annual Operating Plan. The Strategy also reflects the SFRS legal obligation to ensure compliance with Procurement legislation and associated Statutory Guidance across its procurement activity.
- 3.1.5 The SFRS has a fully documented procurement governance framework which provides a well-established set of policies and processes to support effective and compliant public procurement.
- 3.1.6 All procurements progressed by the Procurement Team and undertaken in the reporting period observed the following five themes as fully detailed within our Procurement Strategy which are detailed in the following pages.

3.2 Value for Money and Efficiency

3.2.1 Our activities continue to increase around the delivery of Regulated Procurements. In the reporting period, the procurement activity undertaken by the SFRS can be summarised as follows (full details are listed in Appendix A):

Procurement Type	Nos.	Projected Total Value (£) – Excl VAT
Regulated Procurement	45	£186,358,893
Framework Call-Offs (Below £50,000)	11	£256,995
Property Contracts (below £2,000,000)	2	£936,730
Quote	23	£547,665
Non-Competitive Action	17	£237,467
Total	98	£188,587,750

3.2.2 The benefits of collaborating with partner organisations is recognised and the SFRS Procurement Team seek new opportunities to undertake joint working where possible. In the reporting period, approximately 85% of total contract spend was through collaborative contracts.

3.2.3 We continue to utilise national frameworks established by Scottish Government and achieved cash savings of £1.18million through their use. We are associate members of Scotland Excel and make use of relevant frameworks. Work continues to further develop relationships with the wider UK Fire and Rescue Services for the procurement of common goods and services, with SFRS continuing to make use of National Frameworks for key operational personal protective equipment and front-line vehicles.

3.2.4 Work also continues with partners such as Scottish Government, Transport Scotland, Scottish Enterprise and the Energy Savings Trust, to explore future opportunities for collaboration and innovation particularly within our Fleet Category to minimise the impact of climate change.

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- 3.2.5 Within the reporting period, we awarded a contract to Emergency One in Cumnock, for the development of a prototype low emissions fire appliance, which will have a range of approximately 220miles with an 80% charge. The electric appliance is anticipated to be delivered later in 2022 and will have the same capability and equipment as the diesel-powered appliances utilised by the Service. Funding of £500,000 was secured from Transport Scotland to assist in procuring the appliance.
- 3.2.6 Innovation is one of the values of the Service and plays a key role in improving firefighter safety and improving service delivery. Two examples highlight the SFRS commitment to considering innovation in their procurement activity.
- 3.2.7 Following the Grenfell disaster, it was identified that Fire and Rescue Services (FRS) should have equipment/PPE that allows FRS personnel to self-rescue if trapped within a toxic/smoke filled environment where Self-contained Breathing Apparatus (SCBA) is not being worn and also have the ability to provide to members of the public who may require this breathing system to escape safely. Work undertaken by the SFRS and Draeger, our current supplier of SCBA identified a solution to this issue, with the solution being introduced in to contracted services in early April 2022 with the addition of an Escape Hood System.
- 3.2.8 The SFRS is heavily reliant on full time and part time fighters, to provide services to the rural and urban communities of Scotland. The majority of these part time fire fighters have full-time employment, serving the local community, but who respond to emergency calls within their local area as and when required. It is critical to the operations of the SFRS to be able to quickly alert these firefighters to operational incidents within the local community. A resilient paging network is currently used to facilitate this. Changes within existing paging technology which will soon become redundant meant that the SFRS required a new solution to maintain operational resilience
- 3.2.9 Through the support provided by the Can Do Innovation Fund, The SFRS undertook a **Small Business Research Initiative** (SBRI) competition, run over two phases, with the aim of developing 2 x GD92 complaint mobilising bearers (communications protocol specified by the United Kingdom Home Office for Fire and Rescue Service resource mobilising) which are not reliant of the Airwave or SFRS Wide Area Network to provide resilience to mobilisation of Firefighters in the communities of Scotland to operational incidents.

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3.2.10 Phase 1 involved research and development together with a feasibility study to prove design of concept has been completed. The SFRS is now about to move onto Phase 2 which will further develop the solution in order to a prototype stage and undertake field testing.

3.2.11 The benefits in developing a successful solution is a high level of resilience to the SFRS mobilisation of resources, when demands for the Fire Service are greatest during poor weather, and during major civil emergencies. It is expected that the successful supplier may be able to provide the solution developed to emergency services and the public sector though-out the UK and potentially worldwide. Providing similar services to remote communities, and ensuring resilience of these critical mobilisation services is preserved.

3.2.12 We continue to work with our existing contractors to develop our low carbon infrastructure within SFRS properties and over the reporting period we have invested approximately £3.71million in support of initiatives to assist in the delivery of our Carbon Management Plan which has been developed to assist not only with the SFRS response to the climate emergency by reducing carbon emissions, but also in driving down heat waste and costs.

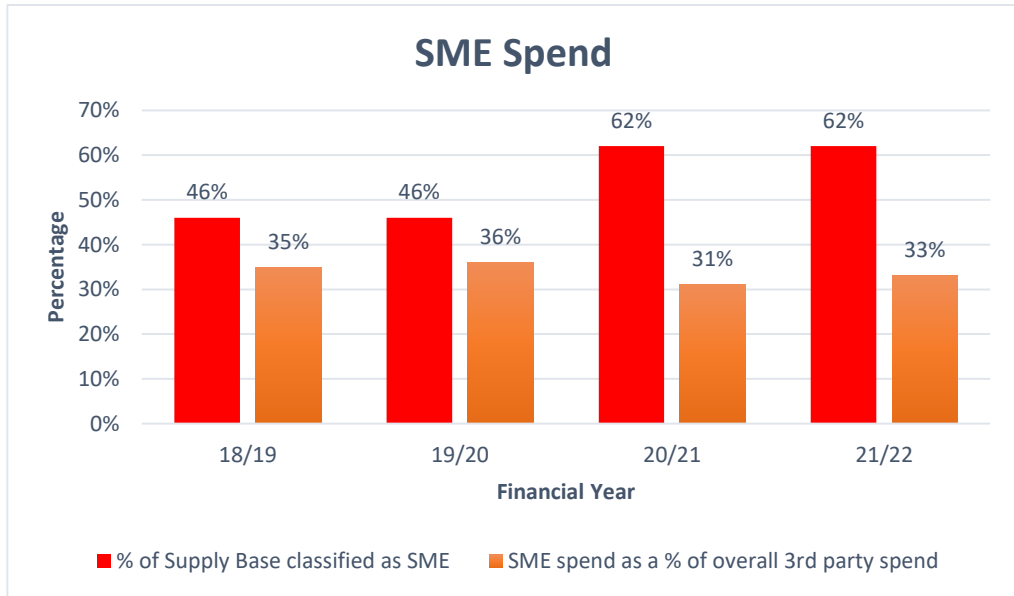
3.2.13 Spend and contract analysis continues to inform the planning of our procurement. The outcome of the analysis assists in the development of a rolling three-year programme of work which is agreed with stakeholders and monitored throughout the financial year.

3.2.14 We are committed to paying suppliers on time and we understand the importance of prompt payment to our supply base. We act in a responsible and sustainable manner so prompt payment is a priority. Our on-time payment performance for financial year 2021/22 is detailed below together with previous year's performance.

Payment Term	2018/19	2019/20	2020/21	2021/22
Payment within 30 days	97%	96%	97%	98%
Payment within 10 days	67%	81%	82%	82%

3.2.15 The SFRS is committed to supplier inclusion, and we seek to conduct our procurement activity with a wide range of providers including Small and Medium Enterprises (SMEs), and third sector, including supported business. We continue to build upon our relationship with the Supplier Development Programme to encourage the ongoing use of Scottish SME's in the delivery of SFRS requirements.

3.2.16 In financial year 2021/22, 47.25% (£46.15million) of the SFRS total spend was with suppliers based in Scotland, which represented an increase of 1.10% on the previous reporting period. The table below details the breakdown of SME's as a percentage of overall Suppliers in scope and SME spend as a percentage of overall 3rd party spend in scope.



3.2.17 End user involvement and consultation continues to be key to the development of Commodity Strategies and Tender Documents to ensure that technical specifications meet Service needs and can be clearly understood by suppliers. Early engagement with End users continues to be progressed by the Procurement team.

3.2.18 The Procurement Team continue to engage and build on existing relationships with internal customers ensuring their involvement in the planning and undertaking of SFRS procurement activity and aiding greater understanding of the need to observe the sustainable procurement duty. The success of this customer focused approach is reflected in the end of year internal survey of those individuals who are directly involved in the procurement process e.g. through the UIG process, with 100% customer satisfaction rated as good or excellent.

3.2.19 Market engagement is undertaken in all relevant procurement activity and is used to assist understanding of market capability to address the SFRS needs and to inform the development of the specification and ensure that the procurement route chosen and the Invitation to Tender requirements are appropriate and well-developed.

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- 3.2.20 This was particularly relevant in Hard FM, as the contract would be the largest contract in monetary terms awarded by SFRS and which would offer significant opportunities for the participation of SME's through sub-contract opportunities.
- 3.2.21 A User Intelligence Group, representing all stakeholders met at regular intervals prior to launch of the competition and their expertise was used to develop award criteria including specific areas of Risk Management, Problem Identification and Resolution, Supply Chain Management (SCM), Carbon Reduction, Waste Minimisation, Environmental Mitigation, and Elimination of Inequalities.
- 3.2.22 The UIG understood that SCM would be crucial in ensuring that the award criteria were transferred into real benefits and the active management of the Service Provider's performance and delivery, specifically of those areas above, would be required to ensure the achievement of social value through contract implementation.
- 3.2.23 The Supplier Development Programme (SDP) was engaged to support this during development and competitive stages of the project as a potential facilitator of many of these outcomes and as a means of engaging more directly with potential supply chains and Small and Medium Sized Enterprises (SMEs).
- 3.2.24 Two stages of supplier engagement were undertaken. Initial involvement was in development of the specification / contractual outcomes, and during the competition to ensure that the industry understood the Service's emphasis on and commitment to these outcomes before being asked to make commitments to their delivery. Secondly SDP were involved during the early stage of the competitive phase to clarify requirements and prepare tenderers to a new approach to contract management which would support delivery of these outcomes.
- 3.2.25 The SFRS recognises that SME's including third and fourth sector organisations can support economic growth and employment in Scotland. This is particularly important in the recovery from COVID-19. As detailed in our Corporate Procurement Strategy we are committed to improving the access to such opportunities. In January 2022, the SDP invited SFRS to participate in a free online event with Robertson to engage suppliers in subcontract and CWB opportunities for Hard FM.
- 3.2.26 The free online event in January 2022 was attended by 118 suppliers, including 78 unique Scottish SMEs and gave a robust operational overview of potential opportunities with Robertson. Nearly all Scottish SMEs (96%) were more likely to bid after participating; almost

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two-thirds (65%) felt more positive about potentially working with Robertson FM. SDP shared the recording and wrote a good practice case study on open and transparent supply chain engagement. SMEs from 29 of 32 Scottish local authorities attended the event.

3.2.27 Through SDP, Robertson FM was introduced to more than 100 new suppliers it says it may otherwise have been unaware of, which will be key to the successful delivery of the contract. Robertson committed to building upon SDP's expertise throughout the duration of the contract.

3.2.28 The success of the partnership approach to the contract and supplier methodology employed on the Hard FM project was highlighted in being selected as a finalist for the national GO Awards 2022/23 in the category of Contract and supplier Management.

3.2.29 As well as the targeted support provided by the SDP as highlighted in the example of Hard FM, the SFRS continues to attend both national and regional Meet the Buyer Events which were held online during the reporting period, due to the continued impact of COVID-19.

3.3 Governance, Risk and Fraud

3.3.1 The SFRS has a well-established procurement government framework with supporting documentation and standard template which support the delivery of its procurement activity and ensure compliance with legislation and associated Statutory Guidance.

3.3.2 Within the reporting period we revised our Standing Order for the Regulation of Contracts which have now been approved by our Board and subsequently published. The revised Standing Orders reflect the aims of our Strategy and seeks to empower the wider organisation Strategy aims to be outwardly orientated, seeking to work with others, in support of our continuous improvement in this area.

3.3.3 The Procurement Team continues to engage with customers to reinforce the application of the procurement governance model and ensures that regulated procurement is undertaken in accordance with the legal and procedural framework. Training is provided to those individuals who are involved in supplier selection and tender evaluation.

3.3.4 The Procurement Team attended relevant training to provide awareness of potential forthcoming changes to UK procurement legislation

- 3.3.5 Progress continued with the delivery of the “Red Flag Procurement Fraud Action Plan” with approximately 80% of improvement actions completed and the Plan on track to be delivered over the period of our Procurement Strategy
- 3.3.6 Application of SFRS procurement governance framework and the undertaking of our quality review process to provide assurance on projects undertaken ensured that there were no successful legal challenges within the reporting period, with any issues raised by unsuccessful tenderers being robustly defended in conjunction with Legal Services and external legal support as required.
- 3.3.7 We completed a survey for all relevant contractors who have a legal duty to comply with the Modern Slavery Act and obtain copy of their Modern Slavery Statements. This exercise will be refreshed at regular intervals.
- 3.3.8 The Procurement Team worked with colleagues within Property Services to enhance governance relating to works projects which will be rolled out within the period of the Procurement Strategy. Direct support is also now provided by the Procurement team in undertaking Works Services projects, which was previously undertaken by the Property Team.
- 3.3.9 Work continues with the delivery of the Procurement Capability Improvement Programme Action Plan in preparation of the next assessment which is due in Autumn 2023.

3.4 Transparency

- 3.4.1 Transparency in public procurement requires the SFRS to show openness, visibility to its procurement activities and to have ready accessibility to information regarding its procurement plans and spend, all of which provides external parties with confidence that we undertake our procurement activity in a fair and transparent manner
- 3.4.2 The SFRS procurement strategy for the period 1st April 2021 – 31st March 2024 was published in April 2021 and is our third procurement strategy since the formation of the Service in 2013. Procurement resource and capability has now successfully been developed and our performance reported through our published annual procurement reports. This

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growing and evolving procurement maturity gives confidence to develop a more outward focused procurement strategy that responds to the wider challenges presented today and the aspirations of Scottish Government.

- 3.4.3 The Performance Indicators related to the Strategy delivery are listed in Appendix D for the reporting period.
- 3.4.4 The SFRS utilise Public Contracts Scotland (PCS) to advertise all regulated procurement activity with a value of £50,000 or more. All relevant procurement activity is also published on UK Find a Tender site.
- 3.4.5 In accordance with the Public Contracts (Scotland) Act 2014, the SFRS has published and maintained a Contracts Register thereby providing visibility on live contracts.
- 3.4.6 In all relevant procurements, evaluation methodology is fully detailed in the Invitation to Tender and full debriefs are provided to all participants in all regulated procurement and quotes undertaken by the Service.
- 3.4.7 During the reporting period we introduced “Cenefits” which when fully rolled out, will enable the SFRS to manage, measure and realise community benefits, sustainability impact as well as generally assist in the management of relevant contract activity. The use of the system will enable ease of recording and reporting in a consistent manner.

3.5 Enhancing Capability

- 3.5.1 We continue to make use of technology to assist in the delivery of the Corporate Procurement Strategy. We continue with the use of Achilles Themis, which provides up-to-date case law interpretation together with various guidance documents which assist in the update / maintenance of our procurement governance framework.
- 3.5.2 The SFRS continues to support Procurement team members with their professional studies which will lead to full membership of the Chartered Institute of Procurement and Supply.

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- 3.5.3 A further training needs analysis has been undertaken which will assist in informing individual requirements both within the Procurement Team and the wider organisation. The Procurement Team has also complete Climate Literacy e-learning training and sustainability training.
- 3.5.4 The Procurement Competency framework is also utilised by the Procurement Team, aligning its use with the SFRS appraisal system. This national toolkit sets out the skills and competency levels required of procurement teams involved in the public-sector procurement process and its use is aligned to each individual / role within the Procurement Team.
- 3.5.5 Partnership working involving the sharing of knowledge and best practice continues with the NFCC for fire sector specific goods and services where the SFRS is represented on various committees related to national procurement activity. The SFRS also continues to contribute to the Central Government Procurement Collaboration Group and work continues with Police Scotland and the Scottish Ambulance Services to identify areas of collaboration.
- 3.5.6 The structure of the Procurement Team was reviewed and a new post of Procurement Specialist was introduced, thereby offering a further enhancement to the career structure within the team.
- 3.5.7 There continues to be successful close engagement between Procurement and all Directorates / key stakeholders through the planning of procurement activity and the User Intelligence Group process where input is sought on specification development and relevant stakeholders are also engaged in supplier selection, tender evaluation, contract award decisions and in supporting contract and supplier management arrangements
- 3.5.9 The manner by which the Procurement Team interacts with suppliers is a key factor in the success of relevant projects. The SFRS undertakes pre-procurement activity, early market engagement and being accessible to prospective suppliers. This involves the use of the Prior Information Notice to alert the market to forthcoming opportunities and holding supplier briefing days, both virtual when home working and face-to-face, where this could be undertaken during COVID-19 restrictions.

3.6 **Sustainability**

- 3.6.1 The Scottish Fire and Rescue Service (SFRS) is committed to observing our sustainable procurement duty as stated within the Procurement Reform (Scotland) Act 2014 and continue to review and update our internal policies and procedures to reflect our legal duty and to ensure the proper consideration of how best we can improve the social, environmental and economic wellbeing of our communities through our procurement activity.
- 3.6.2 Sustainability is an area that the SFRS can and does influence by making sure the elements which impact on sustainability are built into the procurement process at an early stage and considered throughout the procurement lifecycle in the specification development, tender evaluation and contract management.
- 3.6.3 For all procurements for goods and services with a value of £50,000 or more, we develop a Commodity Strategy which requires the use of the Sustainable Procurement Toolkit which assists in embedding relevant and proportionate requirements in our procurement activity.
- 3.6.4 Reflecting the requirement contained within SPPN1/2021 that Procurement professionals have a responsibility to be climate literate and to have an appreciation of how contracting activity can support net-zero aims for their organisation and Scotland, all members of the Procurement Team have completed their Literacy e-learning and Sustainability Training to best understand how to account for such areas within relevant procurement activity.
- 3.6.5 In support of our commitment to our sustainable procurement duty, we have a nominated Sustainable Procurement Champion who is responsible for ensuring compliance with legislation across the Service and promoting the adoption of sustainable procurement practices.
- 3.6.6 Our Procurement Strategy 2021-2024 was published in April 2021 and is anticipated to remain relevant until March 2024, but it is reviewed on an annual basis and adjusted to ensure that it remains current to the challenges faced by the SFRS. The strategy re-iterates our commitment to ensure the consideration of issues that may assist in improving the economic, social and environmental wellbeing of the communities that we serve.

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- 3.6.7 We include the consideration of community benefits in all relevant procurement activity and use these to deliver wider benefits for the communities which we serve. Section 4 of this Report details the Community Benefits delivered in financial year 2021/22. We have introduced the use of a new system (Cenefits Benefits Realisation Software) to assist in the recording, management and reporting of the sustainability impact which are delivered through our procurement activity.
- 3.6.8 Our procurement processes are applied in a manner which facilitates the involvement of small and medium-sized enterprises (SME), Supported Business and third sector bodies. We continue with our membership of the Supplier Development Programme (SDP) which consists of Local Authorities, Scottish Government and a range of other public bodies working together to support SMEs in all aspects of tendering. During the reporting period, the Procurement Team attended the “virtual” Meet the Buyer events held online both on a national and local basis.
- 3.6.9 Targeted action, as detailed in Section 3.2, was undertaken by the SFRS in partnership with the SDP as part of the market engagement for the Hard Facilities Management Project and this partnership working continued when the new contractor was appointed, with a sub-contractor event held explaining the opportunities that would be available in the wider supply chain.
- 3.6.10 The SFRS has successfully introduced project bank accounts (PBA) in relevant procurement projects in previous years and this has continued with the award of the West Asset Resource Centre where a PBA has been agreed with the appointed contractor. Project Bank Accounts are designed to pay sub-contractors at the same time as main contractors in relevant procurement activity.
- 3.6.11 Our procurement activities continue to promote and explore opportunities to engage with the Supported Business and Third Sector. Although no new contracts were awarded within the reporting period, there was still spend of approximately £90,000 excl. VAT with this sector through existing arrangements. We are working in partnership with the Scottish Prison Service on a contract for the Supply of Station Storage Solutions which provides opportunities for those individuals within the care of the Scottish Prison Service to gain valuable social skills and realistic work skills to enhance employability prospects. Section 5 of this Report details our spend with Supported Business.

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3.6.12 We support the Scottish Government’s goal to become net zero by 2045. SFRS has pledged to cut carbon emission by 6% per annum until 2030 which equates to an 80% overall reduction. To support this, we continue to invest in technologies to reduce waste energy. The SFRS Sustainability Team champions climate emergency and waste management activity, and oversee progress against our Climate Change Response Plan 2045 across the service. In financial year 2021/22, we completed 127 projects linked to climate change and invested £3.70million and worked with our contractors to install smart energy controls, low carbon heating, pollution prevention measures, solar panels in our properties throughout Scotland. The table below summarises the projects completed in the reporting period with a comparison with previous reporting period together with spend to date information.

Carbon Management Plan 2020-25 -Total Number of Projects Completed to date

Rolling Programme Since April 2020	2020/21	2021/22	Rolling Total Completed to date
Building Management System and Controls	23	19	42
Heatboss system Controls	16	37	53
Retained Station Energy Package	1	11	12
Solar PV	24	30	54
Insulation Works		26	26
Biomass Boilers	2	2	4
AMR Install Programme		1	1
Consultancy support		1	1
Total	66	127	193

Carbon Management Plan 2020-25 -Spend to Date

Rolling Programme Since April 2020	2020/21	2021/22	Rolling Total to date
Building Management System and Controls	£550,000	£559,259	£1,109,259
Heatboss system Controls	£150,000	£466,754	£616,754
Retained Station Energy Package	£100,000	£1,029,919	£1,129,919
Solar PV	£1,090,000	£1,121,910	£2,211,910
Insulation Works		£125,062	£125,062
Biomass Boilers		£322,600	£322,600
AMR Install Programme		£89,646	£89,646
Consultancy support		£1,400	£1,400
Total	£1,890,000	£3,716,549	£5,606,549

3.6.13 With financial support provided by Transport Scotland and working in partnership with Scottish Government and Scottish Enterprise, we have awarded a contract for the development of a prototype low carbon fire appliance which will have similar operational capabilities to the current diesel internal combustion engine appliances operated by the Service.

3.6.14 Through continued funding provided by the Scottish Government's Switched on Fleets initiative for the procurement of electric vehicles and charging infrastructure, we purchased an additional 60 electric cars and 3 minibuses within the financial year. The SFRS now operate a fleet of 174 low emissions vehicles to support the work of rural firefighters and have charging points at 65 locations which supports the decarbonisation of our light fleet.

3.6.15 The SFRS is an Accredited Living Wage employer and through our procurement activity, we recognise that inviting suppliers to adopt fair working practices will reduce inequalities and develop a more inclusive and sustainable society. We continue to ensure that all relevant procurement activity includes criteria to address Fair Work Practices. We are committed to developing our requirements further to include mandating the payment of the Real Living Wage where it is relevant and proportionate.

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- 3.6.16 In the reporting period, the SFRS completed an exercise to validate that relevant contractors to the SFRS had published a Slavery and Human Trafficking Statement in compliance of Section 54 of the Modern Slavery Act 2015.
- 3.6.17 The SFRS continues to consider Equality and Diversity in all relevant procurement activity and observes the requirement to comply with the **Equality Act 2010** and the 'General Duty'. Completion of an Equality and Diversity Impact Assessment is undertaken and where appropriate provision is included in the conditions of contract, specification and contract award criteria, with performance measured through management of the contract.
- 3.6.18 The SFRS recognises the importance of ensuring that it continues to comply with the Health and Safety at Work Act 1974 and that our contractors are familiar with this legislation, understand their responsibilities and operate safe systems of work. The SFRS continues to check and monitor contractors understanding of their responsibilities. For relevant contracts, the SFRS addresses specific Health and Safety issues as they relate to the contract requirement. Relevant contractors are also required to demonstrate and ensure compliance with the CDM Regulations 2015.
- 3.6.19 The SFRS is a member of the Scottish Free Trade Forum and our standard procurement process includes consideration of what Fair Trade provisions or equivalent could apply appropriately in the delivery of the contract provision. Our Soft Facilities management contractor, Sodexo has a similar commitment to Fairtrade.
- 3.6.20 SFRS is currently engaging through our Local Senior Officers (LSO's) as part of our partnership working with local authorities to support Community Wealth Building Projects. Progressive procurement is a core principle to help develop local supply chains of businesses likely to support local employment and keeping wealth in communities. The SFRS Procurement Team continues to support LSO's to provide subject matter expertise as part of these projects.
- 3.6.21 We procure timber for use in carbonaceous training facilities with all timber products supplied by our contractor is certified as being sourced from legal and sustainable sources. Timber supplied to the SFRS must be accredited to meet either the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC). Conformity to this requirement is monitored throughout the contract duration.

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3.6.22 The SFRS has adopted the flexible framework tool for Sustainability and we will utilise this to measure our level of performance and identify the actions required to embed good procurement practice to realise intended sustainable outcomes. We will seek to achieve level 3 on the flexible framework by 31st March 2024.

Section 4 Community Benefits Summary

- 4.1 Section 18(2)(d) of the Procurement Reform (Scotland) Act 2014 states that it is mandatory for an annual procurement report to include “a summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report”.
- 4.2 Section 25 of the Procurement Reform (Scotland) Act 2014 mandates that all contracting authorities “must consider whether to impose community benefit requirements as part of the procurement” when the estimated contract value is greater than or equal to £4,000,000. However, as stated in SFRS Standing Orders for the Regulation of Contracts, we aim to consider community benefit requirements in procurement exercises with a value greater than £1,000,000 where deemed relevant.
- 4.3 The SFRS Procurement Strategy clearly states the organisation’s commitment to the inclusion and consideration of Community Benefits in all relevant procurement activity.
- 4.4 The following key projects highlight SFRS continued commitment to deliver community benefits in relevant procurement activity.
- 4.5 **Hard FM**

The contract for Hard FM was awarded in October 2021, with the contract formally commencing on 1st April 2022 after a period for contract implementation. The successful contractor, Robertson made measurable commitments to:

- risk management
- managing and developing the supply chain including engagement with SMEs and third/fourth sectors, representative bodies and economic development agencies
- contributing to the Service’s target of a 6% reduction in carbon output year on year
- eliminating/minimising waste arisings
- maximising contribution to long-term employability particularly in deprived areas/rural communities, enhancing local skills base; specific numbers of apprentices/trainees, engaging with schools and moving long-term unemployed people into employment
- maximising contribution to the elimination of inequalities

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- contributing to the development/restoration of natural environment and biodiversity levels

Prior to the contract go-live date of 1st April 2022, Robertson and SDP hosted a free Talking Tenders webinar on the SFRS Hard FM Services contract in January 2022. In total, 118 suppliers attended, including 76 unique Scottish SMEs and two social enterprises: Dovetail Enterprises and Scotland's Bravest Manufacturing Company.

Robertson's commitment to the contract commitments can be seen in the short time the contract has been live. From April to June 2022, 72 total subcontractors had been utilised by Robertson FM, including some third sector businesses.

In addition:

- 16% of 545 total hours of volunteering time has been provided by Robertson to support local community projects
- 28% of 100 total hours toward initiatives to engage people in health interventions is complete
- 26% of total hours supported older, disabled and vulnerable people into work to build stronger community networks

Sample activity from this period also includes:

- Supporting a wellbeing scheme for a charity working with clients who are persistent drinkers with digital inclusion
- Working with community radio charity
- Mentoring a BAME S5 pupil Career Ready programme via a four-week paid internship
- Participation in Developing the Young Workforce Roadshow
- Environmental work for Clackmannanshire community resilience team
- Supporting HMP Grampian with employability advice around facilities management as a route into employment
- Volunteering with Glasgow girl football team

4.6 **Soft Facilities Management**

The following highlights the progress made by Sodexo in the delivery of the Soft FM contract over financial year 2021/22.

Catering Provision

- Active participation in Community Garden now being produced for catering menu's
- Leanpath introduced at all 3 sites and waste reduction targets being set
- Plant based menu options introduced
- New menu cycle introduced with more specialised and differentiated products introduced in order to cater for different age, gender and ethnic groups

Cleaning Provision

- Engagement with social enterprise to fulfil vacancies

Security Provision

- New security officers recruited for Newbridge and top up training arranged for licence renewals

Waste Provision

- Climate action plan developed
- Engagement with waste subcontractor planned for industry updates
- Litter pick completed with 28 bags of rubbish picked up with a special menu created for World Earth Day

Grounds Maintenance

- 17 Cherry trees donated for plant a tree for the jubilee project with Tivoli agreeing to do all pre-plant work

Supplier Engagement

- 41% of catering spend is sourced in Scotland with a further 34% from the UK
- £0.80million worth of purchases in the 12 months of the reporting period was with SMEs

General Service Provision

- Sodexo launched a 100% hybrid and electric vehicle company car policy in November 2021. In FY21, over 68% were hybrid vehicles. All petrol and diesel vehicles will be replaced with electric and hybrid alternatives.

People Initiatives

- 14 Recognising You Awards made:
 - ❖ 1 Star of the Month nomination
 - ❖ 55 safety conversations completed
 - ❖ 20 hours volunteering
 - ❖ 4 carbon literacy certificates awarded
 - ❖ 338 online hours training completed
 - ❖ Collection for Ukraine completed
 - ❖ Gift presentation for cleaner leaving due to family commitments
 - ❖ 12 staff completed First Aid refreshers

4.7 West Asset Resource Centre

The contract for the Design and construction of the West Asset Resource Centre was awarded to McLaughlin Harvey in February 2022. McLaughlin Harvey, have made a commitment to the use of local labour, SME engagement, fair payment as detailed in Appendix Bi. Performance against targets will be measured over the contract term.

A Project Bank account will also be used on the project.

4.8 McDonald Road Modernisation

McDonald Road refurbishment was completed within the financial year. The upgrade is primarily for an efficient and operational fire station, but this extends to other functions in the building. The investment will provide a modern environment for support staff, reflecting our corporate identity. The Scottish Ambulance Service will also have a significant presence on completion of the project as they increase the complement of first responders based here underlining our joint commitment to partnership working.

Work continues on completion of the Museum of Fire.

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Over the contract term, local labour provision, fair payment, SME engagement, SME spend, Micro Business Engagement, local school/college/ university engagement, apprenticeships were all delivered.

Appendix Bii, details the Performance Indicators associated with the project delivery.

4.9. **Portlethen Training Centre**

Refurbishment of our training facilities at Portlethen was completed during financial year 2021/22 with a total social value impact inclusive of local economic value of £924,381 being delivered. Appendix Biii details the breakdown of this total.

This project highlights our continued investment in training facilities, which is intended to enable appropriate training to be delivered as locally as possible, minimising disruption to family life and other employment.

Payments were made through the Project Bank Account (PBA) associated with this project, with both sub-contractors and the main contractor signing up to its use. The PBA required payments made directly and simultaneously by SFRS to members of the construction supply chain involved in the Project and supports prompt payment which assist firms involved in construction projects with their cashflows, this has been particularly important over the reporting period when accounting for the impact of the global pandemic.

4.10 **Wireless Smoke Alarms**

Following the tragic fire at Grenfell Tower in London, a Ministerial Working Group on Building and Fire Safety was established to review Scotland's building and fire safety regulatory frameworks.

As part of this work, the group undertook a consultation on fire and smoke alarms. As a result, a fire alarm new standard was agreed that will cover all homes in Scotland which meant that homes would require to have interlinked alarms.

A new contract was awarded for such alarms to ensure that the SFRS was in a position to provide wireless smoke alarm provision to high-risk households under The Housing (Scotland) Act 1987 (Tolerable Standard) (Extension of Criterion) Order 2019.

Meeting this requirement will assist the SFRS in meeting Scottish Government National Outcomes and ensure that the Service are leading on best practice for Home Fire Safety for high risk groups within the UK

4.11. Fire Retardant Bedding

The Scottish Fire and Rescue Service (SFRS) works closely with local communities and partners to identify those most at risk of unintentional harm within their home. Many of the most vulnerable members of our communities can have underlying health conditions, mobility issues or a dependency to drugs and/or alcohol; this impacting their judgement and lifestyle choices.

Statistics show that smoking is one of the main causes of fire fatalities within the home. Therefore, the SFRS is focussed on prevention activity to target those most at risk, to reduce fire casualties and fatalities, and support intervention activity designed to improve outcomes for our communities across Scotland. The supply of fire retardant textiles can be an effective solution to reduce or mitigate the risk of careless or accidental disposal of smoking materials.

A contract was awarded to Thomas Kneale & Co. Limited for the provision of Fire Retardant Bedding, Throws, Blankets and Mattress Toppers following a call-off from the West Midlands Fire Service National Framework.

4.12 Carbon Management and Climate Change

SFRS has pledged to cut carbon emission by 6% per annum until 2030 which equates to an 80% overall reduction. To support this, we are investing in technologies to reduce waste energy. This has involved working with our contractors to install smart energy controls, low carbon heating, pollution prevention measures, solar panels in our properties throughout Scotland. Full details are contained in Section 3.6: Sustainability.

4.13. **Fleet Initiatives**

A number of contracts were awarded in our fleet category which will assist the SFRS in lessening the impact of our activities on the environment. Working in partnership with the Scottish Government, Transport Scotland and Scottish Enterprise, we awarded a contract for a prototype low emissions fire appliance to local firm Emergency One who are located in Cumnock, East Ayrshire.

The electric appliance, which will be delivered later this year, will have the same capability and equipment as a diesel model and it will be able to assist in emergencies.

It has a range of approximately 220 miles with an 80% charge, which is the equivalent of driving to Dunbar to Dundee and back again.

The performance of the appliance will be monitored over an operational deployment pilot period of 18 months.

In addition, we invested in our light fleet and purchased an additional 60 electric cars and 3 minibuses within the financial year. The SFRS now operate a fleet of 174 low emissions vehicles to support the work of rural firefighters and have charging points at 65 locations which supports the decarbonisation of our light fleet.

4.14. **Fair Work**

SFRS is an Accredited Living Wage employer and through its procurement activity, it continues to ensure that Fair Work provisions are included in relevant contracts, to the extent permitted by law. In the reporting period, twenty-three regulated contracts included Fair Work criterion in the evaluation process. Eleven suppliers who were awarded a regulated contract committed to pay the Real Living Wage and 4 suppliers who were awarded contracts are accredited Living wage employers

4.15 **SME Engagement**

Targeted action, was undertaken by the SFRS in partnership with the Supplier Development Programme (SDP) as part of the market engagement for the Hard Facilities Management Project and this partnership working continued when the new contractor was appointed, with a sub-contractor event held explaining the opportunities that would be available in the wider supply chain.

A free online event held in January 2022 was attended by 118 suppliers, including 78 unique Scottish SMEs. The event provided an overview of potential opportunities with Robertson in the delivery of the Hard FM contract. The SDP shared the recording and wrote a good practice case study on open and transparent supply chain engagement. SMEs from 29 of 32 Scottish local authorities attended the event.

Through this event and other SDP initiatives, Robertson FM was introduced to more than 100 new suppliers it says it may otherwise have been unaware of, which will be key to the successful delivery of the contract. Robertson committed to building upon SDP's expertise throughout the duration of the contract

4.16. **SFRS Donation for Ukraine**

At the outset of the conflict in Ukraine, the SFRS was approached for assistance by the Scottish Emergency Rescue Association (SERA) based in Edinburgh. Asset Management then made arrangements for the release of three appliances from the SFRS disposal list and ensuring that these were fuelled up, serviced and ready to drive across to Poland and/or Romania with eventual deployment in Ukraine. In addition, 'end of life' firefighting kits and uniforms were sent along with the vehicles.

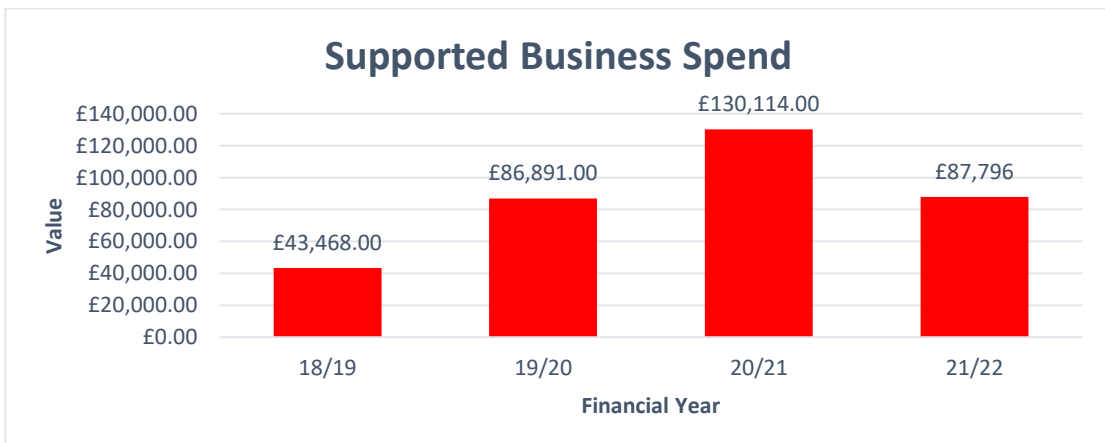
An example of how such vehicles and equipment which would normally have been discarded, have been utilised in a manner in which to extend their life cycle.

Section 5 Supported Business Summary

- 5.1 Section 18(2) (e) of the Procurement Reform Act requires organisations to include a “summary of any steps taken to facilitate the involvement of supported businesses in regulated procurement during the year covered by the report”.
- 5.2 A supported business is defined in Regulation 21 of The Public Contracts (Scotland) Regulations 2015 and means “an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.
- 5.3 SFRS recognise that the inclusion of Supported Business in SFRS procurement activity is a key aspect in delivering its Sustainable Procurement Duty and have a clear commitment to this contained within its Procurement Strategy.
- 5.4 Spend with supported business for the period 1st April 2021 to 31st March 2022 was as follows.

Supported Business	Value (£) Excl. VAT
Capture-All Ltd	£59,368
Haven Products Limited	£12,091
Ulster Supported Business	£7,840
Lady Haig Poppy Factory	£5,525
Dovetail Enterprises	£2,972
Total	£87,796

- 5.5 The following tables highlights the consistency of spend with supported business over the past 4 years.



- 5.6 A contract was also awarded to Scottish Prison Service Industries for the provision of Station Storage Solutions. The contract will provide opportunities for those in the care of the Scottish Prison Service to gain valuable social skills and realistic work skills to enhance employability prospects. The SFRS spend approximately £16,000 on this contract in financial year 2021/22

Section 6 Future Regulated Procurement

6.1 Section 18(2)(f) of the Procurement Reform (Scotland) Act 2014 states it is mandatory that an annual procurement report must include “a summary of the regulated procurements the authority expects to commence in the next two financial years.”

Regulated procurement reflects contracts over £50k in value for goods and services or over £2m in value for public Works (excluding VAT).

6.2 Future regulated procurements have been identified via the following means:

- Current contracts on the SFRS contracts register that will expire and need to be extended or re-let over the next three years.
- New procurements identified via future work plans provided by SFRS Directorates.
- New procurements identified via anticipated work plans for service transformation.
- Projects identified from Capital Programme approved by the Board of Scottish Fire and Rescue Service.

6.3 A full list of procurements which are anticipated to be carried out in the next three years is detailed in Appendix C.

6.4 Contracts which are worth less than the £50k or £2m thresholds are known as “Non-Regulated” procurement. We have included the latter for information to provide transparency of this area of expenditure.

6.5 This Section reflects the range of Goods, Service or Works contracts which, as at June 2022, the SFRS reasonably expects to tender either in 2022-23 or 2023-24. / 2024-25 Whilst SFRS can forward forecast and anticipate a number of contract renewals, the SFRS forward work programme in this Section 5 (both the number of Regulated procurement projects and the estimated £ value) is dynamic and subject to variation annually.

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- 6.6 Emerging or changing business needs and availability of funding or capital to support investment activity also influence when projects may be progressed. In some cases, the SFRS has yet to take a decision whether to exercise an option to extend an existing contract or to retender. The decision-making process will include due consideration of the procurement route options (including collaborative government contracts) which the SFRS could take, and the duration of any new contract.
- 6.7 The appendix lists potential future Goods or Service contracts on the basis of the estimated annual value – this is on the basis that decisions about the duration of the forward contracts are generally confirmed closer to the date of any Contract Notice advertisement.

Section 7 Procurement Performance Analysis

7.1 Procurement Spend

7.1.1 Total non-salary spend for the reporting period (1st April 2021 – 31st March 2022) was approximately £93.39 million (exclusive of VAT) which can be broken down as follows:

Category of Spend	Value (£) Million
In-Scope Spend	81.64
Out of Scope Spend	11.18
Below £4,000	0.57
Total	93.39

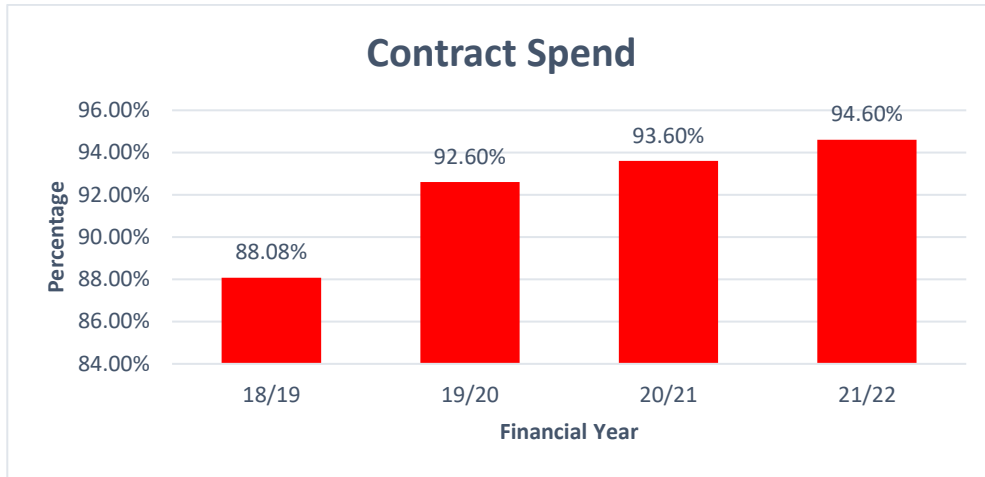
Notes:

- i. “Out of Scope” spend includes payments to local authorities, pension authorities, government bodies etc.
- ii. “In-scope spend” is spend which the organisation can directly influence through the co-ordination and regulation of the SFRS procurement activity.
- iii. Below £4,000 spend amounted to £0.57million. This amount was excluded from the final analysis of spend as shown in the table in paragraph 7.1.2, as it was undertaken in accordance with relevant procurement guidance regarding below £4,000 spend.
- iv. Purchase Card spend of approximately £0.13million is not included in the above total. This spend is monitored on a monthly cycle to ensure use is consistent with the Purchase Card Policy.

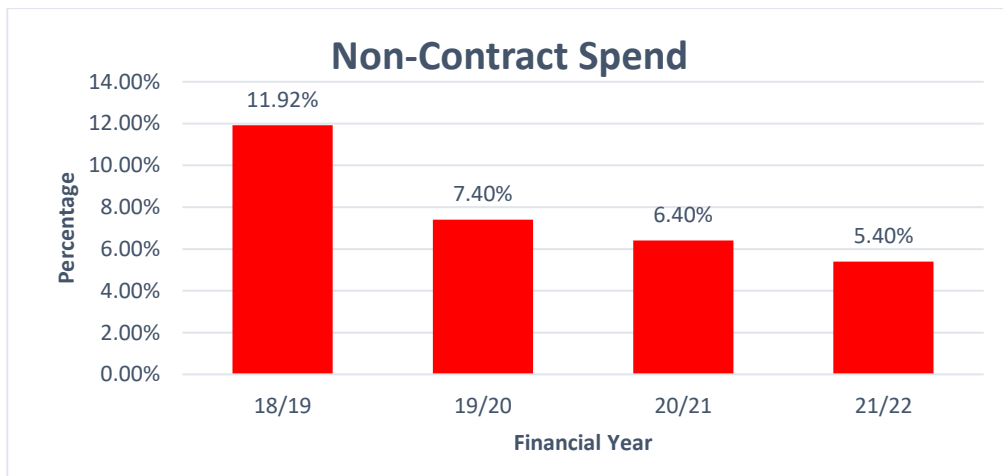
7.1.2 In-scope spend can be broken down as follows:

Category of Spend	1 st April 21 – 31 st March 2022		KPI Target
	Value (£) Million	%	
Contract Spend	77.24	94.60%	95.00%
Non- Contract	4.40	5.40%	
Total	81.64	100.00%	

- i. Contract spend increased over the reporting period when compared with the previous reporting period.



- ii. Non-contract spend was reduced by £0.60million (12%) from the previous financial year figure as detailed in the table below, which highlights the breakdown of non-contract spend over the past 4 financial years.



- iii. It is anticipated that with contracts due to be awarded in the 1st / 2nd quarter of financial year 2022-23 together with planned procurements already commenced, approximately £0.40million of the outstanding non-contract spend will be addressed financial year 2022-23 with full benefit being seen in financial year 2023-24. The remaining areas of non-contract spend are planned to be addressed in current financial / future years. Where resources and priorities permit, the workplan will be revised to enable this to be addressed sooner.

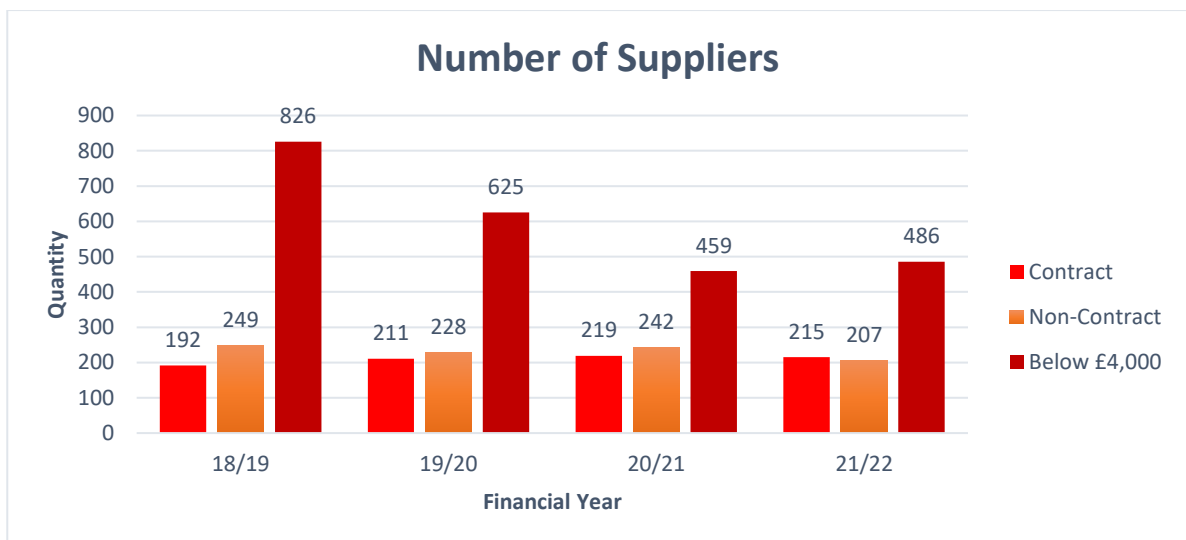
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- ii. Appendix C details the projects that the SFRS anticipates will be progressing in financial years 2022-23 / 2023-24 / 2024-25 that will assist in the delivery of the Capital Programme and addressing remaining areas of non-contract spend.

7.1.3 A total of 908 suppliers were used in the reporting period across the in-scope spend, which is broken down as follows.

Category	Numbers of Suppliers	KPI Target
Contract	215	
Non-contract	207	600
Below £4,000	486	
Total	908	

7.1.4 Supplier numbers over the past 4 reporting periods are shown in the table below:



7.1.5 Contract spend against the top 50 supplier's amounts to approximately 89% of total contract spend.

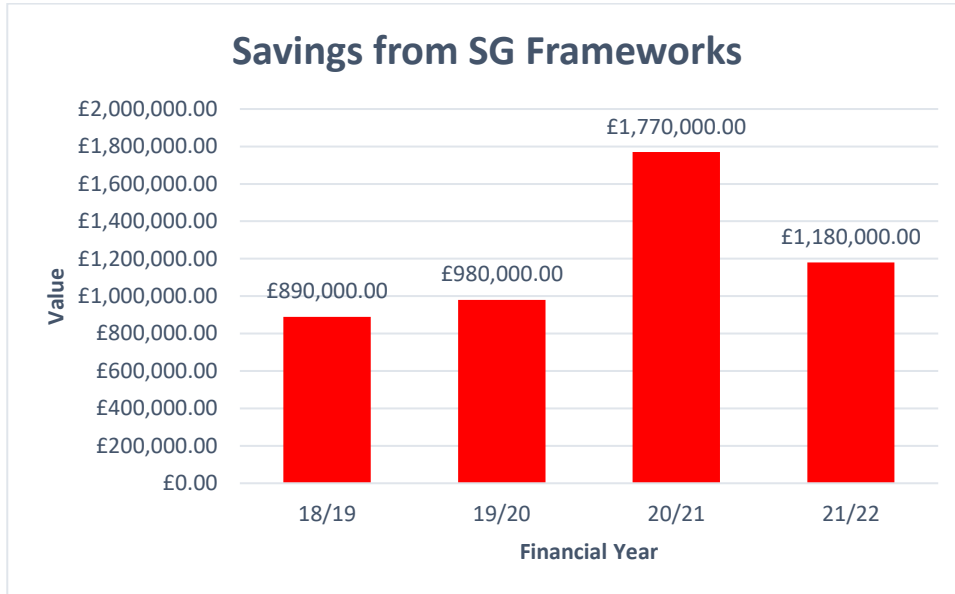
7.1.6 Below £4,000 spend was reduced by 14% from £0.64million to £0.54million, reflecting the continued consolidation of spend into longer term contracts.

7.1.7 Below £4,000 continues to be analysed to see how best it can be undertaken in a manner which supports adherence to current procurement governance and support spend with local SME's and other procurement initiatives linked to Local Community Wealth Building initiatives

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7.1.8 Approximately 85% of total contract spend was through collaborative contracts which represents an increase of 2% on the previous year's figure and a total saving of £1.18million were achieved through the use of Scottish Government frameworks.

7.1.9 The table below illustrates the savings achieved through the use of such frameworks over the past 4 financial years.



7.2 Key Achievements

- 7.2.1 The primary focus for SFRS procurement activity in financial year 2021-22 has been to ensure the continuity of supply for key goods, services and works against the agreed workplan during the period of the global pandemic when all the Procurement Team continued to work from home. Forty-six regulated procurements with a potential value of £186.60 million over the contract term were awarded during the reporting period.
- 7.2.2 Eleven call-offs were made from frameworks with a value below £50,000 with an estimated potential value of £0.26million over the contract term were awarded during the reporting period
- 7.2.3 Twenty-three quotations with an estimated potential value of £0.54 million over the contract term were awarded during the reporting period.
- 7.2.4 Non-Competitive Action (NCA) processes were undertaken on 17 occasions with an aggregated value of £0.23 million and their continued use reflects the need to maintain “business as usual” in several key areas where due to operational and business needs there is limited scope for competition. The NCA processes followed the approval route as stated in the Standing Orders for the Regulation of Contracts.
- 7.2.5 Cash savings of £1.18million were delivered across all procurement activity.
- 7.2.6 Non-contract spend continues to be addressed with a 12% reduction in the previous year’s figure being delivered.
- 7.2.7 The key contract for Hard Facilities Management was awarded which is to-date, the largest monetary contract awarded by the SFRS with a potential value of £132 million over the contract period.
- 7.2.8 Twenty-three regulated contracts included Fair Work criterion in the evaluation process. Eleven suppliers who were awarded a regulated contract committed to pay the Real Living Wage and 4 suppliers who were awarded contracts are accredited Living wage employers.
- 7.2.9 Innovative projects such as the award of Zero Emissions Fire Appliance and GD92 Compliant Mobilising Bearers project were awarded.

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- 7.2.10 A contract for Cenefits Benefits Realisation Software was awarded which will assist in the consistency of recording and reporting of sustainability and community benefits outcomes.
- 7.2.11 Procurement governance was updated with Standing Orders for the Regulation of Contracts being revised and approved by the Board of the SFRS.
- 7.2.12 Actions related “Procurement Red Flag Action Plan, which was developed in response to the Audit Scotland Report for the Scottish Public Sector, were progressed with approximately 80% of actions completed within the reporting period
- 7.2.13 Improvements actions as stated in the Corporate Procurement Strategy Action Plan progressed with approximately 70% completed over the reporting period. Outstanding Actions will be carried forward into the new financial year where these are still relevant.
- 7.2.14 Collaboration opportunities continued to be maximised with partner organisations such as NFCC, Scottish Government, Scotland Excel, other Emergency Services and Crown Commercial Services to ensure the best use of SFRS resources.
- 7.2.15 Guidance was developed in relation to contract and supplier Management and all levels of contract management mapped out, which will ensure a consistent approach across the service and address a key improvement action within the PCIP Action Plan.
- 7.2.16 A survey was completed for all relevant contractors who are required to publish a Modern Slavery Statement.
- 7.2.17 The rolling workplan was revisited and refreshed for the period 1st April 2022 – 31st March 2024.
- 7.2.18 Training support continued to be provided to the Procurement Team with support provided for the continuation of professional Chartered Institute of Procurement Institute training.
- 7.2.19 The Procurement Team completed on-line training related to Sustainability and Climate Change.
- 7.2.20 The SFRS worked successfully in partnership with the Supplier Development Programme in relation to Hard Facilities Management with the approach being recognised by being shortlisted in the GO Awards 2022/23 in the Category of Contract and Supplier Management

7.2.21 The following represent a sample of the Regulated Procurements awarded in the reporting period:

- Provision of Hard Facilities Management
- Ultra-Low Emissions Fire Appliance
- Medium Weight Adaptable Rescue Pumps
- Provision of Fire Investigation Vehicles
- Provision of Low Emission Vehicles
- Fluid Management Various
- Post Incident Support Services
- Supply of Wireless Smoke Alarms
- West Asset Resource Centre Design and Build
- PDR-Pro LCMS Service
- Provision of Fire Retardant Textiles
- Ill Health Retiral / IQMP Services
- Provision of Protection Officers Training
- Specialist Flood & Water Rescue Training Services

7.3 Procurement Priorities in Financial Year 2022-23

7.3.1 The Action Plan as detailed in the Corporate Procurement Strategy has been update and is detailed in Appendix E.

7.3.2 In 2022-23 the focus for procurement will be ensuring business as usual for SFRS through the delivery of contractual arrangements to meet the organisation's needs with prioritisation given to the delivery of the Capital Programme. Appendix C details future procurements for years 2022-23 / 2023-24 / 2024-25. We will work with our customers to ensure that the rolling three-year workplan continues to meet the needs and expectations.

7.3.3 Support will continue to be provided to support the procurement process for a new system in relation to the People Training, Finance and Assets project.

7.3.4 We will continue with the implementation of Cenefits to develop greater consistency in the recording and reporting of sustainability and community benefit outcomes.

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- 7.3.5 The Supplier Development Programme will continue to be support with attendance at national and local Meet the Buyer events. Targeted support for specific projects will also continue to be explored.
- 7.3.6 Our commitment to sustainability will continue and we will monitor of level of performance and the actions required to embed good practice against the requirements of the Flexible Framework.
- 7.3.7 Work will commence on the development and publication of the SFRS Modern Slavery and Human Trafficking Statement.
- 7.3.8 Non-contract spend will be further analysed to better understand how outstanding areas can be addressed and we will engage with Directorates to address this.
- 7.3.9 The Category Teams will continue to explore opportunities for the SFRS to collaborate with our public-sector partners.
- 7.3.10 We will seek to enhance feedback mechanisms for suppliers in our procurement process.
- 7.3.11 We will seek to adopt the Scottish Government From now to 2030 (FNT2030) templates across individual categories.
- 7.3.12 Further development of Procurement iHub site will be undertaken with publication of all Procurement governance and procedures to aid SFRS understand procurement performance and improve transparency.
- 7.3.13 We will engage with colleagues to develop an SFRS Internet Page for Procurement to aid suppliers access workplan, governance arrangements and to understand our performance.
- 7.3.14 Opportunities for the inclusion will continue to be explored across all categories
- 7.3.15 The PCIP Action Plan will be updated to account for new question set and improvement actions progress.
- 7.3.16 Further progress against the Red Flag Fraud Action Plan shall continue to be monitored.
- 7.3.17 The SFRS response to the Flexible Framework will be further developed.

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7.3.18 Training events will be attended to enable the Procurement Team to enable them to understand the nature of the procurement legislative reform post EU exit.

7.3.19 Actions to support the SFRS Stonewall membership will be progressed.

7.3.20 Our governance procedures for Works contracts will continue to be updated.

Section 8: Further Information

For further information on our annual report or any other information on the procurement work that we're doing in SFRS please contact:

John Thomson

Acting Director of Finance and Procurement

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APPENDIX A (i)- REGULATED PROCUREMENTS

Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F6C-100-2021	Provision of Cleaning Products	Bunzl Cleaning & Hygiene Supplies	Call Off from Framework	£288,214	13/04/2021	13/04/2025	13/04/2025
F3A-103-2021	Lease of Franking Machines and Associated Consumables	The Mailing Room (TMR)	Call Off from Framework	£144,806	21/04/2021	20/04/2024	19/04/2025
t2a-093-1920	Provision of Right Angle Torches	Peli Products (UK) Limited	Open Procedure	£403,000	03/05/2021	03/05/2023	03/05/2025
F5A-003-2122	Provision of Egress Licences	Softcat PLC	Call Off from Framework	£115,674	24/06/2021	23/06/2024	23/06/2024
T4C-125-1920	Medium Weight Adaptable Rescue Pumps	Emergency One (UK) Ltd	Framework	£26,500,000	30/06/2021	29/06/2025	29/06/2025
F3A-031-2122	Research Partnering Services	Gartner	Call Off from Framework	£57,400	19/07/2021	18/07/2022	18/07/2023
F5A-023-2122	Provision of Wide Area Network - Temporary Continuation	Virgin Media Business	Framework	£911,467	26/05/2021	25/06/2022	25/05/2023

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F3A-058-2122	Provision of Interim Professional Staff Services	Harvey Nash	Call Off from Framework	£52,417	13/09/2021	12/09/2022	11/09/2023
F4A-126-2021	Provision of Fire Investigation Unit Vehicles	Angloco Limited	Call Off from Framework	£137,772	13/09/2021	12/09/2024	12/09/2026
F4A-068-2122	Provision of Light to Medium Commercial Vehicles	Mercedes Benz Western Commercial	Call Off from Framework	£537,212	22/09/2021	21/09/2024	21/09/2024
F3A-144-2021	Provision of Media Planning, Buying and Associated Services	Republic of Media	Call Off from Framework	£250,000	28/09/2021	31/08/2023	31/08/2023
F4A-034-2122	Provision of Low Emission Vehicles	Arnold Clark Motor Group	Call Off from Framework	£2,047,681	06/07/2021	05/07/2022	5/7/22
F3A-033-2122	Provision of Hotel Fire Escape Staycation Advert	Republic of Media	Call Off from Framework	£70,078	12/07/2021	31/08/2021	31/08/2021
F4A-044-2122	Provision of Large Pool Vans for Fleet	Mercedes Benz Western Commercial	Call Off from Framework	£566,910	26/07/2021	25/07/2024	25/07/2024
F6A-080-2021	Provision of Hard FM Contract Management Solution	Think Project Ltd	Call Off from Framework	£100,000	22/11/2021	21/11/2023	21/11/2025

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
T2C-052-2122	Fluid Management: Lot 1 Lay Flat Fire Delivery Hose	Angus Fire Ltd	Call Off from Framework	£850,000	14/12/2021	13/12/2023	13/12/2025
T2C-052-2122	Fluid Management Lot 2 Fluid Transfer Equipment and Compressed Air Foam Systems	Fire Hosetech Limited	Call Off from Framework	£58,191	14/03/2022	13/03/2024	13/03/2026
T2C-052-2122	Fluid Management: Lot 3 Semi-Rigid Firefighting Delivery Hose / Hard Suction Hose	Premier Hose Technologies Ltd	Call Off from Framework	£37,000	14/12/2021	13/12/2023	13/12/2025
F5A-028-2122	Provision of ICT Recruitment Campaign	Badenoch and Clark	Framework	£100,000	06/08/2021	05/08/2022	05/08/2022
F5A-035-2122	Provision of Backup Replacement	Proact IT Group	Call Off from Framework	£268,107.00	01/09/2021	31/08/2024	31/08/2026
F5A-010-2122	Provision of Server Maintenance	Park Place Technologies Limited	Call Off from Framework	£79,758	24/09/2021	23/09/2023	23/09/2023
F2C-099-2021	Batteries	YESSS Electrical	Call Off from Framework	£96,000	01/09/2021	31/08/2025	31/08/2025
T6C-055-2021	Hard Facilities Management Re-provision	Robertson Facilities Management Ltd	Restricted	£132,000,000	01/04/2022	31/03/2027	31/03/2030

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F5A-139-2122	Provision of Interim IT Staff Services	Lorien Resourcing Limited	Call Off from Framework	£77,352	05/04/2022	30/09/2022	30/09/2022
NP3C-089-2122	Specialist Flood & Water Rescue Training Services	Rescue 3 Europe Limited	Negotiated Procedure without Competition	£75,650	01/04/2022	31/03/2025	31/03/2025
T3C-072-2122	Post Incident Support Services	The Rivers Centre for Traumatic Stress, NHS Lothian	Open	£675,449	18/01/2022	16/01/2026	16/01/2026
F5A-029-2122	Provision of Nintex Licences and Associated Professional Services	Synergi	Call Off from Framework	£600,000	31/01/2022	22/01/2024	22/01/2026
F5A-029-2122	Provision of Professional Services	Sword I.T Solutions	Call Off from Framework	£240,000	31/01/2022	22/01/2024	22/01/2024
F3C-126-2122	Supply of Wireless Smoke Alarms	Aico	Call Off from Framework	£663,300	31/01/2022	31/03/2022	00/01/1900
F5A-094-2122	Provision of Direct Access Replacement	Softcat PLC	Call Off from Framework	£80,435	07/02/2022	06/02/2025	06/02/2025
T3A-032-2122	Provision of Protection Officers Training	C S Todd Associates	Open Procedure	£337,122	11/02/2022	10/02/2025	10/02/2027

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F3A-065-2122	People & Finance Cloud Support	Moore Stephens Insight	Call Off from Framework	£113,425	04/10/2021	03/10/2022	03/10/2023
F5A-105-2122	Provision of Ivanti ITSM & Related Professional Services	Softcat PLC	Call Off from Framework	£144,039	01/03/2022	28/02/2025	28/02/2025
Q3A-062-2122	Specialist Medical Supplies	Baymed Healthcare Limited	Open Procedure	£243,750	01/03/2022	28/02/2025	28/02/2027
F3C-005-1920	Ill Health Retiral/IQMP Services	Genesis Occupational Health	Call Off from Framework	£250,000	07/03/2022	06/03/2026	06/03/2026
F3A-106-2122	Provision of Fire Retardant Textiles	Thomas Kneale & Co Ltd.	Call Off from Framework	£600,000	14/03/2022	13/03/2025	12/03/2026
F5A-011-2122	Provision of Dell Boomi Integration & Professional Services	Phoenix Software Limited	Call Off from Framework	£221,147	14/03/2022	13/03/2024	13/03/2024
F3A-076-2122	Provision of Gymnasium Equipment Maintenance	Sportsafe UK Ltd	Call Off from Framework	£250,000	28/03/2022	27/03/2025	27/03/2027
F3A-027-2122	PTFAS Interim Staff Project Manager	Lorien Resourcing Limited	Call Off from Framework	£139,650	01/04/2022	31/03/2023	31/03/2023

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F3A-046-2122	PTFAS Interim Staff Business Analyst	ASA Recruitment	Call Off from Framework	£121,365	01/04/2022	31/03/2023	31/03/2023
F5A-127-2122	PDR-Pro LCMS Service	eFire Service	Call Off from Framework	£1,517,879	01/04/2022	31/03/2024	31/03/2026
T4C-054-2021	Ultra-Low Emissions Fire Appliance	Emergency One (UK) Ltd	Call Off from Framework	£660,000	01/12/2021	30/11/2024	30/11/2024
F3A-061-2122	Employee Assistance Counselling Services	Health Assured Ltd	Call-Off from Framework	£50,908	01/02/2022	31/01/2023	31/01/2025
	West Asset Resource Centre Design & Build	McLaughlin Harvey	Call Off from Framework	£13,575,735	21/02/2022	06/03/2023	06/03/2023
Q6A-102-2021	Provision of Station Storage Solutions	Scottish Prison Service	Direct Award	£50,000	22/12/2021	21/12/2023	21/12/2025

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APPENDIX Aii: CALL-OFFS FROM FRAMEWORKS WITH VALUE BELOW £50,000

Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F2A-037-2021	Provision of Bottled Water	Brake Brother's Limited	Call Off from Framework	£26,500	12/04/2021	12/04/2025	12/04/2025
F5A-008-2122	Provision of Interim Professional Staff Services	Venesky Brown Recruitment Limited	Call Off from Framework	£9,960	24/05/2021	13/08/2021	31/12/2021
F5A-018-2122	Provision of Interim IT Staff Services	Venesky Brown Recruitment Limited	Call Off from Framework	£43,065	24/05/2021	26/11/2021	26/11/2021
F5A-024-2122	Provision of Professional Services	Proact IT Group	Call Off from Framework	£11,600	27/06/2021	26/06/2022	26/06/2022
F5A-045-2122	Provision of Interim IT Staff Services	Lorien Resourcing Limited	Call Off from Framework	£20,807	26/07/2021	31/12/2021	31/12/2021
F5A-048-2122	Provision of Interim IT Staff Services	ASA Recruitment	Call Off from Framework	£15,877	09/08/2021	05/11/2021	05/11/2021
F5A-047-2122	Provision of Vehicle Inventory App (Reporting Dashboard Upgrade)	ESRI (uk) Limited	Call Off from Framework	£29,728	09/08/2021	31/03/2022	31/03/2022

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
F3A-050-2122	Provision of Interim Professional Staff Services	Harvey Nash Limited	Call Off from Framework	£30,189	17/08/2021	12/08/2022	11/08/2023
F5A-101-2122	Provision of Interim IT Staff Services	Harvey Nash Limited	Call Off from Framework	£33,648	20/12/2021	31/03/2022	31/03/2022
F5A-013-2122	Provision of Pluralsight	Softcat	Call Off from Framework	£23,861	01/03/2022	28/02/2025	28/02/2025
F3C-117-2122	Provision of Fitness Equipment (Supply, Delivery and Installation)	Gym Gear	Call Off from Framework	£11,760	08/02/2022	31/03/2022	31/03/2022

APPENDIX Aiii: WORKS CONTRACTS WITH VALUE BELOW £2,000,000

Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
	Inverness Phase 1	Morgan Sindall	Non-Regulated Procurement	£532,760	16/09/2021	28/01/2022	28/01/2022
	Museum of Fire	Elmwood Projects	Non-Regulated Procurement	£403,970	11/08/2021	17/07/2022	17/07/2022

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APPENDIX Avi - QUOTATIONS

Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
Q2B-015-2122	Hapsite smart Plus Preventative Maintenance and Performance Testing	Inficon Ltd	Quotation	£26,180	06/04/2021	05/04/2022	05/04/2022
Q3A-004-2122	Provision of Home Fire and Safety Visit Request Line	Orbis Protect Limited	Quotation	£46,580	23/06/2021	22/06/2022	21/06/2023
Q5A-016-2122	Provision of VMWare Workspace ONE Support	Phoenix Software Limited	Quotation	£14,605	11/06/2021	10/06/2022	10/06/2022
Q4A-006-2122	Provision of Fuel Management System	Cameron & Baxter Industrial Services t/a Industrial Services	Quotation	£32,000	23/08/2021	22/08/2023	23/08/2024
Q5A-037-2122	Provision of Cyber Security Training	Cybsafe Limited	Quotation	£42,240	31/07/2021	30/07/2022	30/07/2022
Q3A-007-2122	Provision of Courier Services	LKMz Couriers Limited	Quotation	£3,,062	02/08/2021	01/08/2024	01/08/2024
Q3A-019-2122	Provision of Museum of Scottish Fire Heritage Website Development	Surface Impression Limited	Quotation	£49,140	08/09/2021	07/09/2024	07/09/2024

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
Q3C-049-2122	Provision of Presentation Coins	Koin Limited	Quotation	£21,702	22/09/2021	31/10/2021	31/10/2021
Q4A-067-2021	Provision of Fuel Site Maintenance	Cadden Engineering Scotland Ltd	Quotation	£26,086	12/11/2021	11/11/2024	11/11/2026
Q3C-087-2122	Delivery of Presentation Challenge Coins	Koin Limited	Quotation	£26,470	03/11/2021	26/11/2021	26/11/2021
Q3A-091-2122	IOSH MANAGING SAFELY	Ligtas Consultancy & Training Ltd	Quotation	£45,540	10/01/2022	30/09/2022	30/09/2022
Q3A-093-2122	Provision of support for undertaking a review of Audience Insight Research	Diffley Partnership Ltd	Quotation	£14,275	21/12/2021	20/12/2022	20/12/2022
Q3A-100-2122	SFRS Website and Intranet Future Development Scope and Options Appraisal	Storm ID	Quotation	£19,999	06/01/2022	31/03/2022	31/03/2022
Q5A-060-2122	Provision of OATH Tokens	Deepnet Security Limited	Quotation	£36,000	24/01/2022	23/01/2023	23/01/2023
Q3A-043-2122	Provision of Recruitment Services - Health and Safety Advisers (Fixed Term Contracts)	Synergize Consulting Limited; and Morgan Hunt	Quotation	£11,200	14/10/2021	14/11/2021	14/11/2021

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
Q5A-113-2122	Provision of Sharegate Licences	Softcat PLC	Quotation	£5,582	26/03/2022	25/03/2023	25/03/2023
Q5A-114-2122	Provision of ManageEngine ADManager and ADSelfService	Boxxe Limited	Quotation	£9,041	13/03/2022	12/03/2023	12/03/2023
Q3A-098-2122	CIPD L7 Advanced Diploma in Strategic People Management	Watson Martin	Quotation	£14,940	21/03/2022	20/03/2024	20/03/2024
Q3C-110-2122	Provision of Workplace Accessed Core Skills of Numeracy and ICT at SCQF Level 5 for Firefighter Modern Apprentices	New College Lanarkshire	Quotation	£38,927	21/03/2022	20/03/2023	20/03/2023
Q3C-137-2122	Functional Hearing Test Calibration Services	Acoustic Metrology Ltd	Quotation	£2,000	14/03/2022	on completion	on completion
Q5A-128-2122	Provision of Adobe Licence Bundle	Insight Direct (UK) Ltd	Quotation	£8,470	13/04/2022	12/04/2023	12/04/2023
Q3A-135-2122	Provision of Security Services	McClumpha Associates	Quotation	£48,688	25/03/22	24/03/23	24/03/23
Q5A-083-2122	Provision of Community risk Index Model (2nd External Evaluation)	DAMSL Limited	Quotation	£8,000	11/10/21	17/12/21	17/12/21

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APPENDIX Av - NON- COMPETITIVE ACTION (NCA)

Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
2C-040-2122	Chemline Subscription	Respirex	NCA	£16,000	01/04/2021	31/03/2022	31/03/2022
NC5A-021-2122	Provision of ICT Architect Recruitment	Hays	NCA	£9,600	07/06/2021	06/08/2021	06/08/2021
NC5A-036-2122	Provision of Intranet Services	VerseOne	NCA	£20,165	19/07/2021	18/07/2022	18/07/2022
NC5C-099-2122	Provision of OC Voice Recorders and Support	SVL Business Solutions	NCA	£11,000	01/02/2022	31/01/2023	31/01/2023
NC5A-136-2122	Renewal of Philips Sopho telephone switch maintenance at Edinburgh Fire Control	Getronics	NCA	£17,823	01/04/2022	31/03/2023	31/03/2023
NC3A-141-2122	Provision of Geodemographic Dataset	CACI Ltd	NCA	£17,010	01/04/2022	31/03/2023	31/03/2023
NC2C-143-2122	Replacement Outboard Motor	Ferry Marine Ltd	NCA	£6,800	07/04/2021	07/04/2021	07/04/2021

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
N3C3-070-2122	MSc Human Resource Mgt course	Glasgow Caledonian University	NCA	£10,000	02/09/21	01/09/2024	01/09/2024
N3C-039-2122	Skills for Justice Membership	Skills for Justice	NCA	£12,800	01/04/2021	31/04/2022	31/04/22
N3C-042-2122	Career Ready Foundation	Career Ready / The career Academy Foundation	NCA	£7,434.54	09/07/21	08/07/2022	08/07/2022
NC3C-025-2122	Water Rescue Training	Rescue 3	NCA	£23,580.30	26/05/2021	31/03/2022	31/03/2022
NC3C-069-2122	Vema High Lift Appliance Training	Vema Lift Oy	NCA	£20,000	03/09/2021	02/09/2022	02/09/2022
NC3C—077-2122	DACO Recruitment Services	Fire Knowledge Ltd	NCA	£21,000	22/09/2021	31/03/2022	31/03/2022
NC3C-078-2122	Rosenbauer Highlift Appliance Instructors Training	Rosenbauer	NCA	£16,614	24/09/2021	30/09/2021	30/09/2021
NC3C-079-2122	Angloco Highlift Appliance Instructors Training	Angloco	NCA	£12,120	24/09/2021	30/09/2021	30/09/2021

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Reference	Contract	Supplier	Procedure	Total Contract Value	Contract Start Date	Contract Expiry Date	Contract Expiry Date (inclusive of any extensions)
NC3C-086-2122	Excellence Squared Academy Membership	Excellence Squared Academy	NCA	£9,520	19/11/2021	31/03/2022	31/03/2021
NC3C-144-2122	Corporate Professional Training	TCS Engagement	NCA	£6,000	03/02/2022	31/01/2023	31/01/2023
NC2C-145-2122	Respirex International Ltd	Chemline Subscription	NCA	£16,000	01/04/2021	31/03/2022	31/03/2022

APPENDIX Bi – WEST ARC PERFORMANCE DATA**Scape Framework: National Construction Framework****Client: Scottish Fire and Rescue Service**

KPI	Scape Target	West Arc
Time Predictability - Preconstruction	100%	100%
Time Predictability - Construction	100%	100%
Cost Predictability - Preconstruction	100%	100%
Cost Predictability - Construction	100%	100%
Health and Safety	100%	100%
Number of Environmental Incidents	100%	100%
Fair Payment	100%	100%
Considerate Constructor	38	
Client Satisfaction – Service and Product	8	
Client Satisfaction - Product	8	
Client Satisfaction - Defects	8	
KPI	Client Target	West Arc
Local Labour – Within 20miles	40%	70.29%
Local Spend – Within 20 miles	40%	96.89%
SME Engagement	85%	87.50%
SME Spend	85%	99.90%
Achievement of Client’s Social Value Targets	100%	On Target
Client Satisfaction – Value for Money	8	

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KPI	Scape Target	Scape Term Contract General
Time Predictability	100%	100%
Cost Predictability	100%	100%
Fair Payment	100%	38.46%
Local Spend – within 20 miles	35%	See Below
SME Engagement	85%	26.32%
SME Spend	85%	24.40%
Achievement of Client’s Social Value targets	100%	See Below
Client Satisfaction	8	
Client Satisfaction	8	

Social Value

Measure	Target	Number Delivered
NT1: No. of local direct employees (FTE) hired or retained on contract	10	
NT1c: No. of local people (FTE) on contract, employed through the supply chain.	18	
NT8: No. of staff hours spent on local school and college visits e.g. delivering career talks, curriculum support, literacy support, safety talks (including preparation time)	N/A	
NT28: Donations or in-kind contributions to local community projects (£ & materials)	N/A	
NT32: Car miles saved on the project as a result of a green transport programme or equivalent	330	

APPENDIX Bii – MCDONALD ROAD PERFORMANCE DATA

PI Title	Score	Data	Target
Time & Cost			
C1 PI - Time Predictability - Preconstruction	0.00%	0.00%	Score of 0% or less, with 0% indicating completion on programme (after accounting for the effects of any client agreed changes), and a minus % indicating completion earlier than programmed.
C2 PI - Time Predictability - Construction	47.27%	47.27%	Score of 0% or less, with 0% indicating completion on programme (after accounting for the effects of any client agreed changes), and a minus % indicating completion earlier than programmed
C3 PI - Cost Predictability - Preconstruction	-2.11%	-2.11%	Score of 0% or less, with 0% indicating completion on budget/cost (after accounting for the effects of any client agreed changes), and a minus % indicating completion less than budget/cost.
C4 PI - Cost Predictability - Construction	0.00%	0.00%	Score of 0% or less, with 0% indicating completion on cost (after accounting for the effects of any client agreed changes), and a minus % indicating completion less than cost.
Defects	N/A	N/A	0% or less difference between agreed and actual making good defects date

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PI Title	Score	Data	Target
Quality			
C5 PI - Employer/Client Satisfaction – Defects	N/A	N/A	8
C6 PI - Health & Safety - RIDDOR accidents(<i>0 RIDDOR accidents equates to a score of 10</i>)	0.00	0	0
C7a PI - Employer/Client Satisfaction – Service - Preconstruction	9.20	9.20	8
C7b PI - Employer/Client Satisfaction – Service - Construction	N/A	N/A	8
C8a PI - Employer/Client Satisfaction – Product - Preconstruction	8.50	8.50	8
C8b PI - Employer/Client Satisfaction – Product - Construction	N/A	N/A	8
C9a PI - Employer/Client Satisfaction – Value for Money - Preconstruction	8.80	8.80	8
C9b PI - Employer/Client Satisfaction – Value for Money - Construction	N/A	N/A	8
C11 PI - Supply Chain Satisfaction	10.00	10.00	8
MiBuild Manage	100.00	Yes	Offered
2 Years standard aftercare	100.00	Yes	Offered
Defects reported per £m of construction	100.00%	0	TBC
Defect Response Times (Routine)	N/A	N/A	100%

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PI Title	Score	Data	Target
Value for money achieved	N/A	N/A	£89,910
FM Design Review	100.00	Yes	Offered
Defect Response Times (Urgent)	N/A	N/A	100%
Employer/Client Satisfaction - DQI	10.00	10	8
50hrs Free Strategic Advice	100.00	Yes	Offered
Project Bank Account	100.00	Yes	Offered
Defect Response Times (Serious)	N/A	N/A	100%
Social			
C10 PI - Fair Payment	N/A	N/A	100% of payments to tier 2 made within 19 days of the Due Date
PI - Fair Payment (Client payments made on time)	100%	100%	Client payments made on time
PI - Fair Payment (Tier 2 payments made within 19 days)	100%	100%	Tier 2 payments made within 19 days
C13 PI - Considerate Constructor	42.00	42.00	38
S1 PI - Local Labour	100.00%	100.00	20% to be within 10 miles from site, 40%

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PI Title	Score	Data	Target
			within 20 miles from site, 75% to be in range 0-40 miles from site
PI - Local Labour (20% to be within 10 miles from site)	40.13%	40.13%	20% to be within 10 miles from site
PI - Local Labour (40% to be in range 0-20 miles from site)	61.61%	61.61%	40% to be in range 0-20 miles from site
PI - Local Labour (75% to be in range 0-40 miles from site)	97.19%	97.19%	75% to be in range 0-40 miles from site
S2 PI - Local Spend	50.00%	Within 10 miles : 37.67% Within 20 miles : 49.87% Within 40 miles : 60.94%	20% within 10 miles, 40% within 20 miles, 75% within 40 miles
PI - Local Spend (Within 10 miles)	37.67%	37.67%	Within 10 miles
PI - Local Spend (Within 20 miles)	49.87%	49.87%	Within 20 miles
PI - Local Spend (Within 40 miles)	60.94%	60.94%	Within 40 miles

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PI Title	Score	Data	Target
S3 PI - SME Engagement	87.10%	87.10%	85% of total number of suppliers to be SMEs
S4 PI - SME Spend	79.15%	79.15%	85% of subcontractor's value to be SME's
S5 PI - Micro Business Engagement	4.30%	4.30%	10% of total number of suppliers to be Micro Businesses
S6 PI - Micro Business Spend	0.51%	0.51%	10% of subcontractor's value to be Micro Businesses
Lectures at local schools	133.33%	4	3
V2 – Social Value	34.44%	34.44	5
No. of BAME black, Asian and minority ethnic into employment	0.00%	0	1
No. of BAME black, Asian and minority ethnic Completing Apprenticeships	0.00%	0	1
No. of BAME black, Asian and minority ethnic in Work Experience over 16	100.00%	1	1
Number of Women into employment	500.00%	5	1

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PI Title	Score	Data	Target
Work experience under 16 years	150.00%	3	2
University/college visits	233.33%	7	3
Number of apprentices created	233.33%	7	3
Number of adults employed	650.00%	26	4
Number of adult employment opportunities created	520.00%	26	5
Graduate recruitment	100.00%	1	1
Charity Work	0.00%	0	2
CIOB/ICE/RICS/CIBSE/APM etc – Starts	300.00%	3	1
Catalyst Companies	100.00%	1	
CIOB/ICE/RICS/CIBSE/APM etc – Completions	100.00%	1	1
University/college sponsorship of students	100.00%	1	1
Degree/HNC or similar – Starts	300.00%	3	1
No. of BAME black, Asian and minority ethnic in Work Experience Under 16	0.00%	0	1
Degree/HNC or similar – Completions	100.00%	1	1
No. of BAME black, Asian and minority ethnic Starting Apprenticeships	0.00%	0	1
NVQ (any level) – Starts	38.89%	7	18

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PI Title	Score	Data	Target
No. of BAME black, Asian and minority ethnic achieving professional or academic qualifications	0.00%	0	1
NVQ (any level) – Completions	18.75%	3	16
Community Engagement	100.00%	1	1
No. of Women in Work Experience Under 16	0.00%	0	1
School leaver recruitment	N/A	N/A	1
No. of Women in Work Experience Over 16	150.00%	3	2
School visits/workshops	125.00%	5	4
Number of Women Starting Apprenticeships	0.00%	0	1
PI – Social Value (TOMS)	N/A	N/A	
Number of Women Completing Apprenticeships	0.00%	0	1
Work experience over 16 years	88.89%	8	9
Number of Women achieving professional or academic qualifications	0.00%	0	1
Work placement during university/college courses	160.00%	8	5
Lectures at local universities/colleges	50.00%	1	2
Number of apprentices completed	0.00%	0	1
Environmental			

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PI Title	Score	Data	Target
C12 PI - Waste diverted from landfill	95.91%	95.91%	96% diverted from landfill
PI-5b Impact on biodiversity - Construction	N/A	N/A	8
Mains Water Use	2.83	2.83	5.3m3/£100k
Commercial Vehicle Movements	3.53	3.53	16.5/£100k
Energy Use - Product	N/A	N/A	2940kg CO2e/100m2
Atentu - Post Occupancy Support	100.00	Yes	Offered
Energy use - Process	386.87	257.45	2940kg CO2e/100m2
BREEAM assessment rating on all new buildings	100.00	NA	Very Good

APPENDIX Biii – PORTLETHEN SOCIAL VALUE SUMMARY

Ref	Measurement Requirements	Unit	PROXY VALUE	Delivered	SVA £
Jobs: Promote Local Skills and Employment					
More local people in employment					
NT1	No. of local people (FTE) employed on contract for one year or the whole duration of the contract, whichever is shorter.	no. people FTE	£28,758.00	1.00	£28,758.00
NT2	% of local people employed on contract (FTE)	%	£0.00		£0.00
More opportunities for disadvantaged people					
NT3	No. of employees (FTE) taken on who are long term unemployed (unemployed for a year or longer)	no. people FTE	£15,085.95	0.00	£0.00
NT4	No. of employees (FTE) taken on who are not in employment, education, or training (NEETs)	no. people FTE	£12,776.32	1.00	£12,776.32
NT5	No. of employees (FTE) taken on who are rehabilitating young offenders (18-24 y.o.)	no. people FTE	£15,856.88	0.00	£0.00
NT6	No. of jobs (FTE) created for people with disabilities	no. people FTE	£13,234.70	0.00	£0.00
NT7	No. of hours dedicated to supporting unemployed people into work by providing career mentoring, including mock interviews, CV advice, and careers guidance -(over 24 y.o.)	no. hrs*no. attendees	£100.33	121.00	£12,139.93
Improved skills for local people					
NT8	Local school and college visits e.g. delivering careers talks, curriculum support, literacy support, safety talks (No. hours, includes preparation time)	no. staff hours	£14.80	879.00	£13,009.20
NT9	No. of training opportunities on contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by	no. weeks	£246.39	409.00	£100,773.51

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	the organisation to completion in the following years - Level 2,3, or 4+				
NT10	No. of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	no. weeks	£176.80	696.60	£123,158.88
Improved employability of young people					
NT11	No. of hours dedicated to support young people into work (e.g. CV advice, mock interviews, careers guidance) - (under 24 y.o.)	no. hrs*no. attendees	£100.33	2451.00	£245,908.83
NT12	No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)	no. weeks	£148.95	55.20	£8,222.04
NT13	Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)	no. weeks	£148.95	0.00	£0.00
Growth: Supporting Growth of Responsible Regional Business					
More opportunities for local SMEs and VCSEs					
NT14	Total amount (£) spent with VCSEs within your supply chain	£	£0.12	0.00	£0.00
NT15	Provision of expert business advice to VCSEs and SMEs (e.g. financial advice / legal advice / HR advice/HSE)	no. staff expert hours	£85.57	0.00	£0.00
NT16	Equipment or resources donated to VCSEs (£ equivalent value)	£	£1.00	0.00	£0.00
NT17	Number of voluntary hours donated to support VCSEs (excludes expert business advice)	no. staff volunteering hours	£14.80	0.00	£0.00
NT18	TOTAL amount (£) spend with LOCAL Supply Chain through the contract.	£	£0.62	0.00	£0.00

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NT19	TOTAL amount (£) spend through the contract with LOCAL SMEs.	£	£0.62	604174.27	£374,588.05
Improving staff wellbeing					
NT20	Demonstrate commitment to work practices that improve staff wellbeing, recognise mental health as an issue and reduce absenteeism due to ill health. Identify time dedicated for wellbeing courses	no. hrs*no. attendees	£97.75	0.00	£0.00
A Workforce and Culture that reflect the diversity of the local community					
NT21	Diversity Training provided for contractors and subcontractors	No. Hours x No. Attendees	£0.00	0.00	£0.00
Ethical Procurement is Promoted					
NT22	% of procurement contract that includes commitments to ethical procurement, including to verify anti slavery and other relevant requirements	%	£0.00	0.00	£0.00
Social Value Embedded in the Supply Chain					
NT23	% of contract with the supply chain on which social value commitments, measurement and monitoring are required	%	£0.00	0.00	£0.00
Social: Healthier, Safer and more Resilient Communities					
Crime is reduced					
NT24	Initiatives aimed at reducing crime (e.g. support for local youth groups, lighting for public spaces, private security, etc.)	Tonnes of CO2e	£1.00	0.00	£0.00
Creating a healthier community					
NT25	Initiatives to be taken to tackle homelessness (supporting temporary housing schemes, etc)	£ invested including staff time	£1.00	0.00	£0.00
NT26	Initiatives taken or supported to engage people in health interventions (e.g. stop smoking, obesity, alcoholism, drugs, etc) or	£ invested including staff time	£1.00	5046.80	£5,046.80

	wellbeing initiatives in the community, including physical activities for adults and children.				
Vulnerable people are helped to live independently					
NT27	Initiatives to be taken to support older, disabled and vulnerable people to build stronger community networks (e.g. befriending schemes, digital inclusion clubs)	£ invested including staff time	£1.00	0.00	£0.00
More working with the Community					
NT28	Donations or in-kind contributions to local community projects (£ & materials)	£ value	£1.00	0.00	£0.00
NT29	No hours volunteering time provided to support local community projects	no. staff volunteering hours	£14.80	0.00	£0.00
NT30	Support provided to help local community draw up their own Community Charter or Stakeholder Plan	£ invested including staff time	£1.00	0.00	£0.00
Environment: Protecting & Improving our Environment					
Climate impacts are reduced					
NT31	Savings & CO2 omissions on contract NOT from transport (specify how these are to be achieved)	Tonnes of CO2e	£67.01	0.00	£0.00
Air Pollution is reduced					
NT32	Car Miles Saved on the project (e.g. cycle to work programme, public transport or car pooling programme etc.)	Hundreds of Miles Saved	£1.61	0.00	£0.00
NT33	No. low or no emission staff vehicles included on project (miles driven)	Hundreds of Miles Driven	£0.76	0.00	£0.00
Better places to live					
NT34	Voluntary time dedicated to the creation or management of green infrastructure, to increase biodiversity, or to keep green spaces clean	no. staff volunteering hours	£14.80	0.00	£0.00

Sustainable procurement is promoted				
NT3 5	% of procurement contract that includes sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, keep resources in circulation longer).	%	£0.00	£0.00
Innovation: Promoting Social Innovation				
Other measures (TBD)				
NT3 6	Other measures (£) - please describe any additional initiatives that you would like to make and £ to be invested	£	£1.00	0.00 £0.00
NT3 7	Other measures (hrs) - please describe any additional initiatives that you would like to make and hrs to be committed (No. expert hrs)	no. staff expert hours	£85.57	0.00 £0.00
NT3 8	Other measures (hrs) - please describe any additional initiatives that you would like to make and hrs to be committed (No. voluntary hrs)	no. staff volunteering hours	£14.80	0.00 £0.00

<i>Total social value</i>	<u>£521,035.51</u>
<i>Total local economic value</i>	<u>£403,346.05</u>
Total social value including local economic value	<u>£924,381.56</u>
SVA (%)	<u>21.87%</u>

APPENDIX C – FUTURE REQUIREMENTS**Financial Year 22/23**

Category	Contract / Subject Matter	New / Relet	Expected Contract Notice Date	Expected Award Date	Expected Start Date	Estimated Contract Value (£)
Fleet	Wildfire Appliances	New	July 22	Oct 22	Nov 22	£3,000,000
Fleet	Heavy Adaptable Rescue Vehicles	Relet	Oct 22	Jan 23	Feb 23	£30,000,000
Fleet	Light Adaptable Pumping Appliances	New	Nov 22	Feb 23	Mar 23	£15,000,000
Fleet	Lubricating Oils, Greases and Antifreeze	Relet	Oct 22	Mar 23	Mar 23	£400,000
Corporate - FCS	Engineering Inspections	New	TBC	Apr 23	Jun 22	£1,120,800
Corporate – Service Delivery	Provision of Signage	New	Aug 2022	Sept 2022	Sept 2022	£100,000
Corporate – Service Delivery	Media Planning & Buying	Relet	Jan 2023	Aug 2023	Aug 2023	£240,000
Corporate – Service Delivery	RPL Training Courses	New	Oct 2022	Nov 2022	Dec 2022	£100,000
Corporate – Service Delivery	Smoke, Heat & CO Detection (Interlinked)	Relet	Sept 2022	Dec 2022	Dec 2022	£400,000
Corporate – Service Delivery	Smoke, Heat & CO Detection (Stand Alone)	Relet	Sept 2022	Dec 2022	Dec 2022	£50,000
Corporate - SPPC	Stationary	Relet	Aug 22	Oct 22	Nov 22	£186,000
Corporate - SPPC	Legal Services f/w	New	Sept 22	Mar 23	Apr 23	£100,000
Corporate - SPPC	Web and ihub Development	New	Aug 22	Jan 23	Jan 23	£300,000
ICT	Digital Fireground Radios	New	Sept 22	Mar 23	Apr 23	£3,500,000
ICT	In-Vehicle systems	New	Sept 22	Mar 23	Apr 23	£700,000
ICT	Station End Kit	Relet	Nov 22	Mar 23	Apr 23	TBC

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Category	Contract / Subject Matter	New / Relet	Expected Contract Notice Date	Expected Award Date	Expected Start Date	Estimated Contract Value (£)
ICT	AD Upgrade - Phase 1	New	Dec 22	Mar 23	Apr 23	TBC
ICT	Mobile and Data Services	Relet	Aug 22	Aug 22	Sept 22	£900,000
ICT	Provision of Test Management and Reporting Tool	Relet	Oct 22	Oct 22	Nov 22	£47,000
ICT	Provision of Nessus Licences and Associated Services	Relet	Dec 22	Dec 22	Jan 23	£16,000
ICT	IT Hardware (Peripherals)	Relet	Mar 23	Mar 23	Apr 23	£1,000,000
ICT	TextHelp Read & Write (Neurodiversity)	Relet	Jan 23	Jan 23	Feb 23	£50,000
ICT	Microsoft Licensing Agreement EA	Relet	Oct 22	Mar 23	Apr 23	£4,800,000
ICT	Provision of ArcGIS Development EA	Relet	Aug 22	Mar 23	Apr 23	£180,000
ICT	Provision of Qlikview Licence Renewal	Relet	Nov 22	Mar 23	Apr 23	£200,000
ICT	Project Management System	Relet	Aug 22	Dec 22	Jan 23	TBC
ICT	LCAP Software	New	Sept 22	Dec 22	Dec 22	£300,000
ICT	Application Hosting Services	Relet	Sept 22	Mar 23	Apr 23	£160,000
PPE & Equipment	Provision of Gas Tight Suits	Relet	TBC	Aug 22	Aug 22	£90,000
PPE & Equipment	Chemline Subscription	Relet	NCA	Sept 22	Oct 22	£16,000
PPE & Equipment	Provision of Powered Respirator Protective Suit (PRPS)	Relet	TBC	Sept 22	Oct 22	£480,000
PPE & Equipment	Repairs of Mass Decontamination Structures & Boiler Systems	Relet	NCA	Sept 22	Oct 22	£24,200
PPE & Equipment	Hapsite smart Plus Preventative Maintenance and Performance Testing	Relet	TBC	Sept 22	Oct 22	£34,560
PPE & Equipment	Trauma Bags	Relet	Direct Award Supported Business	Sept 22	Oct 22	£50,000

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Category	Contract / Subject Matter	New / Relet	Expected Contract Notice Date	Expected Award Date	Expected Start Date	Estimated Contract Value (£)
PPE & Equipment	Disposable PPE	New	Sept 22	Nov 22	Dec 22	TBC
PPE & Equipment	Small Tools	New	Jan 23	Mar 23	April 23	£280,000
PPE & Equipment	Fire Fighting Foam	New	Jan 23	Mar 23	April 23	
PPE & Equipment	Foul Weather PPE	Relet	Dec 22	Mar 23	April 23	
PPE & Equipment	Rank Markings for Fire Tunics	Relet	Dec 22	Feb 23	March 23	£12,000
PPE & Equipment	Sharps End Protection Kits	Relet	Jan 23	Mar 23	April 23	£34,600
PPE & Equipment	Hotpack Meals	Relet	Jan 23	Mar 23	April 23	£70,000
Property & Facilities	Water Coolers	New	Oct 2022	Jan 2023	Jan 2023	£200,000
Property & Facilities	EV Charging Infrastructure	Relet	Sept 2022	Dec 2022	Jan 2023	TBC
Property & Facilities	Room & Desk Booking Software	New	Aug 2022	Sept 2022	Sept 2022	£131,000
Property & Facilities	Office Furniture	New	Aug 2022	Sept 2022	Sept 2022	£500,000
Property & Facilities	Professional Services	New	Sept 2022	Jan 2023	Jan 2023	TBC
Property & Facilities	Solar PV Management System	New	June 2023	Sept 2023	Sept 2023	£350,000
Property & Facilities	Legionella Testing	New	Aug 2022	Sept 2022	Sept 2022	£400,000
Property and Facilities	Signage	New – Supported Business	TBC	TBC	TBC	TBC
POD	Job Vacancy Advertising Portal	Relet	Sept 2022	Feb 2023	Mar 2023	£100,000

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FINANCIAL YEAR 2023/24

Category	Contract / Subject Matter	New / Relet	Expected Contract Notice Date	Expected Award Date	Expected Start Date	Estimated Contract Value (£)
Fleet	Vehicle Spare Parts	Relet	June 23	Jan 24	Feb 24	£750,000
Fleet	Workshop Consumables	Relet	Jan 23	Apr 23	Jun 23	£600,000
Fleet	Vehicle Hire Services	Relet	Feb 23	Jul 23	Aug 23	£130,000
Fleet	Fuel Management System	Relet	Feb 23	Jul 23	Aug 23	£35,000
Fleet	Fuel Cards	Relet	Nov 22	Mar 23	April 23	£7,200,000
Fleet	Fleet Services (Service / Maintenance / Repairs	New	TBC	TBC	TBC	TBC
Corporate - FCS	Insurance Portfolio	Relet	TBC	Mar 24	Apr 23	£8,344,500
Corporate - FCS	Internal Audit Services	Relet	TBC	Mar 24	Jul 23	£306,000
Corporate – Service Delivery	HFSV Line	Relet	March 2023	May 2023	June 2023	£300,000
Corporate – Service Delivery	Fire Hydrant Lids	New	TBC	TBC	TBC	TBC
Corporate – Service Delivery	FE Diploma & Degree Courses	Relet	March 2023	May 2023	June 2023	£100,000
Corporate – Service Delivery	Smoke, Heat & CO Detection (Interlinked)	Relet	April 2023	Nov 2023	Dec 2023	£1,000,000
Corporate – SPPC	Business Cards	Relet	Sept 23	Mar 24	Apr 24	£35,000
Corporate	Print Services	New	TBC	TBC	TBC	£160,000
ICT	Server Maintenance	Relet	Mar 23	Sept 23	Oct 23	£80,000
ICT	Cisco ELA – Licences, Software	Relet	May 23	Nov 23	Dec 23	£300,000
ICT	Portable Satellite Communication Terminals and Associated Services	Relet	May 23	Jan 24	Feb 24	£122,000
ICT	Provision of Dell Boomi	Relet	Jul 23	Mar 24	Mar 24	£222,000

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Category	Contract / Subject Matter	New / Relet	Expected Contract Notice Date	Expected Award Date	Expected Start Date	Estimated Contract Value (£)
ICT	Fireground Radio Maintenance	Relet	May 23	Dec 23	Jan 23	£120,000
ICT	Pagers	Relet	TBC	TBC	TBC	£320,000
ICT	Chemdata Licence	New	TBC	TBC	TBC	£160,000
ICT	Telecom Services	New	TBC	TBC	TBC	TBC
PPE & Equipment	Medical Supplies and Defibrillators	Relet	May 23	Jul 23	Jan 23	TBC
PPE & Equipment	Youth Volunteer and Fire Skills Uniforms	Relet	Aug 23	Oct 23	May 23	£150,000
PPE & Equipment	Footwear	New	TBC	TBC	TBC	£400,000
PPE & Equipment	Uniform	Relet	Sep 23	Nov 23	Mar 23	£780,000
PPE & Equipment	Undress / Ceremonial Uniform	Relet	Sep 23	Nov 23	Mar 23	£32,000
PPE & Equipment	Ladders	Relet	Oct 23	Dec 23	Apr 23	£1,600,000
PPE & Equipment	Back Pack Sprayers	New	TBC	TBC	TBC	£160,000
Property & Facilities	Soft FM	Relet	Sep 2023	Feb 2025	March 2025	£20,000,000
Property & Facilities	Asbestos Services	Relet	April 2023	June 2023	July 2023	£200,000
Property & Facilities	Energy Management Bureau Services	Relet	Nov 2023	Jan 2024	Jan 2024	£250,000
Property & Facilities	Smart Asset Management Solution	New	June 2023	August 2023	August 2023	£250,000
Property & Facilities	Station Storage Solutions	Relet	Aug 2023	Nov 2023	Dec 2023	£50,000
POD	Training for Operational Competence	New	Mar 2023	May 2023	Aug 2023	£1,000,000

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FINANCIAL YEAR 2024/25

Category	Contract / Subject Matter	New / Relet	Expected Contract Notice Date	Expected Award Date	Expected Start Date	Estimated Contract Value (£)
Fleet	End of Life Vehicles	Relet	Aug 24	Jan 25	Feb 25	£150,000
Fleet	Large Pool Vans for Fleet	Relet	Feb 23	Jun 24	Jul 24	£750,000
Fleet	Light to Medium Commercial Vehicles	Relet	Mar 24	Aug 24	Sep 24	£600,000
Fleet	Fuel Site Maintenance	Relet	Mar 24	Aug 24	Nov 24	£30,000
Corporate – SPPC	Lease of Franking Machines and Associated Consumables	Relet	Aug 24	Mar 25	Apr 25	£150,000
ICT	Egress Licenses	Relet	Mar 24	May 24	Jun 24	£120,000
PPE & Equipment	Safe Working at Height Equip	Relet	Aug 24	Oct 24	Apr 23	£700,000
PPE & Equipment	Light Portable Pumps	Relet	Nov 24	Jan 25	Jun 24	TBC
PPE & Equipment	Water Rescue Boats	Relet	Jan 25	Mar 25	Jun 24	TBC
PPE & Equipment	Powered Rescue Equipment	Relet	Jan 25	Mar 25	Jul 24	TBC

APPENDIX D: PROCUREMENT PERFORMANCE MEASURES**1. SUSTAINABILITY**

KPI	Frequency	Target	Performance
Percentage of spend with SME's	Annually	30%	33%
Number of supported business contracts awarded in the reporting period	Annually	2	0
Percentage of SDP "Meet the Buyer" Events attended	Annually	100%	100%
Flexible Framework Level attained over the reporting period (measured annually)	Annually	Level 3 over the term of the Strategy	Level 1
Percentage of quotes undertaken which included at least 1 SME	Quarterly	100%	Not Yet Measured
Procurement contribution to SFRS target of an average 6% annual reduction of Carbon emissions per annum	Annually	Average 6% annual reduction on carbon emissions per annum for all SFRs activity	Not Yet Measured

2. VALUE FOR MONEY AND EFFICIENCY

KPI	Frequency	Target	Performance
Percentage of all influenceable SFRS expenditure covered by contracts	Monthly	95%	94.60%
Percentage of internal customers who rated customer satisfaction as good or excellent	Annually	95%	100%
Percentage of contract and supplier management meetings conducted with strategically critical suppliers	Quarterly	100%	31%
Reduction of number of suppliers for influenceable spend	Monthly	600 (over the period of the Strategy)	422
Number of innovative projects delivered on annual basis	Annually	1	2
Procurement Tender Exercises completed in the Financial Year	Annually	100%	100%
Percentage of valid orders £4,000 or greater progressed within 2 working days	Monthly	100%	79%

3. ENHANCING CAPABILITY

KPI	Frequency	Target	Performance
Percentage of Procurement Team who hold the professional procurement qualification, Member of Chartered Institute of Purchasing and Supply (MCIPS)	Annual	80% (over the Strategy term)	77.77%
Percentage of procurement spend actively influenced by a procurement professional	Annual	100%	100%
Procurement people of Tomorrow actions completed within reporting period	Annual	100%	Actions Not Yet Commenced

4. GOVERNANCE AND RISK

KPI	Frequency	Target	Performance
No successful legal challenges	Annual	Zero (0)	0
Percentage of tenders completed which have a documented quality review process	Quarterly	100%	100%
Percentage of Actions completed in Red Flag Action Plan within reporting timeframe	Annual	100% over the term of the strategy	78.87%
Percentage of independent reviews completed with no issues noted*	Quarterly	100%	Actions not Yet Commenced
PCIP Action Plan completed	Annual	100%	Action Plan Being Reviewed due to the updating of question set at a national level.

- A number of close evaluation reviews were undertaken during the reporting period. These being undertaken by the Procurement Manager with support provided by Legal Services and External Legal provision as required

5. TRANSPARENCY

KPI	Frequency	Target	Performance
Contracts Register published on a quarterly basis.	Quarterly	Publish per quarter in financial year	Quarterly
Award Notice placed for all relevant tender exercises	Monthly	100%	100%
Percentage of suppliers who rated the ease of access to information about SFRS contract opportunities as good or excellent	Quarterly	100%	Actions Not Yet Commenced

APPENDIX E: PROCUREMENT STRATEGY ACTION PLAN APRIL 2022- MARCH 2023

1. SUSTAINABILITY

Action Ref	Actions	Target Date	Owner	KPI's
1.1	Embed the use of the FNT2030 templates within procurement activity	Dec 2022	Category Leads	<ul style="list-style-type: none"> •Percentage of spend with SME's •Number of supported business contracts awarded in the reporting period. •Percentage of SDP "Meet the Buyer" Events attended •Flexible Framework Level attained over the reporting period (measured annually) •Percentage of quotes undertaken which included at least 1 SME
1.2	Complete procurement process leading to the award of 2 Supported Business Contracts	March 2023	Category Leads	
1.3	Full roll out of Cenefits across all Categories and relevant Property contracts to assist in recording and reporting of sustainable impact of SFRS procurement activity	Dec 2022	Procurement Manager / Category Leads	
1.4	Attend Meet the Buyer Events both locally / nationally	March 2023	Category Teams	
1.5	Complete Actions to achieve Level 2 of the Flexible Framework	March 2023	Procurement Manager	
1.6	Continued support to Areas with regard to Community Wealth Building Partnership initiatives	March 2023	Procurement Manager	
1.7	Complete actions associated with carbon reduction within the reporting period	March 2023	Property Manager	
1.8	Develop methodology to understand SME participation in Quote process with a target to include at least one SME where feasible	October 2022	Procurement Manager	
1.9	Procurement contribution to SFRS target of an average 6% annual reduction on carbon emissions per annum (measured CO2 emission reduction	March 2023	Category Leads / Procurement Officers/ Sustainability Team	
1.10	Embed Climate Change and Circular Economy requirements of the Single Procurement Document into SFRS procurement activity where relevant	Dec 2022	Category Leads	
1.11	Embed prompt payment requirements as outlined in SPPN2/2022 into relevant procurement activity	March 2023	Category Leads / Property Team	

2. VALUE FOR MONEY AND EFFICIENCY

Action Ref	Actions	Target Date	Owner	KPI's
2.1	Explore opportunities for targeted support from Supplier Development Programme in specific projects	March 2023	Procurement Manager / Category Leads	<ul style="list-style-type: none"> •Percentage of all influenceable SFRS expenditure covered by contracts •Percentage of internal customers who rated customer satisfaction as good or excellent •Percentage of contract and supplier management meetings conducted with strategically critical suppliers •Reduction of number of suppliers for influenceable spend •Number of innovative projects delivered on annual basis •Savings achieved on annual basis •Procurement Tender Exercises completed in the Financial Year •Percentage of valid orders £4,000 or greater progressed within 2 working days
2.2	Continue to target savings from all aspects of the strategic procurement for recording on Benefits Tracker.	March 2023	Category Leads	
2.3	Ensure that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process for key strategic contracts.	March 2023	Category Leads	
2.4	Continue to address outstanding areas of non-contract spend within the Procurement Workplan	March 2023	Procurement Manager / Category Leads	
2.5	Continue to seek opportunities for SFRS to collaborate with our public-sector partners and benchmark to ensure that collaborations provide best value.	March 2023	Category Leads	
2.6	Continue to support customers and work in partnership to understand their needs and identify opportunities to reduce expenditure, control demand and improve efficiencies.	March 2023	Procurement Manager / Category Leads	
2.7	Deliver an annual "Voice of the Customer" workshop	March 2023	Head of Procurement / Procurement Manager	
2.8	Develop overarching category strategies for Property, ICT, Fleet, PPE & Equipment, and Corporate	March 2023	Category Leads	
2.9	Together with Directorates, examine opportunities to deliver innovation with SFRS procurement activity where this has the potential to deliver benefits to the Service.	March 2023	Procurement Manager / Category Leads / User Intelligence Groups / Directorates	
2.10	Delivery of Procurement Workplan for Financial Year 2022-23	March 2023	Procurement Manager / Category Leads	
2.11	Contribute to innovation strategy and development of an innovation hub. Include within the workplan a project adopting a pathfinder innovation partnership procedure where feasible	March 2023	Procurement Manager	

3. ENHANCING CAPABILITY

Action Ref	Actions	Target Date	Owner	KPI's
3.1	Review our feedback mechanisms for suppliers relating to SFRS Procurement Activity	March 2023	Procurement Manager	<ul style="list-style-type: none"> •Percentage of Procurement Team who hold the professional procurement qualification, Member of Chartered Institute of Purchasing and Supply (MCIPS) •Percentage of procurement spend actively influenced by a procurement professional •Procurement people of Tomorrow actions completed within reporting period
3.2	Continue to support individuals within the Procurement Team in their studies towards MCIPS	March 2023	Individual Team Members / Training	
3.3	Complete recruitment of procurement team	Feb 2023	Procurement Manager	
3.4	The procurement Team complete procurement training relating to updates in legislative framework	March 2023	Procurement Manager	
3.5	Property Team to complete Climate Literacy e-learning	Dec 2022	Property Manager	
3.6	Review Procurement People of Tomorrow Charter with Partner Organisations and agree commitments which can be progressed	Jan 2023	Head of Finance and Procurement / Procurement Manager / POD	
3.7	Continue to identify training opportunities and requirements for Procurement Team and wider organisation where resources permit	March 2023	Procurement Manager / Category Leads	
3.8	The Procurement Team to complete National Procurement Development framework to assist in identifying training or development needs	Sept 2022	Procurement Manager / Category Leads	

4. TRANSPARENCY

Action Ref	Actions	Target Date	Owner	KPI's
4.1	Publish revised Procurement Strategy for the period 2021-24 with updated Action Plan	Oct 2022	Procurement Manager	<ul style="list-style-type: none"> •Contracts Register published on a quarterly basis. •Award Notice placed for all relevant tender exercises •Percentage of suppliers who rated the ease of access to information about SFRS contract opportunities as good or excellent
4.2	Publish workplan on I-hub/ SFRS internet / PCS Scotland	July 2022	Procurement Manager	
4.3	Publish Annual Procurement report for financial year 2021-22	Sept 2022	Procurement Manager	
4.4	Further development of Procurement iHub site with publication of all Procurement governance and procedures and to aid SFRS understand procurement performance	March 2023	Procurement Manager / Corporate Communications	
4.5	Further enhance the "How to do Business with SFRS" guidance for inclusion of SFRS internet site	March 2023	Procurement Manager / Category Teams	
4.6	Development of SFRS Internet Page for Procurement to aid suppliers access workplan and governance and to understand our performance	March 2023	Corporate Communications / Procurement Manager / Category Teams	

5. GOVERNANCE & RISK

Action Ref	Actions	Target Date	Owner	KPI's
5.1	Develop and publish SFRS Modern Slavery Statement	March 2023	Procurement Manager	<ul style="list-style-type: none"> •No successful legal challenges •Percentage of tenders completed which have a documented quality review process •Percentage of Actions completed in Red Flag Action Plan within reporting timeframe •Percentage of independent reviews completed with no issues noted. •PCIP Action Plan completed
5.2	Develop partnership with Police Scotland in relation to impact of Serious Organised Crime in procurement activity	March 2023	Procurement Manager	
5.3	Complete actions to support SFRS Stonewall membership	March 2023	Procurement Manager / Category Leads	
5.4	Complete actions to embed SG Construction Manual for works projects in Procurement Governance	March 2023	Procurement Manager / Property Manager / Property Category Lead	
5.5	Update procurement governance in line with legislation change and/or updates to Procurement Journey	March 2023	Procurement Manager	
5.6	Undertake documented quality review process for all relevant procurement activity	March 2022	Category Leads / Procurement Officers	
5.7	Revise PCIP Action Plan to reflect new question set	Nov 2022	Procurement Manager	
5.8	Complete PCIP Actions in readiness for assessment in Autumn 2023	March 2023	Procurement Manager / Category Leads / Procurement Specialists / Procurement Officers	
5.8	Complete actions for financial year 2022/23 for the Procurement Red Flag Action Plan	March 2023	Procurement Manager	

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee



SCOTTISH
FIRE AND RESCUE SERVICE
Working together for a safer Scotland

Report No: C/ARAC/35-22

Agenda Item: 8.1

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	SFRS INTERNAL AUDIT PROGRESS REPORT 2022/23						
Report Classification:	For Scrutiny	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	To provide a summary of progress in the delivery of the 2022/23 Internal Audit plan.						
2	Background						
2.1	This report is intended to enable the Audit and Risk Assurance Committee (ARAC) to consider the progress to date in the delivery of the audit plan for 2022/23.						
3	Main Report/Detail						
3.1	To provide confirmation of the progress made in relation to all audits contained within the 2022/23 agreed audit plan and to confirm that the audit programme is generally progressing as planned.						
4	Recommendation						
4.1	To note the contents of the report.						
5	Core Brief						
5.1	Not applicable						
6	Appendices/Further Reading						
6.1	Appendix A: Internal Audit Progress Report October 2022						
6.2	Appendix B: Final Report - Post Pandemic Review						
6.3	Appendix C: Final Report - Revenue and Funding Maximisation						
7	Key Strategic Implications						
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)						Yes
Prepared by:	Gill Callaghan, Senior Manager, Azets						
Sponsored by:	John Thomson, Acting Director of Finance and Procurement						
Presented by:	Gary Devlin, Partner, Azets						

Links to Strategy and Corporate Values		
Working Together for a Safer Scotland		
Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For Scrutiny</i>

Scottish Fire and Rescue Service

Internal Audit Progress Report

October 2022



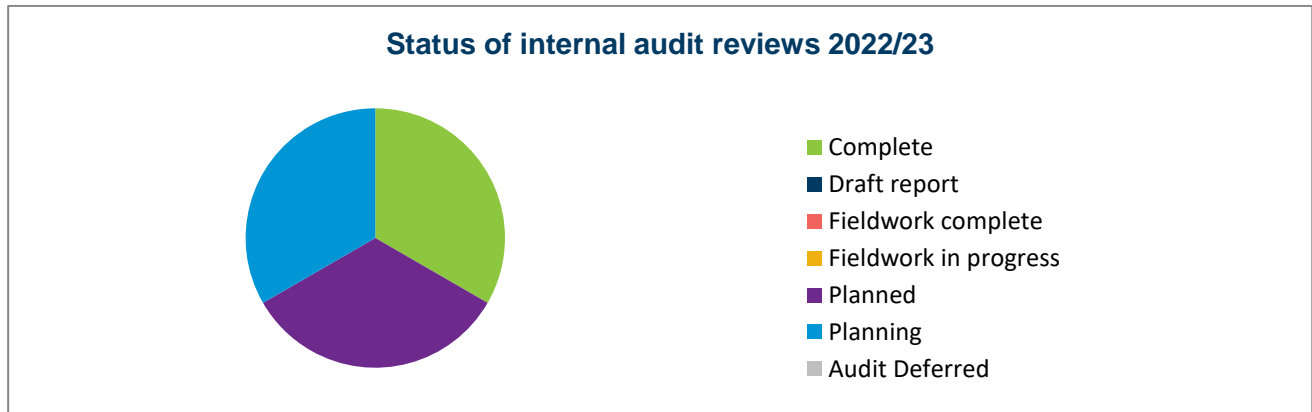
Scottish Fire and Rescue Service

Internal Audit Progress Report

Summary	1
2022/23 audit plan progress	2
Internal uudit assignments schedule for next ARAC meeting	3
KPI status	5

Summary

This paper provides the Audit and Risk Assurance Committee with a summary of activity in relation to the 2022/23 internal audit programme.



Action for Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee is asked to note the contents of this report. We also invite any comments on the format or content of this report.

Gary Devlin, Audit Partner	gary.devlin@azets.co.uk	0131 473 3500
Matt Swann, Director	matthew.swann@azets.co.uk	0131 473 3500
Gill Callaghan, Senior Manager	gill.callaghan@azets.co.uk	0131 473 3500

2022/23 audit plan progress

Ref and Name of report	Days	Current status	Planned ACC	Actual ACC
A4. Revenue Maximisation	12	Complete	Oct 22	Oct 22
A5. Capital Investment Strategy	15	Planning	Jun 23	
B2. Sickness Absence Management	12	Planned	Mar 23	
B3. Training	12	Planned	Jan 23	
C6. Corporate Performance Management	12	Planned	Jan 23	
C7. Post Pandemic Review	18	Complete	Oct 22	Oct 22
D3. Workforce Planning (RDS Firefighters)	18	Planning	Mar 23	
D5. Personal Protection Equipment	15	Planned	Mar 23	
F1. Follow up of outstanding recommendations Q1	2.5	Complete	Jun 22	Jun 22
F1. Follow up of outstanding recommendations Q2	2.5	Complete	Oct 22	Oct 22
F1. Follow up of outstanding recommendations Q3	2.5	Planning	Jan 23	-
F1. Follow up of outstanding recommendations Q4	2.5	Planning	Mar 23	-
G1. Annual report	n/a	n/a	Jun 23	-

Key:	Description
Complete	Audit work complete and report has been agreed and finalised
Draft report	A draft report has been issued
Fieldwork complete	The audit work is complete but the draft report has not yet been issued.
Fieldwork in progress	The audit work is in progress.
Planned	The scope and timing of the audit has been agreed with management
Planning	The scope and/or timing of the audit has yet to be agreed with management
Audit deferred	Audit assignment deferred to following year

Internal audit assignments scheduled for next ARAC Meeting

The following internal audit assignments are scheduled to be presented to the January 2023 Audit and Risk Assurance Committee Meeting:

- Corporate Performance Management; and
- Training.

Corporate Performance Management

SFRS Audit Sponsor: Mark McAteer, Director of Strategic Planning, Performance and Communications
SFRS Key Contact: Richard Whetton, Head of Governance, Strategy and Performance

Agreed start date: 3 October 2022

This review will aim to ensure there are effective controls in place over the management of SFRS's performance including: the setting and approval of KPIs which drive continuous improvement; the collation and validation of performance data; monitoring and reporting arrangements; and the actions taken should performance not meet the required standards. As part of this, we will examine how the impact of not achieving objectives is considered in order to ensure that any corrective actions are suitably prioritised

We will focus on the following control objectives:

- A corporate performance management framework exists that sets out how performance is to be measured, monitored and reported upon throughout the service and this is linked to the delivery of the service's strategic objectives and operational plans;
- Key performance indicators have been devised across all directorates with appropriate targets set that aim to challenge management and strive for continuous improvement in performance. The adequacy of KPIs is periodically reviewed to ensure they take account of new strategies and plans going forward;
- Appropriate arrangements are in place for gathering and collating information related to KPIs, which is checked for accuracy and completeness, with performance results being validated against supporting documentation;
- KPIs are reported in a consistent and regular manner and are subject to regular monitoring and review with management being alerted to any under-performing areas so that corrective action can be taken;
- The Strategic Leadership Team and the Board receive regular reports in relation to the service's KPIs so that they have sufficient scrutiny over performance matters.

Training

SFRS Audit Sponsor: Andrew Watt, Assistant Chief Officer, Director of Training, Safety and Assurance

Agreed start date: 17 October 2022

For this review, we will evaluate controls over the provision of training to uniformed staff including the identification of training needs and the method and delivery of training, including cost considerations. We will also examine the arrangements for obtaining feedback on the effectiveness of training and for monitoring completion rates.

This review will focus on operational training delivered to firefighters, but will not cover specialist training provided to them. The review will also exclude training provided to support staff.

We plan to focus on the following control objectives:

- Roles and responsibilities in relation to training are clearly defined within policy and procedural documentation;
- Appropriate arrangements are in place for the identification of training needs with individual training plans in place setting out how mandatory and non-mandatory training will be delivered and records of training received being appropriately recorded and maintained;
- Due consideration is given to selecting the most effective and cost-efficient methods of training delivery;
- Completion rates are monitored at an organisational level to ensure training is completed in a timely manner with appropriate plans being put in place to address any backlogs in training provision which have arisen as a result of the pandemic;
- On completion of training feedback is obtained and analysed, with an evaluation of the training performed and any lessons learned fed into future training provision.

Members are asked to consider the proposed coverage of the above assignments and to provide any comments they may have on the outline scopes and control objectives.

KPI status

KPI description	Performance standard	Status	Comments
1. Actual v planned hours per audit	Audits completed within days approved by ARAC	AMBER	Revenue and Funding Maximisation audit day allocation exceeded by 4.75 days. Post Pandemic Review day allocation exceeded by 1.5 days. Additional time due to delays experienced in receiving information.
2. Cost of service by grade	Allocation of time per grade as agreed with management and provided for approval prior to invoicing	GREEN	
3. Cost per audit	Costs per audit based on allocated staff undertaking audits	GREEN	
4. Completion of customer feedback on each audit demonstrating satisfactory performance	Risk and Audit Manager to hold post audit discussion with key contacts		First 2 reviews of the programme just completed. To provide a summary at the next ARAC meeting.

Key

RED	More than 15% away from target
AMBER	Within 15% of target
GREEN	Achieved

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of Chartered Accountants in England and Wales.



Scottish Fire and Rescue Service

Internal Audit Report 2022

Post Pandemic Review

September 2022



Scottish Fire and Rescue Service

Internal Audit Report 2022

Post Pandemic Review

Executive Summary	1
Management Action Plan	6
Appendix A – Definitions	13

Audit Sponsor

Ross Haggart, Interim Chief Officer

Audit team

Gary Devlin, Partner

Matthew Swann, Director

Gillian Callaghan, Senior Audit Manager

Conor McGinley, Internal Auditor

Eilidh Kerr, Internal Auditor

Executive Summary

Conclusion

The Scottish Fire and Rescue Service (SFRS) responded well overall to what was at the time an unprecedented set of events brought about by the onset of the Covid-19 pandemic. Governance arrangements, including the establishment of a Covid Tactical Action Group, were quickly established to ensure, wherever possible, the Service's operations could continue with minimal disruption. The subsequent Recovery, Reset and Renew (RRR) programme established a number of themes and related work packages to enable the Service to improve processes and continue to deliver services post pandemic. The Senior Management Board Covid Reset and Renew Group was set up to oversee and direct activities related to the RRR programme.

We have identified a number of improvement areas which, if adopted by SFRS will strengthen controls in preparation for future incidents. These improvement actions relate to updating the current business continuity framework and local plans taking account of lessons learned throughout the pandemic, establishing a clear decision on future working arrangements and ensuring outstanding actions are being appropriately monitored and reported.

Background and scope

SFRS's Annual Operating Plan (AOP) 2022/23 is derived from the overarching strategic plan. The plan was created following a period of unprecedented national and global adversity with the emergence of the Covid-19 pandemic.

As a result of the implementation of the national lockdown arising from the pandemic, SFRS quickly formed the Covid-19 Tactical Action Group (COTAG) so the organisation could ensure SFRS's response was resilient and enabled operations to continue under extremely challenging circumstances and to support the Scottish Government's overall response to the pandemic.

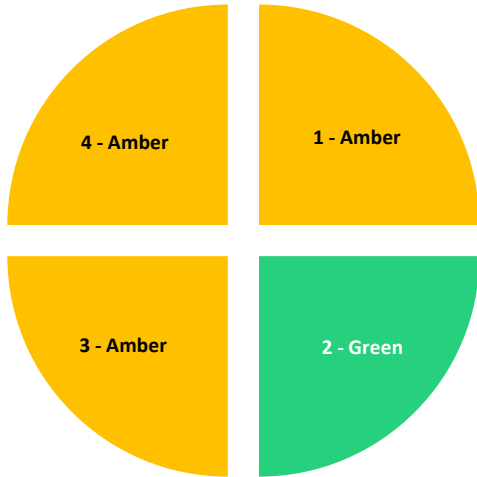
SFRS subsequently devised the Routemap to Delivering Recovery, Reset and Renew (RRR). This outlined SFRS strategic approach to dealing with the challenges presented by Covid-19 and to ensuring processes which had been adapted as a result of the pandemic were reviewed to support the transition to business as usual following the pandemic. The RRR programme comprised eight thematic groups, namely:

- People and Leadership;
- Operational Strategy;
- Workplace;
- Technology;
- Governance and Compliance;
- Prevention, Protection and Partnership;
- Finance; and
- Communication and Engagement.

As SFRS moved into the next phase of the RRR programme, the Annual Operating Plan was established with a view of maintaining flexibility through significant changes to the operating landscape and amendments to working practices which are reflected in the key improvement actions.

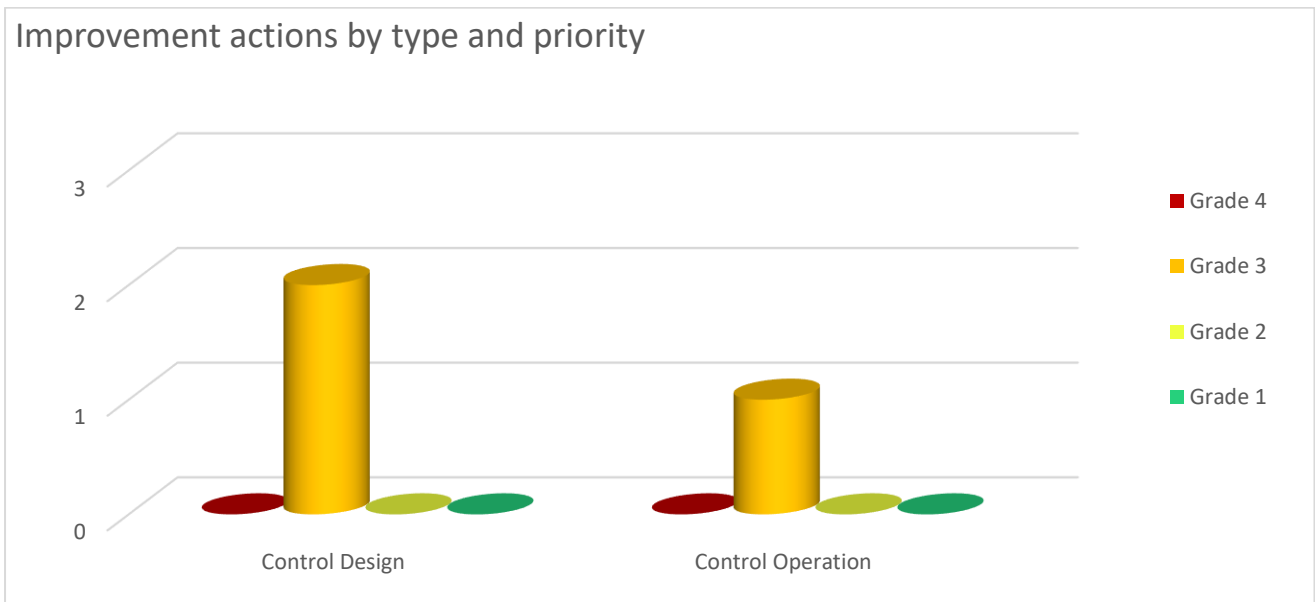
In accordance with the 2022/23 Internal Audit Plan, this review evaluated the high-level arrangements SFRS has in place for determining the impact of the pandemic on its operations, and for ensuring that appropriate plans are being devised and actioned to ensure the Service can recover and meet its objectives. As part of this, we examined the RRR programme including actions being taken to minimise and address the effects of Covid-19 and subsequently enhance SFRS's ability to achieve potential efficiency savings and continue the modernisation of the Service. A number of staff from across the organisation were interviewed to ascertain actions taken to respond to the effects of the pandemic and the current status of operations which fall under their specific areas of responsibility.

Control assessment



- 1. Arrangements are in place for determining and assessing the impact of the pandemic on SFRS's operations.
- 2. The recovery, reset and renew programme incorporates appropriate operational activities to ensure a holistic approach which cuts across the organisation and takes account of inter-dependencies.
- 3. Post pandemic objectives have been devised in relation to recovery which take account of stakeholder requirements and consider potential efficiency savings and the modernisation of the Service.
- 4. Action plans are developed in relation to the implementation of the above objectives which are subject to regular monitoring and reporting on progress.

Improvement actions by type and priority



Three improvement actions have been identified from this review, one of which relates to compliance with existing procedures and two relating to the design of controls. See Appendix A for definitions of colour coding.

Key findings

Good practice

- At the onset of the pandemic, SFRS utilised the Scottish Co-ordination and Advisory Framework (SCAF) Model and existing Business Continuity Plans to assist in enabling the service to react quickly to the pandemic, ensuring wherever possible that business critical activities could continue.
- COTAG was established early on and played an essential role in ensuring key decisions could be made in a timely manner in response to the pandemic. Action and decision logs were maintained to allow for a clear identification of assessment of the impact Covid had on SFRS activities, with COTAG being given the appropriate authority to delegate the relevant mitigating actions. COTAG has recently been stood down to avoid any duplication/conflict with the work undertaken by the Staffing Tactical Action Group.
- COTAG maintained a Risk Register specifically designed to manage the risks applicable to the pandemic.
- Task Cards were developed which provided guidance to staff where interim processes were introduced as a result of the pandemic.
- An organisation-wide Covid-19 debrief was undertaken by SFRS with the assistance of the Scottish Multi-Agency Resilience Training and Exercise Unit (SMARTEU). This was published in November 2021 with an associated action plan setting out where further developments and improvements could be made.
- The RRR programme was introduced to effectively navigate SFRS out of the pandemic. The RRR group was set up to create and devise work packages for each of the eight thematic groups identified as part of the programme. These work packages comprised a set of actions which are documented within the Teams Dashboard.
- The RRR Route Map adopted a holistic approach and interdependencies between various directorates and operations were identified to ensure a co-ordinated effort which aimed to avoid any duplication.
- Actions are being taken to address any backlogs which may have arisen as a result of the pandemic. For example, evidence was seen to confirm that the number of overdue fitness assessments has reduced significantly over the past year. As at 13 April 2021, there were 975 overdue assessments (15.6% of operational staff). However, by 29 July 2022 this figure had reduced to 114 outstanding assessments (1.93% of operational staff). We understand that backlogs remain in relation to Training and were advised that actions are being taken to address this matter. This will be covered as part of the review of Training to be carried out later during the year.

Areas for improvement

We have identified a number of areas for improvement which, if addressed, will strengthen SFRS control framework. These are:

- The need to ensure that all business continuity plans are reviewed and updated to incorporate lessons learned from the pandemic.

- Management should seek to conclude on future working arrangements at SFRS, whether that be to mandate that staff return to office working for a set number of days or to encourage home working. Following this, the utilisation of office space and equipment should be reviewed to ensure these are being used effectively and efficiently.
- The Teams Dashboard used to document progress on actions devised as part of the RRR programme should be kept up to date, with regular monitoring and review. Scrutiny of any outstanding actions should be reassigned to an appropriate group.

These are further discussed in the Management Action Plan below.

Acknowledgements

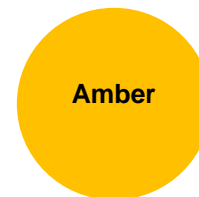
The following were interviewed as part of this review:

- Ross Haggart, Interim Chief Officer
- Stuart Stevens, Interim Deputy Chief Officer
- DACO Ali Perry, Head of Prevention and Protection
- Iain Morris, Acting Director of Asset Management
- T/ACO David Farries, Director of Service Delivery
- Scott Semple, Head of People and Organisational Development
- Richard Whetton, Head of Governance, Strategy and Performance
- Andy Main, Head of Portfolio Office
- Lynne McGeough, Head of Finance
- Sandra Fox, Head of ICT
- Marysia Waters, Head of Communications and Engagement
- Jim Holden, Head of Health and Safety

We would like to thank them all for their assistance and co-operation.

Management Action Plan

Control Objective 1: Arrangements are in place for determining and assessing the impact of the pandemic on SFRS's operations



1.1 Update directorate Business Continuity Plans

The Reset and Renew Governance paper analysed the business continuity planning (BCP) arrangements in place during the height of the pandemic. It is our understanding that while each directorate possessed their own business continuity plans, they were each designed in a way which failed to predict an incident which resulted in a national lockdown. Therefore, the consensus of the paper was that it remains unclear the extent to which management relied upon these BCPs.

Discussion with staff revealed that some relied on existing BCPs to a certain extent to identify their business-critical activities, albeit some of these plans were under development at the start of the period of lockdown and it is acknowledged that further work is required to update the plans to reflect lessons learned from the unprecedented circumstances which came to pass as a result of the pandemic.

The above noted paper recommended that each directorate prioritise the action of updating their BCPs to incorporate the lessons learned from the pandemic. However, we were provided with a number of BCPs from different areas of the Service and found that none had been updated following the events of 2020.

Risk

There is a risk that BCPs are inadequate as a result of failure to update BCPs post pandemic, leading to inability to be able to respond effectively to a future pandemic or similar adverse incident resulting in failure to operate services, financial loss and/or reputational damage.

Recommendation

A Business Continuity Framework should be developed to allow events that impact the organisation as a whole to be responded to and managed effectively. As part of this, directorate BCPs should be reviewed to assess how they will interact and contribute to the overarching framework. In addition, all Business Continuity planning activity should be reviewed and updated to factor in learning from the pandemic, e.g. inability to divert working to another site, mass illness of staff impacting operations etc.

Management Action

Grade 3
(Design)

The Reset and Renew Review of BCP was accepted by SFRS Good Governance Board in June 2022. This contained specific recommendations included a more developed corporate approach to Business Continuity and the review and sharing of all plans across the service. All the recommendations contained within the review report were accepted. Responsibility for BCP has moved to SPPC as of September 2022 and this action will be coordinated by the Head of Governance, Strategy and Performance.

Action owner: Head of Governance, Strategy and Performance.

Due date: 1 April 2023

Control Objective 2: The recovery, reset and renew programme incorporates appropriate operational activities to ensure a holistic approach which cuts across the organisation and takes account of inter-dependencies



No reportable weaknesses identified

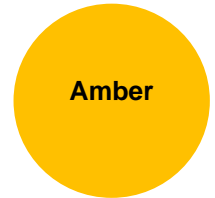
The Recovery, Reset and Renew (RRR) Route-Map documents the relevant responses in place to address the impact of the pandemic. There are 8 Thematic Groups identified to help transition SFRS through recovery, reset and into the renew phase of the pandemic. The route-map documents the activities of each thematic group and their involvement in the RRR programme. Actions to be taken are documented within various work packages which are recorded on a database which is accessed via MS Teams. The RRR programme is structured as depicted in the following diagram:



Diagram 1: SMB Reporting Structures

The Senior Management Board Covid Reset and Renew Group, referred to as the RRR group was introduced as a means to ensure discussions were held to capture the complexity of taking a holistic approach. The Group comprised the Director of Service Development and the various function Heads. More latterly, meetings were chaired by the Deputy Chief Officer. There is emphasis on the requirement of all areas of SFRS in achieving the post pandemic objectives and the way in which these are to be achieved is evidenced in several ways, one being the Teams Dashboard which documents the devised work packages as part of RRR. The actions themselves highlight within them the areas which require involvement in order to complete the action.

Control Objective 3: Post pandemic objectives have been devised in relation to recovery which take account of stakeholder requirements and consider potential efficiency savings and the modernisation of the Service.



3.1 Hybrid Working Arrangements

As part of the 'Renew' element of the RRR programme, management identified that remote working arrangements should continue on post pandemic. As part of the 2021/22 internal audit plan, the Service's arrangements for remote working were reviewed at around the time its hybrid working framework was being introduced in August 2021.

Discussion with the Head of ICT revealed that work has subsequently been completed to ensure offices are ready for staff to return to working in the offices with appropriate equipment being set up including the addition of new monitors and docking stations. However, we were informed that staff have generally taken the option to continue working from home, which has resulted in a number of offices not being utilised as intended.

Further discussion with management has revealed that a decision has not yet been communicated to them as to the stance the Service are going to take as to whether staff should be required to return to working in the office, whether this is dependent on their role, and if so whether there will be a requirement to work in the office for a set number of days per week. We acknowledge that this only applies to staff who are able to perform their duties remotely and that during the pandemic the majority of SFRS staff continued to come into the workplace as their role could not be performed remotely or from home. In addition, as part of the introduction of the Agile Working Framework, clear guidance was provided to staff and reinforced via management briefing sessions which confirmed that working arrangements should be agreed between managers and team members based on organisational, team and role requirements with due consideration being given to individual preferences.

Risk

Despite the above, there still appears to be a risk of uncertainty amongst staff who are able to work remotely as to the future of working arrangements at SFRS. Moreover, offices and equipment may be under-utilised leading to inefficient use of resources.

Recommendation

A decision should be made regarding the Service's stance on the requirement for staff to return to working in the office and the frequency of office working, if required. Once made, this should be communicated to staff at the earliest opportunity and monitored by management. Following this, a review should be undertaken of office and equipment utilisation to ensure offices and equipment are being used effectively and efficiently.

Management Action

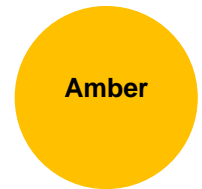
Further management engagement sessions have taken place via the Workplace Subgroup to assess the impact of the Agile Working Framework and identify opportunities for improvement. The findings and recommendations from this review will be shared with the Strategic Leadership Team.

1. Further guidance will be developed for managers and staff to support effective conversations with team members around Agile Working.
2. As the Agile Framework and the Service's approach to hybrid working embeds and matures, use of space and equipment will be kept under review to ensure optimum usage. The Service will continue to explore opportunities to streamline use of its property portfolio, for example through collaboration and colocation with partner agencies.

Action owner: (1) Head of POD
(2) Acting Director of Asset Management

Due date: (1) 31 March 2023
(2) 31 December 2023

Control Objective 4: Action plans are developed in relation to the implementation of the above objectives which are subject to regular monitoring and reporting on progress



4.1 Dashboard Actions

Actions identified as part of RRR initiatives are documented within a Teams Dashboard. We reviewed this Dashboard to confirm for a sample of 8 actions that the actions were appropriately documented with action owners assigned and due dates set. Our testing identified that of the 8 actions reviewed, only 3 had been marked as completed. The remaining actions had not been updated within the dashboard and had been marked as 'in progress' and have run over their designated due date, with no revised timescale set.

We are also unable to confirm any formal discussions have been held regarding these actions within the Dashboard. This also highlights that the Teams Dashboard is not being monitored and reviewed effectively resulting in a backlog of overdue actions, with no suggestions for improvement being made.

We were advised that it is the intention that any outstanding actions are to be reassigned for progression following the disbanding of RRR. We understand that there are 13 actions which have yet to be completed. We confirmed that the Interim Chief Officer has recently requested that scrutiny of these actions is reassigned to various groups depending on the action including:

- Staffing Tactical Action Group;
- Strategic Leadership Team;
- SFRS Board;
- Senior Management Board;
- People Board;
- Digital Board;
- Training Continuous Improvement Board;

He has also requested that the Teams dashboard is updated as the actions are progressed and that progress is reported into the relevant group that will be responsible for scrutinising each action.

Risk

Failure to ensure the actions are subject to monitoring, review and regular reporting leading to inefficiencies, poor performance and possibly reverting to bad practices and losing the momentum for making improvements to operational practices.

Recommendation

The Teams Dashboard should be reviewed to address the outstanding actions currently marked as 'in progress' and past their due date. Areas for improvement and progression should be discussed with the relevant action owners, and complete actions should be marked as such with progressing actions given a revised due date. As planned, responsibility for scrutiny of outstanding actions should be reassigned to the most appropriate group. A reminder should be sent to all action owners to highlight the importance of keeping

their actions up to date and progress should be reported regularly to and scrutinised by the relevant group once assigned.

Management Action

**Grade 3
(Operation)**

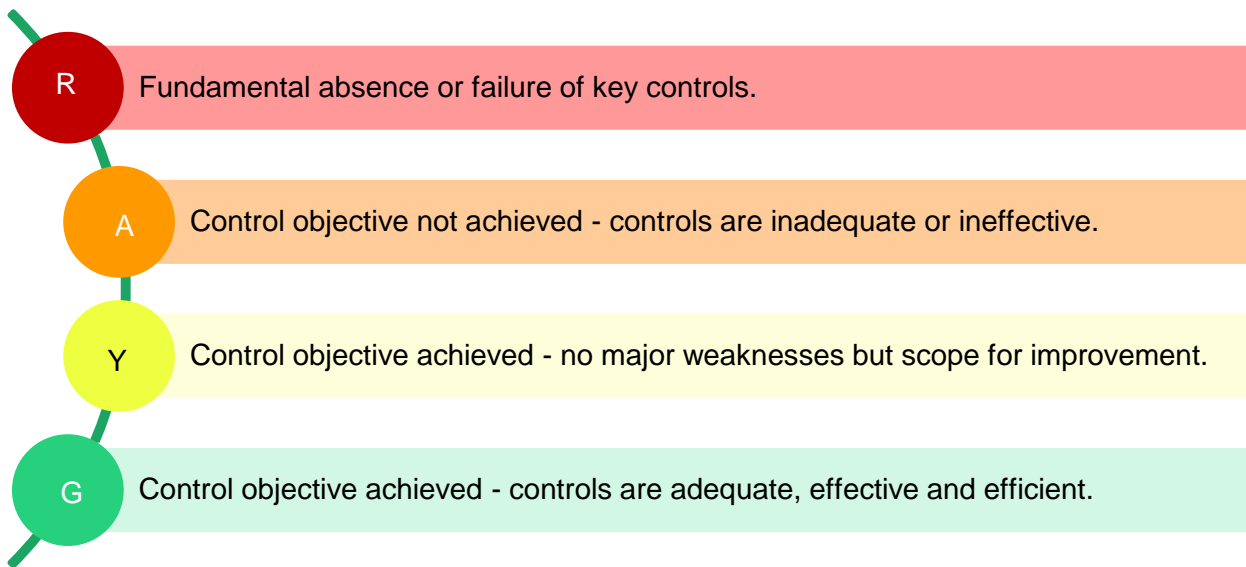
The outstanding RRR actions were discussed at the SMB on the 17th August and agreement reached to transfer these to the appropriate governance Boards. Progress of actions will be monitored by these Boards. The DCO will also send a further email to action owners and the Chairs of the relevant Boards to ensure that these are subject to ongoing scrutiny, until completion.

Action owner: Interim Deputy Chief Officer

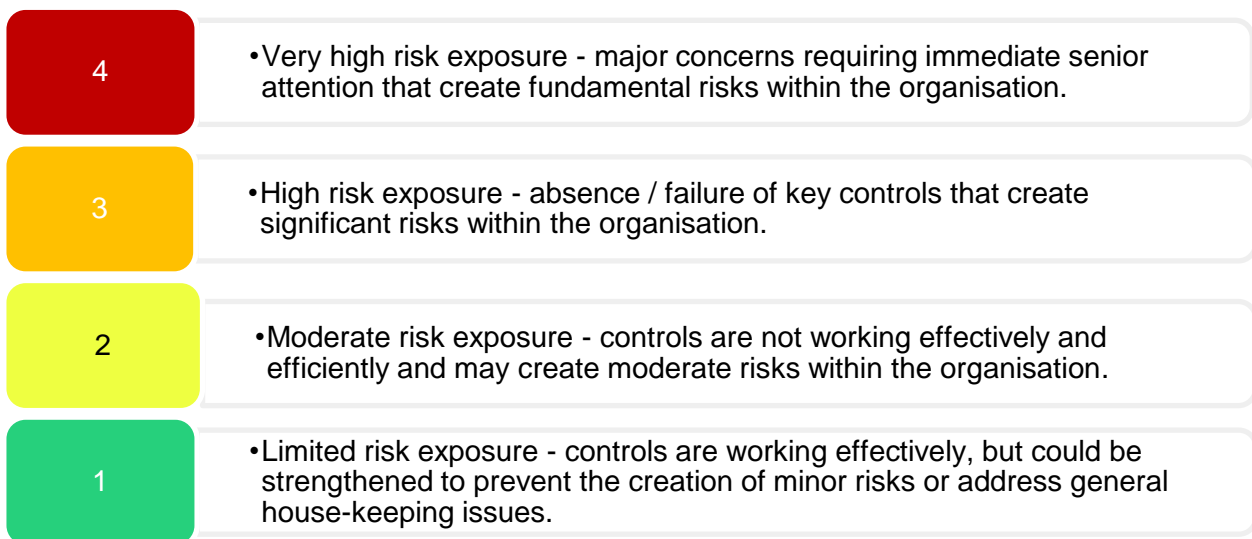
Due date: 21 September 2022

Appendix A – Definitions

Control assessments



Management action grades



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Scottish Fire and Rescue Service

Internal Audit Report 2022/23

Revenue and Funding Maximisation

September 2022



Scottish Fire and Rescue Service

Internal Audit Report 2022/23

Revenue and Funding Maximisation

Executive Summary	1
Management Action Plan	5
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Audit Sponsor	Key Contacts	Audit team
<i>John Thomson, Acting Director of Finance and Procurement</i>	<i>Lynne McGeough, Head of Finance and Procurement</i>	<i>Gary Devlin, Audit Partner</i> <i>Matt Swann, Audit Director</i> <i>Gill Callaghan, Senior Audit Manager</i> <i>Ruaridh Stewart, Internal Auditor</i>

Executive Summary

Conclusion

Scottish Fire and Rescue Service (SFRS) utilises multiple methods of funding and revenue generation. Beyond the Scottish Government provided Grant in Aid (GiA) resource and capital funding there are processes for external funding and revenue generation activities such as accommodation sharing, events recharges, secondments and reporting for the procurator fiscal.

The Scottish Government GiA funding is well controlled and maximised by SFRS, however there are opportunities to enhance and maximise other funding opportunities and revenue generating activities. Specifically, there are gaps in the policy and process documentation, there is a need to have central oversight of the identification of all income generating activities and funding opportunities to ensure opportunities for generating revenue are maximised. There is also a lack of compliance with the existing process resulting in a lack of oversight of whether funding objectives are being met and funds being maximised. In line with this there is also a need to expand the existing evaluation framework in place to ensure consistency in approach across the service when reviewing the success of funding or revenue generating activities.

Background and scope

The Scottish Fire & Rescue Service (SFRS) is funded directly by the Scottish Government through Grant in Aid (GiA) for both Resource and Capital expenditure and to enable it to deliver the priorities set out in the national Fire and Rescue Framework for Scotland.

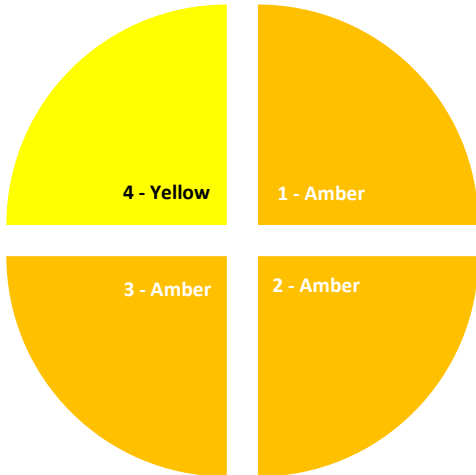
To ensure SFRS maximises opportunities to secure future financial sustainability, it has developed a Long-Term Financial Strategy 2017-27. This strategy supports the belief that the greatest public value and best opportunity to secure long-term financial sustainability would be delivered by taking on a wide range of new responsibilities supported by appropriate funding.

Such income generation should not be to the detriment of the SFRS's fulfilment of its primary responsibilities and core functions. Novel or contentious proposals for new sources of income or methods of fundraising must be approved by the Scottish Government.

In accordance with the 2022/23 Internal Audit Plan, we examined the arrangements SFRS has in place to ensure it maximises its opportunities for obtaining revenue additional to its core funding by applying for grants/other funding for which it may be eligible. This included the methods for identifying other means of income and the arrangements for ensuring applications are submitted within the required deadlines and that any related conditions are complied with.

Control assessment

- 1. SFRS has clear arrangements to identify, assess and decide upon potential revenue generating initiatives to ensure they are aligned with SFRS’s strategy

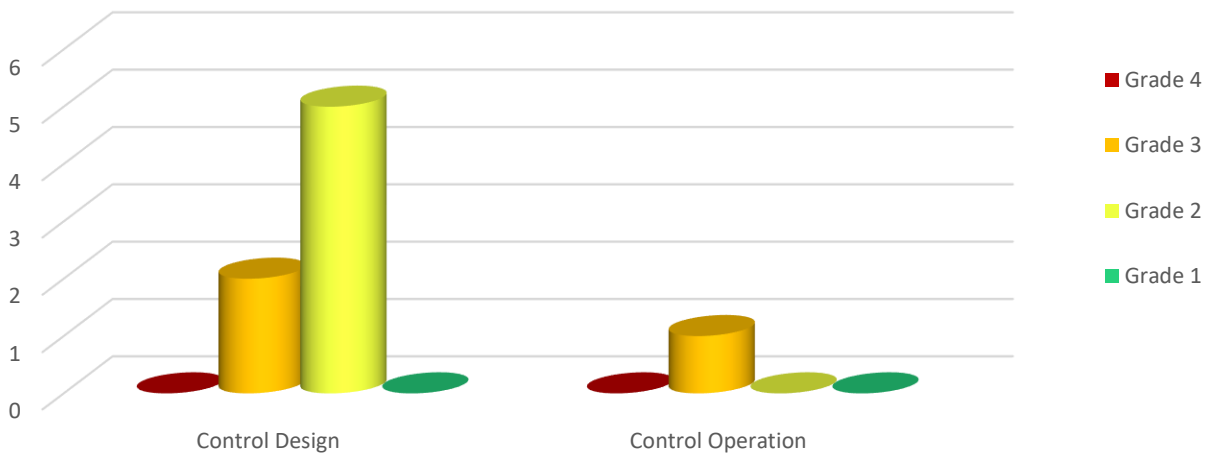


- 2. SFRS has approval procedures in place for revenue streams and new sources of income, including Scottish Government input

- 3. Monitoring arrangements are clearly defined within documentation, including arrangements for ensuring applications are submitted on time

- 4. A formal assessment process measures the success of each funding initiative in meeting expected conditions

Improvement actions by type and priority



Eight improvement actions have been identified from this review, one of which relates to compliance with existing procedures, rather than the design of controls themselves. See Appendix A for definitions of colour coding.

Key findings

Good practice

- Scottish Fire and Rescue Service (SFRS) has a framework of policy documents that define the processes for external funding and charging of other revenue generating activities including events, special charges, accommodation and recharges for secondments and procurator fiscal reports, although some of these are overdue for review.
- SFRS controls over resource and capital funding provided by the Scottish Government's Grant in Aid are well embedded and seen to be operational on an ongoing basis.

Areas for improvement

We have identified a number of areas for improvement which, if addressed, would strengthen SFRS's control framework. These include:

- The need for the oversight of external funding opportunities to be centralised under the job role of either a single individual or group in order to ensure that current funding in place is being fully utilised and available funding opportunities are assessed so that SFRS applies for and maximises the identified opportunities.
- The need to undertake an exercise to identify which external funds have the applications and grant conditions on file and, for those that do not have the required documentation on file, to follow up on this to ensure re-engagement to define the purpose, scope, objectives, conditions and monitoring arrangements for the existing funding projects.
- The need to ensure that scrutiny of external funding and revenue generating activities is assigned to an existing governance group.

These are further discussed in the Management Action Plan below.

Acknowledgements

We would like to thank the following staff who were consulted during this review for their assistance and co-operation:

Aileen Overend – Finance Business Partner

Tracey-Anne Morrow – Deputy Accounting Manager

Mhairi Law – Civil Contingencies Officer

Russell Munn – Estates Manager

Michael Rungay – Group Commander

Serge Kabamba – Station Commander

Willie Chisholm – Station Commander

David Ward – Station Commander

Steven Michie – Community Safety Group Commander

William Lindsay – Finance Business Partner

Kevin Murphy – Group Commander

Allan Stewart – Civil Contingencies Officer

Gerard Burke – Civil Contingencies Officer

Robert Laing – Civil Contingencies Officer

Cameron Black – Civil Contingencies Officer

Graeme Nicol – Group Commander

Niall MacLennan – Group Commander

Vincent O'Donnell – Group Commander

Joseph Fitzpatrick – Station Commander

Simon Cameron – Station Commander

Jenny Murray – Station Commander

Craig Thomson – Civil Contingencies Officer

Management Action Plan

Control Objective 1: SFRS has clear arrangements to identify, assess and decide upon potential revenue generating initiatives to ensure they are aligned with SFRS's strategy



Amber

1.1 Policy and Procedure

Scottish Fire and Rescue Service's External Funding Policy and Procedure document outlines the process to be adopted when applying for, and following the successful acquisition of, external funding for SFRS and any organisation connected to SFRS. However, as per the document's version control information, it was last updated in 2018, with the date for the next review to be undertaken in April 2021. This is now more than a year overdue.

Within the funding policy we noted that there is no consideration for the process to gain approval from Scottish Government when necessary. We also reviewed the policies relating to revenue generating activities and found that for the Event Planning General Information Note (GIN), charging policy and special service charging policy there is no documented approval and monitoring process.

Additionally, there have been externally funded grants from Scottish Government Departments for the Capital Budget. However, the written policy and procedure for this is being drafted and has not yet been completed.

Risk

There is a risk that staff follow documented policies and procedures that do not reflect current working practices to carry out grant funding initiative processes. Additionally, the absence of capital grant funding policies may result in required processes being bypassed or not known by those involved.

Recommendation

The External Funding Policy and Procedures document should be revised to reflect current working practices and should be updated on a regular basis. Specifically, the policy should be updated to include a section dedicated to the capital funding process including: roles and responsibilities of staff involved in the process, approval of new funding initiatives, monitoring and reporting arrangements and evaluation of completed initiatives.

Further the Event Planning GIN, charging policy and special service charging policy should all be updated to include an approval and monitoring process for revenue generating activities to ensure that these are reviewed and approved prior to going ahead.

Management Action

Grade 2
(Design)

Agreed. SFRS has over the last few years successfully applied for separate ring-fenced funding in relation to capital as specific initiatives have been made available via Scottish Government for net zero activities rather than general GiA. It is accepted that the policy and procedure should be updated and SFRS will revise policy and procedures to include the points identified by the audit.

Action owner: Acting Head of Finance and Procurement

Due date: 30 September 2023

1.2 Strategy Alignment

We obtained the External Funding Policy and Procedure to confirm the consideration of SFRS objectives when assessing funding initiatives. Upon inspection, we noted that strategic objectives are not mentioned within the policy nor is there any requirement when agreeing to external funding to demonstrate a clear rationale which states how the funding supports the delivery of specific objectives.

Risk

There is a risk that funding and revenue generating initiatives do not align with the SFRS's strategy, as a consequence of the absence of a suitable assessment process, leading to grant income that does not contribute to the achievement of the SFRS's objectives.

Recommendation

As part of the activities to revise the policy document, SFRS should ensure that the policy aligns with the strategy and includes detail on how funding is to be processed in line with the strategy objectives. Section 3.3 currently details the requirements for funding; adding linkages to SFRS strategic objectives within this existing section would strengthen controls over funding and alignment with the strategy objectives. Further there should be a requirement within the policy for new external funding to include a rationale on how the funding supports the delivery of strategic goals.

Management Action

Grade 2
(Design)

External funding typically is sought via application, these applications seek to understand how the funding will be applied to meet specific outcomes or objectives and success in receiving funding is based on articulating this effectively. We will include in the policy revision that specific consideration should be made to alignment with SFRS aims and objectives.

Action owner: Acting Head of Finance and Procurement

Due date: 30 September 2023

1.3 Funding, Revenue opportunity identification and maximisation

Although there are processes in place within SFRS for funding opportunities and further revenue generating activities there is no documented process for identification of all possible opportunities for funding or revenue generating activities. We tested multiple funding and revenue generating activities to assess how opportunities were identified.

1.3a External funding maximisation

We were advised that opportunities to obtain funding are maximised by various means including:

- proactively engaging at a local level through community planning partnerships to gain local authority funding;
- recovering costs via charging policy;
- maintaining effective relationships with partners to share services; and
- with regard to the Scottish Government and the sponsor team, understanding potential opportunities and receiving additional grants.

We understand that, as a result of the pandemic, funding received from local authorities was reduced and redirected to support the response to the pandemic. We were advised that SFRS resources were also diverted to support Covid-19 activities. Additional funding was received via the Scottish Government's Grant in Aid for other specific initiatives and local authorities were invoiced separately where required. For the period 2021/22, we were advised of the following increases in funding:

- £0.261m increase in funding to support ESMCP (replacement of airwave project funded by the Home Office);
- £0.045m increase in funding to support the Fireworks Campaign;
- £0.270m increase in funding to support Rural Covid Testing; and
- £1.304m increase in funding to support COP26 (separately funded by the Home Office and allocated by the Scottish Government).

We reviewed external funding arrangements and found that whilst there is an informal process where staff are made aware of funding opportunities via word of mouth at various meetings or via proactive searching, there is currently no formalised process for ensuring all external funding opportunities are identified and that SFRS maximise these opportunities.

Risk

There is a risk that if the processes for external fund maximisation and funding opportunity identification are not formalised to maximise all available opportunities then SFRS could miss potential uses for existing funds and opportunities for further external funding.

Recommendation

In order to ensure maximisation of external funding opportunities for SFRS, oversight should be centralised under the job role of either a single individual or group. The responsible party for the centralised approach should consider whether current funding in place is being fully utilised and assess all available funding

opportunities to ensure that SFRS applies for and maximises the identified opportunities. As part of this role a log should be kept with all funding opportunities, whether they are applicable to SFRS, reason for applicability and the current status of the application.

Management Action

Grade 3
(Design)

Agreed to improve the visibility of external funding by reporting progress on external funding through Good Governance Board for scrutiny.

Action owner: Acting Head of Finance and Procurement

Due date: 30 December 2022

1.3b Event revenue maximisation

The event identification process covers applications via external organisers to SFRS, passing of information via local authority meetings or proactive searching by the contingency officers. Events with potential impact or resource requirements are identified, scoped and then if deemed necessary assigned resources. Events are only charged for if SFRS resources are deployed. Further within the tracking mechanism for events it is unclear whether events have had any resources allocated to them at all, whether that be on a standby basis or actively on site. Without this it is unclear if opportunities to generate revenue for those events have been maximised.

We were subsequently advised that SFRS has a statutory duty to prepare for events, but can only charge for providing a response to the events. An exception to this was COP26 where, due to the size and scale of the event, it was agreed with the Home Office that the service could secure funding for planning and preparation in case the event was cancelled as a result of the Covid-19 pandemic.

Risk

There is a risk that if the charging processes are not revised to maximise all available chargeable opportunities, then SFRS could miss potential revenue generating opportunities for all events. If revenue is not maximised for events, then there is a risk that SFRS are operating with unnecessary outgoing costs that could otherwise be recuperated.

Recommendation

Management should review the framework for charging for events to ensure that the service charges for all elements outside of its statutory duty. The basis for any charges raised should be clearly recorded.

Management Action

Grade 2
(Design)

Agreed, SFRS will update charging policy to include planning for events where this is beyond our statutory duty.

Action owner: Acting Head of Finance and Procurement

Due date: 31 May 2023

1.3c Accommodation revenue maximisation

Although the process for accommodation sharing agreements is operating in line with the defined process and charges are being maximised in line with the process there is a gap. Currently SFRS do not charge to recover any capital costs associated with the facilities, only charges for utilities/running costs are raised.

Risk

There is a risk that if the charging process for accommodation is not revised to maximise all available chargeable opportunities, then SFRS could miss significant revenue generating opportunities. If revenue is not maximised for accommodation then there is a risk that SFRS are operating with unnecessary outgoing costs that could otherwise be recuperated.

Recommendation

There is an opportunity to maximise revenue for SFRS accommodation usage. The current cost basis for charging for accommodation should be reviewed to ensure all recoverable costs are recovered. This includes ensuring that there is a built-in charge to contribute to the capital costs of the building.

Management Action

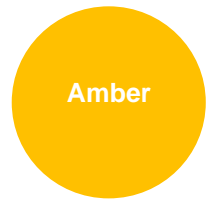
Grade 2
(Design)

Agree. To maximise sharing opportunities and encourage participation we have sought to share with partners recovering our running costs. We will consider with partners an amendment to sharing agreements that includes contribution to minor works to support normal wear and tear. For Capital, the contribution point may be at time of refurbishment or the need for a replacement building but this could be included in the agreement.

Action owner: Acting Director of Asset Management

Due date: 30 June 2023

Control Objective 2: SFRS has approval procedures in place for revenue streams and new sources of income, including Scottish Government input



2.1 External Funding Documentation

The official process requires the applications and grant conditions to be held for record keeping, there is no specific ownership assigned within the policy for who is responsible for this. We sampled a random selection of funds, however management were unable to produce the related documentation. It was advised that this was primarily attributed to the fact the original project manager for the project has retired and did not hand over any documentation or inform the new project manager of where it was being held.

Although there is a standard monitoring process as defined within the external funding policy, without the explicit grant conditions there are no detailed monitoring process, scope and requirements specific for each grant.

Risk

Without these there is a risk that funds cannot be actively monitored in line with any specific requirements for monitoring and reporting, they cannot be assessed on an ongoing basis as to whether they meet the conditions and they cannot be reviewed post completion to see if the defined objectives have been met and that the funds have been maximised.

Recommendation

An exercise should be undertaken to identify which external funds have the applications and grant conditions on file. For those funds that do not have the documentation on file a re-engagement should be done to define the purpose, scope, objectives, conditions and monitoring arrangements for the existing funding projects. Further for all new external funding there should be a centralised shared file location where the funding documentation is saved. A specific staff member from each region should be assigned to centrally oversee record keeping and ensure that all funds have the required documentation on file.

Management Action

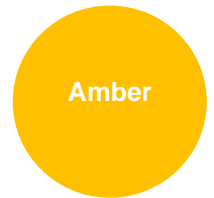
Grade 3
(Operation)

Agreed. SFRS will review current external funding and seek appropriate documentation to support. In addition, a central repository for grants that include the applications and conditions will be created.

Action owner: Acting Head of Finance and Procurement

Due date: 31 March 2023

Control Objective 3: Monitoring arrangements are clearly defined within documentation, including arrangements for ensuring applications are submitted on time



3.1 Funding and revenue generation scrutiny group

There are monitoring processes in place for external funding, capital funding, events, accommodation and other revenue generating activities controlled by the relevant business areas and assigned staff. There is, however, no overarching governance group in place to scrutinise these activities and ensure that SFRS is maximising opportunities for funding and revenue generation.

Risk

There is a risk that if there is no overarching group to scrutinise funding and revenue generating activities then SFRS will not have a consolidated top-level awareness of whether activities have been successful against deliverables and objectives and that use of funds and revenue opportunities are maximised.

Recommendation

Scrutiny of external funding and revenue generating activities should be assigned to an existing governance group. The group should act as a central controller and monitoring point for fund and revenue generating activities. The group's remit should be amended to also cover:

- Scrutiny of funding beyond BAU capital funds,
 - Monitoring of existing funds against defined objectives,
 - Review of funds post completion for meeting objectives and maximising usage of funds,
 - Scoping of future funding opportunities and which SFRS should apply for.
- Revenue generating activities,
 - Monitoring of existing activities for both maximisation of revenue from activities and to gain assurance that activities are conducted in line with defined objectives of the activity,
 - Review of activities post completion to assess success and whether appropriate charges have been invoiced,
 - Overview of key figures for current activities and planned future activities.

The group chosen to oversee this should be made up of senior staff members who act as central coordinators for each activity. Reports highlighting key activities, overall statistics, progress and planned future activities should be reported to the group. Having a centralised reporting process will allow for a greater top-level awareness of all revenue and funding streams and allow senior staff to have an oversight of whether opportunities are being maximised.

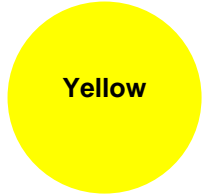
Management Action

Grade 3
(Design)

Agree to further oversight of external funding. SFRS has a Good Governance Board and it would be appropriate that the processes for external funding are monitored and reviewed by this executive Board. The Service is setting up a SLT led Capital Programme Investment Group and additional capital will be reviewed by this new group. SFRS to amend the terms of reference of GGB to include external funding monitoring and scrutiny and to include as appropriate when terms of reference for the CPIG are agreed.

Action owner: Acting Director of Finance and Procurement **Due date:** 31 December 2022

Control Objective 4: A formal assessment process measures the success of each funding initiative in meeting expected conditions



4.1 Evaluation Framework

The Prevention and Protection (P&P) directorate has established a Planning and Evaluation Policy and Procedure which is available to staff on the i-Hub intranet. The purpose of this document is to ensure that Community Safety Engagement initiatives and projects are planned and evaluated in a consistent manner and that any lessons learned are incorporated into the planning for future initiatives/projects. There are numerous examples on i-Hub of evaluations which have previously been carried out to guide staff.

We were advised that evaluation outside the P&P directorate generally tends to be based on the requirements of the funder. In addition, with regard to the Scottish Government, SFRS are required to provide specific feedback on how the funding has been spent and to ensure the funding conditions have been met. However, we note that there does not appear to be a formalised framework for evaluating the use of external funding outside the P&P directorate.

Risk

If there is no formal evaluation framework in place to evaluate the effectiveness of funding and revenue generating activities outwith the P&P directorate, there is a risk that funds may not have met the defined objectives and opportunities for maximising fund usage and revenue generation. If this is not identified in an evaluation process, then missed opportunities for fund usage and revenue generation could occur and amount to a potential loss of revenue.

Recommendation

The evaluation framework should be expanded to other external funding areas not currently covered to improve consistency of approach and to ensure that lessons learned are captured and fed into planning for the use of future external funding.

Management Action

Grade 2
(Design)

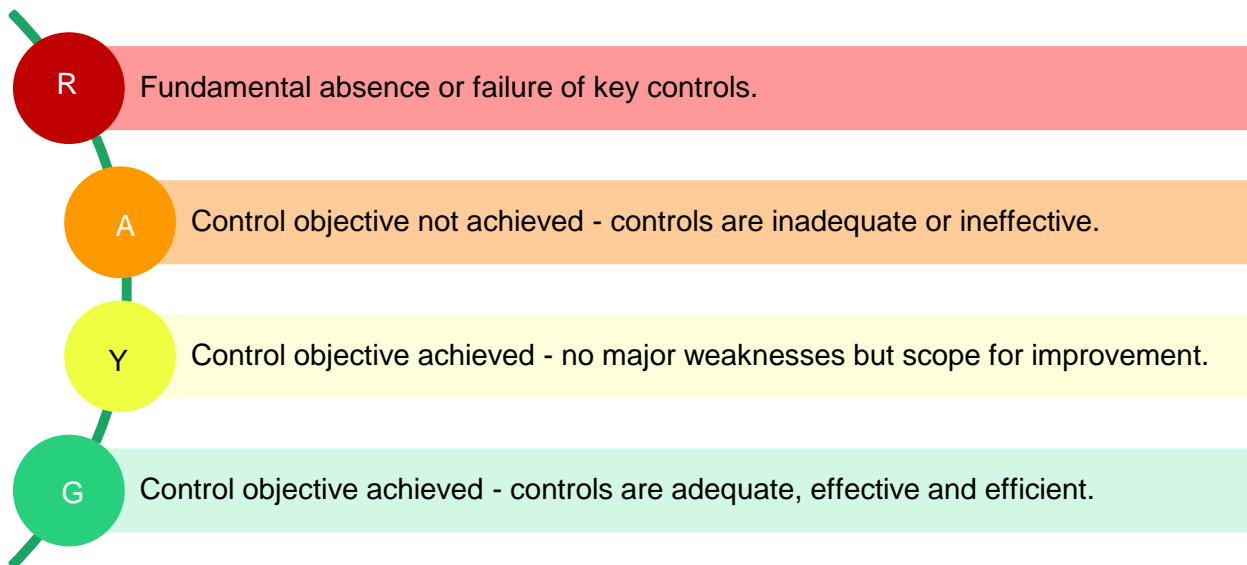
Agreed. The Service will expand the evaluation approach used by P&P to cover all external funding opportunities.

Action owner: Acting Head of Finance and Procurement

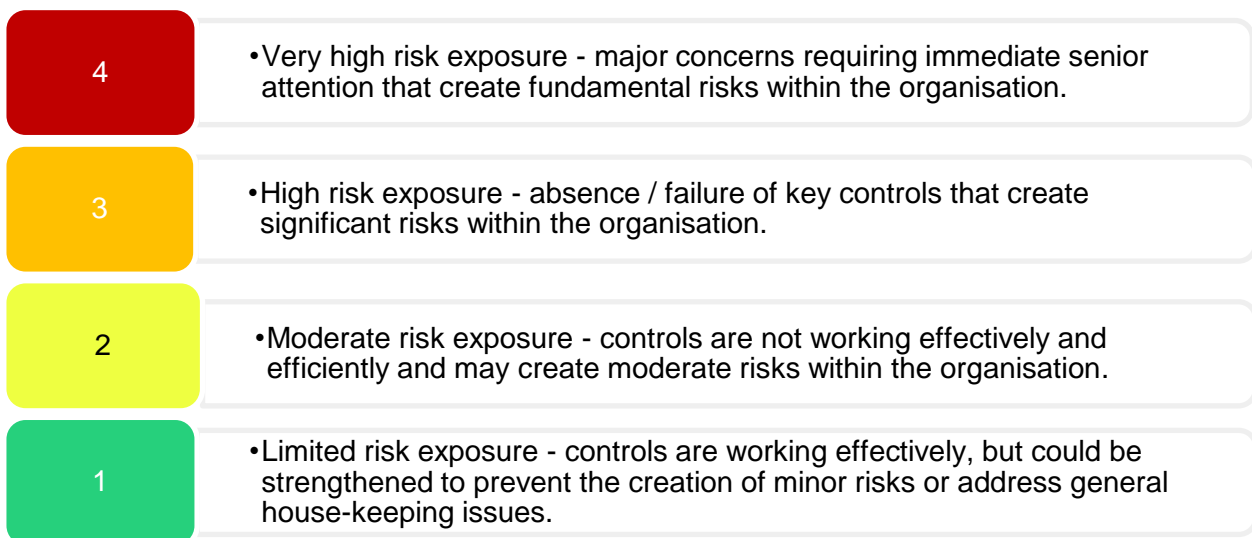
Due date: 30 June 2023

Appendix A – Definitions

Control assessments



Management action grades



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SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee



SCOTTISH
FIRE AND RESCUE SERVICE
Working together for a safer Scotland

Report No: C/ARAC/36-22

Agenda Item: 8.2

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	SFRS PROGRESS UPDATE/MANAGEMENT RESPONSE						
Report Classification:	For Scrutiny	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	To provide Audit and Risk Assurance Committee (ARAC) with the current status of recommendations raised by Internal Audit.						
2	Background						
2.1	This report maintains the previous format for updates with the addition of comments on the current status from Azets.						
3	Main Report/Detail						
3.1	Twenty eight (28) recommendations remain outstanding with the oldest related to audits carried out in 2019/20. Internal Audit are working with management to assess progress and to consider the extent to which recommendations remain valid.						
4	Recommendation						
4.1	ARAC is asked to note the content of the report and consider the extended timelines noted for outstanding recommendations.						
5	Core Brief						
5.1	Not Applicable						
6	Appendices/Further Reading						
6.1	None.						
7	Key Strategic Implications						
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)						Yes
Prepared by:	Gill Callaghan, Senior Manager, Azets						
Sponsored by:	John Thomson, Acting Director of Finance & Procurement						
Presented by:	Gary Devlin, Partner, Azets						
Links to Strategy and Corporate Values							
Working Together for a Safer Scotland							

OFFICIAL

Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For Scrutiny</i>

1. Background

In accordance with the Internal Audit Plan 2022/23, we undertake Follow Up reviews on a quarterly basis. The purpose of the Follow Up reviews is to ascertain the progress made in implementing agreed actions arising from internal audit assignments. The following spreadsheet sets out the original recommendations which remain outstanding along with action due dates and an update on progress made in implementing the recommendations to date.

2. Summary of findings

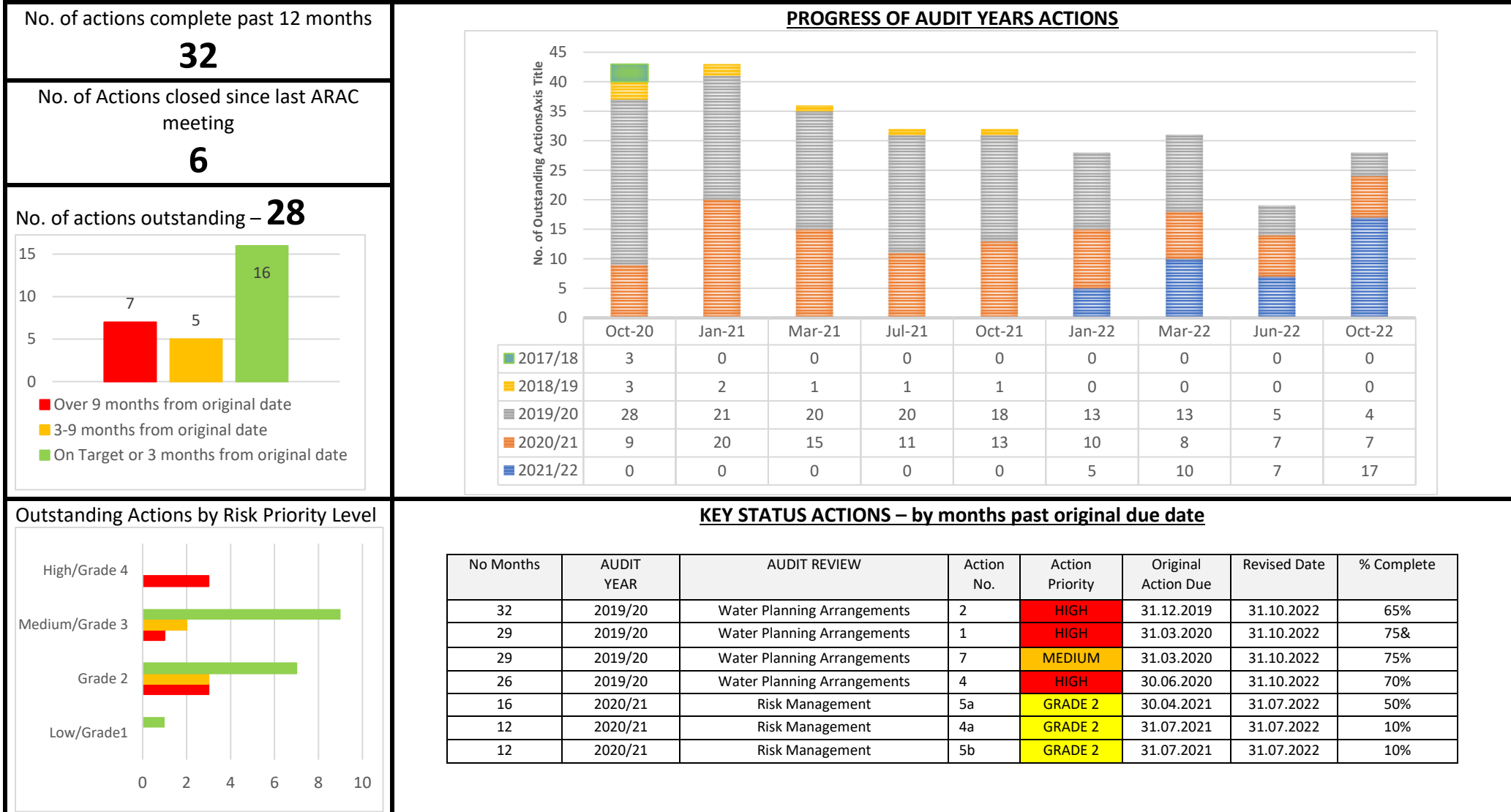
We have made the following observations regarding the Quarter 2 Follow Up review:

- We are pleased to note the progress made in implementing agreed internal audit recommendations with the full implementation of 6 recommendations having been evidenced during this quarter.
- We also found that whilst not fully implemented, in a number of cases further actions had been taken to bring the recommendations closer to nearing completion.
- Once again, we note that 3 'high' grade recommendations remain outstanding in relation to the previous auditors' recommendations in respect of Water Planning Arrangements, one of which is dependent on the agreement of Scottish Water for its completion.
- In line with discussion at previous meetings of the Audit and Risk Assurance Committee, IT actions have been subject to detailed validation prior to being classed as closed and, where appropriate, our Head of Cyber Services has provided detail of any further actions required to close off outstanding recommendations.

Dashboard – data as at 20th September 2022

*19/20 Fraud Risk Arrangement and 21/22 ICT & Data Security Follow Up Recommendations were split into a number of management responses and an action will remain open until all responses are complete

** 21/22 ICT & Data Security recommendation is classed as priority Grade 3 for the purpose of follow up stats.



STATUS KEY	
GREEN	On Target to complete within agreed due date or within 3 months of original due date.
AMBER	Delay from original due date of between 3 to 9 months
RED	Delay of over 9 months or no evidence of progress

2019/20	Water Planning Arrangements	Total No. Recommendations	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
				High	Medium	Low	High	Medium	Low	High	Medium	Low
		7	43%	1	2	0	3	1	0	0	0	0
Rec No.	We recommend that the Service Level Agreement (SLA) with Scottish Water is established and agreed addressed issues around liability and costs.			Action Date Due	7th Agreed Revised Date		Priority	% Complete	Status			
1	Responsible Owner Agreed Response Response & Resilience DACO	<i>Agreement with Scottish Water and SFRS on terms and items to be carried forward for inclusion in future MOU and SLA. Draft, finalise & Sign MOU & SLA between Scottish Water & SFRS.</i>		31 March 2020	31 October 2022		HIGH	75%	RED			
Progress to Update		Progress had been on hold as resources focused on COP26 priorities, now this has finished work as resumed. A meeting between SFRS and SW occurred on 8/02/2022. SFRS have updated and resubmitted their proposed settlement. Meeting March between organisations to discuss the proposal and seek an agreement was cancelled by Scottish Water. Waiting for rescheduled dates for meeting to be confirmed with Scottish Water.										
Outstanding actions to close the recommendation		Strategic Leadership Team (SLT) report to be prepared once an agreed position with SW is reached.										
Azets Comments		We acknowledge management’s comments regarding their inability to progress their proposal and seek an agreement with Scottish Water as Scottish Water have cancelled meetings where these issues were to be discussed. We note that management are waiting for a rescheduled meeting date to be confirmed.										
Rec No.	It is recommended that SFRS ensures that the requirements as detailed within the GIN are implemented consistently with the support of the Deputy Chief Officer.			Action Date Due	6th Agreed Revised Date		Priority	% Complete	Status			
2	Responsible Owner Agreed Response Response & Resilience DACO/ SM for Water Planning	<i>Consider revision of GIN to include a standardised recording document. Discussions with DCO and SDA DACOs regarding inclusion of performance monitoring within SDC quarterly reports and HMS high end user requirements to cater for LSO reporting.</i>		31 December 2019	31 October 2022		HIGH	65%	RED			
Progress to Update		Current GIN is out of currency and is being updated in the interim until the H&WP dept. are in position to include the standardised recording document. The interim update will include a revised GRA for operational personnel undertaking hydrant inspections.										
Outstanding actions to close the recommendation		Awaiting completion of Rec 4 before publication.										
Azets Comments		We note management’s comments that the implementation of this recommendation is dependent on the completion of Recommendation 4.										

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Rec No.	It is recommended that the HMS system is developed as a matter of urgency to enable the hydrants information to be updated and system introduced that will enable new technologies to be considered.		Action Date Due	5th Agreed Revised Date	Priority	% Complete	Status
4	Responsible Owner Agreed Response SM for Water Planning/ Water Planning Team	<i>Work with ICT to address system issues and develop system for SFRS to be rolled out across SDAs</i>	30 June 2020	31 October 2022	HIGH	70%	RED
Progress to Update		Internal development of the App began in early July. Developers are collaborating with ESRI to resolve bugs within the app. No timeframe has been identified to resolve bugs to commence the next stage of development which is UAT. Hydrant Inspection data collation has been delayed until 26 th August, due to lack of submissions from Area's. DSA with Scottish Water to share hydrant network information and maps has been agreed and awaiting the final version to be sent by Scottish Water for ACO Farries to sign on behalf of SFRS.					
Outstanding actions to close the recommendation		Before the application can go into production there are two key dependencies that need to be in place, these are access to the updated corporate gazetteer and installation on the vehicle tablets. Both of these projects are subject to some delay for a number of reasons related to evolving corporate priorities and resourcing difficulties. The Gazetteer link is currently planned to be ready by end of April which will allow deployment on to Laptops and desktop devices and the in-vehicle tablet upgrades are being targeted for late summer/early autumn which will allow for deployment to begin to those devices. Part 2 – Upgrades to actual HMS database would commence after phase 1 is complete					
Azets Comments		We note management's comments on the action being taken to implement this recommendation.					
Rec No.	It is recommended that SFRS Water Planning introduce arrangements to oversee the inspection progress and ensure that it is effectively monitored with performance reported to SDC.		Action Date Due	6 th Agreed Revised Date	Priority	% Complete	Status
7	Responsible Owner Agreed Response Response & Resilience DACO	<i>It was agreed to address this action in a staged approach by having discussions with DCO and SDA DACOs regarding inclusion of performance monitoring within SDC quarterly reports. And for guidance to be provided to LSO Management teams on future reporting function of HMS to monitor performance.</i>	31 March 2020	31 October 2022	MEDIUM	75%	RED
Progress to Update		Initial discussions between former R&R DACO and SDA DACO's had taken place.					
Outstanding actions to close the recommendation		Guidance/process will be provided to meet the new requirements and coincide with system rollout. (Rec No. 4)					
Azets Comments		We note management's comments on the action being taken to implement this recommendation.					

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2020/21	RISK MANAGEMENT	Total No of Recommendations	% Complete Actions	Fully Implemented Grade				Part/In Progress Grade				Not Implemented Grade			
				4	3	2	1	4	3	2	1	4	3	2	1
		9	56%	0	0	5	0	0	0	4	0	0	0	0	0
Rec No.	Risk Management Training Those with specific roles in the management of risk should be suitably trained in the core fundamentals of risk management and receive other appropriately tailored training to undertake their role.			Action Date Due	3rd Agreed Revised Date		Priority	% Complete	Status						
4a	Responsible Owner Agreed Response Risk & Audit Manager	A LCMS risk management training package will be developed allowing the core fundamentals of risk to be understood by relevant staff		31 July 2021	31 March 2023		GRADE 2	10%	RED						
Progress to Update		Information has been discussed with the LCMS team and confirmation received that development work on the risk management training package will be undertaken within 1 st quarter 22/23.													
Outstanding actions to close the recommendation		Develop package & pilot package to ensure fit for purpose.													
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.													
Rec No.	Risk Management Training Those with specific roles in the management of risk should be suitably trained in the core fundamentals of risk management and receive other appropriately tailored training to undertake their role.			Action Date Due	1 st Agreed Revised Date		Priority	% Complete	Status						
4b	Responsible Owner Agreed Response Risk & Audit Manager	Once complete the training package will be delivered to relevant staff.		30 April 2022	31 March 2023		GRADE 2	0%	AMBER						
Progress to Update		Those with responsibility of risk registers will be initially targeted and used to develop package													
Outstanding actions to close the recommendation		Carry out training.													
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.													

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Rec No.	Risk Appetite	Action Date Due	3rd Agreed Revised Date	Priority	% Complete	Status
5a	SFRS should agree on and clearly communicate its risk appetite. Appropriate training and guidance on risk appetite should be provided at Board level and guidance and/or training should be provided for risk managers on how risk appetite is practically applied. This action is linked to Actions 2 & 4 of the previous internal auditor's report.					
	Responsible Owner Agreed Response Risk & Audit Manager	<i>A Risk Appetite session was held on 30th July facilitated by Scott Moncrieff providing guidance and training on risk appetite and establishing a plan for development of the Services risk appetite. Further workshops will be held with SLT and the Board to identify and agree the Services initial risk appetite levels.</i>	30 April 2021	31 December 2022	GRADE 2	50%
Progress to Update		Board Risk appetite workshop carried out 31/03/22 facilitated by the Chair of ARAC. Further Board workshop to be held on 19 th October to discuss and agree the risk appetite statement.				
Outstanding actions to close the recommendation		Risk Appetite statement to be drafted for future submission to Board				
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.				
Rec No.	Risk Appetite	Action Date Due	3rd Agreed Revised Date	Priority	% Complete	Status
5b	SFRS should agree on and clearly communicate its risk appetite. Appropriate training and guidance on risk appetite should be provided at Board level and guidance and/or training should be provided for risk managers on how risk appetite is practically applied. This action is linked to Actions 2 & 4 of the previous internal auditor's report.					
	Responsible Owner Agreed Response Risk & Audit Manager	<i>The second element in relation to training to be aligned with Recommendation 3.2 – Risk Management Training. As the LCMS training package is developed, this will include elements in relation to Risk Appetite.</i>	31 July 2021	31 March 2023	GRADE 2	10%
Progress to Update		Actions to complete the LCMS (rec 4a) and work undertaken with the Board (Rec 5a) will allow risk appetite information to be outlined within the LCMS package.				
Outstanding actions to close the recommendation		Include Risk appetite information within LCMS package				
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.				

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2020-21	Estates Asset Management & Maintenance	Total No of Recommendations	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
		2	50%	0	0	1	0	0	1	0	0	0	0	0	0
Rec No.	An estates strategy should be developed and implemented which is informed by the outcome of the Service Delivery Model Programme. This should set out SFRS's long term strategy and approach to maintaining the existing estates, identifying and developing additional estate needs and where appropriate, rationalising the estate.		Report Agreed Date	1 st Agreed Revised Date	Priority	% Complete	Status								
1	<i>Responsible Owner Agreed Response National Property Manager</i>	<i>Property Services will develop an Interim Estates Strategy in the intervening period awaiting SDMP completion.</i>	31 December 2021	31 March 2023	Grade 3	35%	AMBER								
Progress to Update	<p>Work on a document detailing a 10-year risk based approach to the Capital Programme for Property, Fleet and Equipment is now complete and will be presented for approval to the SFRS Board in August 2022, with a submission to Scottish Government thereafter.</p> <p>Recent Progress on Strategic Asset Management Plan (SAMP) for Property</p> <ul style="list-style-type: none"> Stakeholder Engagement On-line Questionnaire issued on 18th July with a closing date of 30th September 2022 Stakeholder Engagement sessions at Fire stations taking place in August/September 2022 Stakeholder Engagement meetings with Departmental teams taking place in August/September 2022 First draft of SAMP in progress 														
Outstanding actions to close the recommendation	<p>The Estates strategy is part of a suite of strategy document to be undertaken by the Asset Governance & Performance Manager and work on this will follow on from the SFRS Board request for a new Strategic Asset Management Plan (SAMP) for Fleet which was completed in Spring 2022 and will be presented for approval to the SFRS Board in November 2022.</p> <p>Work on the Strategic Asset Management Plan (SAMP) for Property has commenced and is on target for completion as scheduled.</p>														
Azets Comments	We note management's comments on the action to be taken to implement this recommendation.														

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2020/21	Operational Equipment	Total No of recommendations	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
				0	0	0	1	0	1	1	0	0	0	0	0
Rec No. 2	A detailed strategy/long term plan should be devised in respect of operational equipment which supports the implementation of the Asset Management Strategy. It is acknowledged that this will be informed by the outcome of the review of service delivery. However, the strategy should set out how SFRS will source and maintain equipment which best meets the operational needs of the organisation.		Action Date Due	1 st Agreed Revised Date		Priority	% Complete	Status							
	Responsible Owner Agreed Response Scottish Equipment Manager	<i>Agreed. Operational Equipment strategy to be developed.</i>	31 March 2022	31 March 2023		Grade 3	25%	AMBER							
Progress to Update		The Operational Equipment strategy will be developed in conjunction with Asset Governance & Performance Manager (AGPM). In order to assist with the completion of this task, recruitment of 2 additional staff within the Asset Governance & Performance section is underway is now complete. Work on a document detailing a 10-year risk based approach to the Capital Programme for Property, Fleet and Equipment is now complete and was presented for approval to the SLT and the Board in August 2022. Outline project scope and stakeholder engagement plan for the Strategic Asset Management Plan: Equipment is underway.													
Outstanding actions to close the recommendation		The Operational Equipment strategy is part of a suite of strategy document to be undertaken by the AGPM and work on this will follow on from the SFRS Board request for a new Strategic Asset Management Plan (SAMP) for Fleet which was completed in Spring 2022 and will be presented for approval the SFRS Board in November 2022.													
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.													
Rec No. 3	The Asset Management Liaison Board (AMLB) should review its reporting arrangements to satisfy itself that it receives sufficient information in order to be able to give due consideration to the particular areas of performance stated within the Asset Management Strategy.		Action Date Due	1 st Agreed Revised Date		Priority	% Complete	Status							
	Responsible Owner Agreed Response Scottish Equipment Manager/AMLB	<i>Agreed. KPI information to be reported to AMLB in line with Asset Management Strategy.</i>	01 February 2022	31 March 2023		Grade 2	15%	AMBER							
Progress to Update		Planning stage of work; KPI's will be reviewed and updated as part of the actions from the Azets Audit reports; the Deloitte Audit and in particular the Board action with regards to the development of an Asset Management Performance Framework.													
Outstanding actions to close the recommendation		KPI workshop for Fleet are taking place in October 2022. KPI information will be reviewed during the early stakeholder consultation stages in the development of the Operational Equipment Strategy. The final set of KPI's will require to be agreed as part of AMLB approval of the new Operational Equipment Strategy.													
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.													

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2021/22	REMOTE WORKING	Total No of Recommendations	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
				5	60%	0	0	3	0	0	0	2	0	0	0
Rec No 1	Staff Training SFRS needs to determine which elements of the training in relation to agile working should be mandatory for managers. Once this is agreed, arrangements should be put in place to ensure that managers have completed the required training.				Report Agreed Date		2nd Agreed Revised Date		Priority		% Complete		Status		
	Responsible Owner Agreed Response Head of POD	<i>A review of the training in relation to agile working that may be deemed mandatory for managers will be undertaken.</i>			31 March 2022		31 March 2023		Grade 2		50%		AMBER		
Progress to Update		Learning outcomes and a framework for content for an LCMS module on agile working for managers, which includes the mandatory content which managers need to know, have been developed. Due to other organisational priorities, Training colleagues are unable to support the development of the mandatory LCMS module until Q 4 of 2022/23. This timescale has now been confirmed and, taking account of the need to test and launch the module once developed, it is anticipated that this will be introduced the end of this financial year. A range of other leadership and management learning materials are available meantime to support managers leading remote/agile teams.													
Outstanding actions to close the recommendation		LCMS module development to be concluded, tested and launched. Arrangements to be made on Learnpro to enable reporting against completion of this mandatory training for managers.													
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.													
Rec No. 2	Monitoring of Staff Feedback SFRS should implement a more structured approach to obtaining, analysing and reporting feedback from staff. In order to enable appropriate action to be taken in respect of any negative impacts on staff well-being and the effectiveness of remote working, SFRS should consider having a schedule for obtaining feedback. This could consist of periodic surveys; drop in sessions for general remote working issues; and mechanisms in place for line managers to provide feedback about common or concerning issues found in their teams; including information about productivity.				Action Date Due		1 ST Agreed Revised Date		Priority		% Complete		Status		
	Responsible Owner Agreed Response Head of POD	<i>As part of developing the employee engagement framework POD will ensure obtaining, analysing and reporting feedback from staff on agile working is included in the schedule of employee engagement touch points such as questionnaires, staff surveys and forums.</i>			30 June 2022		31 October 2022		Grade 2		90%		GREEN		
Progress to Update		Facilitated discussion forums for managers are now in place on a quarterly basis to discuss the opportunities and lessons learned presented by agile working, the outcomes of which will inform the development of the agile framework on an ongoing basis. The Strategic Leadership Team have requested a framework approach to employee engagement be developed in the SFRS. It builds on the number of opportunities already created to enable staff to provide their views, opinions and feedback on what it is like to work at the SFRS, through various channels (surveys, consultations, online, or in person sessions). Work is underway to undertake further analysis across the employee insights gathered to inform a thematic approach to engagement which will include the theme of agile working. A pulse survey on agile working has been developed for issue to all staff in Quarter 3 to obtain and analyse feedback specifically around the impact and effectiveness of remote/agile working; again this will inform the ongoing development of the agile framework, materials, associated communications plan, etc.													
Outstanding actions to close the recommendation		Final copy of Agile working pulse survey to be provided once content/question set is agreed													
Azets Comments		We note management's comments on the action to be taken to fully implement this recommendation.													

2021-22	ENVIRONMENTAL SUSTAINABILITY	Total No of Recommendations	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
		2	50%	0	0	0	1	0	0	1	0	0	0	0	0
Rec No. 2	<p>Training Management should overhaul the current online training provided, ensuring that the content available is up to date and subject to regular review so that it reflects current guidelines and best practice. We suggest that role-specific modules are introduced to provide further clarity to staff on what exactly is expected of them. Due to the importance of environmental sustainability in regard to SFRS long-term objectives, training on environmental matters should be made mandatory for all staff to complete with refresher training provided, as necessary.</p>			Action Date Due	Agreed Revised Date	Priority	% Complete	Status							
	<p>Responsible Owner Agreed Response Environment and Carbon Manager</p>	<p><i>The Environment and Energy team will engage with Training Department to:</i></p> <ul style="list-style-type: none"> • Review and update existing LCMS modules to ensure current; • Put in place arrangements for regular review; • Reinstate trainee introductory presentation; • Develop a training module for Premises Responsible Persons; • Develop a training module for office-based staff; and • Recommend participation in Carbon Literacy Project for SFRS managers. <p><i>Caveat that it is outwith the ECMB's authority to determine what training is mandatory and can only make recommendations to Senior Management Board.</i></p>	31 March 2023	n/a	GRADE 2	50%	GREEN								
Progress to Update	<p>NetRegs have provided environmental modules and they have been uploaded to LCMS under Environmental the Compliance Training module. Since presenting to Environment and Carbon Management Board on 27/07/22 about the carbon literacy project, a meeting has been had with the Blue Light Co-ordinator at the Carbon Literacy Trust to gain further information- some training materials have been provided however next steps are still to be discussed internally. PRP & Office Based staff training modules are in the early stages of development.</p>														
Outstanding actions to close the recommendation	<p>Discussions are still to be had to determine role requirement and frequency of training modules determined by ECMB with final approval from SMB PRP and Office based staff training modules to be drafted and uploaded to LCMS.</p>														
Azets Comments	<p>We note management's comments on the action to be taken to implement this recommendation.</p>														

2021/22	ICT & DATA SECURITY FOLLOW UP * Recommendations were split into a number of management responses and an action will remain open until all responses are complete ** recommendation is classed as priority Grade 3 for the purpose of follow up stats.		Total No of Recommendations <small>*Split into 11 Management Responses</small>	% Complete Actions	Fully Implemented Grade				Part/In Progress Grade				Not Implemented Grade			
					4	3	2	1	4	3	2	1	4	3	2	1
			1	27%	2	2	1	3	0	2	1	0	0	0	0	0
Rec No. 2b (1.2.2)	Privileged Users To support access management, IT management may wish to consider development of an access matrix which defines access permissions according to specific roles within the IT Team e.g network administrators, service desk analysts, third line specialists, etc... Access profiles/roles could then be developed to ensure that access is effectively managed according to the needs of the role. Management should also establish formal processes to review active privileged accounts each quarter to confirm their validity and that users still require that level of access. This should include review of when the account was last used.				Action Date Due	Agreed Revised Date		Priority	% Complete		Status					
	Responsible Owner & Agreed Response ICT Technical Strategy Manager	The further actions identified in the follow up audit will be actioned in the timescales shown at each action.				30 June 2022	n/a		2 – Control designed – being implemented	100%		GREEN				
Progress to Update			The RBAC matrix has been agreed and a process to review the active privileged accounts on a quarterly basis has been completed The SFRS Cyber team will put in place monthly audits of all administrative AD accounts and this report will be covered in the formal ICT Management team meeting under the standing agenda item for Security.													
Outstanding actions to close the recommendation			Supporting evidence received & forwarded to Azets for review – 13/07/2022													
Azets Comments after review -22/09/2022			A process document has been provided. However, in order to mark this recommendation as fully implemented we require evidence of the monthly and quarterly reviews being undertaken by the Cyber Security team.													
Rec No. 2d (1.2.4)	Privileged Users SpecOps, or another suitable tool, should be extended to improve monitoring and logging of privileged account activity beyond the monitoring of passwords. This should include the logging of all privileged account activity within Active Directory, and regular monitoring of this.				Action Date Due	Agreed Revised Date		Priority	% Complete		Status					
	Responsible Owner & Agreed Response ICT Technical Strategy Manager	The further actions identified in the follow up audit will be actioned in the timescales shown at each action.				31 May 2022	n/a		3 – Control designed – opportunity to enhance	100%		GREEN				
Progress to Update			Analysis of available options to allow the monitoring and logging of privileged account activity within Active Directory is ongoing. 22/23. The business case was presented by Paul Stewart to SLT and considered at the formal meeting on 22 February and the following decision was recorded: SLT approved in principle but it is to be weighed up against other priorities. Agreed funding cannot be allocated to this at this point but this business case will be added to the other business cases, to be considered going forward. What has been put in place by ICT to address this action point are a number of approved changes/technical controls to ensure that SFRS are now logging all AD privileged account activity and have written a weekly process document to outline how the monitoring of this activity will be carried out on a weekly basis by the Cyber team.													

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Outstanding actions to close the recommendation		SUPPORTING EVIDENCE HAS BEEN FORWARDED TO AZETS FOR REVIEW – 20.06.2022				
Azets Comments after review -22/09/2022		The process put in place is sufficient. However, this control is to be performed on a weekly basis and we have only been provided with evidence of this having been performed once i.e. on 30 May 2022. In order to mark this recommendation as fully complete, we need to evidence that this check has been performed weekly, that is more than once.				
Rec No. 4 (3.1.1)	Disaster Recovery Plan The IT Disaster Recovery Plan should be updated to include details of or links to procedures to be followed that will support recovery of technology solutions in the event of a business disruption. Where testing is performed, this should be documented along with any lessons learned. In addition, the IT disaster Recovery Plan and any supporting procedures should be updated as necessary following the test.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner & Agreed Response ICT Operations Manager	The further actions identified in the follow up audit will be actioned in the timescales shown at each action.	30 April 2022	n/a	3 – Control designed – opportunity to enhance	100%
Progress to Update		A Saughton Data Centre Black Start Event was used to test the Data Centre element of the Disaster Recovery Plan as scheduled. The results, outcome and lessons learned from this has been fully documented and awaits sign off by the ICT Senior Management Team, and above if deemed necessary				
Outstanding actions to close the recommendation		Original evidence was reviewed & Feedback from Azets below 10/06/2022. Further evidence sent for review 09/08/2022				
Azets Comments after review -22/09/2022		There are currently no links provided to procedures and other DRPs that would support the response to an incident. In order for this recommendation to be marked as fully implemented, these links need to be evidenced.				

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2021/22	PORTFOLIO OFFICE	Total No of Recommendations	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
				6	0	0	0	0	0	4	2	0	0	0	0
Rec No. 1	<p>Project & Programme management Processes</p> <p>We recommend that the roadmap includes activities to document and articulate the required controls and governance arrangements for the operation of the Portfolio Office. We recommend that the roadmap includes the development of policies, procedures, and application of requirements for the Portfolio Office.</p> <p>We also recommend that the Service evaluates the merits of having all organisational change managed and controlled through the Portfolio Office. This will have the benefit of ensuring a single, consistent management of change activity across the organisation. A Key element of this will be defining what the organisation considers as change activity. If a decision is taken to have a single approach to change, Portfolio Office Management should work closely with ICT and Assets & Property Management to transition relevant change projects (Including ongoing activity) to the Portfolio Office.</p> <p>We also recommend that management examine the potential to accelerate the Portfolio Office Roadmap. This should include review of Portfolio Office resource requirements, both in terms of headcount and scheduling of recruitment.</p>			Report Agreed Date	1 st Agreed Revised Date	Priority	% Complete	Status							
	Responsible Owner Agreed Response Head of Portfolio Office	<p>The recommendations are considered reasonable and fair, It should be noted that the implementation of the Business Change Lifecycle will include Policies, Process, Procedures and the Assurance expected of a robust management practice. It must also be recognised that Strategic Change Management is not the sole responsibility of the Portfolio Office and should be and organisation wide commitment, and to deliver change effectively, it must also be acknowledged that the dimension of 'Process' will provide the SFRS with a framework of guidance, however the critical success factor will be the organisations ability and willingness to 'Execute' against the process established and resource strategic change proportionately. In addition, consideration will be given to a Portfolio of Portfolios governance model, whereby a Sub-Portfolio hierarchy for major change can be applied across other areas of the organisation such as ICT, Assets & Property and will aggregate and align under the wide Change Portfolio.</p> <p>Action agreed: -</p> <ul style="list-style-type: none"> Implementation of a Business Change Lifecycle that includes, Process, Procedures as well as the Quality Assurance expected of a robust management practice. Implement of a Portfolio Governance structure that has oversight of all defined major change across the SFRS. 	30 Sept 2022	30 November 2022	GRADE 3	70%	GREEN								
Progress to Update		1st Iteration of the Business Change Lifecycle has now been drafted with overarching phases, and sub-processes. Selected projects are currently conducting a pilot / Test of Change to validate design and fit for use across the change portfolio using a "workbook" containing process guidance and key project artefacts including a plan on a page, RAID log containing methods to track and manage risks, issues, actions and decisions as well as high level requirements gathering and designing project governance arrangements. A new structural design of Portfolio Governance has been drafted along with supporting Terms of Reference and will be presented to SLT in October for review and approval for implementation.													
Outstanding actions to close the recommendation		Resource support from a client-side partner will be required to finalise the documenting of all Assurance Artefacts as part of the Business Change Lifecycle. The Portfolio office are currently working through procurement process to onboard partner to accelerate this outstanding work. The procurement process is now at award stage.													
Azets Comments		We note management's comments on the action to be taken to fully implement this recommendation.													

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	<p>Managing Portfolio Demand & Prioritisation In recognition of the timescales for fully implementing and embedding the business change lifecycle within the Service, we recommend that management implement interim arrangements through which demand is identified, assessed and prioritised in a formal and consistent manner. To ensure that a mechanism is quickly put in place through which demand is consistently identified and included in the pipeline, we recommend that the due date of business change lifecycle is brought forward and implemented with priority. We also recommend that the prioritisation tool is promptly completed in line with the business change lifecycle.</p>	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
<p>Rec No. 2</p> <p>Responsible Owner Agreed Response Head of Portfolio Office</p>	<p>Appropriate interim arrangements are in place for the rudimentary identification and prioritisation of new initiatives whereby all new initiatives are presented to SMB in form of a Project Brief and accompanying Business case where necessary for approval into the portfolio. The development and implementation of the Business Change Lifecycle will provide a documented process with the appropriate governance oversight that enables a consistent and repeatable approach to the identification, evaluation and prioritisation of change. The Business Change Lifecycle must be the number one priority to be designed, developed and implemented. Further requests to focus of prioritise other processes, tools or activity will impede the Portfolio Office efforts in implementing the Business Change Lifecycle due to resource constraints. Agreed actions: -</p> <ul style="list-style-type: none"> • Implementation of Business Change Lifecycle Intake Process and Procedures • Implementation of Definition of Change • Implementation of a Prioritisation Framework/Matrix aligned with Strategic Imperatives • Implementation of the Change Portfolio Investment Committee Governance Structure 	31 Dec 2022	n/a	GRADE 3	70%	GREEN
<p>Progress to Update</p>	<p>1st Iteration of the Business Change Lifecycle has now been drafted with overarching phases, and sub-processes. Selected projects are currently conducting a pilot / Test of Change to validate design and fit for use across the change portfolio using a “workbook” containing process guidance and key artefacts. A new structural design of Portfolio Governance has been drafted along with supporting Terms of Reference and will be presented to SLT in October for review and approval for implementation – this new governance design introduces a ‘Change Portfolio Investment Committee’ to provide oversight of all change related investments and demand across the SFRS to ensure alignment with strategic priority and delivery of best value. 1st draft of recommended Change Portfolio Prioritisation Model was presented at one of the board strategy days and it was agreed that this can now be used in conjunction with any new strategic demand to help inform prioritisation. A definition of Change for SFRS has been drafted and will be circulated with the Change Portfolio Investment Committee when formally established for approval.</p>					
<p>Outstanding actions to close the recommendation</p>	<p>Resource support from a client-side partner will be required to finalise the documenting of all Assurance Artefacts as part of the Business Change Lifecycle. The Portfolio office are currently working through procurement process to onboard partner to accelerate this outstanding work. The procurement process is now at award stage.</p>					
<p>Azets Comments</p>	<p>We note management’s comments on the action to be taken to fully implement this recommendation.</p>					

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Rec No.	<u>Quantification of Benefits</u>	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
3	<p>We recommend that all future business cases set out all benefits and disbenefits associated with the project and/or programme. This should form part of a revised approach to benefits management and realisation processes as set out in MAP8.1. Wherever possible, benefits should be quantified by those responsible for producing business cases, with these being subject to appropriate challenge and review to confirm their veracity. Processes should also be in place to establish baseline information that will be used as the basis of benefits tracking.</p>					
	<p>Responsible Owner Agreed Response Head of Portfolio Office</p> <p>The recommendations are fair and reasonable and in line with development work currently well underway with the development and testing of a benefits management toolkit, which can then be integrated with the in-place business case process. Agreed actions: -</p> <ul style="list-style-type: none"> • Develop Benefits Management Processes and Toolkit • Integrate with & revise In-Place Business Case Process 	31 Dec 2022	n/a	GRADE 2	70%	GREEN
Progress to Update		Initial design of the Benefits Framework and Toolkit is now complete – Testing of the Framework is now in progress across 3 Projects (Safe & Well, On-Call, and People, Payroll & Finance). The designed Benefits Management Framework will be used as the basis to make modification to the In-Place Business Case Template/Process to identify and capture benefits as new projects come forward along with benefits measures and success criteria. Portfolio Office are working to 'Digitize' the process with ICT partnership				
Outstanding actions to close the recommendation		Portfolio Office are working with a client-side partner to develop a platform that enables the 'Digitization' of the Business Case process and artefacts. As part of this work, the Business Case template will be revised to include more specific and measurable benefit inputs and data that will enable a more robust evaluation of change initiatives prior to approval for investment and allocation of resource from the newly established investment committee				
Azets Comments		We note management's comments on the action to be taken to fully implement this recommendation.				
Rec No.	<u>Portfolio Governance</u>	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
4	<p>We recommend that management reviews and updates governance arrangements for the change portfolio. This should include governance arrangements for identifying, assessing and prioritising demand as well as oversight at all layers of the portfolio management process (project, programme and portfolio). Terms of reference should be agreed for all governance groups and management should ensure that governance arrangements address all areas of oversight and approval. As part of the process of agreeing Portfolio governance arrangement, managements and the Portfolio Office should determine the frequency of meetings of each governance group as well as the reporting requirements of each governance group. The focus should be on providing those charges with governance with relevant and timely information to provide effective and timely oversight of project, programme and portfolio activity. As a minimum, each project and programme should produce a highlight report setting out:</p> <ul style="list-style-type: none"> • Overall status of the project (including comparison against previous reporting period) • Progress since last update and against plan • Milestone and progress towards them • Any variance from the plan • Plan for next reporting period • Risks, issues and dependencies, including any significant changes • Performance against agreed financial budgets and expected financial outturn 					
	<p>Responsible Owner Agreed Response Head of Portfolio Office</p> <p>The Portfolio Office has recommended a re-design of Portfolio Governance (currently in a draft – new ToRs) for the introduction of a Change Portfolio Investment Committee (CPIC aka SLT), responsible for: Alignment to Strategy, Prioritisation, Acceptance into the Portfolio and Allocation of resources (Money & People). In addition, to refine what is currently SMB into the Change Portfolio Progress Group (CPPG), responsible for Delivery oversight, management of Portfolio risk</p>	30 Sept 2022	Requesting New date at GGB 30 November 2022	GRADE 3	90%	GREEN

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		and achievement of benefits and outcomes. In addition, the Portfolio Office has also re-designed the Project Highlight Reporting to provide more concise and insightful data to governance bodies, providing a more reflective and accurate position of status, progress being made and risk. Agreed Actions: - <ul style="list-style-type: none"> • Implementation of revised Change Portfolio Governance Structures • Implement revised Project Highlight Reporting 							
Progress to Update	Re-design of governance specific to the Change Portfolio is in draft along with associated Terms of Reference and will be submitted for review and approval to SLT in September. The new governance structure will supersede the in-place governance arrangements for the Change Portfolio where oversight is provided by SMB The new governance structure will introduce x 2 governance committees: – (Change Portfolio Investment Committee) – This committee will primarily be a decision-making body in relation to the investment, alignment to strategy and prioritisation of SFRS resource (Money & People) specifically related to major organisational change. This body will meet on a quarterly basis to establish a continuous planning approach to change, investment and prioritisation to ensure as an organisation we are working on the right things at the right time to generate the greatest value. This committee will be made up of the SFRS Executive (SLT). (Change Portfolio Delivery Committee) – This committee will primarily be a scrutiny and supportive body overseeing the execution activities of change and management of overall risk. This committee will provide all the organisational support and resource required to ensure progress across the portfolio is maintained and that risk is managed in a timely manner and at the appropriate levels within the organisation Design of a new Change Portfolio Project Highlight report complete. Transition of Status Reporting for all projects now in progress, the new status reporting will provide the governance arrangement with all the fundamental data required to support their responsibilities								
Outstanding actions to close the recommendation	A new structural design of Portfolio Governance has been drafted along with supporting Terms of Reference and will be presented to SLT in September for review and approval for implementation.								
Azets Comments	We note management’s comments on the action to be taken to fully implement this recommendation.								
Rec No. 5	Financial Monitoring Metrics We recommend that management examine whether the implementation date for portfolio financial management can be brought forward to ensure improved financial reporting of projects and programmes. If this is not possible, guidance should be provided to project managers on providing improved financial performance information. We recommend that the portfolio financial management includes setting specific metrics for the financial monitoring of projects, with clarification of the parties responsible for review, and the requirement to regularly table financial monitoring reports at oversight functions. This should also clearly define approaches to the use of financial tolerances and reporting against these.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status		
	Responsible Owner Agreed Response Head of Portfolio Office	This has been recommended by the Portfolio Office to the Financial function and key Portfolio Office stakeholders such as Change Committee. This work is already underway with Finance, with a draft process under review, as well as an outline Financial Report that can be embedded as part of future Change Portfolio Governance, including Financial Metrics such as Budget, Forecast and Actual spend, including variance to budget and spend. Agreed Actions: - <ul style="list-style-type: none"> • Implement Project and Portfolio Financial Reporting and Forecasting • Implement Financial Forecasting Guidelines 	30 Sept 2022	n/a	GRADE 3	100%	GREEN		
Progress to Update	Iteration 1 of the Change Portfolio Financial Report has been established with the reporting process having now successfully completed 3 reporting periods. Continuous improvement work with Finance will commence as to how we can streamline process and refine report output. Complete – refinement and continuous improvement approaches will mature our financial reporting								
Outstanding actions to close the recommendation	Supporting Evidence forwarded to Azets to Review – 05/09/2022								

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Azets Comments after review -22/09/2022		Whilst there is evidence of financial information being presented, it is less clear on how the second paragraph of the recommendation has been addressed in relation to setting specific metrics for financial monitoring as well as approaches to the use of financial tolerances (there is no evidence of these being set and reported against unless there is zero tolerance). In addition, the process diagram for budget revisions/reforecasts needs to be finalised.				
Rec No. 6	Management of Issues & Dependencies We recommend that formal processes and procedures are designed and implemented to support effective issue and dependency management. These should be subject to regular review and reporting to relevant portfolio governance groups.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Head of Portfolio Office	This has been addressed by the Portfolio Office and we have a select number of projects now conducting a test of change of a dependency management toolkit prior to scaling across the broader change portfolio. Agreed action: - <ul style="list-style-type: none"> Implement Project Dependency Management Toolkit 	30 June 2022	31 October 2022	GRADE 2	80%
Progress to Update		The portfolio office has developed a dependency management toolkit for use by all projects. The portfolio office is conducting a test of change across select projects prior to scaling portfolio wide. This dependency data captured at the project level will then enable the portfolio office to aggregate the data to allow for a portfolio level view of critical dependencies that the new governance arrangements can provide support to.				
Outstanding actions to close the recommendation		Conclude Test of Change and scale across all remaining projects. Develop a Portfolio wide report showing critical dependencies across the portfolio that need a management of risk / issue approach.				
Azets Comments		We note management's comments on the action to be taken to fully implement this recommendation.				

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2021-2022	FIRE KIT INVESTIGATION <small>*Recommendation 4b added after Final Report issued by SFRS Management</small>	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				4	3	2	1	4	3	2	1	4	3	2	1
		9	22%	0	0	1	1	0	4	3	0	0	0	0	
Rec No. 1a	Receipt of Deliveries at Retained Stations Management should consider whether it is necessary for someone to be on duty to properly receipt items being delivered to retained stations or if this is not feasible, they need to consider how best to ensure store items are checked and securely stored as soon as possible to prevent any loss		Report Agreed Date	Agreed Revised Date		Priority		% Complete		Status					
	Responsible Owner Agreed Response Head of North Service Delivery (to co-ordinate for all areas)	Communication to local stations reminding them to ensure that goods delivered are managed promptly	01 September 2022	Requesting New date at GGB 30 November 2022		GRADE 2		30%		GREEN					
Progress to Update		Report under review to understand the context behind the action. Assessment of existing arrangements and frequency of moderate to high value deliveries being investigated. There is a significant cost implication if on call personnel are required to attend stations to take delivery of equipment and this is not considered an appropriate response. An alternative approach is for stores to make contact with RFTP WC's where high value items are being delivered to sign for items. This will be trialled in Highland. Delays have resulted due to completing priorities, operational priorities, personnel changes, annual leave amongst others													
Outstanding actions to close the recommendation		Run trial in Highland with a view to reviewing amending and implementing Service wide.													
Azets Comments		We note management's comments on the action to be taken to fully implement this recommendation.													
Rec No. 1b	Receipt of Deliveries at Retained Stations Management should consider whether it is necessary for someone to be on duty to properly receipt items being delivered to retained stations or if this is not feasible, they need to consider how best to ensure store items are checked and securely stored as soon as possible to prevent any loss		Report Agreed Date	Agreed Revised Date		Priority		% Complete		Status					
	Responsible Owner Agreed Response Property Manager/Station Management	LSO's/Property to consider secure storage areas for retained stations, as part of contaminated PPE review, and submit requests to property where appropriate, aligned to funding prioritisation	31 March 2023	n/a		GRADE 2		5%		GREEN					
Progress to Update		Property will await information from Local Senior Officers with regards to the identification of stations with storage issues.													
Outstanding actions to close the recommendation		Awaiting information from Local Senior Officers.													
Azets Comments		We note management's comments on the action to be taken to fully implement this recommendation.													

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Rec No.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
2	<p>Security Measures for Retained Stations Management need to consider the security measures in place within retained stations. Wherever possible, these should be enhanced to ensure access is appropriately restricted and the most cost effective methods of security access are used. As a minimum, they should ensure that robust security controls are in place including controls over the issue of keys, ensuring keypad codes are regularly changed etc.</p>					
	<p>Responsible Owner Agreed Response Head of North Service Delivery (to co-ordinate for all areas)</p> <ul style="list-style-type: none"> Local station management to liaise with Property where a review of security access at RVDS stations is required Issue reminder communication to Station Managers to ensure stations log books are used to record all attendance at station 	01 October 2022	n/a	GRADE 2	%	GREEN
Progress to Update		Considering an action arising from 1a prior to implementing 2.				
Outstanding actions to close the recommendation						
Azets Comments		We note management's comments on the action to be taken to implement this recommendation.				
Rec No.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
3	<p>Documented Procedures for the Management and Tracking of Linked Smoke Detectors Documented procedures need to be developed for the management and tracking of linked smoke detectors. These should include standard template documentation for the stations/areas to use to record numbers available and include guidance on performing reconciliations on a regular basis. Once approved, the procedures should be distributed to all relevant staff throughout the service to ensure smoke detector numbers are managed in a consistent manner. In addition, management need to consider whether there any other similar items which are not recorded on SFRS's usual stock management systems, which merit documented procedures being devised to ensure consistent practices are followed.</p>					
	<p>Responsible Owner Agreed Response Property Deputy Head of Prevention & Protection</p> <ul style="list-style-type: none"> The P&P Function will review procedures for the management of and tracking of domestic detection and will develop a standard template for recording smoke detector levels at stations, along with guidance on reconciliations. The number of smoke detectors will be reduced to levels that meet normal demand so that the need to reconcile large number is reduced. Smoke detectors will be managed through stores and issued to local stations 	31 March 2023	n/a	GRADE 3	100%	GREEN
Progress to Update		Standard documentation has been sent to all Areas with direction to support the checking of detectors at individual stations and cross-referencing with the App. Stock held of Detection are back to normal levels across Areas. Initial meeting held with Asset Management around support requirements from stores. Detectors will be delivered to Stores who will allocate to Areas. This will be recorded via the App so a record can be held of where they are fitted.				
Outstanding actions to close the recommendation		Supporting evidence forwarded to Azets for Review & Azets have provided feedback below.				

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Azets Comments		<p>We have evidenced that a template for a Detection Stock Checker and the guide to the App have been issued to relevant staff. However, in our opinion this does not fully meet the requirements of the recommendation. The relevant finding in our report stated that:</p> <p><i>3.2 We were provided with a copy of the Asset Management App Full User Guide. However, this does not fully document the process for managing and tracking linked smoke detectors. Review of the User Guide revealed that it provides instructions on how to check and update the records. However, it does not include information on the frequency of performing reconciliations, on the documentation to be maintained, the process for ordering more units and the secure storage of these items.</i></p> <p>We did not feel that the covering email provided sufficient guidance on all of the above. In addition, this is assuming everyone involved knows how to use the App and does not refer to the issues that were being experienced at the time of the review. Whilst the covering email provides some instructions for station staff, in order to mark this recommendation as fully implemented, we were looking for a set of procedures which made reference to the App guide but contained details of all the elements we said were missing from the guidance in place at the time of our review.</p>				
Rec No. 4	<p>Asset Management App Management need to review the functionality of the Asset Management App with a view to making a decision as to whether it is possible and cost effective to make improvements to the App or explore alternative ways of recording and managing stock. If the decision is taken to continue with the Asset Management App, the issues identified in this report need to be addressed including the need for staff using the App to receive the training necessary for them to use it effectively.</p>	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	<p>Responsible Owner Agreed Response Property Deputy Head of Prevention & Protection</p> <ul style="list-style-type: none"> An end user group will be setup to share good practice, provide any additional training required and to seek recommendations for improvements to the application Any change required to the application following user group will be considered and where appropriate included in ICT workplans 	31 March 2023	n/a	GRADE 3	10%	GREEN
Progress to Update		Email sent to ICT requesting a nominee to lead the use group (4 th and 13 th July). New ICT Project Manager has been assigned and will help support user group				
Outstanding actions to close the recommendation		The Group is due to meet – 15 th September. Head of ICT function has agreed that ICT will support the End User Group being set up by P&P to identify issues and potential improvements to the solution.				
Azets Comments		We note management’s comments on the action to be taken to implement this recommendation.				
Rec No. 6a	<p>Inventory of Spare Trauma Kit Bags Spare trauma kit bags should be recorded within a station inventory of equipment in order to keep track of them. Any spare bags which are obsolete and no longer in use should be disposed of accordingly. Management also needs to consider whether there are any other pieces of equipment or kit which display the SFRS logo that could be used by someone trying to impersonate a firefighter and ensure that there are appropriate controls over the management of these items.</p>	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	<p>Responsible Owner Agreed Response Head of North Service Delivery (to co-ordinate for all areas)</p> <p>The checking of spare trauma bags and any other spare equipment will be added to weekly station checks</p>	01 January 2023	n/a	GRADE 3	0%	GREEN

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Progress to Update	Non- mobile equipment checks to be added to station routine.									
Outstanding actions to close the recommendation	Most appropriate time to revise current records being considered. Most likely this will coincide with the start of the calendar year.									
Azets Comments	We note management’s comments on the action to be taken to implement this recommendation.									
Rec No. 6b	Inventory of Spare Trauma Kit Bags					Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response PPE & Equipment Manager	Spare trauma kit bags should be recorded within a station inventory of equipment in order to keep track of them. Any spare bags which are obsolete and no longer in use should be disposed of accordingly. Management also needs to consider whether there are any other pieces of equipment or kit which display the SFRS logo that could be used by someone trying to impersonate a firefighter and ensure that there are appropriate controls over the management of these items. The PPE and Equipment Manager to establish processes at ARCs for returning all personal issued equipment including ICT equipment and mobiles				30 June 2023	n/a	GRADE 3	5%	GREEN
Progress to Update	There is a current SFRS Leavers policy in place which includes actions for the return of personal protective equipment as well as ICT equipment. This action has been added to the project scope plan for the Strategic Asset Management Plan: Equipment.									
Outstanding actions to close the recommendation	A working group will be established to review the existing leavers policy and to make recommendations to improve the existing processes and paperwork. Representatives from Asset Management, Service Delivery, POD and Finance will be asked to attend the working group.									
Azets Comments	We note management’s comments on the action to be taken to implement this recommendation.									



Report No: C/ARAC/37-22

Agenda Item: 8.3

Report to:	AUDIT RISK AND ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	INTERNAL AUDIT ON PORTFOLIO OFFICE – ENHANCED MANAGEMENT RESPONSE						
Report Classification:	For Information Only	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	The purpose of this report is to provide the Audit, Risk and Assurance Committee (ARAC) with an 'enhanced management response' following the presentation of the Azets internal audit report into the Scottish Fire and Rescue Service (SFRS) change processes and Portfolio Office.						
2	Background						
2.1	Strategic change across SFRS is complex and ambitious. At times the delivery of activities can be sub-optimal due to elongated project timescales, lack of certainty around planned dates, quality issues, scope creep and lack of clarity of success or benefits criteria linked to overarching strategies and vision. The root cause of some of these issues indicates a requirement to improve skills and capabilities, management information and project execution, governance and assurance. In turn this will support our ambitions in terms of improving the pace and effectiveness of change with the Service.						
2.2	The Azets internal audit report presented to ARAC in April 2022 reinforced many of the above points and a management response to this report has been presented to ARAC. This paper seeks to compliment this response by giving further insight into the strategic commitment and direction for the change portfolio, and particularly in relation to the strategic enablers that will positively effect change.						
3	Main Report/Detail						
3.1	The scale and ambition of change within SFRS over the last ten years has been significant. The process to reform eight legacy Fire and Rescue Services into one and then continue a journey of change and continuous improvement has been, and remains, highly challenging. This is particularly true in relation to issues related to terms and conditions, digital transformation and ICT.						
3.2	The significantly complex and challenging political and economic environment in which the Service operates means that the inevitability and indeed the scale of change has never been more apparent. This is typified by the publication of the Scottish Governments Resource Spending Review (RSR) which set out an indicative flat cash settlement for the next four years, the response to which will undoubtedly require the Service to undertake a bold and wide-reaching strategic change agenda.						

3.3	<p>It should be noted that following the Accenture report conducted in 2020 the Service has made positive progress in how we manage change. Whilst we recognise that the pace of this change has not been as we had envisaged, there are tangible examples of positive improvements in relation to the capabilities and effectiveness of our change function. That said, the Service fully recognises the imperative to further improve our capacity and capability for change and is committed to doing so, particularly in light of the RSR. To do this we will focus on a number of improvements and these are set out below.</p>
3.4	<p><u>Governance</u></p>
3.4.1	<p>There is a risk that our current governance arrangements for the Change Portfolio do not support effective operation of portfolio management processes or fully support business as usual activities. This has previously resulted in delays to project delivery and impinged on key resource constraints across the organisation such as training and ICT, for example. The Service therefore intends to re-design Portfolio Governance in line with best practice and to provide appropriate oversight and assurance across the business change lifecycle which includes:</p> <ol style="list-style-type: none"> 1. The introduction of a Change Portfolio Investment Committee (CPIC) which would primarily be represented by the Strategic Leadership Team (SLT) and appropriate members of the Senior Management Board (SMB), responsible for alignment of change to strategy, investment prioritisation, initiative selection and acceptance of change into the portfolio along with the allocation of resource (money, people, assets) at the time of project initiation. <p>Decision making will be supported by a new Design Authority responsible for assuring solution design, architectural fit and deliverability of initiatives. The design authority will be initiated as part of the Spending Review Programme.</p> <ol style="list-style-type: none"> 2. Redefine the role of the current SMB arrangements around Change into the Change Portfolio Progress Group (CPPG), responsible for delivery oversight, management of portfolio risk and achievement of project outcomes and benefits.
3.4.2	<p>The benefits of the approach include:</p> <ul style="list-style-type: none"> • Clear alignment of initiatives with an organisation-wide strategic roadmap for change at enterprise level which includes the organisational structure and how it operates, taking into account business processes, data, technology and services. This leads to better decisions on which capabilities to deploy and when; • Helping to mitigate key delivery resources by providing cross-organisational prioritisation and visibility with alignment to the strategic roadmap; • The delegated authorities and decision lines are clear between the investment and prioritisation of new initiatives and the delivery of in-flight projects/programmes; • Alignment of delivery to organisational outcomes which ensures resources work on delivering maximum strategic value; • Helping to provide a level of independent assurance and scrutiny between project investment and delivery.
3.4.3	<p>There is also recognition that the current change reporting methodology can, at times, be overly bureaucratic and burdensome. Indeed, in some cases there also appears to be some misalignment with reporting that leads to duplication, lack of efficiency and on occasion, excessive lag in progress reporting to the appropriate forum. The introduction of the new governance structures, allied with ongoing improvements to the Portfolio Office reporting processes, including the creation of more streamlined and visual dashboards, seeks to address this. Overall, our aim is to simplify processes that will enable projects to get on with the 'doing', speed up decision making and allow for more streamlined yet effective, robust and timely scrutiny arrangements.</p>

3.4.4	To enhance this area further, a detailed suite of Key Performance Indicators (KPI's) linked to the strategic change portfolio will be designed and implemented. This will further enhance our ability to monitor and improve the effectiveness of our change agenda.
3.5	<u>Resources</u>
3.5.1	The Service acknowledges that in order to deliver on the SFRS strategic aims and long-term vision we must invest in enhanced Portfolio Office capabilities and provide an appropriate and enduring structure, with roles and services designed to support the planning and delivery of strategic change across the organisation. This has never been more critical given the RSR implications and need to have robust and resilient change capabilities and capacity. As such, the Portfolio Office has been tasked by the Deputy Chief Officer (DCO) to prepare a detailed business case for submission to SLT for decision around November of 2022. This business case has identified to following specialist areas for investment;
3.5.2	<u>Centre of Excellence (CoE)</u> - A coordinating function responsible for all Project & Programme Management (PPM) capabilities and methods for the organisation. The CoE will ensure that change is delivered consistently and well through standard and repeatable processes and experienced competent staff. It will provide the standards, consistency of methods and processes, knowledge management, reporting and management information, planning, resourcing, benefits management/tracking, PPM systems, training and career pathways. The CoE will drive the implementation of improvements to increase the capability and capacity in programme and project delivery. The role of Benefits Management within CoE is to proactively identify, quantify, and track the realisation of benefits used to justify investment in the portfolio. The Benefits Manager ensures that a 'fit for purpose' approach to benefits measurement and realisation is used to provide assurance that the benefits identified can be achieved.
3.5.3	<u>Portfolio Management, Governance & Assurance</u> - Portfolio Management is responsible for the collective oversight of SFRS' strategic Portfolio containing multiple programmes and projects contributing to the delivery of local or organisational objectives. They will focus primarily on providing insight, information and support that strengthens portfolio governance and enables prioritisation decisions and effective allocation of resources across the portfolio.
3.5.4	Responsible for the collective oversight, monitoring and deliverability of the portfolio. The Portfolio Management team will be responsible for governance arrangements across the portfolio and ensuring that there is visibility of the overarching plan, associated risks, issues, inter-dependencies and constraints as well as carrying out a schedule of assurance activities at portfolio, programme and project level including gate reviews and health checks (working in conjunction with Design Authority). They will manage the business case process, ensuring alignment with organisational goals, benefits and objectives.
3.5.5	<u>Business Architecture, Analysis and Service Improvement</u> - Business Architecture is a discipline that represents holistic, multidimensional business views of: capabilities, end-to-end value delivery, information, and organisational structure; and the relationships among these business views and strategies, products, policies, initiatives, and stakeholders.
3.5.6	<u>Programme and Project Delivery</u> - Responsible for leading a defined set of programmes and/or projects and the associated business change activities. The delivery team will have primary responsibility for successful delivery of the required outcomes, delivering appropriate organisational change whilst monitoring progress against time, costs, quality, scope, benefits, risks/issues and ensuring business readiness for change and successful transition to BAU.

3.5.7	Historically the Service's approach to resourcing change projects has primarily seen project managers drawn from the uniformed staff group. Furthermore, the project managers have remained 'based' within the Directorate where the project principally aligns. Moving forward project managers will be assigned based on the experience commensurate with the scale of the project, and where applicable, the required subject matter expertise. Furthermore, they will come under the auspices of the Portfolio Office thereby ensuring a consistency of approach, maintaining alignment, ensuring robust support mechanisms and in place. This will allow for a transition to a true change function. There are some recent examples of this approach, for example People, Training, Finance and Asset System (PTFAS), where this is proving to be highly beneficial.
3.5.8	In addition, any new programme or project will be critically assessed in terms of the technical capabilities and expertise required to deliver. Where specialist skills such as digital change, ICT etc are required then these will be appropriately specified, and suitable project managers identified.
3.6	<u>Culture</u>
3.6.1	Key to achieving success in terms of our long term change ambitions is embedding a true culture of continuous improvement within the organisation, embracing technology and digital transformation, and encouraging and supporting innovation. The SLT are fully committed to embedding and strengthening this type of culture. Indeed, over the last few years we have witnessed some real positive progress in this area. The challenge is to create momentum, build upon this progress and continue to develop our staff and leaders to embrace and enhance this culture. Aside from SLT and senior managers overtly demonstrating a strategic commitment to this culture, we will also support this through a number of other organisational development measures, including our Building the Future programme, Leadership Development pathway and staff appraisal system.
3.7	<u>In-flight Projects</u>
3.7.1	A detailed review of the current in-flight projects and the associated business cases is currently underway. The purpose of this exercise is to ensure strategic alignment with the new SFRS Strategic Plan and to ensure that the implications of the RSR are fully considered. Once complete SLT will consider the outcomes and bring proposals through the relevant governance process.
3.8	<u>Timing</u>
3.8.1	The changes to the Governance process will be considered by SLT on the 5 October 2022 for immediate implementation if agreed. The business case for additional Portfolio Office resources is currently being finalised for submission to SLT prior to November 2022. The realignment of other internal 'change' resources to the Portfolio Office is already underway.
4	Recommendation
4.1	ARAC are invited to note the content of this report.
5	Core Brief
5.1	Not applicable.
6	Appendices/Further Reading
6.1	Not applicable.
7	Key Strategic Implications
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above) Yes

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Prepared by:	Stuart Stevens, Interim Deputy Chief Officer	
Sponsored by:	Stuart Stevens, Interim Deputy Chief Officer	
Presented by:	Stuart Stevens, Interim Deputy Chief Officer	
Links to Strategy and Corporate Values		
<i>Strategic Plan Outcome 4: We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland.</i>		
Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For information</i>

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	AUDIT AND INSPECTION PLAN UPDATE						
Report Classification:	For Scrutiny	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	The purpose of the report is to present Audit and Risk Assurance Committee (ARAC) members with the current Audit and Inspection overview dashboard, attached as Appendix A , for scrutiny.						
2	Background						
2.1	The Auditor General reports to the Scottish Government on our performance. Following the publication of the reports, action plans are prepared to address the issues or recommendations that are highlighted within the report.						
2.2	Similarly, HMFSI inspects and reports on the SFRS with the purpose of assuring the public and Scottish Ministers that we are working in an efficient and effective way, and to promote improvement in the Service.						
2.3	In line with the thematic process agreed in May 2020 once approved, action plans will be presented to ARAC to scrutinise progress.						
2.4	The only Action Plan currently being scrutinised by ARAC results from the Audit Scotland Report carried published in May 2018. There is a single outstanding action on this plan to: <i>'Complete the standardisation of RDS specific terms and conditions, including implementation.'</i> It was agreed by ARAC members in June 2022, that a verbal update would be given against this action once it was completed.						
2.5	ARAC members requested that the Audit and Inspection Overview Dashboard continued to be presented.						
3	Main Report/Detail						
3.1	ARAC members are presented with the current Audit and Inspection overview dashboard, attached as Appendix A for scrutiny. This provides high level details of all action plans (HMFSI Actions Plans and Auditor General Action Plans).						
3.2	The Action Plan highlights 13 out of 15 Action Plans have a green RAG status.						
3.3	The below two Action Plans have a red RAG status: <ul style="list-style-type: none"> • Provision of Operational Risk Information 						
3.4	Verbal updates on both Action Plans will be provide during the meeting.						

4	Recommendation	
4.1	ARAC members are invited to: <ul style="list-style-type: none"> Note the progress of all action plans as presented in the audit and inspection dashboard, attached as Appendix A. 	
5	Core Brief	
5.1	Not applicable.	
6	Appendices/Further Reading	
6.1	Appendix A - Audit and Inspection Overview Dashboard	
7	Key Strategic Implications	
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)	Yes
Prepared by:	Kirsty Jamieson, Planning and Performance Officer	
Sponsored by:	Richard Whetton, Head of Governance, Strategy and Planning	
Presented by:	Mark McAteer, Director of Strategic Planning, Performance and Communications	
Links to Strategy and Corporate Values		
Our audit and inspection process contributes to Strategic Outcome 4: We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland.		
Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Senior Management Board</i>	<i>17 August 2022</i>	<i>For recommendation</i>
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For scrutiny</i>

Audit and Inspection Overview Dashboard

APPENDIX A

SMARTEU Reports Progress Dashboard

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG
May-22	SMARTEU Covid 19 Structured Debrief Summary	-	Mar-23		7	Sep-22	Dec-22	0	1	0	6	0	0	0	0	0	90%	

HMFSI Thematic Reports Progress Dashboard

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG
Apr-15	Performance Management Systems	SDC	Jul-20		32	May-20	N/A	0	0	0	26	0	2	4	0	0	100%	Closed
Jul-17	Operations Control Dundee and Highlands and Islands Support	SDC	Dec-20		24	May-20	N/A	0	0	0	24	0	0	0	0	0	100%	Closed
Jan-18	Fire Safety Enforcement	SDC	Mar-20	Dec-21	21	Sep-22	Dec-22	0	0	0	19	0	0	0	0	1	100%	
Feb-19	Provision of Operational Risk Information	SDC	Mar-22	Dec-22	25	Aug-22	Nov-22	0	5	0	20	0	0	0	0	0	90%	
May-19	Management of Fleet and Equipment	SDC	Mar-22		38	May-22	-	0	0	0	32	0	0	6	0	0	100%	Closed
Mar-20	Training of RDS Personnel	PC	Mar-23		31	Aug-22	Nov-22	0	5	5	21	0	0	0	0	0	90%	
Aug-20	Command and Control: Aspects of Incident Command	SDC	Mar-22	Dec-23	25	Aug-22	Nov-22	0	0	0	25	0	0	0	0	0	100%	
Dec-20	Planning and Preparedness for COVID Review	SDC	May-26		16	Aug-22	Nov-22	0	5	0	10	0	0	0	0	0	90%	
Mar-21	Assessing the Effectiveness of Inspection Activity	ARAC	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Apr-22	Health and Safety (still to be presented to SMB & Committee)	TBC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

HMFSI Local Area Inspection Reports Progress Dashboard

Published	Title	Relevant Committee	Due Date	Revised Due Date	Total Actions	Last Updated	Next Update	Not Started	In Progress	Deferred	Complete	On Hold	Transferred	Cancelled	Moved to BAU	Void	% Complete	RAG
N/A	Local Area Inspection National Recommendations	SDC	N/A	N/A	11	Sep-22	Dec-22	0	0	0	11	0	0	0	0	0	100%	
Feb-20	Dumfries and Galloway	N/A	Jun-21	N/A	12	Sep-22	Dec-22	0	4	0	7	0	1	0	0	0	100%	
Jun-20	Edinburgh City	N/A	Apr-21	N/A	11	Sep-22	Dec-22	0	5	0	0	0	6	0	0	0	100%	
May-21	Midlothian	N/A	Mar-22	Mar-23	7	Sep-22	Dec-22	0	0	0	7	0	0	0	0	0	100%	
Dec-21	Argyll & Bute and East & West Dunbartonshire	N/A	Apr-23	N/A	6	Sep-22	Dec-22	0	5	0	1	0	0	0	0	0	70%	

Report No: C/ARAC/39-22

Agenda Item: 10.1

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	DELOITTE – AUDIT DIMENSIONS AND BEST VALUE REPORT FOR YEAR ENDED 31 MARCH 2021						
Report Classification:	For Scrutiny	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with a progress report on the Deloitte Audit Dimensions and Best Value Report for year ending 31 March 2021 and the Annual Report and Accounts Audit for 2020/21.						
2	Background						
2.1	Deloitte, as External Auditors to SFRS, undertook an Audit Dimensions and Best Value review for year ended 31 March 2021, designed to help the Audit Committee and the SFRS Board discharge their governance duties on the following areas: <ul style="list-style-type: none"> • Financial Management • Financial sustainability • Governance and transparency • Value for money; and • Best Value 						
2.2	The report was provided to SFRS as part of their overall 2020/21 audit responsibilities and provided to ARAC at a private meeting on 26 August 2021. The final report contained 28 recommendations for improvement with Responsible Owners providing a management response for each recommendation.						
2.3	Separately Deloitte undertook an audit of the 2020/21 Annual Report and Accounts as external auditors to SFRS resulting in a number of recommendations being identified. An action plan has been developed to monitor the Services agreed response to these recommendations and Deloitte will consider progress on all agreed actions as part of their 2021/22 audit.						
3	Main Report/Detail						
3.1	Deloitte Wider Scope Audit						
3.1.1	The Audit and Risk Assurance Committee received a copy of the reporting framework and updates at meetings in January, March and June 2022 with further updates provided to the Good Governance Board. Appendix A to this report now details progress made as at 13 September 2022.						

3.1.2	Progress by Audit Dimension as detailed in Appendix A: <ul style="list-style-type: none"> • Financial Management (78% complete – increased from 67%) • Financial Sustainability (50% complete – increased from 33%) • Governance & Transparency (100% complete) • Value for Money (40% complete – increased from 20%) 	
3.1.3	Where an action is identified as completed by the Responsible Officer evidence is forwarded to confirm this position. This information has been provided to Deloitte for their review and where anything further is required this will be provided by the Responsible Officer. All other remaining actions are on target for completion by agreed dates.	
3.1.4	Deloitte also provide a Follow Up report on any outstanding actions from previous years. Appendix A outlines one remaining action, which is due for completion by March 2023. The action remains on target with a progress update provided.	
3.2	External Audit – Annual Report and Accounts	
3.2.1	Deloitte undertake an annual audit of the Annual Report and Accounts, with their final report for the 2020/21 audit identifying 8 internal control recommendations.	
3.2.2	Appendix B details agreed management actions and progress made against each. The September report identifies 75% of actions have been completed with information provided to Deloitte for review. This in an increase from 50% previously reported. All other remaining actions are on target for completion by agreed dates.	
4	Recommendation	
4.1	The Audit and Risk Assurance Committee is asked to scrutinise progress against Deloitte audit recommendations.	
5	Core Brief	
5.1	Not applicable.	
6	Appendices/Further Reading	
6.1	Appendix A – Deloitte Wider Scope Dashboard.	
6.2	Appendix B – Deloitte Annual Report Dashboard	
7	Key Strategic Implications	
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)	Yes
Prepared by:	David Johnston, Risk and Audit Manager	
Sponsored by:	John Thomson, Acting Director of Finance and Procurement	
Presented by:	John Thomson, Acting Director of Finance and Procurement	
Links to Strategy and Corporate Values		
External Audit forms part of the Services Governance arrangements and links back to Outcome 4 of the 2019-22 Strategic Plan, specifically Objectives 4.2 & 4.4 <ul style="list-style-type: none"> • Outcome 4: We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland. • Objective 4.2: We will minimise the risks we face through effective business management and high levels of compliance with all our responsibilities. 		

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- Objective 4.4: We will strengthen performance management and improvement arrangements to enable robust scrutiny, challenge and decision making nationally and locally

Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For Scrutiny</i>

APPENDIX A
DELOITTE AUDIT DIMENSIONS & BEST VALUE REPORT - Dashboard

STATUS KEY				
GREEN	AMBER	RED	WHITE	BLUE
On Target	Sight Delay	Major Delay	Not Started	Complete

* Marked Complete subject to confirmation from Deloitte

FINANCIAL MANAGEMENT

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1.1	Acting Director of Finance & Procurement	HIGH	31/03/2022	-	13.09.2022	-	-	✓	-	100%	BLUE*
1.2	Acting Director of Finance & Procurement	HIGH	31/03/2022	-	13.09.2022	-	-	✓	-	100%	BLUE*
1.3	Acting Director of Finance & Procurement	HIGH	31/03/2023	-	13.09.2022	-	✓	-	-	10%	GREEN
1.4	Acting Director of Finance & Procurement	MEDIUM	31/03/2023	-	13.09.2022	-	✓	-	-	30%	GREEN
1.5	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	30/06/2022	13.09.2022	-	✓	-	-	100%	BLUE*
1.6	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	-	08.03.2022	-	-	✓	-	100%	BLUE*
1.7	Acting Director of Finance & Procurement	MEDIUM	n/a	n/a	n/a	n/a	n/a	n/a	✓	n/a	BLUE
1.8	Acting Head of Finance & Procurement	MEDIUM	30/09/2022	-	19.05.2022	-	-	✓	-	100%	BLUE*
1.9	Chair of ARAC	MEDIUM	31/03/2022	-	16.03.2022	-	-	✓	-	100%	BLUE*

FINANCIAL SUSTAINABILITY

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
2.1	Acting Director of Asset Management	HIGH	31/03/2022	31/03/2023	25.08.2022	-	✓	-	-	30%	GREEN
2.2	Acting Director of Asset Management	HIGH	31/03/2022	30/04/2022	30.05.2022	-	-	✓	-	100%	BLUE*
2.3	Acting Director of Finance & Procurement	HIGH	31/03/2023	-	13.09.2022	-	✓	-	-	10%	GREEN
2.4	Acting Director of Finance & Procurement	HIGH	31/03/2023	-	27.05.2022	-	-	✓	-	100%	BLUE*
2.5	Director of People & Organisational Development	HIGH	31/12/2022	-	01.09.2022	-	✓	-	-	35%	GREEN
2.6	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	-	27.05.2022	-	-	✓	-	100%	BLUE*
2.7	Acting Director of Finance & Procurement	MEDIUM	31/03/2022	-	08.03.2022	-	-	✓	-	100%	BLUE*
2.8	Acting Director of Asset Management	MEDIUM	31/03/2022	30/06/2023	25.08.2022	-	✓	-	-	60%	GREEN
2.9	Acting Director of Asset Management	MEDIUM	31/03/2022	31/05/2022	30.05.2022	-	-	✓	-	100%	BLUE*
2.10	Director of Training, Safety & Assurance	MEDIUM	31/03/2022	-	02.03.2022	-	-	✓	-	100%	BLUE*
2.11	Director of People & Organisational Development	MEDIUM	31/03/2022	31/03/2023	01.09.2022	-	✓	-	-	35%	GREEN
2.12	Director of People & Organisational Development	MEDIUM	31/03/2023	-	01.09.2022	-	✓	-	-	40%	GREEN

GOVERNANCE & TRANSPARENCY

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
3.1	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	-	08.03.2022	-	-	✓	-	100%	BLUE*
3.2	Director of Strategic Planning, Performance & Communications	HIGH	31/08/2021	n/a	05.01.2022	n/a	n/a	✓	n/a	100%	BLUE*

VALUE FOR MONEY

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
4.1	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	31/01/2023	05.09.2022	-	✓	-	-	50%	GREEN
4.2	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	31/03/2023	05.09.2022	-	✓	-	-	75%	GREEN
4.3	Director of Service Development	HIGH	31/03/2022	31/03/2023	23.08.2022	-	✓	-	-	80%	GREEN
4.4	Director of Strategic Planning, Performance & Communications	HIGH	31/03/2022	-	26.05.2022	-	-	✓	-	100%	BLUE*
4.5	Director of People & Organisational Development	MEDIUM	31/12/2022	-	30.08.2022	-	-	✓	-	100%	BLUE*

FOLLOW PREVIOUS YEARS ACTIONS

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1	Director of Finance & Contractual Services	MEDIUM	31/03/2021	31/03/2023	13.09.2022	-	✓	-	-	75%	GREEN

STATUS KEY	
GREEN	On Target to complete within agreed date
AMBER	Slight delay but evidence of progress OR after 3 revised dates
RED	Major delay or No evidence of progress
BLUE	Action Completed

DELOITTE AUDIT DIMENSIONS & BEST VALUE REPORT – FINANCIAL MANAGEMENT			Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
					H	M	L	H	M	L	H	M	L
			9	78%	2	4	0	1	1	0	0	1	0
Rec No. 1.1	Financial Reporting The annual budget should be able to serve as a stand-alone item, capable of scrutiny and challenge on its own merits rather than by reliance on previous reporting and assumed knowledge. This should include clearly setting out the assumptions underpinning the budget.		Target Date	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Agreed. SFRS have provided information to the Board on the annual budget as part of Board development/information sessions and then this is consolidated at the Board meeting where the budget reports are approved. In our opinion cumulatively, this gives the Board sufficient information to scrutinise the annual budget. SFRS however accepts the recommendation and will reference outputs from the information sessions to improve transparency and provide a standalone report for the Capital and Resource budgets for Board approval.	31/03/2022	n/a	HIGH	100%	BLUE*						
Progress to Update		The budget strategy for 2022/23 which outlined the assumptions and parameters for the resource budget was approved by the Board on the 22 nd March 2022. The draft resource budget papers for 2022/23 have been produced and are currently being reviewed. The Resource Budget presentation was completed at the Board Information Day on 22 nd February. Resource budget was scrutinised by Board on 31 st March 2022											
Outstanding actions to close the recommendation													
Rec No. 1.2	Financial Reporting The annual budget should be explicitly referenced to the Service’s key strategic documents, for example the Strategic Plan, Workforce and Strategic Resourcing Plan and LTFS, to demonstrate how the Service is allocating its resources on a short-term basis to drive the long-term change it recognises is needed in these strategic documents.		Target Due	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	The annual budget supports the achievement of the outcomes and objectives set out in our strategic plan. The recommendation is accepted and moving forward the annual budget will allocate resources with reference to other strategic documents including the Workforce and Strategic Resourcing Plan and the Long Term Financial Strategy.	31/03/2022	n/a	HIGH	100%	BLUE*						
Progress to Update		The budget strategy was approved by the Board on 22 nd February this included reference to the strategic plan/LT vision and Long Term Finance Strategy. The presentation to the Board at the Board Information Day on 22 nd February 2022 included details of workforce planning, target operating models and the inputs that produced the staff budgets for each of the different staff groups of wholetime, retained, control and support staff. The draft resource budget papers for 2022/23 have been produced and are currently being reviewed. The Resource Budget presentation was completed at Board Information Day on 22 nd February. Resource budget was scrutinised by Board on 31 st March 2022											
Outstanding actions to close the recommendation													

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Rec No. 1.3	Financial Reporting The annual budget should provide a high-level summary of how resources are allocated against the Service's outcomes, to enable the Board to challenge whether resources are appropriately allocated and sufficiently targeted to address areas of poor performance.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	SFRS agree with this recommendation and will seek to engage with the Board on the presentation of the budget to demonstrate how resources are allocated to outcomes to aid scrutiny.	31/03/2023	n/a	HIGH	10%
Progress to Update		The production of a summary of how resources are allocated against objectives is being developed over the next financial year. The presentation to the Board included how Directorate resources are allocated to outcomes and objectives. This presentation will be included in the draft resource budget paper as an interim recognising that more work is required to satisfy action.				
Outstanding actions to close the recommendation		The action is not complete and further development work is required to determine requirements and if systems and processes can be modified to give additional information that would help scrutiny of allocation of resources to outcomes. Acting Director of Finance has sought any fire examples within NFCC but to no avail. Seek agreement with auditors/ARAC on how this can be progressed.				
Rec No. 1.4	Savings Plans The budget should clearly set out how the savings target included within it links in with the savings requirements identified in the MTFM and the LTFS.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Agreed. SFRS will be explicit about the targeted budgeted savings anticipated as part of the budget setting process. The Medium Term Financial Model (previously validated by Deloitte) is updated on an annual basis to include the latest assumptions such as inflation or pay awards used in the annual budget setting process. The model is then used to run various financial scenarios and support strategic decision making and where appropriate identify potential funding gaps that require efficiencies to be achieved. The Long Term Financial Strategy will be updated to reflect the latest position on savings.	31/03/2023	n/a	MEDIUM	30%
Progress to Update		SFRS has received an indicative flat cash Resource Budget for the next four years as part of the Resource Spending Review. The Service is now developing a savings programme in response to RSR. The target for savings will be reviewed based on latest information on pay awards and inflation and presented to the Board in October. This is an iterative process and likely to continue over the next six months. A number of financial scenarios based on the MTFM have already been presented to the Board. Once agreed the savings programme will form part of the budget for next year and approved by the Board				
Outstanding actions to close the recommendation		SFRS is on track to exceed the savings target from reform. The four year savings programme agreed with Board as part of budget setting for next financial year.				
Rec No. 1.5	Savings Plans Resource Monitoring Reports should include clear, summary information on the total amount of efficiency savings achieved in the year. This should set out whether savings are recurring or non-recurring. Cost delays should be clearly differentiated. This should include reporting on the specific targets identified in the budget and provide an update on those savings not identified in the budget but subsequently identified by the Service.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Agreed. The finance team as part of monthly monitoring activity track cashable efficiency savings (recurring and non- recurring) for the resource budget during the year with budget holders as well as identifying cost pressures. This information will be summarised and referenced back to the targeted efficiencies as set by the budget setting process. Our financial reporting will be developed to summarise progress and included in our financial monitoring reports to SLT and Board. Where possible information on whether savings for example COVID-19 savings (already reported) are delayed costs will be identified.	31/03/2022	30/06/2022	MEDIUM	100%

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Progress to Update		Efficiency savings are tracked as part on monthly monitoring and are also split into recurring, non-recurring or deferred. The efficiency information is now included in monthly monitoring of resource budget. This information is required to be presented to Board to conclude action. Delayed from March Board to June Board. The financial reporting to the Board now includes an appendix on budgeted savings which identifies savings information including recurring, non-recurring or deferred.				
Outstanding actions to close the recommendation						
Rec No. 1.6	Savings Plans The annual budget should clearly set out efficiency savings targets, including where these are expected to be achieved. The budget should identify which savings have already been identified and can be specifically reported against in the year, with a 'RAG' risk rating for those savings yet to be identified in terms of the risk of the Service being able to deliver them.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Agreed. All targeted savings are identified and included in the budget setting process. Moving forward budgeted savings will be tracked and the associated RAG status will be provided and reported against. The reporting of progress against budgeted efficiencies will be reported to the Board as part of the resource monitoring report.	31/03/2022	n/a	MEDIUM	100%
Progress to Update		The budgeted efficiencies for 22/23 have been identified as part of budget setting process and will have a RAG status associated with them and included in the Resource Budget which is scheduled to be approved by Board at end of March. RAG status on efficiencies included in resource budget for 2022/23. The RAG status now included in monthly financial reporting				
Outstanding actions to close the recommendation						
Rec No. 1.7	Financial Capacity The relevant committee or Board should ensure that it considers whether the process by which management have determined the structure of the finance function is sufficiently robust to enable the Service to make full and effective use of the finance function to drive improvements in the use of resources, as recommended throughout our work.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Disagree. As highlighted in the commentary of the report the structure of finance is an operational matter designed to meet the needs of the Service. The process for agreement on structural changes for Finance and Procurement is consistent with the Service's governance process on people changes with restructure requests requiring approval by the Director of People and Organisational Development and the Director of Finance and Contractual Services (now the Acting Director of Finance and Procurement). If additional budget is required the Senior Leadership Team approve any change. The restructures supported the improvement in our strategic procurement capability and in finance reallocating resources from transactional processing to the added value areas of decision support, accounting, risk and audit, and finance systems based on continuous improvement activities. The Chief Officer as the accountable officer discussed the secondment of the Director of Finance and Contractual Services with the Board and the subsequent temporary appointments of the Acting Director of Finance and Procurement and Acting Director of Asset Management.	n/a	n/a	MEDIUM	n/a
Progress to Update		No action required				
Outstanding actions to close the recommendation						

	Financial Capacity Given the various changes recommended to financial planning and reporting as identified in our work, management should perform a review of the required skills and competencies to embed these within the Service and ensure that the finance function has these either currently, through planned training or through acquiring external expertise.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
Rec No. 1.8	Responsible Owner Agreed Response Acting Director of Finance & Procurement Agreed. The Acting Director of Finance and Procurement is confident that the various improvements recommended by Deloitte can be delivered through existing finance resources but will seek external support should this be required. The Acting Head of Finance and Procurement will complete a training needs analysis (skills and competencies) to determine gaps in training across Finance with initial emphasis on Decision Support. The acting Head of Finance and Procurement will use a relevant finance maturity model to determine future training needs.	30/09/2022	n/a	MEDIUM	100%	BLUE*
Progress to Update		The FMT have all completed a Learning needs analysis document, for the whole Directorate, in conjunction with Training and this has been submitted for scheduling into their workplan				
Outstanding actions to close the recommendation						
	Internal Audit In assessing the findings and recommendations of internal and external audit and management's response to those, the relevant committee or Board should ensure that it is satisfied that management have both the capacity and are sufficiently focused to deliver the recommendations.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
Rec No. 1.9	Responsible Owner Agreed Response Chair of ARAC The Service's progress on completion of audit actions is reported via Azets (our internal auditors) to the Audit and Risk Assurance Committee on a quarterly basis and there has been a focus on improving the closure of audit actions of earlier years. On appointment, Azets reviewed the approach and suggested that management were too optimistic in setting completion dates and that this should include completion of governance processes, evidence gathering to close the action and take account of business as usual activities. Progress has been made and management believe sufficient focus is being maintained on audit actions with regular follow up meetings with those responsible for audit actions to make satisfactory progress. In some occasions the Service is dependent on external input to close an action and this takes additional time. The chair of ARAC supported by Azets to consider whether ARAC are of the opinion that management are making sufficient progress on audit actions based on Deloitte's recommendation.	31/03/2022	n/a	MEDIUM	100%	BLUE*
Progress to Update		ARAC had a detailed discussion at its meeting on 20 January 2022 on the actions being led by the SLT and the Good Governance Board to address outstanding recommendations and establish a more realistic approach to responding to recommendations. Based on the assurances received, ARAC is satisfied that good progress has been made against this Deloitte recommendation				
Outstanding actions to close the recommendation						

DELOITTE AUDIT DIMENSIONS & BEST VALUE REPORT – FINANCIAL SUSTAINABILITY			Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
					H	M	L	H	M	L	H	M	L
			12	50%	2	4	0	3	3	0	0	0	0
Rec No.	Capital Planning & Asset Management Following completion of work with the Scottish Government in assessing the capital investment needs of the Service, the AMS should be reviewed to ensure that it aligns with this need, the Strategic Plan and the Change Programme.		Target Date	Agreed Revised Date	Priority	% Complete	Status						
2.1	Responsible Owner Agreed Response Acting Director of Asset Management	The AMS is part of a suite of strategy documents (Fleet, Property and Equipment) to be undertaken by the newly recruited Asset Governance & Performance Manager. The priority is to work on the SFRS Board request for a new Fleet Strategy. The intention is for the new AMS to be aligned to the outcomes of the SDMP, Standard Station Design and the Service Review as well as the Strategic Aims and Objectives of the Service.	31/03/2022	31/03/2023	HIGH	30%	GREEN						
Progress to Update		Work on the Strategic Asset Management Plan for Fleet is now complete and will now be presented for approval to the Board in September 2022. Work on the Strategic Asset Management Plan (SAMP) for Property has commenced and is on target for completion as scheduled. Recent Progress on the SAMP for Property: <ul style="list-style-type: none"> Stakeholder Engagement on-line Questionnaire issued on 18th July (200 responses to date) Stakeholder Engagement sessions at Fire stations planned for August/September 2022 Stakeholder Engagement meetings with Departmental teams scheduled in August/September 2022 											
Outstanding actions to close the recommendation		Collate stakeholder engagement feedback and further promote questionnaire. Complete first draft of the SAMP.											
Rec No.	Capital Planning & Asset Management Instead of reporting against a single 'backlog' figure, the Service should differentiate between required capital investment to transition from the current asset base to the required asset base, and actual maintenance/repair/replacement backlogs, to enable appropriate assessment of the risk of asset failure and the impact of delayed capital investment on service delivery.		Target Due	Agreed Revised Date	Priority	% Complete	Status						
2.2	Responsible Owner Agreed Response Acting Director of Asset Management	As part of the work for the new Asset Strategy documents for Fleet, Property and Equipment, a detailed examination of current maintenance backlog figures will be undertaken. The intention will be to differentiate the backlog figure between required capital investment to transition from the current asset base to the required asset base, as well as to highlight actual maintenance/ repair/ replacement backlogs.	31/03/2022	30/04/2023	HIGH	100%	BLUE*						
Progress to Update		Work on a document detailing a 10-year risk based approach to the Capital Programme for Property, Fleet and Equipment is now complete and was presented to the Board in August 2022. A formal reporting document will be produced for submission to Scottish Government; although it is recognised that this will have to be revisited at a future date to align the strategy with the outcomes from the SDMP process.											
Outstanding actions to close the recommendation													
Rec No.	Medium-to-Long Term Financial Planning The LTFS should be revised to demonstrate how the Service plans to allocate resources against outcomes over the length of the Strategy. Alternatively, the MTFM could be revised to serve this purpose.		Action Date Due	Agreed Revised Date	Priority	% Complete	Status						
2.3	Responsible Owner Agreed Response	Agreed. As indicated at 1.3 the Service will review the LTFS and will include how the service applies budget resources to outcomes.	31/03/2023	n/a	HIGH	10%	GREEN						

	Acting Director of Finance & Procurement						
Progress to Update	The allocation of resources was presented to the Board which included MTFM information. There has been discussion on budget to outcomes both at an SLT level and with Board. It is recognised the approach to budget to outcomes still needs to be determined before being applied to MTFM/ LTFS. The strategic plan for the service has been produced and approved by Scottish Government. The allocation of budget to outcomes remains challenging with no other examples identified.						
Outstanding actions to close the recommendation	Seek agreement with auditors/ARAC on how this can be progressed						
Rec No. 2.4	Medium-to-Long Term Financial Planning Going forward, key documents which are expected to have longer-term financial implications – such as the Workforce and Strategic Resourcing Plan, Capital Programme and Resource Budget – should include clear, quantitative links to the LTFS, setting out how the decisions taken in the short-term impact the position in the long-term.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status	
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Agreed. As indicated in 1.2 the Service will ensure documents that have an impact on the LTFS will be linked to it.	31/03/2023	n/a	HIGH	100%	BLUE*
Progress to Update	The budget strategy for 22/23 referenced the LTFS and includes comparison of expected funding requirements from the LTFS compared to funding received for both capital and resource and describes current position in relation to LTFS. The presentation to the Board on resource budget highlighted the potential funding scenarios going forward, workforce planning requirements, the direction of travel to meet Target Operating Model and the initiatives that are being invested in to realise our strategic objectives. The capital programme included the rationale for investment and the impact on the asset backlog and was linked to the asset investment plan. The proposed budget for capital and resource budget is scheduled for approval by the Board						
Outstanding actions to close the recommendation							
Rec No. 2.5	Workforce Planning Subject to ongoing work on the vision for the future, the Workforce and Strategic Resourcing Plan needs to be reviewed to clearly set out how it is aligned to the Strategic Plan, LTFS, and other key strategic documents – including any successor to the Transformation Programme.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status	
	Responsible Owner Agreed Response Director of People and Organisational Development	Agreed. The Service will ensure that this is achieved via the Strategic Workforce & Resourcing Plan (WFP) which is already commissioned by the POD Workforce Planning and Resourcing Team with an expected publish date of Q4 2021/22. This document is developed in line with the aims of the SFRS Strategic Plan, the Future Vision, AOP, and any other relevant future plans via focus groups which assess the key data and ensure it is integrated into the WFP. The plan is organic in nature and is adjusted in accordance with any change factors identified via the aforementioned Forums and will align in the same way with any future strategic plans. These are scrutinised and approved via through a chain of governance from POD DMT through to the SFRS Board and any challenges, risks and mitigations are identified in the relevant Risk Registers.	31/12/2022	n/a	HIGH	35%	GREEN
Progress to Update	Development of our New Strategic Resourcing Plan has slowed down due to the situation created by COVID recovery plans and pensions changes which have significantly changed our leavers profile. Following the pensions changes, the Workforce Planning Team (WPT) have continued to map changes, working with external agencies to provide predictions to our workforce profile to ensure we are aware of our resourcing requirements and support the management of operational staffing for the SFRS. Capacity has been affected by the effort required to embark in a rigorous engagement exercise to engage with staff to refresh our staffing data. The WPT are dedicated to supporting the established Staffing Tactical Group and Staffing Solutions Team to plan for issues following the pensions remedy on top of our COVID recovery plans. Finally, the WPT have been required to become key members of the People Payroll and Finance Project, establishing the requirements for replacement people systems, that will greatly improve our ability to manage workforce planning.						

Outstanding actions to close the recommendation		Finalise our documented approach to Strategic Workforce Planning and progress this through the SFRS governance route.				
Rec No. 2.6	Budget Setting The budget report to the Board should set out the process through which the budget was developed, the extent to which there has been consultation and how this consultation was reflected in the budget, so as to enable the Board to satisfy themselves as to the robustness of that process in approving the budget.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Agreed, the budget setting process for 22/23 will include the consultation completed with budget holders, SLT and the Board.	31/03/2022	n/a	MEDIUM	100%
Progress to Update		The approach for budget setting for resource and capital was included in the presentation to the Board on 22 nd February 2022. The budget approach for both resource and capital has been amended to include greater engagement. For resource budget an SLT sub group was established and this has shaped the budget allocation and decision making. For capital, more information was captured from budget holders on the rationale for investment and the impact on asset backlogs etc. In addition, the allocation of capital was linked to the developed asset investment plan. The final budget papers for resource and capital 2022/23 will be presented to the Board for approval. Information on engagement on budget strategy has been provided including feedback from Board members to seek to complete action.				
Outstanding actions to close the recommendation						
Rec No. 2.7	Budget Setting Given the recommendations made through our work, the Service should holistically review its budget setting process and reporting style to ensure that the process and reporting are designed to reflect best practice and address these recommendations, rather than making further ad-hoc changes	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	The Service will review the budget setting process taking account of good practice. Where appropriate changes will be made to the financial reporting during this financial year based on both Deloitte's recommendations and the needs of the Board. Any improvements identified in the budget setting process will be included as part of the budget setting for 22/23.	31/03/2022	n/a	MEDIUM	100%
Progress to Update		Changes were made to the financial reporting this year to include a summary report and more focus on financial risks. In addition, board members sought additional detail on budget variances and this is now included as part of the financial reporting for resource and capital. The changes were well received by the Board. The budget setting process for 22/23 is drawing to a close and the approach has been modified to improve transparency and engagement for both resource and capital. The Acting Director of Finance and procurement recognises that the current systems and processes for business planning do not support best practice and are too reliant on spreadsheets and manual processes. The current finance system includes a business planning module which is used to hold budgets and manage projects but has not met our needs in terms of being able to provide analytical analysis and financial scenario planning, better tools are available in the marketplace. As part of PTFAS SFRS has reviewed its requirements in this area and these are now included in the statement of requirements as part of the People, Procurement and Finance project. These requirements will be used to procure a new solution.				
Outstanding actions to close the recommendation						
Rec No. 2.8	Capital Planning & Asset Management The Service should ensure that the Capital Programme is linked to the LTFS, AMS and Resource Budget, setting out how the Capital Programme progresses these and the anticipated consequences of the capital investment decisions on the resource budget over the period.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status

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	Responsible Owner Agreed Response Acting Director of Asset Management	Agreed. The Service recognises that capital funding received is less than required to fully address the asset backlog from legacy services. SFRS has worked with Scottish Government to secure additional funding where possible and has agreed to share premises at 51 stations with other public sector organisations including police and ambulance service. SFRS has applied for funding to support decarbonisation of its activities and this includes fleet and property which will partially support addressing our asset backlog. SFRS will continue to work with Scottish Government to seek additional funding where this is available. Within this context, the Service will update the LTFS, based on the revised AMS and highlight the impacts on the resource budget.	31/03/2022	30/06/2023	MEDIUM	60%	GREEN
Progress to Update		The Asset Management and Finance Departments are developing a new report, which will be presented on an annual basis. The report will show how the Capital Programme is linked to the LTFS and the AMS. The AMS is not scheduled for completion until 31st March 2023. This report will further detail how delivery of the Capital Programme progresses the LTFS and the AMS, whilst also showing the consequences of the capital investment decisions on the resource budget over the year.					
Outstanding actions to close the recommendation		Staff from the Asset Management and Finance Departments will continue to meet to develop the format of the new report based on the Strategic Asset Management Plan (SAMP) for Property and the risk based approach to the Capital Programme Report.					
	Capital Planning & Asset Management Monitoring of performance against the Capital Programme should include summary information on the number of projects expected to be (or which have been) delivered in line with the original timescales and original budgets.		Action Date Due	Agreed Revised Date	Priority	% Complete	Status
Rec No. 2.9	Responsible Owner Agreed Response Acting Director of Asset Management	Agreed. The Service already provides information on all major projects to the change portfolio committee and this provides information on time, cost and quality. The recommendation is to expand this to cover the timeline around all capital projects and to report at a summary level to the Board. In reality, the capital programme is delivered throughout the year to maximise the funding available which requires many projects to be delivered within the financial year. In line with the recommendation the Service will provide additional summary information on the delivery of projects against original timelines recognising the many detailed projects involved in the programme.	31/03/2022	31/05/2022	MEDIUM	100%	BLUE*
Progress to Update		The Asset Management and Finance Departments have developed a new Capital monitoring report which will highlight variations from the original project cost and timescales. This report will be presented on a monthly basis at Capital Monitoring meetings. The new Capital monitoring report went live from the start of the new financial year.					
Outstanding actions to close the recommendation							
	Workforce Planning The Training Strategy should be clearly linked to the Strategic Plan and the Workforce and Strategic Resourcing Plan, including measurable actions and targets		Action Date Due	Agreed Revised Date	Priority	% Complete	Status
Rec No. 2.10	Responsible Owner Agreed Response Director of Training, Safety and Assurance	The foreword of the Training Strategy specifically mentions the following “The Training Strategy supports the intended outcomes of the SFRS Strategic Plan 2019-22, the findings of the Training and Employee Development (TED) Review and compliments the People and Organisational Development (POD) Directorate plans”. With regards measurable actions and targets, 7 priorities (Actions) are identified with dates identified as quarters across a number of years. Recovery plans are now in place and they also support the delivery of the strategy with dates and targets. Within the Training Function the Continuous Improvement Plan Actions and Targets are set with dates and support the delivery of the Strategy. In recognising the comments made, the strategy will be reviewed to strengthen the link to the POD Resourcing Plans.	31/03/2022	n/a	MEDIUM	100%	BLUE*

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Progress to Update		The Training Function have carried out a review of the delivery of the Wholetime Firefighter Foundation Programme to ensure that it meets the needs of the Strategic Plan, the Workforce and Strategic Resourcing Plan and the Recovery Plan. This resulted in a completely new model being put in place to maximise the number of Trainee Firefighters that can be onboarded given the current COVID restrictions. This new model is innovative and allows the course to run 7 days per week with 2 cadres of Trainee Firefighters effectively being trained in tandem but separately. A full review of the effectiveness and efficiency of this approach will be carried out at the earliest opportunity to identify good practice and any opportunities for improvement. This approach has been facilitated by the implementation of revised Terms and Conditions for our Instructors in mid-late 2021 following a review of the legacy terms and conditions that were in place across the SFRS. A full review of the Training Annual Operating Plan has been completed and resulted in a reduced number of specific targets, each of which have a timeline with key milestones and will add value. This Annual Operating Plan was prepared following the review of the Training Strategy.				
Outstanding actions to close the recommendation						
Rec No. 2.11	Workforce Planning Progress on implementing the Workforce and Strategic Resourcing Plan should be considered on a periodic basis the relevant committee or the Board, to ensure that there are effective targets in place and to assess performance against them.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Director of People and Organisational Development	Agreed. This will be done via the People Board and People Committee which will agree targets and monitor progress against them.	31/03/2022	31/03/2023	MEDIUM	35%
Progress to Update		Although our approach to Strategic Workforce Planning is being refreshed, our workforce planning and resourcing requirements are balanced against our target operating models. This is reported formally through the People Board, People Committee, and Service Delivery Forums of Continuous Improvement Forum and Operational Availability Group. Documented approach has stalled due to critical work, POD have proposed end of Q4, however still believe this will be achievable in spite of concurrent challenges.				
Outstanding actions to close the recommendation		Finalise our documented approach to Strategic Workforce Planning and progress this through the SFRS governance route.				
Rec No. 2.12	Workforce Planning The Workforce and Strategic Resourcing Plan should be reviewed to clearly set out the Target Operating Model for the entire workforce, and what actions it plans to take to transition from the current workforce to the workforce required in the future	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Director of People and Organisational Development	Agreed. This will continue to be implemented via the Strategic Workforce and Resourcing Plan and will be monitored via the People Board and agreed with SLT, People Board and SFRS Board as appropriate	31/03/2023	n/a	MEDIUM	40%
Progress to Update		We have benchmarked our approach to Workforce Planning with other Category One Responders and have commenced drafting our revised approach. We are maintaining a five-year resourcing plan based on predicted retirements and leavers and impacts of COVID-19 and pensions changes, this is driving a significant increase to our recruitment and promotional activity. Development of our New Strategic Resourcing Plan is still on track but has slowed down due to added challenge of pensions changes which have significantly changed our leavers profile. This has required us to focus on the tactical elements of our workforce profile to ensure we are mapping our requirements to the SFRS.				
Outstanding actions to close the recommendation		Finalise our documented approach to Strategic Workforce Planning and progress this through the SFRS governance route.				

DELOITTE AUDIT DIMENSIONS & BEST VALUE REPORT – GOVERNANCE & TRANSPARENCY			Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
					H	M	L	H	M	L	H	M	L
			2	100%	2	0	0	0	0	0	0	0	
Rec No. 3.1	Governance & Scrutiny Arrangements The Board should consider where external findings have been made on key governance documents – such as the Anti-Fraud Policy. Risk Registers, compliance with Standing Orders, review of effectiveness of Code of Corporate Governance – why the Board’s internal processes were insufficient to prevent, or detect and correct, the identified issues. The Board should update its processes to ensure that they are effectively designed and implemented to reduce the reliance on external bodies to identify areas for improvement.		Target Date	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response Director of Strategic planning, Performance & Communications	<p>Agreed. The Board remain committed to improving its decision-making processes and will review them in line with identified good practices across the public sector. A revised Governance Framework for the Service will be presented to the Board during 2021/22. The framework will continue to ensure relevant internal audit or improvement initiative findings on policy issues and governance processes are fully reported to the Board. Service policies will continue to be reviewed in line with the published timeframe and the policy review process will be monitored by the Good Governance Board with the Director of SPPC reporting any issues to the Board as appropriate.</p> <p>The Fraud Policy has been revised and is currently out for consultation. Once comments have been received, the policy will be reviewed and reported to the Audit & Risk Assurance Committee in October 2021. The creation of an LCMS training package will assist in developing awareness of fraud as a risk to the Service, developing additional awareness and ownership throughout the Service.</p> <p>The Risk Management Policy will be revised and reported to the Audit & Risk Assurance Committee in October 2021. The revision will align the policy with the current risk management framework which has undergone significant change in the last few years. The review already undertaken of the Service’s risk register will provide SMART actions, additional assurance on progress made against control actions and will assist Board Members in their scrutiny of the framework.</p>	31/03/2022	n/a	HIGH	100%	BLUE*						
Progress to Update			The Decision-Making at a Board level continues to be captured on a dedicated SFRS Board Decision Log. This has developed during 2021/22 and now includes a 12-month review of effectiveness’s and impact following the original decision, which are presented public for complete transparency. The Anti-Fraud and Corruption Policy was agreed by the SFRS Board at its meeting of 28 October 2021 and is now live. The Risk Management Policy was agreed by the SFRS Board at its meeting of 28 October 2021 and is now live. The Good Governance Board is now well established and the revised SFRS Good Governance Framework will go through this governance route through to the Board in April ’22.										
Outstanding actions to close the recommendation													
Rec No. 3.2	Openness & Transparency The Service should reconsider its approach to allowing public access to Board meetings, to ensure that Board members are being as accountable and transparent as reasonably practicable, as required under the Fire (Scotland) Act 2005.		Target Due	Agreed Revised Date	Priority	% Complete	Status						
	Responsible Owner Agreed Response Director of Strategic planning,	Agreed. Throughout 2020 the Board reviewed its ability to continue to ensure its commitment to full public access to its meetings, papers and decisions. Following Scottish Government guidance in person attendance at meetings was suspended and meetings moved online. ICT system issues prevented public access to online meetings until the introduction of Microsoft Teams in early 2021. Since August 2021 stakeholders are able to view the proceedings live by	31/08/2021	n/a	HIGH	100%	BLUE*						

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	Performance & Communications	joining via Microsoft Teams. Prior to August 2021 recordings of Board meetings have been posted online to ensure members of the public who cannot view the meeting live can view Board meetings. The Board will return to full in person meetings, including by members of the public, when Government guidance deems that appropriate.					
Progress to Update		All public Board and Committee meetings continue to be accessible 'live' through request to all stakeholders from our SFRS website (click link). We also have the recordings of both Board and Committee meetings which sit alongside the papers and previous minutes for each public meeting. These are uploaded to our website at the earliest possible opportunity and can therefore be accessed by all stakeholders retrospectively. Looking forward into 2022/23 a Board/Committee Forward Plan was submitted to the Board for decision on 28 th October '21. In our recovery from COVID-19, and to ensure our commitment to supporting the rebuilding of our society and economy in a greener, fairer and more sustainable way. The proposal for the 2022-23 schedule will aspire to equally balancing the number of in person and virtual meetings and that by adopting this hybrid approach we are also providing our stakeholders with different options to attend our public meetings over this period.					
Outstanding actions to close the recommendation							

DELOITTE AUDIT DIMENSIONS & BEST VALUE REPORT – VALUE FOR MONEY			Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
					H	M	L	H	M	L	H	M	L
			5	40%	1	1	0	3	0	0	0	0	0
Rec No. 4.1	Performance Management Framework The Service should report on the process it has undertaken to attempt benchmarking of performance internally, in order to ensure that local areas learn from good practice elsewhere in the Service. This report should identify those areas where effective benchmarking can be carried out and how this will be done going forward, as well as reporting on those areas where effective benchmarking cannot be carried out and why this is the case.		Target Date	Agreed Revised Date		Priority	% Complete	Status					
	Responsible Owner Agreed Response Director of Strategic planning, Performance & Communications	Agreed. As part of the annual review of the Performance Management Framework (PMF) an annual performance report detailing trends in performance including relevant benchmarking data from Services elsewhere in the UK will be produced for the Board. The Business Intelligence and Data Services Team continues to support the Service Delivery Directorate on internal benchmarking and sharing of improvement practices across the Service. The development of performance monitoring across the service will be reported to Good Governance Board. This will include reporting on benchmarking of internal performance.	31/03/2022	31/01/2023		HIGH	50%	GREEN					
Progress to Update			Benchmarking information will be included within performance management reporting increasingly during 2022/23. Annual PMF Review expected in November 22.										
Outstanding actions to close the recommendation			New PMF aligned with the new Strategic Plan expected in December 2022.										
Rec No. 4.2	Performance Data Performance reports should include targets and trend data to enable a meaningful assessment of performance.		Target Due	Agreed Revised Date		Priority	% Complete	Status					
	Responsible Owner Agreed Response Director of Strategic planning, Performance & Communications	Agreed. As part of the annual review of the Performance Management Framework all performance reports are reviewed. Existing reporting against targets and trend data, for example Health and Safety Reporting, Quarterly Performance, will continue. The PMF includes targets and key performance indicators. Progress against these will continue to be reported to the SFRS Board. This will include trend data. Targets contained within directorate or service areas and trends will also be reported on.	31/03/2022	31/03/2023		HIGH	75%	GREEN					
Progress to Update			Target and trend data is evident in reports currently produced across the service. In addition, a paper on KPI Methodology and Target Setting Recommendations was submitted through Good Governance in August 2021. Development of service wide departmental performance dashboards now underway										
Outstanding actions to close the recommendation			Work to design the new PMF begins in June 2022 and is expected to be complete in December 2022.										

	Performance Management Framework Consideration should be given to the development of a systematic programme of operational self-assessment to demonstrate the Service's commitment to continuous improvement.	Action Date Due	Revised Date	Priority	% Complete	Status
Rec No. 4.3	Responsible Owner Agreed Response Director of Service Development Agreed. SFRS does not have at this time a specific forward-looking plan for service improvement. The service improvement team work proactively with Directorates to support Service Improvement across the Service to ensure appropriate methodologies are being used and good practice applied. A Service Improvement Framework to ensure the systematic approach to continuous improvement will be developed to demonstrate the commitment to continuous improvement across the service. That is to say, we do not have a defined framework in place today that has a specific and structured approach to Self-Assessment required to assess SFRS wide performance and for the identification of service wide improvements. The Deloitte finding is specific to operational self-assessment. SFRS do align to and train our internal employees on the use of the Public Service Improvement Framework (PSIF) designed by NHS National Education for Scotland (NES) for continuous improvement and are currently going through a 2 nd cohort of training delivered by NHS. However, the Embedding of those skills, practices and frameworks that allow for self-assessment and continued improvement across SFRS that is seen as sustainable would be our next maturity step. In addition, the forward-looking objective has to be how we integrate self-assessment into our existing planning and review frameworks, along with how we introduce a process of identification and prioritisation of improvement to ensure we align organisation resources appropriately. Lastly, we need to consider how we might bring transparency and visibility to the results of these assessments and share widely within the organisation and highlight agreed actions resulting from it. The target date set across for this recommendation is for the development of the relevant framework, with adopting and embedding across the Service expected to occur beyond this date.	31/03/2022	31/03/2023	HIGH	80%	GREEN
Progress to Update	Progress towards the establishment of a National Group and our overarching Continuous Improvement Framework include, refocusing and renaming the now Service Improvement Facilitations Group. A new Quality and Improvement Group has been established which is embedding quality and improvement practices and we await the outcome of the procurement tender process to identify a suitable organisation to provide our National Improvement Foundation Course. Due to reduction in central SI resources and the need to realign resources to unplanned strategic risk priorities, such as the Staffing Solutions Team and the Safe and Well Project, we have delayed the development of our SI Strategy, however we have contributed to the recent Innovation Strategy by SPPC. With the appointment of our new Director of Service Development the SI Team will be developing the Directorate Strategy, Annual Operating Plans and in the SI Strategy collectively. Timeline for this work has still to be established, however it is anticipated that this should come to fruition in tandem with the EFQM Test of Change report. The EFQM Test of Change is going well and in implementation phase with workshops been undertaken. In partnership with an LSO and Management Team area, we have realigned the timeline for this first Test of Change to finish end Oct 2022. Discussions on the second Test of Change are well underway with another SDA and HMFSI individually. Due to National pressures on resources, have not identified a timeline for this second Test, but anticipate doing so by the end Aug 22. Both Tests of Change will run concurrently and collectively the learning from will influence and inform our final report, options appraisal and future design of the SFRS Self-Assessment Reporting Framework to SLT before the end Q4 2022/23.					
Outstanding actions to close the recommendation	Establishing a plan for the design, development and implementation of Continuous Improvement and Self-Assessment Reporting Frameworks. And Method with Integrated Self-Assessment Process					

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Rec No. 4.4	Performance Data Consideration should be given to how to improve performance reporting – either the quarterly progress reports or a consolidated report – to consolidate performance indicators associated with each outcome and set out how that performance and those indicators demonstrate an impact on the outcome being sought. This should also include reference to external information that demonstrates an impact on the outcome.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Director of Strategic planning, Performance & Communications	Agreed. As part of the implementation of the Business Intelligence Strategy regular progress reports are presented to the Good Governance Board which considers how the Service seeks to improve performance reporting. The SFRS Board will receive a consolidated performance report against the PMF, including trend information, which will be published formally in 2022/23. Further work will be undertaken to review reporting against outcomes.	31/03/2022	n/a	HIGH	100%
Progress to Update		Consolidated PMF report for 20-21 is complete and published. New report scheduled for November 22 and will be published alongside SFRS Statistical Publications. Business Intelligence Progress update is reported to Good Governance Board. This provides a detailed update on the progress made against the Business Intelligence Strategy, including work to improving performance reporting across the service. Work on the creation of the new Performance Management Framework will also be reported to Good Governance Board				
Outstanding actions to close the recommendation						
Rec No. 4.5	Equalities Annual reporting on equality outcomes should provide reporting against targets (where they exist) and summarised trend data to demonstrate where inequalities are being reduced and where further work is required.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Director of People and Organisational Development	Agreed. This will be collated throughout the year and summarised for the Annual Report.	31/12/2022	n/a	MEDIUM	100%
Progress to Update		The SFRS Mainstreaming and Equality Outcomes Report was published in July 2021. The SFRS produced a progress report that went to SLT on the 25 th May 2022 and to the Board on 30 th June 2022. The 2022 census has an amended list of equality characteristics. Discussions are ongoing across SFRS to consider how we might align to this new listing for the purposes of monitoring employment practice and service provision data. A sensitive information group has been set up to consider the changes from an employment perspective and the recommendations from this group will be presented to SLT for consideration. In March 2022, SLT agreed that service delivery activities are to be monitored on the grounds of the protected characteristics where it is appropriate to do so. This has been raised for discussion at the SFRS Equality Partnership Group meetings and the Safe and Well Group meetings. Discussions will continue to take place with the SFRS Performance Data Services team and with the Scottish Government data team to determine best practice and potential next steps.				
Outstanding actions to close the recommendation						

DELOITTE AUDIT DIMENSIONS & BEST VALUE REPORT – FOLLOW-UP PREVIOUS YEARS ACTIONS		Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented			
				H	M	L	H	M	L	H	M	L	
		1	0	0	0	0	0	1	0	0	0	0	
Rec No.	Financial Sustainability The Service should continue to ensure that they review, and where appropriate revise their financial strategy during 2020/21 to reflect on the impact of COVID-19, it is important that the Service also build into the scenarios the impact of demand pressures on costs to the Service along with the estimated changes in funding to get a fuller picture of the likely challenges that it faces.	Target Date	Agreed Revised Date	Priority	% Complete	Status							
1	Responsible Owner Agreed Response Director of Finance & Contractual Services	Work has been carried out on an ongoing basis since before the start of the Covid-19 lockdown in the UK. This has resulted in the preparation of a Route map to delivering Reset and Renew to allow the SFRS to navigate through the impact of Covid-19. This covers 8 key themes: People, Workplace, Operational Strategy, Governance and Compliance, Technology, Leadership, Partnership Working and Communications and Engagement. Finance is a factor in all of these themes and the impact of Covid-19 has been reflected in budget monitoring reports to the Board and will be considered when preparing the budget for 2021/22.	31/03/2021	31/03/2023	MEDIUM	75%	GREEN						
Progress to Update		The budget setting process considered the impact of COVID-19 based on the Service’s experience to date and anticipated costs and savings were reflected in the budget for 2022/23. Recovery actions were agreed as part of business cases approved in April 2021. Recruitment of temporary resources for these recovery activities has been slower than planned due to difficulties within the marketplace. In the main temporary resources were required over a two year period and these resources are still required to continue the recovery work and have been rephased as required. The Recovery, Reset and Renew programme continues to meet and manage overall progress in terms of recovery and set out the pathway for reset and renewal.											
Outstanding actions to close the recommendation		The reset and renew elements to be included in subsequent budget in 23/24.											

APPENDIX B**DELOITTE REPORT dated 15 December 2021 – OTHER SIGNIFICANT FINDINGS – INTERNAL CONTROLS**Dashboard

* Marked Complete subject to confirmation from Deloitte

Action No.	Action Owner	Action Priority	Action Due	Revised Date	Last updated	Not Started	In Progress	Complete	Not Implemented	% Complete	RAG STATUS
1	Acting Director of Finance & Procurement	HIGH	31/06/2022	-	30.05.2022	-	-	✓	-	100%	BLUE*
2	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	31.08.2022	-	✓	-	-	50%	GREEN
3	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	31.08.2022	-	-	✓	-	100%	BLUE*
4	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	31.08.2022	-	-	✓	-	100%	BLUE*
5	Acting Director of Finance & Procurement	MEDIUM	31/10/2022	-	30.05.2022	-	-	✓	-	100%	BLUE*
6	Acting Director of Finance & Procurement	LOW	31/12/2021	-	21.02.2022	-	-	✓	-	100%	BLUE*
7	Acting Director of Finance & Procurement	LOW	31/10/2023	-	31.08.2022	-	✓	-	-	50%	GREEN
8	Acting Director of Finance & Procurement	LOW	31/10/2022	-	30.05.2022	-	-	✓	-	100%	BLUE*

DELOITTE FINAL ISA260 SFRS 2021 REPORT dated 15 December 2021 – OTHER SIGNIFICANT FINDINGS – INTERNAL CONTROL		Total No of Actions	% Complete Actions	Fully Implemented			Part/In Progress			Not Implemented		
				H	M	L	H	M	L	H	M	L
		8	75%	1	3	2	0	1	1	0	0	0
Rec No. 1	<p>Firefighter's Uniforms</p> <p>As part of our audit procedures, we have identified that management account for the purchase of Firefighter's Uniforms initially within inventory, before reclassifying them to Property, Plant and Equipment when the uniform is provided to the Firefighter for usage. This accounting treatment is non-compliant with the FReM, and an error has been raised on page 26 and also included within the management representation letter.</p> <p>The impact of this incorrect treatment is that the budgetary impact is currently recorded within the wrong financial period, being the year of distribution rather than the year of purchase. We understand that management have held initial discussions with the Sponsor department regarding realigning the capital budget, however, it is recommended that the Service finalise these discussions as soon as possible and for the 2021/22 Annual Report and Accounts.</p>	Action Date Due	Agreed Revised Date	Priority	% Complete	Status						
	<p>Responsible Owner Agreed Response Acting Director of Finance & Procurement</p> <p>1) A business case for an increase of £3.7 million in CDEL budget funding was submitted to Scottish Government in November 2021 to cover the reclassification from Stock (where no budget is required until issued) to Assets (where budget is required on purchase). Approval for the increase has still to be confirmed.</p> <p>2) Correct treatment of these uniforms to be confirmed and actioned, i.e. transfer and record PPE from Stock to Assets.</p>	31/06/2022	n/a	HIGH	100%	BLUE*						
Progress to Update		<p>1) A one-off non-cash increase of £3.7 million was made by SG to the Capital DEL budget and confirmed in December 2021.</p> <p>2) The value of Uniforms held in Stock will be determined and an adjustment made to transfer balance to Assets Under Construction until such times as they are issued and become Operational Assets. The Stock system will continue to be used to record the PPE and a year-end adjustment will be made to ensure it is recorded in the correct place within the Financial Statements, i.e. Assets not Stock. journals done and process in place to monitor through the year.</p>										
Outstanding actions to close the recommendation												
Rec No. 2	<p>Management Review</p> <p>We have identified a number of required adjustments to the disclosures included within the Annual Report and Accounts during our audit. In future years, we would encourage the Service to further enhance their existing processes in reviewing the Annual Report and Accounts before submitting the draft Annual Report and Accounts for audit, to minimize the number of required changes</p>	Target Date	Agreed Revised Date	Priority	% Complete	Status						
	<p>Responsible Owner Agreed Response Acting Director of Finance & Procurement</p> <p>SFRS will enhance the peer review process to include the disclosure checklist and improve the overall quality of the Annual Report and Accounts</p>	31/10/2022	n/a	MEDIUM	50%	GREEN						
Progress to Update		Review of checklist is included in the year end process. Checklists have been received from Deloitte and will be used to review the Draft Annual Report and Accounts.										
Outstanding actions to close the recommendation		Checklists will be reviewed for changes and incorporated in final document.										

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Rec No. 3	<u>Fixed Asset Register</u> From our detailed Property, Plant and Equipment testing, it was noted that there was no review of the capital accounting entries into the Fixed Asset Register module of Technology One. The Service should implement a review control and segregation of duties such that one person calculates and prepares all the year-end fixed asset accounting entries, and another person reviews these to ensure that they are accurate.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	A review process will be implemented to demonstrate that transactions are reviewed. Due to technical constraints, this will not be held within the financial system.	31/10/2022	n/a	MEDIUM	100%
Progress to Update		The system does not require separate authorisation of Fixed Asset year end processes (depreciation, impairment, revaluations), unlike journals where 2 people are required. A review process will be put in place to ensure that these transactions are checked. This will start after the end of the financial year once year end work begins. The processes have still to be run as part of the schedule but will be reviewed as part of the tasks to be carried out. Agreed within Accountants in Fixed Assets team that a review of Fixed Asset Processes will take place. This will commence for the 21/22 Year End Fixed Asset processes. Reports will be prepared to demonstrate this has been carried out.				
Outstanding actions to close the recommendation		Supporting Evidence to be forwarded				
Rec No. 4	<u>Holiday Pay Accrual Calculation</u> From our work in respect of the holiday pay accrual, we understand that one individual is responsible for the preparation of the holiday pay accrual. Management should look to plan for the future and ensure that within the wider team there are people who are able to cover this role to add greater resilience to the preparation of key working papers.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	The long-term aim is to automate this process within our HR/Finance systems. The Decision Support Manager will work with the Finance Business Partner to increase resilience for this task going forward.	31/10/2022	n/a	MEDIUM	100%
Progress to Update		A guidance note has been prepared and reviewed, resilience is therefore in place going forward.				
Outstanding actions to close the recommendation						
Rec No. 5	<u>Related Party Transactions</u> From our related party work, we identified that management had not identified all related parties (such as SFRS Family Support Trust) which has subsequently been updated within the Annual Report and Accounts. Management should refresh their processes for identifying related parties to ensure that they adequately capture all bodies.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	This has been noted and processes refreshed. Amendments have been made to the Register of Interests.	31/10/2022	n/a	MEDIUM	100%
Progress to Update		Processes have been refreshed and put in place. Board Members and SLT Members are asked to provide their Interests quarterly which are recorded in the Register and published on the website.				
Outstanding actions to close the recommendation						

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Rec No. 6	Cash & Banking During our discussions in respect of the Cash and Banking process, we understand that there is a “cash banking daily log” spreadsheet completed. This is updated by the cashiers department, however, for the spreadsheet we reviewed. The “Prepared by” and “Reviewed by” boxes were not completed. Whilst, we note there is a mitigating control, being the “Cash flow monitoring” document, we would recommend that the Service reviews its processes to ensure appropriate segregation of duties by evidencing the “Prepared by” and “Reviewed by” element of the “cash banking daily log”.	Target Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	Noted. This process has now been amended and the relevant boxes are being completed by the Preparer and Reviewer and checked by an Accountant.	31/12/21	n/a	LOW	100%
Progress to Update		Management class this as complete.				
Rec No. 7	Impairment Review Non-current assets that are not subject to the formal revaluation review in the year should be reviewed for impairment indicators. As part of the year-end financial reporting process this should be documented in a management paper clearly setting out the process and discussions that have taken place. This should address impairment indicators for each asset class i.e. Vehicles, ICT Equipment, Operational Equipment.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	The SFRS will carry out an annual review for different categories of assets to take into account potential changes in value.	31/10/2023	n/a	LOW	50%
Progress to Update		Impairment reviews have been carried out in previous years on Ops Equipment and Heritage Assets. Reviews of ICT completed. Vehicles has started and will be carried out over the next 2 financial years. Properties are reviewed for revaluation purposes at least once every 2 years and are therefore considered for impairment at that point. ICT and Intangible Assets reviews completed and adjusted where necessary.				
Outstanding actions to close the recommendation		Review of Vehicles is taking place during current year (2022/23).				
Rec No. 8	Depreciation Calculation SFERS’ depreciation policy is not to depreciate assets in the year of addition to the Fixed Asset Register and to charge a full years depreciation in the year of disposal. Given that the Service currently has a significant balance of assets included within Assets Under Construction, the Service should review its depreciation policy to ensure that it remains fit for purpose and does not distort the Service’s in year expenditure.	Action Date Due	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response Acting Director of Finance & Procurement	The Depreciation Policy will be reviewed to ensure continued relevance. The SFRS will undertake a review of Assets Under Construction to determine if depreciation would be materially different should the policy change.	31/10/2022	n/a	LOW	100%
Progress to Update		The Depreciation Policy has been reviewed by the Accounting Manager and Deputy Accounting Manager for relevance. It is still considered relevant to depreciate in year of disposal as assets are generally held beyond their useful economic lives (refer also to backlog maintenance issue). AUC value was higher in 2020/21 due to timing of completion of property related projects. Review undertaken and Accounting Policies approved at ARAC on 30 March 2022.				
Outstanding actions to close the recommendation						

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	STRATEGIC RISK REPORT						
Report Classification:	For Scrutiny	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with the updated Strategic Risk Register and aligned Directorate risks for scrutiny.						
2	Background						
2.1	The purpose of the risk register is to inform decision making through Scrutiny and Assurance processes, providing additional awareness of the risks we face and the actions required to minimise these risks.						
2.2	The ARAC is responsible for advising the Board and the Accountable Officer on the adequacy and effectiveness of the Service's arrangements for risk management and has oversight of the Strategic Risk Register.						
2.3	The Strategic Leadership Team (SLT) has responsibility for the identification and management of strategic risk and will ensure that the Strategic Risk Register (SRR) presents a fair and reasonable reflection of the most significant risks impacting upon the organisation. The SLT will champion the importance of risk management in supporting the achievement of the Service's strategic aims and objectives.						
2.4	Strategic risks are prepared in consultation with the Board and SLT and are managed collectively by the SLT, with each Directorate Risk allocated to an identified Head of Function. These Responsible Owners provide information on the current controls in place and identify additional actions still required.						
3	Main Report/Detail						
3.1	The risk register is a management tool that provides assurance to the Service and its scrutiny bodies that the significant risks of the organisation have been identified, managed and are subject to ongoing monitoring, review and discussion.						
3.2	Following updates from Directorates Appendix 1 provides the revised risks, relevant controls and changes undertaken during the last quarter: <ul style="list-style-type: none"> • Appendix 1B – 43 Directorate Risks • Appendix 1C – 20 Risk Controls • Appendix 1D – 3 Closed Controls • Appendix 1E – 1 Closed Risk • Appendix 1G – 2 New Risks 						

3.3	In relation to Appendix 1D, 3 controls were closed: <ul style="list-style-type: none"> • SPPC008 – the work required to demonstrate corporate and social responsibility through reporting and publishing of information is complete with a report to be provided to the Good Governance Board. • SPPC005 – This control was updated and merged with SPPC001. • SDD007 – the patching tool is no longer required as on investigation it was found that the functionality required is available through existing solutions. 	
3.4	In relation to Appendix E one risk was closed: <ul style="list-style-type: none"> • SPPC005 – the risk and associated controls were merged with SPPC001 with SPPC005 closed. 	
3.5	In relation to Appendix G two new risks were identified: <ul style="list-style-type: none"> • SD014 – relates to the Services ability to fulfil its statutory obligation due to the potential of industrial action or action short of industrial action. • TSA011 – relates to insufficient staff capacity and resources available to meet the demand for the delivery of training due to staff shortages created by the current pension remedy situation. 	
3.6	Discussions have been held with Data Services to review the current risk register format and work will be undertaken during Q3 to develop a new format for discussion with SLT and ARAC. This development will also look at providing a dashboard for risk which would allow additional analysis by SLT and Board Members.	
4	Recommendation	
4.1	The Audit and Risk Assurance Committee are asked to scrutinise the Strategic Risk Report.	
5	Core Brief	
5.1	Not applicable	
6	Appendices/Further Reading	
6.1	Appendix 1 – Strategic Risk Report	
7	Key Strategic Implications	
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)	Yes
Prepared by:	David Johnston, Risk and Audit Manager	
Sponsored by:	John Thomson, Acting Director of Finance and Procurement	
Presented by:	David Johnston, Risk and Audit Manager	
Links to Strategy and Corporate Values		
The Internal Audit Plan forms part of the Services Governance arrangements and links back to Outcome 4 of the 2019-22 Strategic Plan, specifically Objective 4.2. <ul style="list-style-type: none"> • Outcome 4: We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland. • Objectives 4.2: We will minimise the risks we face through effective business management and high levels of compliance with all our responsibilities. 		
Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For Scrutiny</i>

Audit and Risk Assurance Committee

Risk Report

2022-23 Q2



SCOTTISH
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Contents:

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- Aligned Directorate Risk Summary – Appendix 1b
- Directorate Risk Control Summary – Appendix 1c
- Directorate Closed Control Summary – Appendix 1d
- Directorate Closed Risk Summary – Appendix 1e
- Directorate Risk Rating Change Summary – Appendix 1f - [No Change]
- New Directorate Risks – Appendix 1g
- New Directorate Control Summary – Appendix 1h – [No change]

Strategic Risk Summary

Appendix 1a

Risk Reference	Description	SLT Risk Owner	Risk Rating (Pxl)
1	Ability to improve the safety and well-being of people throughout Scotland through the delivery of our services	Director of Service Delivery	15 (3 x 5)
2	Ability to reduce the number of unwanted fire alarm signals and associated occupational road risk	Director of Service Delivery	15 (5 x 3)
3	Ability to collaborate effectively with partners and communities, to enhance service delivery and best value	Deputy Chief Officer	12 (3 x 4)
4	Ability to ensure legal and regulatory compliance	Director of Strategic Planning, Performance and Communications	12 (3 x 4)
5	Ability to have in place a suitably skilled, trained and motivated workforce that is well supported both physically and mentally	Director of People & Organisational Development, Director of Training, Safety and Assurance	20 (5 x 4)
6	Ability to have in operational use the necessary assets, equipment, supplies and services to enable the smooth running of the organisation, that exploit available technologies and deliver public value	Director of Finance and Contractual Services	20 (4 x 5)
7	Ability to deliver a high quality, sustainable service within the funding envelope	Director of Finance and Contractual Services	20 (5 x 4)
8	Ability to anticipate and adapt to a changing environment through innovation and improved performance	Director of Service Development	16 (4 x 4)
9	While Covid-19 remains a threat to health, the ability of SFRS to protect staff, partners and the public while meeting service delivery demands	Deputy Chief Officer	12 (3 x 4)

Aligned Directorate Risk Summary

Appendix 1b

Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (PxI)	Committee	Executive Board
1	Improve Safety and Wellbeing of Communities	SDD002	Evidence Based Decision Making	There is a risk of the service not consistently providing accurate performance management information from some sources due to inaccurate data or inadequate systems resulting in loss of confidence in reporting service performance.	Director of Service Development	16 (4 x 4)	CC	SMB
1	Improve Safety and Wellbeing of Communities	SD010	Compliance Fire Act (Scotland) Part 3	There is a risk the SFRS is unable to effectively enforce fire safety legislation in compliance with part 3 of the Fire (Scotland) Act 2005 in relevant premises. This could be because of the lack of sufficient, suitably trained SFRS fire safety enforcement staff locally and nationally.	Head of Prevention and Protection	15 (3 x 5)	SDC	SMB
1	Improve Safety and Wellbeing of Communities	SD004	Standardisation of Service Delivery	There is a risk of failing to maintain a standard suite of Policies because of the volume of Policies and the consultation timeframe. This would result in having an inconsistent approach to service response and could lead to possible operational failures resulting in a death of serious injury to staff or members of our local communities.	Head of Operations	12 (3 x 4)	SDC	SMB
3	Collaborate with Partners	SPPC013	Partnership Working	There is a risk that the service fails to meet its duties to participate in Community Planning and demonstrate strong collaboration and partnership working due to a lack of coordination and information resulting in missed opportunities and in a loss of workforce, stakeholder and public confidence.	Head of Governance, Strategy and Performance	12 (3 x 4)	ARAC	GGB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
3	Collaborate with Partners	SDD010	Consultation and Engagement	There is a risk that the services consultation and engagement processes do not adequately capture stakeholder feedback because of a lack of consistency across the organisation resulting in a loss of workforce, stakeholder and public confidence. (This risk has been transferred from SPPC)	Director of Service Development	12 (3 x 4)	ARAC	GGB
3	Collaborate with Partners	SPPC007	Protect SFRS Reputation	There is a risk that the services reputation is adversely affected due to ineffective management of communications resulting in a loss of workforce, stakeholder and public confidence.	Head of Communication and Engagement	12 (3 x 4)	ARAC	GGB
3	Collaborate with Partners	SPPC008	Corporate Social Responsibility	There is the risk that the services is unable to demonstrate corporate social responsibility and sustainability due to a lack of a coordinated approach resulting in uncoordinated development and loss of workforce, stakeholder and public confidence.	Head of Governance, Strategy and Performance	8 (2 x 4)	ARAC	GGB
4	Legal and regulatory compliance	SD013	Legal and regulatory compliance	<p>There is a risk that the P&P Enforcement Database does not provide effective recording, monitoring, proposing and reporting of FSE activity</p> <p>This could occur if there are further ICT issues or where fixes are delayed due to such issues not being within the ICT programme of work or outwith internal development capabilities. This would result in a reduced ability to progress audit activity, meet statutory duties under Part 3 of the Fire(Scotland) Act 2005, deliver outcomes within the Strategic Plan, target community risk and provide evidential support to the Procurators Fiscal where offences are reported. User confidence is also impacted resulting in reduction of data quality.</p>	Head of Prevention and Protection	16 (4 x 4)	SDC	SMB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
4	Legal and regulatory compliance	TSA009	Health and Safety Legislation	There is a risk of SFRS not being able to demonstrate legislative compliance due to ongoing delay with the development of the SFRS bespoke health and safety management system (HSMS), Think , Act ,Stay safe (TASS). This could result in criminal /civil litigation and associated financial and reputational costs adverse scrutiny whether internal or external, impact on the well-being of staff.	Head of Health and Safety and Assurance	15 (5 x 3)	PC	NSAB
4	Legal and regulatory compliance	SPPC004	Information Governance Legislation	There is a risk that the service fails to comply with information governance legislation because of non-compliance resulting in sanctions and loss of stakeholder and public confidence	Head of Communication and Engagement	12 (3 x 4)	ARAC	GGB
4	Legal and regulatory compliance	TSA005	Health and Safety Legislation	There is a risk of SFRS not fulfilling its health and safety legislative requirements due to not completing the annual health and safety Improvement plans. This could affect the safety of our staff and communities, external scrutiny resulting in criminal or civil litigation and adverse publicity.	Head of Health and Safety and Assurance	9 (3 x 3)	PC	NSAB
4	Legal and regulatory compliance	SPPC003	Statutory Framework	There is a risk that the service does not govern the organisation in compliance with statutory frameworks including: - Fire (Scotland) Act 2005 - Fire and Rescue Framework for Scotland 2022 - Community Empowerment (Scotland) Act 2015 because of a lack of suitable controls resulting in loss of stakeholder confidence.	Head of Governance, Strategy and Performance	8 (2 x 4)	ARAC	GGB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
5	Skilled, trained and motivated staff	SD006	Statutory Duties	<p>There is a risk that Service Delivery is unable to maintain an effective level of capacity and resource within the Directorate because of challenges relating to the recruitment, promotion and retention of staff. This could result in Service Delivery not meeting its statutory duties under</p> <ul style="list-style-type: none"> - The Fire (Scotland) Act 2005, - The Fire and Rescue Framework for Scotland 2022, - The Fire (Additional Function) (Scotland) Order 2005, - Regulation 11 of the Building (Procedure) (Scotland) Act 2004 	Director of Service Delivery	16 (4 x 4)	PC	PB
5	Skilled, trained and motivated staff	POD004	Staff Recruitment	<p>The risk of being unable to support recruitment of staff across the SFRS, in a timely manner and aligned with workforce planning requirements due to prolonged recruitment processes or delayed/unplanned recruitment scheduling resulting in a rise in vacant posts and an inability of SFRS to deliver core services.</p>	Head of People and Organisational Development	16 (4 x 4)	PC	PB
5	Skilled, trained and motivated staff	POD011	Pay Awards	<p>Risk of delay to pay and competence awards due to ineffective FF Development Programme Policy/Uniformed Managers Development to Competent Policy and processes implementation leading to employee discontent and resulting in employee grievances.</p>	Head of People and Organisational Development	15 (3 x 5)	PC	PB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
5	Skilled, trained and motivated staff	TSA010	Staff Resources	There is a risk of there being insufficient staff capacity and resources available to meet Service demand with regard to improvement plans and HSMS due to the impact of pension changes within uniformed staff, retirement and the current job market and loss of continued funding for H&S staff. This could result in criminal/civil litigation and associated financial and reputational cost, averse scrutiny and an impact upon the well being of staff	Head of Safety and Assurance	12 (4 x 3)	PC	NSAB
5	Skilled, trained and motivated staff	FCS001	Sufficient Capacity	There is a risk that FCS doesn't have sufficient capacity to undertake required workload due to increasing Covid-19 and other commitments. This can result in reduced capacity to manage business as usual activities and other requirements placed upon the Directorate.	Director of Finance and Contractual Services	12 (3 x 4)	PC	PB
5	Skilled, trained and motivated staff	POD006	Staff Wellbeing	The risk that the physical and mental wellbeing of POD staff is affected as a result of the challenges presented by the new work and home environments created by the pandemic, Brexit and other factors. Increasing the potential for increased stress levels and staff absence.	Head of People and Organisational Development	12 (3 x 4)	PC	PB
5	Skilled, trained and motivated staff	POD010	Project Support	The risk that POD teams are unable to timeously support and input to wider SFRS projects and change initiatives, meaning the people elements of change management aren't widely considered, resulting in reduced employee engagement and successful implementation of the project/change.	Head of People and Organisational Development	12 (3 x 4)	CC	SMB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
5	Skilled, trained and motivated staff	POD005	Employee Wellbeing	The risk of not developing and providing wellbeing support to all SFRS employees, (both mental and physical health) resulting from a lack of resources, planning and co-ordination of wellbeing activity and support which results in higher levels of employee absence and lower levels of engagement.	Head of People and Organisational Development	6 (2 x 3)	PC	PB
6	Adequate operational assets, equipment etc.	SD001	Command and Control Mobilising Systems	There is a risk of failure to mobilise to an incident due to a technical failure of the existing mobilising systems. As a result, we would be failing to meet our statutory duty and also potentially bring reputational damage to the Service.	Head of Operations	20 (4 x 5)	SDC	AMLB
6	Adequate operational assets, equipment etc.	SD003	Operational Availability Systems	There is a risk of SFRS operational availability systems reaching end of life and failing and the existing supplier ceasing to support or maintain legacy systems. This would impact SFRS ability to effectively mobilise. It would also cause reliability issues and licence issues in some LSO areas of SFRS.	Head of Operations	20 (4 x 5)	SDC	AMLB
6	Adequate operational assets, equipment etc.	SDD007	Cyber Security	There is a risk that we will be unable to maintain adequate levels of Cyber Security to avoid any breach due to lack of resources/ skills or appropriate policy and process being in place. This could result in failure of access to or stability of systems affecting SFRS activity.	Head of ICT	20 (4 x 5)	ARAC	DB
6	Adequate operational assets, equipment etc.	FCS012	Supply Chain Shortages	There is a risk that the significant supply chain shortages will be experienced in relation to the supply of commodities for construction, fleet and ICT equipment because of a lack of global manufacturing capacity as a result of Covid-19. This will result in delay to projects specified within the capital programme and potential increases in both capital and revenue costs as demand outstrips supply.	Acting Director of Asset Management	16 (4 x 4)	SDC	AMLB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
6	Adequate operational assets, equipment etc.	FCS004	Assets Operational	There is a risk that frontline assets in operational use will not be suitably maintained due to damage, loss or ineffective asset investment. Any impact in this area will lead to reduce service availability and a reduction in the health, safety and wellbeing of staff.	Acting Director of Asset Management	12 (3 x 4)	SDC	AMLB
6	Adequate operational assets, equipment etc.	POD002	Replacement Programme	The risk of being unable to plan, resource, deliver and implement programme for replacement of a number of People, Training, Finance and Asset and systems that could result from not having a programme team in place and other resources released to support the programme leading to the systems not supporting SFRS achieve organisational objectives.	Head of People and Organisational Development	12 (3 x 4)	CC	PB
6	Adequate operational assets, equipment etc.	SPPC012	Organisational Security	There is a risk that the service has inadequate organisation security because of a lack of up to date security arrangements resulting in risk to staff and the public	Head of Governance, Strategy and Performance	12 (3 x 4)	ARAC	GGB
6	Adequate operational assets, equipment etc.	FCS002	Asset Management Planning	There is a risk that effective asset management planning is not undertaken because of available capital investment and available capacity due to our covid-19 response. This could result in a failure to ensure compliance with regulatory requirements and minimise the benefits that could be gained through the introduction of new technologies.	Acting Director of Asset Management	9 (3 x 3)	ARAC	AMLB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
6	Adequate operational assets, equipment etc.	FCS003	Asset Acquisition	There is a risk that the Services ability to acquire and deploy assets fails to meet service requires due to insufficient prioritised asset investment and a lack of project management capacity. This will lead to delays in the acquisition of assets and an impact upon front line service provision.	Acting Director of Asset Management	9 (3 x 3)	SDC	AMLB
7	Financial Sustainability	FCS005	Core Funding	There is a risk that the Service may be unable to secure levels of funding required to achieve its strategic objectives. Additional pressure has been placed upon government finances causing uncertainty over future funding settlements. This could result in delays to agreed and future projects requiring a resetting of the Services objectives.	Head of Finance and Procurement	16 (4 x 4)	ARAC	GGB
7	Financial Sustainability	SDD005	Additional Funding	There is a risk that Scottish Government funding for ESMCP will not be forthcoming resulting in the service being unable to resource the ESN implementation project and deliver this key area of change within the required timescales.	Head of ICT	15 (3 x 5)	CC	DB
7	Financial Sustainability	FCS011	Fraud Detection	There is a risk to the Service where incidents of fraud are undetected. This may be due to an unwillingness or a lack of awareness by individuals to follow policy and guidance on fraud prevention. Issues of fraud can impact the reputation of the Service, cause increased internal and external scrutiny and may have an impact upon financial reporting arrangements.	Head of Finance and Procurement	12 (3 x 4)	ARAC	GGB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
7	Financial Sustainability	FCS010	Service Delivery Objectives	There is a risk where financial performance reporting is not aligned with Service Delivery requirements because of poor internal engagement or adequate capacity to prepare and support business case development. The impact of this may relate to lost investment opportunity or being unable to demonstrate aligned governance arrangements.	Head of Finance and Procurement	9 (3 x 3)	ARAC	GGB
7	Financial Sustainability	FCS006	Financial Planning and Controls	There is a risk that the Service will be unable to demonstrate effective planning and control of financial resources due to issues of capacity and increased demands being placed upon Sections. Whilst the risk is being managed we could experience criticism and increased scrutiny from auditing bodies.	Head of Finance and Procurement	8 (2 x 4)	ARAC	GGB
7	Financial Sustainability	SDD006	Network Replacement	There is a risk that we fail to engage with appropriate bodies and partners to manage the replacement of Firelink with ESN due to higher priority commitments. This could impact the resilience of the Firelink network until the replacement ESN network is available.	Head of ICT	8 (2 x 4)	CC	DB
8	Improve performance	SDD001	Delivery of Directorate Commitments	There is a risk that the Directorate is unable to deliver against stated commitments and ambitions, due to limited resources and capacity at a time where the Directorate is still developing and maturing and responding to concurrent events. This could result in a lack of clarity and direction for Directorate members impeding the Directorates ability work effectively and efficiently impacting on the support and delivery performance as a Directorate across the wider SFRS	Director of Service Development	20 (5 x 4)	CC	SMB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
8	Improve performance	SDD004	Continuous Improvement Culture	There is a risk that the Directorates ability to promote, enhance and mainstream an organisational culture of continual development and improvement is impacted due to a lack of resources, skills or knowledge contributing to an inability to influence culture and promote development and positive change.	Head of Portfolio	16 (4 x 4)	CC	SMB
8	Improve performance	SPPC001	Service Performance Management	There is a risk of the Service not consistently providing accurate performance management information from some sources due to inaccurate data or inadequate systems, resulting in loss of confidence in reporting service performance.	Head of Governance, Strategy and Performance	16 (4 x 4)	SDC	GGB
8	Improve performance	SDD009	Delivery of Strategic Change	There is a risk of the Directorate being unable to embed Strategic Change capabilities across the SFRS as a result of organisational constraints that limit critical resource capacity and capability both within the Portfolio Office and across SFRS functions, which includes the necessity to further develop and build the skills and competencies that are required of a Strategic Change function. This could result in a number of consequences for SFRS which would include our ability to deliver change on time and within budget and to quality standards	Head of Portfolio	15 (5 x 3)	CC	SMB
8	Improve performance	SPPC002	Communicate with Stakeholders	There is a risk that communication and engagement plans are not in place to support consultation processes because of a lack planning or consistency of approach resulting in unsupported and poorly defined strategy and change activity	Head of Communication and Engagement	15 (3 x 5)	CC	GGB

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Strategic Risk ID	Strategic Risk	Directorate Risk	Risk Name	Summary	Risk Owner	Risk Rating (Pxl)	Committee	Executive Board
8	Improve performance	FCS008	Environmental Management	There is a risk that the Service will be unable to achieve environmental and carbon reduction commitments due to limited investment or anticipated saving targets not being achieved through current projects. This can lead to lost saving opportunities, potential fines if required targets are not met and possibly negative media coverage.	Acting Director of Asset Management	9 (3 x 3)	SDC	ECMB
8	Improve performance	TSA003	Lessons Learnt	There is a risk of SFRS not learning lessons from experience, notable practice, innovation, investigations and case law because of not sharing lessons in a manner which encourages communication, engagement and securing ownership by risk owners. This could affect the safety of our staff and communities, resulting in adverse impact on reputation and external scrutiny	Head of Health and Safety and Assurance	6 (3 x 2)	PC	NSAB
9	Protect Staff Covid-19	SDD003	Covid-19	There is a risk that planned Directorate activities and objectives may be impacted during our response to Covid-19 and the recovery phase. Consequences could include the inability to achieve potential efficiency savings and continue the modernisation of the Service.	Director of Service Development	12 (3 x 4)	SDC	SMB

Directorate Risk Control Summary

Appendix 1c

SR ID	Risk ID	Risk	Action Description	Owner	Est Date	Status	Control Comments	Risk Rating (PxI)	Target Rating (PxI)	Committee	Executive Board
3	SPPC007	Protect SFRS Reputation	Implementation of Communications Strategy Action Plan (Phase 1)	Head of Communication and Engagement	Mar-23	Green - 50%	Delivery of objectives contained within the Corporate Communications Workplan	12 (3 x 4)	12 (3 x 4)	ARAC	GGB
3	SPPC013	Partnership Working	Ongoing Partnership working oversight through the Partnership Working Group and regular reporting to GGB. Annual Reporting through the SFRS Working in Partnership Report and Annual Performance Review	Head of Corporate Governance	Mar-23	Green - 50%	Delivery of objectives contained within the Governance, Strategy and Performance Workplan	12 (3 x 4)	8 (2 x 4)	ARAC	GGB
3	SPPC008	Corporate Social Responsibility	Implement robust arrangements to support the delivery of the SFRS Sustainable Development Framework.	Head of Corporate Governance	Jul-22	Amber - 90%	Sustainable Development Framework developed for reporting to next GGB	8 (2 x 4)	6 (2 x 3)	ARAC	GGB
4	SPPC004	Information Governance Legislation	Regular monitoring and review of framework, managing FOI and other information requests, to ensure ownership and awareness retained throughout the Service.	Head of Communication and Engagement	Mar-23	Green - 50%	Delivery of objectives contained within the Corporate Communications Workplan. Ongoing monitoring and managed through the Information Governance Group.	12 (3 x 4)	8 (2 x 4)	ARAC	GGB

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SR ID	Risk ID	Risk	Action Description	Owner	Est Date	Status	Control Comments	Risk Rating (PxI)	Target Rating (PxI)	Committee	Executive Board
4	SPPC003	Statutory Framework	Procurement process for external legal support	Head of Corporate Governance	Mar-22	Red - 30%	Work has been undertaken in progressing the procurement exercise with the development of a specification.	8 (2 x 4)	8 (2 x 4)	ARAC	GGB
4	SPPC003	Statutory Framework	Procurement process for moving external legal support onto a framework is being progressed with a user group formed between Legal and Procurement. Framework exercise underway	Head of Corporate Governance	Mar-23	Red - 30%	Use group formed between Legal and Procurement. Framework Timeframe identified. Framework exercise underway. Framework Exercise Complete	8 (2 x 4)	8 (2 x 4)	ARAC	GGB
4	SPPC003	Statutory Framework	Adhere to Good Governance Framework Implement findings of Annual Governance Review Implement Assurance Mapping Conduct Annual Governance Reviews Produce Annual Governance Statement	Head of Corporate Governance	Mar-23	Green - 50%	Delivery of objectives contained within the Governance, Strategy and Performance Workplan	8 (2 x 4)	8 (2 x 4)	ARAC	GGB
6	SDD007	Cyber Security	Roll out of multi-factor authentication (Q3)	Head of ICT	Sep-22	Amber - 90%	Multi-factor authentication rolled out across the Service with additional work to be undertaken in relation to Control and Operational Crews. Procurement for additional system development complete with implementation underway with expected completion September 2022.	20 (4 x 5)	12 (3 x 4)	ARAC	DB

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SR ID	Risk ID	Risk	Action Description	Owner	Est Date	Status	Control Comments	Risk Rating (PxI)	Target Rating (PxI)	Committee	Executive Board
6	SPPC012	Organisational Security	Deliver the Organisational Security Plan and range of requirements and actions.	Head of Corporate Governance	Mar-23	Green - 50%	Delivery of objectives contained within the Governance, Strategy and Performance Workplan	12 (3 x 4)	8 (2 x 4)	ARAC	GGB
6	FCS002	Asset Management Planning	Work to be progressed on a number of strategic documents including an Estates Strategy, Fleet Strategy and a revised Property Asset Management Plan which will be based upon the outcome of the SDMP report.	Acting Director - Asset Management	Mar-23	Green - 65%	The Strategic Asset Management Plan (SAMP) for Fleet is now complete. The SAMP for Property is progressing and the SAMP for Equipment will commence in October 2022. Property and Equipment SAMPs to be completed by the end of March 2023. All SAMPs will align to SDMP which has been delayed.	9 (3 x 3)	9 (3 x 3)	ARAC	AMLB
6	FCS002	Asset Management Planning	Work to progress technical integration of Information Systems to enable enhanced asset performance reporting	Acting Director - Asset Management	Dec-22	Green - 80%	Ongoing review of technical specification requirements for interface between Tech1 and Tech-Forge with work now being aligned to the overarching People, Training, Finance and Asset System.	9 (3 x 3)	9 (3 x 3)	ARAC	AMLB
6	FCS002	Asset Management Planning	AM providing background information and professional advice to SDMP team with regards to the suitability and condition assessments of operational stations.	Acting Director - Asset Management	Mar-23	Amber - 90%	Asset Management providing further data to assist the progress of the Service Delivery Model Programme (SDMP) Team.	9 (3 x 3)	9 (3 x 3)	ARAC	AMLB

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SR ID	Risk ID	Risk	Action Description	Owner	Est Date	Status	Control Comments	Risk Rating (PxI)	Target Rating (PxI)	Committee	Executive Board
6	FCS002	Asset Management Planning	Assist Operational colleagues with the implementation of the Operational Strategy	Acting Director - Asset Management	Mar-23	Green - 5%	Meeting with Operational colleagues to be arranged to assist with this control measure.	9 (3 x 3)	9 (3 x 3)	ARAC	AMLB
6	FCS002	Asset Management Planning	Implement the improvement actions contained within the Strategic Asset Management Plan for Fleet	Acting Director - Asset Management	Jun-23	Green - 10%	Planning meeting has taken place to discuss how best to implement the improvement actions. Fleet SAMP going to SFRS Board on 11th August for approval.	9 (3 x 3)	9 (3 x 3)	ARAC	AMLB
7	FCS005	Core Funding	Secure additional grant funding for energy and carbon Management 22/23	Head of Finance and Procurement	Mar-23	Green - 10%	Funding secured for financial year 22/23 Resource and Capital Budgets with continual funding being agreed for energy and carbon management with £1.6m already in progress of Grant application	16 (4 x 4)	8 (2 x 4)	ARAC	GGB
7	FCS011	Fraud Detection	Complete actions associated with Procurement strategy relating to Fraud	Head of Finance and Procurement	Jun-22	Green - 70%	This is a three-year Procurement Strategy with year one actions identified for completion in current year. Progress continues with no concerns.	12 (3 x 4)	9 (3 x 3)	ARAC	GGB
7	FCS006	Financial Planning and Controls	Scrutiny of exceptions adopted during the global pandemic to ensure financial controls are maintained	Head of Finance and Procurement	Mar-23	Green - 50%	Verification continue to review governance arrangements in place with further reviews to be undertaken throughout 2022/23.	8 (2 x 4)	8 (2 x 4)	ARAC	GGB

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SR ID	Risk ID	Risk	Action Description	Owner	Est Date	Status	Control Comments	Risk Rating (PxI)	Target Rating (PxI)	Committee	Executive Board
7	FCS006	Financial Planning and Controls	Improve finance system capability after move to cloud	Head of Finance and Procurement	Mar-23	Amber - 60%	Works associated with a supplier portal, procurement improvements and revision to Technology one access all being progressed. Tech One consultancy support in progress with the plan to finalise Supplier Portal by December 22.	8 (2 x 4)	8 (2 x 4)	ARAC	GGB
7	FCS006	Financial Planning and Controls	Secure additional funding for PTFA 23/24	Head of Finance and Procurement	Mar-23	Green - 50%	Funding secured for financial year 22/23 under Capital Funding with work ongoing to secure funding for future financial years.	8 (2 x 4)	8 (2 x 4)	ARAC	GGB
7	FCS010	Service Delivery Objectives	Development of an enhanced Business Case/Case for Change process aligned to Service/Strategic Objectives	Decision Support Manager/Head of Portfolio Officer	Mar-23	Amber - 10%	Work underway between F&P and Portfolio Office in creating a more robust and efficient Business Case / Case for Change process in alignment with Service / Strategic objectives. This new process will improve engagement between all functions within SFRS and ensure funding investments will be aligned with Service Delivery requirements.	9 (3 x 3)	9 (3 x 3)	ARAC	GGB

Directorate Closed Control Summary

Appendix 1d

Control Description	Risk ID	Risk Name	Risk Description	Control Comments	Control Owner	Committee	Executive Board
SFRS demonstrate corporate and social responsibility through all SFRS reporting and publish the SFRS Sustainable Development Framework.	SPPC008	Corporate Social Responsibility	There is the risk that the services is unable to demonstrate corporate social responsibility and sustainability due to a lack of a coordinated approach resulting in uncoordinated development and loss of workforce, stakeholder and public confidence.	This work is complete and will be reported to the Good Governance Board.	Head of Corporate Governance	ARAC	GGB
Implement the recommendations of the Business Intelligence review.	SPPC005	Information Performance Management	There is risk that the service fails to ensure quality of data, analysis, statistics and performance management information because of a lack of capacity or through inaccessible data within systems resulting in a lack of evidence supported decision making and planning.	Merged with existing control for SPPC001	Head of Corporate Governance	ARAC	GGB
Procurement of application patching tool	SDD007	Cyber Security	There is a risk that we will be unable to maintain adequate levels of Cyber Security to avoid any breach due to lack of resources/ skills or appropriate policy and process being in place. This could result in failure of access to or stability of systems affecting SFRS activity.	The application patching tool is no longer required as on investigation it was found that the functionality required is available through existing solutions provided through the Microsoft Enterprise Agreement. Propose close this control.	Head of ICT	ARAC	DB

Directorate Closed Risk Summary

Appendix 1e

Risk ID	Risk Name	Risk Description	Parent Risk ID	Parent Risk Name	Closure Reason	Risk Owner	Committee	Executive Board
SPPC005	Information Performance Management	There is risk that the service fails to ensure quality of data, analysis, statistics and performance management information because of a lack of capacity or through inaccessible data within systems resulting in a lack of evidence supported decision making and planning.	6	Adequate operational assets, equipment etc.	This risk has been merged with SPPC001 and will be closed.	Head of Governance, Strategy and Performance	ARAC	GGB

Directorate Risk Rating Change Summary

Appendix 1f

No Change

New Directorate Risks

Appendix 1g

SR ID	Risk ID	Risk Name	Risk Description	Strategic Risk (SR) Name	Risk Owner	Committee	Executive Board	Current Risk Rating (PxI)	Target Risk Rating (PxI)
4	SD014	Employment Relations	There is a risk that SFRS will be unable to fulfil its statutory obligations under The Fire (Scotland) Act 2005 and as a category 1 responder under the Civil Contingencies Act (2004). This is because of the potential for the Fire Brigades' Union (FBU) to register a national trade dispute over the proposed pay offer resulting in balloting for industrial action or action short of industrial action. This resulting in perceived and/or an actual reduction in our capacity to fulfil key duties including, but not limited to fire safety, firefighting, attendance at road traffic collisions or the inability to mobilise resources, resulting in a negative impact on the Service reputation.	Legal and regulatory compliance	Head of Service Delivery	SDC	SLT	15 (3x5)	4 (1x4)
5	TSA011	Training Resources	There is a risk of there being insufficient staff capacity and resources available to meet the demand for training delivery due to an increased demand for various risk critical courses and staff shortages created by the current pension remedy situation. This is directly linked to the challenges faced around the filling of vacant instructor posts. This could result in a potential negative impact upon the ability to deliver training, the failure to utilise a local delivery model at point of need, increased pressure on centralised delivery, reputational and financial risk to the Function, Directorate and Service.	Skilled, trained and motivated staff	Head of Training	PC	PB	16 (4x4)	8 (4x2)

New Directorate Controls Summary

Appendix 1h

No Change for ARAC reporting.



Report No: C/ARAC/41-22

Agenda Item: 12

Report to:	AUDIT AND RISK ASSURANCE COMMITTEE						
Meeting Date:	13 OCTOBER 2022						
Report Title:	QUARTERLY UPDATE OF GIFTS, HOSPITALITY & INTERESTS REGISTER						
Report Classification:	For Information Only	Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to <u>Board Standing Order 9</u>					
		<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
1	Purpose						
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with the 2022/23 Q2 update on the Gifts, Hospitality and Interests (GHI) Register.						
2	Background						
2.1	The Scottish Fire and Rescue Service (SFRS) Gifts, Hospitality and Interests policy establishes a formal and consistent approach in relation to the offer, refusal and acceptance of gifts and hospitality and ensures that conflicts of interest are identified and avoided where possible.						
2.2	The policy reflects the general underlying principle that SFRS will operate in an open and transparent manner and aims to ensure that the conduct of all staff is impartial, honest and beyond reproach at all times, ensuring that SFRS suffers no reputational damage						
2.3	As part of the policy the Director of Finance and Contractual Services will publish a register of Gifts, Hospitality and Interests with a value in excess of £50 submitting a report on a quarterly basis to the ARAC and Corporate Assurance Board (CAB) for noting. The Risk and Audit Section will be responsible for managing any relevant information.						
3	Main Report/Detail						
3.1	The Gifts, Hospitality and Interests register for 2022/23, as at the end of Q2, identifies 20 entries, with further information identified within Appendix A to this report.						
3.2	Separately, 2 gift declarations and 3 hospitality declarations, under the £50 threshold, were also received, but not published.						
3.3	Following the publication of the GHI policy the opportunity to raise awareness and ownership of responsibilities continues to be progressed. A recent communication circulated via the Local Senior Officer's (LSO) has resulted in a proactive response of returns ensuring we are compliant and reporting fully.						
3.4	The register is also informed and updated through the National Fraud Initiative (NFI), where potential matches are identified. Where NFI investigations were undertaken these were recorded but not reported within the GHI register. All interests identified through NFI, where a possible exposure may exist, will now require the completion of an interest's form and inclusion on the register as required.						

4	Recommendation	
4.1	The report is provided to the Audit and Risk Assurance Committee for information purposes.	
5	Core Brief	
5.1	Not applicable.	
6	Appendices/Further Reading	
6.1	Appendix A – 2022/23 SFRS Gifts, Hospitality and Interests Register	
7	Key Strategic Implications	
7.1	Key Strategic Implications Considered and those Identified Added Appropriately to Main Report/Detail (Section 3. Above)	Yes
Prepared by:	Hazel Buttery, Fraud, Risk and Compliance Officer	
Sponsored by:	John Thomson, Acting Director of Finance & Procurement	
Presented by:	David Johnston, Risk and Audit Manager	
Links to Strategy and Corporate Values		
<p>The Internal Audit Plan forms part of the Services Governance arrangements and links back to Outcome 4 of the 2019-22 Strategic Plan, specifically Objective 4.2.</p> <ul style="list-style-type: none"> • Outcome 4: We are fully accountable and maximise our public value by delivering a high quality, sustainable fire and rescue service for Scotland. • Objectives 4.2: We will minimise the risks we face through effective business management and high levels of compliance with all our responsibilities. 		
Governance Route for Report	Meeting Date	Report Classification/ Comments
<i>Audit and Risk Assurance Committee</i>	<i>13 October 2022</i>	<i>For Scrutiny</i>

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APPENDIX A

Date	Employee Name	Employee Position	Details of Gift / Hospitality (G/H) & Interest	G/H or Interest	Estimated Value	From (Organisation offering)	Any other Organisation involved	Accepted / declined	Comments
06/07/2022	Graeme Junner	FF	FF Junners wife is a junior partner for Miller Samuel Hill Brown who SFRS trade with	Interest	Unknown	Miller Samuel Hill Brown Solicitors	Miller Samuel Hill Brown Solicitors	N/A	Identified within NFI exercise
14/07/2022	Erik Stout	RWMB	Carry out ad-hoc work on fire appliances	Interest	Unknown	Robertsons Orkney Ltd	Robertsons Orkney Ltd	N/A	Identified within NFI exercise
22/07/2022	Gregor Dow	WC	Wife is CEO of Business Stream who provide a service to SFRS	Interest	Unknown	Business Stream	Business Stream	N/A	Identified within NFI exercise
25/07/2022	Leanne Stewart	Support Staff	Appointed Trustee of the SFRS Family Support Trust Board	Interest	Unknown	SFRS Family Support Trust Board	SFRS Family Support Trust Board	N/A	
29/07/2022	Cathy Barlow	Support Staff	Director of the Scottish Community Safety Network Board who SFRS have membership with	Interest	Unknown	Scottish Community Safety Network Board	Scottish Community Safety Network Board	N/A	Identified within NFI exercise
01/08/2022	Mark McAteer	Support Staff	Attendance at a 3 day residential leadership development academy facilitated by Columba 1400 and supported by the Hunter Foundation	Hospitality	£2,800	Scottish Government – Scottish Leaders Forum. Leadership Academy	Scottish Government – Scottish Leaders Forum. Leadership Academy / Columba 1400 / Hunter Foundation	Accepted	To take part in a Leadership Academy with other public service leaders in Scotland
02/08/2022	Ross Thomson	FF	Wife is company director at The Health & Social Care Alliance Scotland who provide a service to SFRS	Interest	Unknown	The Health & Social Care Alliance Scotland	The Health & Social Care Alliance Scotland	N/A	Identified within NFI exercise
08/08/2022	Ian Best	Retained	Director of Fair Isle Electricity Company	Interest	Unknown	Fair Isle Electricity Company	Fair Isle Electricity Company	N/A	Identified within NFI exercise
08/08/2022	Iain Stout	Retained	Wife is a Director of Fair Isle Electricity Company	Interest	Unknown	Fair Isle Electricity Company	Fair Isle Electricity Company	N/A	Identified within NFI exercise
15/08/2022	Ross Haggart	CO	Invitation to a Charity Golf Day at Sandyhills Golf Club by the Scottish Fire Brigades Heritage Trust	Gift	£150	Scottish Fire Brigades Heritage Trust	Scottish Fire Brigades Heritage Trust	Declined	
17/08/2022	Andrew MacLean	Retained	Owner of hotel used to provide accommodation locally to SFRS training staff	Interest	Unknown	Loch Shiel House Hotel	Loch Shiel House Hotel	N/A	
01/09/2022	Russell Armstrong	Retained	Works at Broadford Co-op who sell fuel to SFRS vehicles	Interest	Unknown	Co-operative Group Limited	Co-operative Group Limited	N/A	

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Date	Employee Name	Employee Position	Details of Gift / Hospitality (G/H) & Interest	G/H or Interest	Estimated Value	From (Organisation offering)	Any other Organisation involved	Accepted / declined	Comments
01/09/2022	David Croy	Retained	Director of Raasay House which may provide accommodation to SFRS	Interest	Unknown	Raasay House	Raasay House	N/A	
02/09/2022	Alasdair R MacInnes	Retained	Works for Calmac Ferries Ltd who provide transport services the SFRS may use	Interest	Unknown	Calmac Ferries	Calmac Ferries	N/A	
02/09/2022	Alasdair R MacInnes	Retained	Wife works for Raasay Distillery which may provide accommodation to SFRS	Interest	Unknown	Raasay House	Raasay House	N/A	
02/09/2022	John MacKenzie	Retained	Operates as Director of garage providing services & MOTs to SFRS	Interest	Unknown	Highland Motors Ltd	Highland Motors Ltd	N/A	
08/09/2022	Siobhan Hynes	Support Staff	Appointed Trustee of the SFRS Family Support Trust Board	Interest	Unknown	SFRS Family Support Trust Board	SFRS Family Support Trust Board	N/A	
08/09/2022	Gillian Buchanan	Support Staff	Appointed Trustee of the SFRS Family Support Trust Board	Interest	Unknown	SFRS Family Support Trust Board	SFRS Family Support Trust Board	N/A	
08/09/2022	Stephen Reid	Support Staff	Thank you card with cash delivered to station following HFSV	Gift	£100	Miss Eleanor Leishman	Miss Eleanor Leishman	Accepted	Money received on behalf of Fire Fighters Charity
21/09/2022	Iain Morris	Support Staff	Invite received for dinner & drinks at the Belfry Hotel in Birmingham during the Emergency Services Show	Hospitality	£50	MSA Safety	MSA Safety	Declined	



HM Fire Service Inspectorate

Report to: SCOTTISH FIRE AND RESCUE SERVICE
AUDIT AND RISK ASSURANCE COMMITTEE

Meeting Date: 13 October 2022

Report By: HM Fire Service Inspectorate

Subject: Routine Report on HMFSI business

1. PURPOSE

1.1 To provide the Audit and Risk Assurance Committee with an update on HMFSI inspection and reporting activity.

2. RECOMMENDATIONS

2.1 That the Committee notes the update from HMFSI.

3. ACTIVITY AND PROGRESS

3.1 Service Delivery Area Inspection: Work Update

HMFSI have previously advised the Committee of the replacement of Local Area Inspections and the development of, and move towards, carrying out the inspection and reporting of local service delivery at a SDA level. Our first inspection of this type is being carried out across the East Service Delivery Area. Inspection visits have already taken place in the Stirling, Clackmannanshire, Fife LSO area and are currently being done in Midlothian, East Lothian and Scottish Borders area. The fieldwork is expected to conclude towards the end of the calendar year with the publication of the final report at the end of the financial year.

3.2 Thematic Inspection work

Firefighting in High Rise Buildings

The purpose of carrying out this inspection was to review how the Service prepares for, and carries out firefighting, in high rise buildings. In line with building standards, we used 18 metres as the threshold for the definition of a high rise. While the main thrust of our inspection was high rise domestic buildings due to the life risk, we also examined arrangements in relation to high rise commercial buildings.

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The inspection has now concluded and the report was laid in the Scottish Parliament on 27 September 2022.

The report concludes that, whilst there is scope to improve performance, our overall impression of the SFRS in regards to firefighting in high rise buildings is principally positive.

Contained within the report there are 8 recommendations and 5 areas of good practice.

Climate Change – Impact on Operational Activity

As the Committee are aware, the aim of this inspection is to assess the effectiveness, efficiency and preparedness of the Service to respond to 'weather related' incidents that are increasing in volume, severity and impact.

Good engagement from SFRS SPOC for this thematic. Phase 1 data requested and analysed, production of question sets for each group and specialists. Fieldwork commenced in September in the North SDA. The interview programme was impacted by the death of HM Queen Elizabeth and the period of national mourning.

Visits to date include a range of Whole-time and RVDS (On-Call) Stations, a number of FDOs and specialists. Plans are in place for visits to continue in October in the West SDA. With the East SDA to be programmed once the HMFSI SDA inspection team completes its work.

We have experienced some difficulty in identifying role holders due to the high levels of staff movement across the Service. Many of the current post holders are new to their roles or have not yet had detailed handovers. The intention is that the remaining interviews will be scheduled and where possible completed by the end of this year.

Mental Health and Wellbeing Provision

Mental Health and Wellbeing within the SFRS has been highlighted in the Chief Inspector's Plan 2022-25 as an area for a thematic inspection. The purpose of this inspection will be to consider the SFRS provision of Mental Health and Wellbeing services in line with the SFRS Mental Health Strategy 2020-2023.

HMFSI are currently finalising the inspection outline, which will be issued for consultation to SFRS in due course with the aim of producing the report in March 2023.

3.3 Additional Inspection Activity

Independent Inspection of Northern Ireland FRS

As the Committee are aware, the Chief Inspector is currently overseeing an inspection of the Northern Ireland Fire and Rescue Service (NIFRS).

HM Chief Inspector Robert Scott QFSM

Date: 27 September 2022

AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN

Agenda Item 15.1

	STANDING ITEMS	FOR INFORMATION ONLY	FOR SCRUTINY	FOR RECOMMENDATION	FOR DECISION
17 NOVEMBER 2022 (Special Private)	<ul style="list-style-type: none"> Chair’s Welcome Apologies Consideration of and Decision on any Items to be taken in Private Declaration of Interests Date of Next Meeting HOT DEBRIEF 	<ul style="list-style-type: none"> 		<ul style="list-style-type: none"> SFRS Draft Annual Report and Accounts 2021/22 (Private) <p>External Audit</p> <ul style="list-style-type: none"> Private Session – Annual Report to Members and Auditor General for Scotland 	
19 JANUARY 2023	<ul style="list-style-type: none"> Chair’s Welcome Apologies Consideration of and Decision on any Items to be taken in Private Declaration of Interests Minutes of Previous Meeting Action Log Internal Controls Updates <ul style="list-style-type: none"> - Strategic Risk Register - Anti Fraud and Whistleblowing Gifts and Hospitality – Quarterly Update Review of Actions Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days Date of Next Meeting HOT DEBRIEF 	<ul style="list-style-type: none"> HMFSI Quarterly Report 	<p>Internal Audit</p> <ul style="list-style-type: none"> Internal Audit Progress Report 2022/23 Progress Update – Internal Audit Recommendations <p>External Audit</p> <ul style="list-style-type: none"> External Audit – 2022/23 Audit Plan Progress Report Wider Scope and Other External Audit Actions (JT) Independent Audit/ Inspection Action Plan Update 		

AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN

	STANDING ITEMS	FOR INFORMATION ONLY	FOR SCRUTINY	FOR RECOMMENDATION	FOR DECISION
30 March 2023	<ul style="list-style-type: none"> • Chair’s Welcome • Apologies • Consideration of and Decision on any Items to be taken in Private • Declaration of Interests • Minutes of Previous Meeting • Action Log • Internal Controls Updates <ul style="list-style-type: none"> - Strategic Risk Register - Anti Fraud and Whistleblowing • Gifts and Hospitality – Quarterly Update • Review of Actions • Forward Planning: Committee Forward Plan and Items to be considered at future IGF, Board and Strategy Days • Date of Next Meeting <p>HOT DEBRIEF</p>	<ul style="list-style-type: none"> • HMFSI Quarterly Report 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Internal Audit Progress Report 2022/23 • Internal Audit – Annual Assurance Statement 2022/23 • Progress Update – Internal Audit Recommendations <p>External Audit</p> <ul style="list-style-type: none"> • Wider Scope and Other External Audit Actions (JT) • Arrangements for Preparing the AGS 2022/23 • Independent Audit/ Inspection Action Plan Update 	<p>Internal Audit</p> <ul style="list-style-type: none"> • Draft Internal Audit Plan 2023/24 <p>External Audit</p> <ul style="list-style-type: none"> • External Audit – The Audit Plan 2022/23 	<ul style="list-style-type: none"> • Accounting Policies