SCOTTISH FIRE AND RESCUE SERVICE
Working together for a safer Scotland

PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE

THURSDAY 19 JUNE 2025 @ 1000 HRS

BRAIDWOOD SUITE, SCOTTISH FIRE AND RESCUE SERVICE HEADQUARTERS, WESTBURN DRIVE, CAMBUSLANG, G72 7NA / VIRTUAL (MS TEAMS)

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 8 APRIL 2025 *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 COMMITTEE AUDIT ANNUAL REPORT 2024/25 TO THE ACCOUNTABLE OFFICER AND SFRS BOARD *(attached)* *B Baverstock*

The Committee is asked to approve this report.

8 INTERNAL AUDIT

8.1 **Internal Audit Annual Report 2024/25** *(attached)* *Azets*
- Final Report: Change Management Report *(attached)*

8.2 **Internal Audit Progress Report and Scoping Documents** (*attached*) *BDO*

8.3 **SFRS Progress Update / Management Response** (*attached*) *BDO*

The Committee is asked to scrutinise these reports.

Please note that this meeting will be recorded for minute taking purposes only.
The recording will be destroyed following final approval of the minutes.

9 **AUDIT AND RISK ASSURANCE COMMITTEE QUARTERLY PERFORMANCE Q4 2024/25** *(attached)* — *M McAteer*

The Committee is asked to scrutinise this report.

10 **SFRS ANNUAL GOVERNANCE STATEMENT (2024/25)** *(attached)* — *M McAteer*

The Committee is asked to scrutinise this report.

11 **ANNUAL DATA COMPLIANCE REPORT** *(attached)* — *M McAteer*

The Committee is asked to scrutinise this report.

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

The Committee is asked to scrutinise this report.

13 **INTERNAL CONTROLS UPDATE**

13.1 **Risk Update Report** *(attached)* — *D Stanfield*

The Committee is asked to scrutinise this report.

14 **ANNUAL REPORT ON HMFSI BUSINESS** *(attached)* — *HMFSI*

This report is for information only.

15 **REVIEW OF ACTIONS** — *Board Support*

16 **FORWARD PLANNING** — *B Baverstock*

16.1 Committee Forward Plan Review *(attached)*

16.2 Items for Consideration at Future Integrated Governance Forum, Board and Strategy Day meetings

17 **DATE OF NEXT MEETING**

Thursday 23 October 2025

PRIVATE SESSION

18 **PRIVATE ACTION LOG** *(attached)* — *Board Support*

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

Please note that this meeting will be recorded for minute taking purposes only.
The recording will be destroyed following final approval of the minutes.

19 **FRAUD AWARENESS** *(attached)* *D Stanfield*

The Committee is asked to scrutinise this report.

20 **CYBER SECURITY ACTION PLAN** *(attached)* *G Aitken*

This report is for information only.

Agenda Item 5

SCOTTISH FIRE AND RESCUE SERVICE

Working together for a safer Scotland

PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE

TUESDAY 8 APRIL 2025 @ 1000 HRS

BRAIDWOOD SUITE, SCOTTISH FIRE AND RESCUE SERVICE HEADQUARTERS, WESTBURN DRIVE, CAMBUSLANG, G72 7NA / VIRTUAL (MS TEAMS)

PRESENT:

Brian Baverstock, Chair (BB)	Malcolm Payton, Deputy Chair (MP)
Neil Mapes (NM)	Madeline Smith (MS)
Mhairi Wylie (MW)	

IN ATTENDANCE:

Stuart Stevens (SS)	Chief Officer
Andy Watt (AW)	Deputy Chief Officer
Sarah O'Donnell (SO'D)	Deputy Chief Officer Corporate Services
Mark McAteer (MMcA)	Director of Strategic Planning, Performance and Communications
David Johnston (DJ)	Risk and Audit Manager
Lynne McGeough (LMcG)	Head of Finance and Procurement
Gary Devlin (GD)	Internal Audit (Azets)
Claire Robertson (CR)	Internal Audit (BDO)
Sean Morrison (SM)	Internal Audit (BDO)
Michael Oliphant (MO)	External Audit (Audit Scotland)
Tommy Yule (TY)	External Audit (Audit Scotland)
Robert Scott (RS)	HMFSI
Lyndsey Gaja (LG)	Head of People (Item 15 only)
Kirsty Darwent (KD)	Chair of SFRS Board
Marion Lang (ML)	Corporate Business Manager
Heather Greig (HG)	Board Support Executive Officer
Debbie Haddow (DJH)	Board Support/Minutes

OBSERVERS:

Karen Horrocks

1 CHAIR'S WELCOME

1.1 The Committee Chair opened the meeting and welcomed all those attending, in particular Claire Robertson and Sean Morrison, BDO to their first formal meeting.

1.2 The Committee Chair also welcome Sarah O'Donnell to her first formal meeting following her appointment to Deputy Chief Officer.

1.3 Those participating via MS Teams were reminded to raise their hands, in accordance with the remote meeting protocol, should they wish to ask a question. This meeting would be recorded for minute taking purposes only.

2 APOLOGIES

2.1 There were no formal apologies.

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

3.1 No further items were identified.

4 DECLARATION OF INTERESTS

4.1 There were no declarations of interest made.

5 MINUTES OF PREVIOUS PUBLIC MEETING:

5.1 **Thursday 23 January 2025**

5.1.1 Subject to a minor typographical error, 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 23 January 2025 were approved as a true record of the meeting.**

6 ACTION LOG

6.1 The Committee considered the action log, noted the updates and agreed the closure of actions.

Action 9.1.11 SFRS Internal Audit Progress Report 2023/24 - Final Report – Sickness Absence Management (27/06/2023): Approved closure of this action. Reminder of the final 2 outstanding actions which were completed. DJ to share this information with the Chair outwith the meeting.

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

7 INTERNAL AUDIT

7.1 **SFRS Internal Audit Progress Report 2024/25**

7.1.1 GD presented a report to the Committee which summarised the progress on the delivery of the 2024/25 Internal Audit Plan and the following key points were highlighted:

- Remains broadly on track with the Change Management report, currently progressing through governance, being presented at the next meeting (June 2025).
- Annual audit opinion report remains outstanding.

7.1.2 In relation to the Change Management report, GD noted that there were some areas of improvements identified, and this would be discussed in full at the next meeting.

7.1.3 Anti Fraud Arrangements Report

GD advised that the audit whilst focussed on the anti-fraud arrangements also looked at the culture within the organisation in relation to this area. GD noted that management had a clear focus on fraud and ensuring an anti-fraud culture within the organisation. GD highlighted some areas which were identified which could help improve anti fraud culture. These included ensuring policies and procedures were up to date, a formal fraud response plan and delivery of training and/or refresh as appropriate. GD referenced the various recommendations contained within the report.

7.1.4 SO'D acknowledged the joint work undertaken by Azets and the Service and noted that the report provided a good balanced position. SO'D accepted the recommendations and the opportunities this provided the Service to make improvements. SO'D noted that, due to the lessons being learnt from recent events, the Service had already made improvements.

7.1.5 In relation to the Control Objective 4.2, Low Engagement from Line Managers, the Committee noted that the recommendation relating to line manager roles and responsibilities and reviewing of claims was not fully captured within the management actions. SO'D outlined the authorisation process for expense claims and line manager's roles in reviewing such claims. SO'D acknowledged the Committee's comments and would incorporate this into the management training modules. The Committee requested an update, in addition to the training modules, on how assurance could be provided in relation to anti-fraud awareness and activities within the Service.

ACTION: SO'D

7.1.6 In relation to Control Objective 6.1, Fraud Reporting and Discussion, the Committee noted that the management action did not appear to align with the recommendation. SO'D advised the Committee that the regular reporting of the fraud risk action plan would be presented to the Corporate Board and an oversight report would be submitted to this Committee.

7.1.7 In relation to Control Objective 5.1, Notification of Suspected Fraud, the Committee commented on the potential for the management action to be more explicit in relation to resignation/termination and cessation of investigation. The Committee sought assurance that, if deemed appropriate, fraud investigations would not cease on resignation but would continue for greater understanding and learning purposes. For clarity, the Committee were advised that the Service would continue to work with Police Scotland on any ongoing matters to seek an appropriate outcome. It was agreed that an additional management action should be raised to capture the Service's commitment to investigate fully for learning purposes.

ACTION: SO'D

7.1.8 In relation to Control Objective 3.1, Anti Fraud Culture and Awareness Raising, the Committee suggested that the Service should explore the potential to source fraud expertise from other public sector organisations.

7.1.9 In relation to Control Objective 3.2, Fraud Awareness Training, SO'D commented on the limitation of the current technology and reporting functions, SO'D noted that a new module was being developed and would be mandatory for all staff.

7.1.10 DJ provided the Committee with an overview of the Vertification Interactive Claim Analysis Tool and the limitation of the system. It was noted that the findings from the audit would be taken into consideration when developing the new system.

7.1.11 The Committee referenced the low number of responses to the staff survey on anti-fraud and other policies which suggested a low level of understanding within the Service. The Committee noted their concerns that the management actions were not addressing the serious nature of the issue and queried whether the LCMS training module was effective. AW reminded the Committee that the LCMS training module was only one element and there was a need for more education and awareness across the Service. Consideration to be given as to how assurance could be provided on whether the level of awareness across the Service was satisfactory.

7.1.12 Brief discussion took place on the Service's capacity and capability to respond to potential fraud incidents. SO'D to raise with the Director of Finance and Contractual Services to consider the capacity within the team and seek assistance from other organisations, if appropriate.

7.1.13 **The Committee scrutinised the progress report and the Final Report.**

7.2 SFRS Progress Update/Management Response

7.2.1 This report was presented to the Committee and outlined the status of the

recommendations raised by Internal Audit and the following key points were highlighted:

- Seven actions were added, and 8 actions had been closed during this reporting period.
- Twenty eight actions remain.

7.2.2 The Committee noted and welcomed the inclusion of additional information and explanation for any delays.

7.2.3 In regards to Revenue and Funding Maximisation, LMcG advised the Committee that the central repository for grants/funding was still being developed, and it was anticipated that this would be completed by the next meeting.

7.2.4 **The Committee welcomed the update and the progress being made.**

(G Devlin left the meeting at 1045 hrs)

7.3 Draft Internal Audit Plan 2025/26

7.3.1 SM presented the Committee with the draft 2025/26 Internal audit Plan for scrutiny and highlighted the following key areas:

- Overview of proposed audit topics for 2025/26 and high-level scopes.
- Outline of engagement and process undertaken in preparing the audit programme.
- Overview of the proposed 4-year audit programme which would be subject to annual review.
- Subject to further proposed amendments, the Audit Plan would be submitted to the SFRS Board for approval (24 April 2025).

7.3.2 The Committee asked for consideration to be given to the following:

- Estates and Facilities Management audit to consider linkage with the capital investment strategy as well as the proposed Budgetary Management and Investment Prioritisation audit.
- Freedom of Information audit to be extended to include subject access requests.
- PPE audit to include consideration of the implementation of the contaminants standard operating procedures and value for money.
- Reference to the HMICFRS be amended to HMFSI.

ACTION: SM

7.3.3 Relating to the Follow Up Audit, a brief discussion took place on the term “expected timescales” which were assigned to recommendations. It was noted that the Service had made improvements in the management and timescales set against actions. The Committee recognised the improvement and noted that further discipline was required within the framing of responses.

7.3.4 RS advised the Committee that he had met with BDO and both parties were keen to avoid any duplication of effort and causing undue pressure on any one individual or function. RS noted that he would continue to work with BDO and would remain flexible in their approach.

7.3.5 The Committee commented on the audits proposed for 2025/26 and the prioritisation of these. It was noted that some areas had previously been audited whereas other areas where yet to be audited. SM noted that prioritisation was based on the risks to the Service and agreed to review and adjust the proposed plan as necessary.

7.3.6 In regard to the Freedom of Information audit, the Committee queried the timing of this audit and the capacity within the team. MMcA advised that discussions had taken place, and it was felt that the timing of the audit was appropriate and would be helpful.

7.3.7 The Committee queried whether there was a requirement for a specific focus on contaminants. It was noted that this was contained within the HMFSI 3-year plan which could provide a sector competence in this area.

7.3.8 Brief discussion took place regarding training functions outwith the TSA Directorate and whether these functions could be audited. It was noted that a future HMFSI thematic inspection would cover operational training and development but would not cover corporate support staff. The Committee commented on the value of undertaking a review of corporate support staff training and where this assurance could be sought. Consideration to be given to collate the wider assurance mapping from all inspections/audit work being conducted.

ACTION: SO'D/AW

7.3.9 The Committee commented on the timing of the HR General Controls audit and whether consideration could be given to bring this forward and include staff recruitment approaches, processes, etc.

ACTION: BDO

7.3.10 The Committee noted their interest in the development of the scope of the Talent Development audit and how it could link with the equality agenda, retention of staff and culture.

7.3.11 In regard to KPI's, SM advised that these would be agreed and would feature in future reports.

7.3.12 In the appendix, all references to the Board to be changed to ARAC with the exception of the first instance and this should be noted as the Board via the ARAC.

7.3.13 **The Committee scrutinised the report.**

7.4 Internal Audit – Corporate Governance Scope

7.4.1 SM presented the Committee with the Corporate Governance review scope, as contained within the Internal Audit Plan 2025/26 for scrutiny.

7.4.2 The Committee queried the timing of this audit. SS noted that this audit would provide BDO with an opportunity to understand the organisation and would provide SO'D with guidance in terms of corporate services activities and needs.

7.4.3 The Committee asked for consideration to be given to:

- Review of the infrastructure of Executive Boards/Groups and whether they efficiently support formal governance.
- Committee Chairs being included within the contact's section.

ACTION: BDO

7.4.4 **The Committee scrutinised the report.**

(Meeting broke at 1130 hrs and reconvened at 1140 hrs)

8 SCOTTISH FIRE AND RESCUE SERVICE – ANNUAL AUDIT PLAN 2024/25

8.1 TY presented the Committee with the Annual Audit Plan to provide an overview of the planned scope and timing of the 2024/25 audit of the Scottish Fire and Rescue Service (SFRS). The report outlines the audit work planned to meet the requirements set out in auditing standards and the Code of Audit Practice, including supplementary guidance. The following key points were highlighted:

- Overall materiality levels were set at £8.6 million, (2% of expenditure).
- Performance materiality levels were set at £6.4 million.
- Outline of the 3 significant risks of material misstatement of financial statements.
- Outline of wider scope and best value approach and the intention to follow up on previous recommendations. In particular, requirement for external cyber security accreditation and the medium term financial plan.

- Outline of the audit timetable which was dependent on receipt of the unaudited accounts.
- Confirmation that the statutory date for laying the annual report and accounts was 31 December 2025. This was incorrectly recorded as 31 October 2025 within the report (paragraph 26).
- Amendment to be made to add in the Exhibit reference (paragraph 28).

8.2 The Committee welcomed the clear and succinct overview of the report. At present, there were no indications that the audit report would not be available for the Committee meeting on 23 October 2025.

8.3 **The Committee scrutinised the report.**

9 HMFSI INSPECTION ACTION PLANS UPDATE

9.1 MMcA presented a report to the Committee providing an overview update of the current HMFSI inspection action plans for scrutiny. The following key points were highlighted:

- Dashboard reported 16 of the 23 action plans had been completed.
- Three action plans had commenced the closure process.
- Two action plans contained one live action each and a further 2 action plans continued to be progressed.
- Progress against the Mental Health and Wellbeing action plan had been impacted by the prioritisation of the Wellbeing Recovery Plan.

9.2 RS advised the Committee that discussions had taken place on HMFSI's potential involvement in the drafting of action plans which could improve and streamline the process. A draft process and procedure were currently being developed and would be submitted to the Strategic Leadership Team for consideration.

9.3 The Committee commented on the difficulty in securing a new Chair of the Mental Wellbeing Learning Resource Group and requested an update to be provided to the Committee.

ACTION: SO'D

9.4 The Committee noted that the focus of the report was purely HMFSI, whereas previously it had been more all-encompassing and provided oversights of other external recommendations. It was agreed that this would be discussed further outwith the meeting.

ACTION: BB/SO'D/AW

9.5 **The Committee scrutinised the report.**

10 AUDIT AND RISK ASSURANCE COMMITTEE PMF QUARTERLY PERFORMANCE Q3 2024/25

10.1 MMcA presented the Committee with the second quarter performance of KPIs 35 – 42 for fiscal year 2024/25 for scrutiny. KPIs 58-61, 64 and 65 were only reported annually as part of the fourth quarter report. The following key points were highlighted:

- KPI 36 (% Subject Access within Timeframe) remains below target. This is a conscious choice, and a managed decline, in order to redirect resources to focus on the Freedom of Information (FOI) action plan.
- KPI38 (% FOI within Timeframe) remains below target. FOI action plan has been submitted to Office of the Scottish Information Commissioner (OSIC) and follow up meeting has been scheduled. Estimated overall completion targets rate set for March 2025 was 85%. Actual completion rates for January and February 2025 were 90% and 86%, respectively.

10.2 MMcA noted that the Service had developed the action plan and completed the self-evaluation exercise as requested by OSIC. MMcA would update on OSIC feedback at the next Committee meeting.

10.3 **The Committee scrutinised the report.**

11 ARRANGEMENTS FOR PREPARING THE 2024-25 ANNUAL GOVERNANCE STATEMENT

11.1 MMcA presented an update on the preparatory arrangements and reporting methods developed to provide sufficient levels of assurance in support of the 2024/25 Annual Governance Statement (AGS) for scrutiny. The following key points were highlighted:

- LCMS training package and guidance have been updated.
- Meeting held with Head of Functions to raise awareness and understanding of the importance of the checklist and level of assurance taken from this and the need for consistency.
- Exercise remains on target for completion and inclusion within the Annual Report and Accounts.

11.2 The Committee queried whether the LCMS training package was mandatory, how this was being monitored and reported on and whether this could form part of the assurance process in future years. MMcA agreed to review and provide this information.

ACTION: MMcA

11.3 The Committee were updated on the progress and improvement being made in relation to monitoring and reporting on mandatory training across the Service.

11.4 **The Committee scrutinised the report.**

12 ACCOUNTING POLICIES 2024-25

12.1 LMcG presented the Accounting Policies to be adopted in the Annual Report and Accounts 2024-25 to the Committee for scrutiny. LMcG advised that accounting policies have been reviewed and remain relevant. No material changes were required to be made to the Accounting Policies for 2024-25.

12.2 **The Committee scrutinised the report.**

13 QUARTERLY UPDATE OF GIFTS, HOSPITALITY AND INTERESTS POLICY

13.1 DJ presented the Gifts, Hospitality and Interests Policy and Quarterly Update (Q4 2024/25) to the Committee for scrutiny. The following key points were highlighted:

- Total number of entries and declarations in this reporting period.
- Recognition that further communication and engagement would be beneficial.
- Introduction of the mandatory Gifts and Hospitality LCMS module for all staff.
- Continue to attend and raise aware at Management meetings across the Service.

13.2 The Committee commented on the format of the report and the potential to only highlight new entries. DJ to consider and adjust future reports as necessary.

13.3 TY sought clarity on whether SC Kotlewski and WC Kotlewski had any involvement in the procurement process in relation to Kotlewski (Joinery) Limited. DJ to review and circulate information outwith the meeting to the Committee.

ACTION: DJ

13.4 **The Committee scrutinised the report.**

14 INTERNAL CONTROLS UPDATE

14.1 Risk Report Update

14.1.1 SOD presented the risk report and dashboard to the Committee for scrutiny. The following key points were highlighted:

- Revised format incorporating additional information relating to the risk appetite statement and any variations, risks with ratings below 15.
- Annual report to be submitted to the upcoming SFRS Board meeting (24 April 2025).

14.1.2 The Committee welcomed the revised format which would now become the standard reporting format going forward.

141.3 In relation to Risk OD001 (non-resilient fire control), the Committee sought further information on the timeline for completion of the active recruitment strategy. AW advised that these actions were captured within the OC Enhancement Plan and work was progressing well and on track for completion by the end of March.

14.1.4 In relation to the lower risks, the Committee noted that the inclusion of narrative for control actions over 9 months from the original due date would be helpful.

ACTION: SO'D/DJ

14.1.5 The Committee noted that several actions were past their due date and due to governance/reporting timelines, up to date narrative may not have been possible. The Committee requested that going forward consideration should be given to provide an update during the presentation of future reports.

14.1.6 In relation to Risk FSC019 (OC systems support), SO'D to confirm whether all relevant support contracts remained in place.

ACTION: SO'D

14.1.7 In relation to Risk FCS018 (ICT Recruitment), SO'D confirmed that market allowances had been agreed for the coming financial year.

14.1.8 In relation to Risk POD020 (PC Directorate capacity), the Committee commented on the categorisation used within the prioritisation exercise and how this would be implemented. SS noted that although the Service were now being more reflective of what could and could not be delivered, this required a significant shift in culture and progress was being made.

14.1.9 Brief discussion took place on future risk spotlighting, including consistency and areas of focus across all Committees which provides assurance on the overall risk profile.

14.1.10 Brief discussion took place on the colours attributed to risk appetite and agreed that the current format should remain and would be considered after 12 months.

14.1.11 **The Committee scrutinised the report and noted the continuing progress being made.**

(L Gaja joined the meeting at 1220 hrs)

14.2 **Anti-fraud/Whistleblowing Update**

14.2.1 SOD noted that there were no issues to report. It was noted that a written report would be presented at future meetings.

14.2.2 **The Committee noted the verbal report.**

15 REVIEW OF WHISTLEBLOWING POLICY

15.1 LG presented the report to the Committee to provide an update on a desktop review undertaken of the SFRS Whistleblowing Policy for scrutiny. The following key points were noted:

- Reasons for desktop review being undertaken ahead of normal policy review schedule.
- Policy outlines the Service's arrangements in respect of the Public Interest Disclosure Act and links to the Anti Fraud and Corruption Policy.
- Focus of the desktop review including clarifying scope of protected disclosure, clearer alignment with the Anti Fraud and Corruption Policy, reporting to ARAC and clarity on the process for any issues being raised.

15.2 The Committee noted that all issues were to be reported to the Director of People and Director of Finance and Contractual Services. The Committee requested an additional sentence to be added to paragraph 9.10 to provide clarity on the reporting process ie direct to the Deputy Chief Officer, if any concerns arise with these individuals.

ACTION: LG

15.3 Brief discussion on the governance route for this report and the Committee, having scrutinised the report, were content that it be submitted to the Corporate Board for approval.

15.4 **The Committee scrutinised the report.**

(L Gaja left the meeting at 1230 hrs)

16 REPORT FOR INFORMATION ONLY:

16.1 Quarterly Update Report on HMFSI Business

16.1.1 RS presented the quarterly report to the Committee to provide an update on HMFSI's inspection and reporting activity during 2024/25. The following key areas were noted:

- North Service Delivery Area inspection had concluded, and the key areas were noted. Report to be laid before Parliament in June 2025.
- Update on thematic inspection on Organisational Culture which was anticipated to be laid before Parliament by June 2025.
- Thematic inspection on Operational Assurance had concluded. At the request of the Service, formal consultation on the report would be paused due to internal capacity. Anticipated that the report would be laid before Parliament in Autumn 2025.
- Chief Inspectors 3-Year Plan would be laid before Parliament in April 2025. The immediate focus would be Operational Training and Development, Service Delivery (Corporate Functions), Organisational Culture (2nd phase) and preparedness for the 2026 Commonwealth Games.
- Positive new arrangements for requesting and receiving consistent cleansed data from SFRS's Business Intelligence Team.
- Attended presentation on Strategic Service Review Programme and the Service Delivery Review. Invitation extended to observe a future Balanced Room event. Welcomed the opportunity to review and understand the process and consultation exercise being undertaken by the Service.
- Thanks were extended to Group Commander Lynne Gow following completion of her secondment to the Inspectorate. No secondments were planned for the coming year due to HMFSI budgetary constraints.

16.1.2 The Committee queried how the Inspectorate moderated the comments from individual SFRS personnel. RS noted that a balanced approach needed to be taken and further noted that several statements on similar issues, perceptions, or themes would be taken forward and actioned as appropriate.

16.1.3 **The Committee noted the report.**

17 REVIEW OF ACTIONS

17.1 It was confirmed that 13 formal actions were recorded during the meeting.

18 FORWARD PLANNING

18.1 **a) Committee Forward Plan Review**

18.1.1 The Committee considered and noted the Forward Plan.

18.2 **b) Items for Consideration at Future IGF, Board and Strategy Days Meetings**

18.2.1 The following items were identified for a future Integrated Governance Forum:

- Approach to Risk Spotlighting by Committees ie consistency and assurance.

18.2.2 No further items were identified.

19 DATE OF NEXT MEETING

19.1 The next public meeting is scheduled to take place on Thursday 19 June 2025 at 1000 hrs.

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

(Public meeting broke at 1245 hrs and reconvened in Private session at 1250 hrs)

PRIVATE SESSION

20 MINUTES OF PREVIOUS PRIVATE MEETING:

20.1 **Thursday 23 January 2025**

20.1.1 The minutes of the private meeting held on 23 January 2025 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 updated Action Log.**

There being no further matters to discuss, the private meeting closed at 1252 hrs.

Agenda Item 6

AUDIT AND RISK ASSURANCE COMMITTEE
ROLLING ACTION LOG

SCOTTISH FIRE AND RESCUE SERVICE
Working together for a safer Scotland

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 14 actions. A total of 10 of these actions have been completed.

The Committee is therefore asked to approve the removal of the 10 actions noted as completed (Blue status), note 3 action categorised as Green status and note one action categorised as Yellow status on the action log.

AUDIT AND RISK ASSURANCE COMMITTEE
ROLLING ACTION LOG

Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
Meeting Date: 25 June 2024						
9.1.23	**IA report on Partnerships:** Provide assurance that relationships as defined within the Community Justice Act are understood throughout the service.	**MMcA**	**March 2025 (October 2024)**			**Update (29/10/2024):** Work has commenced to provide a principle-based guidance document that clearly defines our responsibilities/expectations with regard to partnership working and the reporting of such work. It is anticipated that this document will be developed by 31 March 2025. **Update (23/01/2025):** Work continues on the development of a principle-based guidance document that clearly defines our responsibilities/expectations with regard to partnership working. This document will include specific reference to the roles and responsibilities outlined within the Community Justice (Scotland) Act 2016. This work is running behind schedule as the Team's focus has been on the development of the SFRS Strategy 2025-28. It is anticipated, however, that a first draft of the partnership guidance document will be shared for feedback across the Service by March 2025. **Update (08/04/2025):** Due to the expediated development of the SFRS Strategy 2025-28 and the current focus on the associated Three-Year Delivery Plan and Performance Management Framework. We have had to prioritise the workload and it is anticipated that that

						this document will be published in September 2025. **Update (19/06/2025):** As noted above, the Teams focus remains on the development of the SFRS Strategy 2025-28 and the associated Three-Year Delivery Plan and Performance Management. It is expected that Team capacity will be available over the coming weeks when work on the principle-based guidance document will be recommenced. The aim is to have the document ready for September 2025.

Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
Meeting Date: 25 January 2025						
9.5	**Freedom of Information Update:** The Committee asked for consideration to be given for an annual compliance report which would include FIO requests, trends, etc to be developed for information and to improve their understanding. To be discussed further outwith the meeting.	**BB/ MMcA**	**April 2025**		**June 2025**	**Update (08/04/2025):** An annual FOI compliance report will be prepared and presented to the committee at its June 2025 meeting. **Complete (19/06/2025):** An annual FOI compliance report will be presented at the June 2025 Committee meeting.

Minute Ref	Action	Lead	Due Date	RAG Status	Completion Date	Position Statement
Meeting Date: 8 April 2025						
7.1.5	**SFRS Internal Audit Progress Report 2024/25 (Anti Fraud Arrangements):** The Committee requested an update, in addition to the training modules, on how assurance could be provided in relation to anti-fraud awareness and activities within	**DS** ~~SO'D~~	**June 2025**			**Update (19/06/2025):** Individual Fraud Risk Assessment meetings held with all Heads of Function, aligned to internal control template, as part of the Annual Governance Process. Ongoing meetings held with DMT's and functional meetings

	the Service					on Fraud and GHI. National Fraud Initiative work is undertaken aligned to requirements and discussed with responsible Directorates. A new Fraud Awareness Report has been provided for the June ARAC providing further information on the detection and prevention of fraud.
7.1.7	**SFRS Internal Audit Progress Report 2024/25 (Anti Fraud Arrangements):** It was agreed that an additional management action should be raised to capture the Service's commitment to investigate fully for learning purposes.	**SO'D**	**June 2025**		**May 2025**	**Complete (19/06/2025):** Additional wording has been added to the Service's Management Response and forwarded to AZETS for inclusion within the final report.
7.3.2	**Draft Internal Audit Plan 2025/26:** The Committee asked for consideration to be given to the following: • Estates and Facilities Management audit to consider linkage with the capital investment strategy as well as the proposed Budgetary Management and Investment Prioritisation audit. • Freedom of Information audit to be extended to include subject access requests. • PPE audit to include consideration of the implementation of the contaminants standard operating procedures and value for money. • Reference to the HMICFRS be amended to HMFSI	**SM**	**June 2025**		**May 2025**	**Complete (19/06/2025):** • Scoping meetings and terms of reference when developed will consider where linkage can be made between estates and facilities management with the capital investment strategy and the proposed budget management and investment prioritisation audit – scoping meetings to be completed and then draft terms of reference will be presented to the SLT and ARAC for approval, alongside audit sponsor approval. • FOI audit will include subject access requests. Scoping meeting arranged for September 2025, and draft terms of reference will be presented at the October 2025 ARAC meeting. • PPE audit scoping meeting and subsequent terms of reference when developed will consider the implementation of the contaminants SOP and value for money. Draft

						terms of reference will be presented at the October 2025 ARAC meeting. • Typo amended in the final plan to be HMFSI
7.3.9	**Draft Internal Audit Plan 2025/26:** Consideration to be given to collate the wider assurance mapping from all inspections/audit work being conducted.	**SO'D/ AW**	**June 2025**		**May 2025**	**Complete (19/06/2025):** Initial internal cross directorate meeting took place on 24 April 2025. Humberside FRS scheduled to deliver presentation to SLT on their Service Improvement Programme and sharing learning with SFRS. SPPC have taken a number of initial actions from the meeting on 24 April 2025 to progress.
7.3.10	**Draft Internal Audit Plan 2025/26:** The Committee commented on the timing of the HR General Controls audit and whether consideration could be given to bring this forward and include staff recruitment approaches, processes, etc	**BDO**	**June 2025**		**May 2025**	**Complete (19/06/2025):** Final plan updates to have HR General Controls in earlier year of the four year programme, and has been updated to note the topics that could be considered.
7.3.3	**Internal Audit – Corporate Governance Scope:** The Committee asked for consideration to be given to: • Review the infrastructure of Executive Boards/Groups and whether they efficiently support formal governance. • Committee Chairs should be included within the contact's section	**BDO**	**June 2025**		**June 2025**	**Complete (19/06/2025):** • Final terms of reference was updated to include the request by the ARAC • Committee Chairs included and have been provided an opportunity to respond to survey questions. In addition Internal Audit to attend the Committee Chairs meeting in June 2025.
9.3	**HMFSI Inspection Action Plans Update:** The Committee commented on the difficulty in securing a new Chair of the Mental Wellbeing Learning Resource Group and requested an update to be provided to the Committee.	**SO'D**	**June 2025**		**June 2025**	**Update (19/06/2025):** Consideration is being given to whether there remains a requirement for the Mental Wellbeing Learning Resource Group, given the progress that has been made to date and the need to mainstream this support within existing governance structures. Outstanding actions from the Inspection

						will be redirected to ensure these are being progressed.
9.4	**HMFSI Inspection Action Plans Update:** The Committee noted that the focus of the report was purely HMFSI, whereas previously been more all-encompassing and provided oversights of other external recommendations. It was agreed that this would be discussed further outwith the meeting.	**BB/SO'D /AW**	**June 2025**			**Update (19/06/2025**): M McAteer is liaising with R Whetton and his team and will be in a position to provide an update on the progress at the next ARAC.
11.2	**Arrangements for Preparing the 2024-25 Annual Governance Statement:** The Committee queried whether the LCMS training package was mandatory, how this was being monitored and reported on and whether this could form part of the assurance process in future years. MMcA agreed to review and provide this information.	**MMcA**	**June 2025**			**Update (19/06/2025):** The package is not mandatory but available to all colleagues. A workshop was held with Heads of Function completing the Internal Control Checklist to go through the content of the LCMS and ensure everyone was clear on requirements and the package was also shared in an email to HoF to reinforce.
13.3	**Quarterly Update of Gifts, Hospitality and Interests Policy:** Clarity on whether SC Kotlewski and WC Kotlewski had any involvement in the procurement process in relation to Kotlewski (Joinery) Ltd. DJ to review and circulate information outwith the meeting to the Committee	**DJ**	**June 2025**		**June 2025**	**Complete (19/06/2025):** Confirmation received that SC Kotlewski and WC Kotlewski had no involvement in the design or procurement process. The MTA boards were designed entirely by the SFRS Ops Function OCCTU (Organised Crime & Counter Terror Unit) team on the instruction of AC William Pollard. This is a brand-new concept for the UK specialist response that satisfies SFRS's bespoke needs. The size and dimensions for the boards were dictated by the size and dimensions of the actual Velcro patches themselves. The OCCTU team designed every aspect of the board and provided them to the supplier for manufacture only. There was no input from the supplier at all regarding the

						design therefore all intellectual copyright belongs to SFRS. Compliance had de-activated the supplier as per our audit regulations, this was a one-off low value spend and the invoice was paid hence the deactivation. This will ensure the supplier can't be used again without going through a further governance process.
14.1.4	**Risk Report Update:** Re lower risks, the Committee noted that the inclusion of narrative for control actions over 9 months from the original due date would be helpful	**SO'D/DJ**	**June 2025**		**May 2025**	**Complete (19/06/2025):** The risk report has been updated to include relevant information
14.1.6	**Risk Report Update:** Re Risk FSC019 (OC systems support), SO'D to confirm whether all relevant support contracts remained in place.	**SO'D**	**June 2025**		**May 2025**	**Complete (19/06/2025):** All relevant support contracts now extended beyond 31 March 2025 with two contracts having ended due to the technology/systems being replaced.
15.2	**Review of Whistleblowing Policy:** Additional sentence to be added to paragraph 9.10 to provide clarity on the reporting process, i.e. direct to the Deputy Chief Officer, if any concerns arise with these individuals.	**LG**	**June 2025**		**May 2025**	**Complete (19/06/2025):** Action complete - wording has been added to the relevant policy section and the final version of the updated policy is now live.

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/22-25

Agenda Item: 7

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**COMMITTEE ANNUAL REPORT 2024/25 TO THE ACCOUNTABLE OFFICER AND BOARD**							
Report Classification:	**For Decision**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	The purpose of this report is to present the Audit and Risk Assurance Committee (ARAC) Annual Report 2024/25, 'For Decision' prior to being submitted to the Scottish Fire and Rescue Service (SFRS) Board 'For Information only'.
2	**Background**
2.1	Consistent with the Scottish Government Audit and Assurance Committee Handbook, and generally accepted principles of good corporate governance, the Terms of Reference of the SFRS ARAC calls for an Annual Report to the Board and Accountable Officer of the SFRS, summarising the Committee's work for the year past, and its opinion of the overall assurances it has received and issues it has considered.
3	**Main Report/Detail**
3.1	The Annual Report supports and assists with the preparation of the Accountable Officer's 2024/25 Annual Governance Statement (AGS), which is being considered elsewhere on the agenda. Production of the Annual Report has therefore been timed to support the preparation of the AGS.
3.2	This report provides further assurance in support of the SFRS Annual Report and Accounts for 2024/25 which is scheduled to be presented to the SFRS Board on 30 October 2025.
3.3	Following scrutiny by ARAC and any necessary adjustments made, an approved Annual Report will be submitted to the SFRS Board 'For Information only' on 28 August 2025.
4	**Recommendation**
4.1	The Committee are invited to consider the contents of the Audit and Risk Assurance Committee Annual Report 2024/25 as set out in Appendix A, and provide feedback and decision as necessary, prior to it being submitted to the SFRS Board at its meeting on 28 August 2025 'For Information only'.
5	**Key Strategic Implications**
5.1 5.1.1	**Risk Appetite and Alignment to Risk Register** The ARAC has a pivotal role to perform in terms of risk for SFRS, and within SFRS, and this report describes and summarises how it ensures that it discharges that role appropriately.

5.2 5.2.1	**Financial** The ARAC scrutinises, challenges and seeks continuous improvement on matters relating to finance, budgets and accounts within SFRS, while also advising the SFRS Board and Accountable Officer on related matters.
5.3 5.3.1	**Environmental & Sustainability** There are no environmental and sustainability implications arising from this report.
5.4 5.4.1	**Workforce** There are no workforce implications arising from this report.
5.5 5.5.1	**Health & Safety** There are no Health & Safety implications arising from this report.
5.6 5.6.1	**Health & Wellbeing** There are no Health & Wellbeing implications arising from this report.
5.7 5.7.1	**Training** There are no training implications arising from this report.
5.8 5.8.1	**Timing** This report will support the SFRS Annual Governance Statement which will be presented to the Board as part of the Annual Report and Audited Accounts for 2024/25.
5.9 5.9.1	**Performance** Information contained within this report deems that there are no significant gaps in the performance of the ARAC and its approach to seeking assurance on, and scrutinising, the risk management and internal controls across SFRS.
5.10 5.10.1	**Communications & Engagement** This report provides an opportunity for ARAC members to review the contents and provide feedback prior to its inclusion as part of the SFRS Annual Report and Audited Accounts for 2024/25.
5.11 5.11.1	**Legal** Production of this report is consistent with Scottish Fire and Rescue Service (SFRS) Committee arrangements and generally accepted principles of good corporate governance.
5.12 5.12.1	**Information Governance** DPIA completed ~~Yes~~/No. *If not applicable state reasons.* *No DPIA was required for this paper as it contains no personal information.*
5.13 5.13.1	**Equalities** EHRIA completed ~~Yes~~/No. *If not applicable state reasons.* *Covered by the SFRS Corporate Governance Arrangements 2025 EHRIA.*
5.14 5.14.1	**Service Delivery** There are no service delivery implications arising from this report.
6	**Core Brief**
6.1	Not Applicable

7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Richard Whetton, Head of Governance, Strategy and Performance
7.2	**Level of Assurance: (Mark as appropriate)**	~~Substantial~~/**Reasonable**/~~Limited/Insufficient~~
7.3	**Rationale:**	Effective governance arrangements relating to the Board and its Committees have been embedded in SFRS governance structures for a substantial number of years and are reviewed regularly. The annual report from ARAC outlines the work undertaken, including that with internal and external audit bodies and the assurance received.
8	**Appendices/Further Reading**	
8.1	Appendix A – SFRS ARAC Annual Report 2024/25 to the Board and Accountable Officer of the Scottish Fire and Rescue Service.	

Prepared by:	Chris Casey, Group Commander, Board Support Manager
Sponsored by:	Brian Baverstock, Chair of the SFRS Audit and Risk Assurance Committee
Presented by:	Brian Baverstock, Chair of the SFRS Audit and Risk Assurance Committee

Links to Strategy and Corporate Values

Links to Outcome 5 of the SFRS Strategic Plan 2022-25:
"We are a progressive organisation, use our resources responsibly and provide best value for money to the public."

Governance Route for Report	Meeting Date	Report Classification/ Comments
Audit and Risk Assurance Committee	*19 June 2025*	*For Decision*
SFRS Board	*28 August 2025*	*For Information only*

APPENDIX A

SFRS AUDIT AND RISK ASSURANCE COMMITTEE ANNUAL REPORT 2024/25

TO

THE BOARD AND ACCOUNTABLE OFFICER
OF THE SCOTTISH FIRE AND RESCUE SERVICE

1 Purpose

1.1 In accordance with the Audit and Risk Assurance Committee's Terms of Reference this report has 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 is based on the work received by the Committee over the year 2024/25 and is intended to assist with the preparation of the Annual Governance Statement.

2 Background

2.1 The report provides a high-level overview of the Audit and Risk Assurance Committee's work for the year 2024/25 and its opinion on:

- the comprehensiveness of assurances in meeting the Board and Accountable Officer's needs;
- the reliability and integrity of these assurances in relation to their accountability obligations;
- the implication of these assurances for the overall management of risk;
- any issues the Audit and Risk Assurance Committee considers pertinent to the Annual Governance Statement and any long-term issues the Committee thinks the Board and/or Accountable Officer should give attention to;
- financial reporting for the year, and
- the Audit and Risk Assurance Committee's view of its own effectiveness.

3 Summary of Audit and Risk Assurance Committee's Work

3.1 In the period from April 2024 to March 2025 the Audit and Risk Assurance Committee has met a total of three times - three public meetings, each of which included a private session. In addition, the Committee met in February 2025 to review its effectiveness. The Committee met utilising a blend of 'in person' meetings at SFRS HQ and virtual technology via MS Teams. To support transparency of Committee business, all public papers and minutes continued to be accessible on the SFRS website. The capability and development of using MS Teams enabled members of the public to have access to meetings as an observer, should this be requested, and as published on our website.

3.2 The Committee comprises of five Non-Executive members. It has a quorum of three members and all meetings were quorate. The Committee has the relevant skills and experience collectively to assess the issues within its Terms of Reference. This conclusion was confirmed at a virtual workshop on 19 February 2025, at which the Committee confirmed compliance with its Terms of Reference.

3.3 All meetings were attended by SFRS senior management, Audit Scotland, as External Auditors, Azets, the then Internal Auditors for SFRS and His Majesty's Fire Service Inspectorate (HMFSI). This routine attendance provided the Committee regular access to all key assurance sources.

3.4 The key areas of the Committee's work are outlined in sections 4 to 10 below.

4 Internal Audit

4.1 Azets were appointed as Internal Auditor partners at the start of 2020/21 for a 4-year period. Progress reports are presented at every meeting of the Committee outlining progress against the annual audit plan and the implementation of internal audit recommendations.

4.2 In reviewing the work of internal audit, the Committee:

- focused on the reported assurance levels, the quality and significance of audit recommendations and reasonableness of the management responses to them;
- monitored the ongoing implementation of recommendations arising from current and prior year audits;
- welcomed early sight of each Audit scope, allowing for comment in advance, if required, including the numbers of days allocated;
- commented on the need for a collaborative approach to take action and provide evidence to close items off promptly;
- requested further information be included with regards to revision of dates and outstanding requirements;
- queried if identified issues are taken into account when considering risk;
- encouraged greater levels of feedback to be provided to Azets on audit activity;
- Participation by the Chair of ARAC in relation to the tender of the externally provided internal audit function and the successful award of a new internal audit contract to BDO.
- acknowledged the efforts of Azets and the Executive Team in completing the 2024/25 audit plan; and
- noted the overall opinion given by Internal Audit in its Annual Report, that the Scottish Fire and Rescue Service has a framework of governance, risk management and controls that provides **reasonable assurance** regarding the effective and efficient achievement of objectives.

4.3 The Committee concluded that Internal Audit's work was appropriately focused and was sufficiently resourced. Based on the Committee's review of audit reports and the Auditor's overall opinion we can conclude that controls are generally operating effectively.

4.4 The Committee continued to encourage Internal and External Auditors as well as HMFSI to engage with each other and review plans to identify any opportunities for synergies and avoid any potential overlap or duplication of review activity.

5 External Audit

5.1 Audit Scotland were SFRS's External Auditors for 2024/25 as appointed by the Auditor General for Scotland for a five-year term. This was Audit Scotland's second year of their appointment.

5.2 During the period under review, the Committee scrutinised the progress of the Audit Dimensions and Best Value Report designed to help ARAC and the SFRS Board discharge their governance duties on the following areas: Financial Management, Financial Sustainability, Governance and transparency, Value for money and Best Value. The remaining actions on the plan were considered by Audit Scotland following their appointment and incorporated within their future planning work. This closed the review action plan.

5.3 The Committee also reviewed the draft 2023/24 Annual Report and Accounts, and External Auditor's report, **which provided an unqualified opinion**. The Committee commended the efforts of the SFRS Finance Team in achieving this positive outcome, particularly given the challenges encountered during the year.

5.4 The Committee held a private session with Audit Scotland in October 2024, no matters were raised that would require to be disclosed in this report. The Committee will consider the draft 2024/25 Accounts and the External Auditor's report at its meeting in October 2025.

6 His Majesty's Fire Service Inspectorate

6.1 The HMFSI attends and presents progress update reports at each ARAC meeting.

6.2 During 2024/25 HMFSI published a report following an inspection of the West Service Delivery Area (WSDA). The next inspection of this type commenced in the North Service Delivery Area (NSDA) during 2024/25 and will be published in Summer 2025. The Chief Inspector's plan for 2025-2028 was developed and stakeholder consultation undertaken during 2024/25 ahead of its publication.

6.3 During 2024/25 HMFSI completed the following Thematic Inspections:

- Organisational Culture inspection report was completed and is anticipated to be laid in Parliament in June 2025.
- Operational Assurance inspection report was completed, however, at the request of the Service, formal consultation on the report will be paused due to internal capacity. The report is anticipated to be laid in Parliament in Autumn 2025.

6.4 An overview of the key areas of focus for the forthcoming year 2025/26 was also provided and includes the second phase of the Thematic Inspection on Organisational Culture.

6.5 HMFSI will also continue to maintain contact with both the Internal and External Auditors to progress areas of shared work, which is essential to reduce any duplication, where appropriate. The reports themselves are published on the HMFSI Website which details the assurances and recommendations to the SFRS.

6.6 The Committee welcomes the approach of HMFSI activity as it strives to meet its statutory purpose to inquire into the efficiency and effectiveness of the SFRS, thus assisting in its continuous improvement.

7 Risk Management

7.1 During the year the Committee:

- reviewed regular updates on risk management arrangements and revisions to the Strategic Risk Register (SRR) and alignment to the Directorate Risks (DR);
- The Committee agreed the design and implementation of risk appetite within the Risk Management Framework and received revised risk reports identifying the alignment between identified risks by Directorates and agreed risk appetite categories.
- spotlighted particular risks that are aligned to the business of each Committee of the Board, asking the responsible risk owner to provide updates to each respective Committee.
- the Committee has been supportive of efforts to develop robust risk management arrangements and has welcomed a simplified approach to how key risks are presented. Importantly this has enable greater scrutiny by focusing on the effectiveness of risk management.

7.2 Based on its scrutiny of risk, and recognising the work now developed in relation to risk appetite, the Committee welcomed the development of the risk management framework and revised report and can provide assurance on the operation of risk management arrangements throughout the year.

8 Financial Reporting

8.1 During the year the Committee considered the following:

- assurances received from the work of internal and external audit about the financial systems and controls that provide the figures for the accounts for 2024/25;
- accounting policy regulatory changes;
- any incidences of Fraud/Misappropriation of Funds;
- cyber/organisational security;
- Annual Procurement Report 2024/25
- sought further clarity and detail on the extent of and reporting culture relating to Gifts, Interests and Hospitality within SFRS.

8.2 The Committee is satisfied that the accounting policies adopted for the preparation of the 2024/25 accounts are appropriate and that it has received reasonable assurance on the financial systems and controls.

9 Audit and Risk Assurance Committee Effectiveness

9.1 The Committee considers that it has operated in accordance with its Terms of Reference (ToR), pursuing the appropriate issues of risk assurance and internal control, and that its challenge and scrutiny function continues to be robust.

9.2 The Committee ToR were reviewed at their workshop in February 2025 and amended and approved by the SFRS Board on 24 April 2025. At this workshop, the Committee concluded that it continues to operate effectively.

9.3 At the operational level, improvements continue to be made, where appropriate, to the management of meetings, including the forward planning of agendas for the year ahead. Specific forward planning and pre-agenda meetings were held to further support this approach.

9.4 Administrative arrangements continually improve with any revised templates and guidance being provided for corporate level papers as approved by the SFRS Board, to ensure that reports contain an appropriate level of classification in order to assist Committee members scrutinise and challenge effectively, with risk and assurance being much more of a focus when reporting to Committee's and the Board in general.

9.5 The continued development of the Good Governance Framework saw the introduction of integrated assurance mapping during 2024/25 and whilst this continues to evolve there has been an improved focus on levels of assurance and associated rationale.

9.6 The Committee continues to receive a complete oversight of the management and scrutiny process for independent audits and subsequent action plans through a high-level dashboard. This has strengthened the governance in this area and the level of scrutiny being applied.

9.7 The Committee's effectiveness relies heavily on the support provided by the Board Support Team, which continues to be of the highest quality.

10 Conclusions

10.1 Overall the work of the Committee during the period under review, and the assurances received, enables ARAC to conclude that, in general, the SFRS has effective governance, risk management and internal control arrangements in place. As highlighted above, improvements are needed in relation to risk management arrangements.

10.2 Looking ahead it is clear that ensuring the Service adequately plans for, and responds to, any future financial challenges will be the key area of focus for the Committee over 2025/26. As will the ongoing development of risk management, in particular the full implementation of risk appetite and integrated assurance mapping, and how these are used to support the Strategic Service Review.

Brian Baverstock
Chair of the Audit and Risk Assurance Committee
Scottish Fire and Rescue Service

June 2025

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/23-25

Agenda Item: 8.1

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**SFRS INTERNAL AUDIT ANNUAL REPORT 2024/25**							
Report Classification:	**For Scrutiny**	**Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	To provide an overview of the work undertaken in respect of the 2024/25 internal audit programme and to provide our overall annual opinion.
2	**Background**
2.1	In accordance with the Public Sector Internal Audit Standards, the Chief Audit Executive is required to deliver an annual internal audit opinion and report that can be used by SFRS to inform its governance statement. This must conclude on the overall adequacy and effectiveness of Scottish Fire and Rescue Service's (SFRS) framework of governance, risk management and control.
3	**Main Report/Detail**
3.1	The report summarises our conclusions and key findings from the internal audit work undertaken at SFRS during the year ended 31 March 2025 and provides our overall opinion on SFRS's governance, risk management and internal control frameworks.
4	**Recommendation**
4.1	To scrutinise the contents of the annual report.
5	**Key Strategic Implications**
5.1 5.1.1 5.1.2	**Risk Appetite and Alignment to Risk Register** The report is aligned to the Services Compliance risk appetite in relation to our internal governance, including systems of control and data governance, where a Cautious risk appetite was identified. The report reflects the general underlying principle that SFRS will operate in an open and transparent manner using our resources responsibly and demonstrating best value in the use of public funds.
5.2 5.2.1	**Financial** There are no direct implications associated with the report.
5.3 5.3.1	**Environmental & Sustainability** There are no direct implications associated with the report.

5.4 5.4.1	**Workforce** There are no direct implications associated with the report.	
5.5 5.5.1	**Health & Safety** There are no direct implications associated with the report.	
5.6 5.6.1	**Health & Wellbeing** There are no direct implications associated with the report.	
5.7 5.7.1	**Training** There are no direct implications associated with the report.	
5.8 5.8.1	**Timing** This report summarises the work carried out in the 2024/25 financial year.	
5.9 5.9.1	**Performance** Internal audit is intended to support the service and where relevant identify areas where performance can be enhanced.	
5.10 5.10.1	**Communications & Engagement** Individual reports have been issued and agreed with management for each of the audit assignments contained within the annual report and have been presented separately to the Audit and Risk Assurance Committee throughout the year.	
5.11 5.11.1	**Legal** There are no direct implications associated with the report.	
5.12 5.12.1	**Information Governance** Collection or use of personal data has not been required in the preparation of the Internal Audit Annual Report. For this reason, a Data Protection Impact Assessment has not been required.	
5.13 5.13.1	**Equalities** For each audit assignment, relevant directors need to consider whether an Equality and Human Rights Impact Assessment is applicable in respect of any recommendations made.	
5.14 5.14.1	**Service Delivery** There are no direct implications associated with the report.	
6	**Core Brief**	
6.1	Not applicable	
7	**Assurance (Board/Committee Meetings ONLY)**	
7.1	**Director:**	Deborah Stanfield, Interim Director of Finance and Contractual Service
7.2	**Level of Assurance: (Mark as appropriate)**	~~Substantial/~~**Reasonable**~~/Limited/Insufficient~~
7.2	**Rationale:**	The programme of internal audit activity undertaken is compliant with the Global Internal Audit Standards and has allowed AZETS to confirm that sufficient and appropriate audit procedures have been concluded to support their opinion that the SFRS framework for governance, risk management and controls provides a reasonable level of assurance.

8	Appendices/Further Reading
8.1	Appendix A – Internal Audit Annual Report 2024/25
8.2	Appendix B - Change Management Final Report

Prepared by:	Jamie Fraser, Manager - Azets
Sponsored by:	Deborah Stanfield, Interim Director of Finance and Contractual Service
Presented by:	Paul Kelly, Director - Azets

Links to Strategy and Corporate Values
Working Together for a Safer Scotland

Governance Route for Report	**Meeting Date**	**Report Classification/ Comments**
Audit and Risk Assurance Committee	*19 June 2025*	*For scrutiny*

APPENDIX A

Scottish Fire and Rescue Service

Internal Audit Annual Report 2024/25

June 2025

Scottish Fire and Rescue Service

Internal Audit Annual Report 2024/25

Introduction

The Global Internal Audit Standards (GIAS) state that:

“The chief audit executive must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate.

The results of internal audit services can include

- Engagement conclusions.
- Themes such as effective practices or root causes.
- Conclusions at the level of the business unit or organisation.”

To meet the above requirements, this Annual Report summarises our conclusions and key findings from the internal audit work undertaken at Scottish Fire and Rescue Service during the year ended 31 March 2025, including our overall opinion on Scottish Fire and Rescue Service’s internal control system.

Acknowledgement

We would like to take this opportunity to thank all members of management and staff for the help, courtesy and co-operation extended to us during the year.

Overall internal audit opinion

Basis of opinion

As the Internal Auditor of Scottish Fire and Rescue Service we are required to provide the Audit and Risk Assurance Committee with assurance on the whole system of internal control. In giving our opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide is reasonable assurance that there are no major weaknesses in the whole system of internal control.

In assessing the level of assurance to be given, we have taken into account:

- All reviews undertaken as part of the 2024/25 internal audit plan;
- Any scope limitations imposed by management;
- Matters arising from previous reviews and the extent of follow-up action taken including in year audits;
- Expectations of senior management, the Audit and Risk Assurance Committee and other stakeholders;
- The extent to which internal controls address the risk management / control framework;
- The effect of any significant changes in Scottish Fire and Rescue Service's objectives or systems; and
- The internal audit coverage achieved to date.

In my professional judgement as Chief Internal Auditor, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the basis and the accuracy of the conclusions reached and contained in this report. The conclusions are based on the conditions as they existed at the time of the audit. The conclusions are only applicable for the entity examined. The programme of work undertaken and evidence gathered is compliant with the Global Internal Audit Standards and is sufficient to provide senior management with appropriate assurance from the work of internal audit.

Internal Audit Opinion

In our opinion, Scottish Fire and Rescue Service has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.

Azets

June 2025

Internal audit work performed

Scope and responsibilities

Management

It is management's responsibility to establish a sound internal control system. The internal control system comprises the whole network of systems and processes established to provide reasonable assurance that organisational objectives will be achieved, with particular reference to:

- risk management;
- the effectiveness of operations;
- the economic and efficient use of resources;
- compliance with applicable policies, procedures, laws and regulations;
- safeguards against losses, including those arising from fraud, irregularity or corruption; and
- the integrity and reliability of information and data.

Internal auditor

The Internal Auditor assists management by examining, evaluating and reporting on the controls in order to provide an independent assessment of the adequacy of the internal control system. To achieve this, the Internal Auditor should:

- analyse the internal control system and establish a review programme;
- identify and evaluate the controls which are established to achieve objectives in the most economic and efficient manner;
- report findings and conclusions and, where appropriate, make recommendations for improvement;
- provide an opinion on the reliability of the controls in the system under review; and
- provide an assurance based on the evaluation of the internal control system within the organisation as a whole.

Conformance with Global Internal Audit Standards

We confirm that our internal audit service conforms to the Global Internal Audit Standards. This is confirmed through our quality assurance and improvement programme, which includes cyclical internal and external assessments of our methodology and practice against the standards.

A summary of the results of our most recent external quality assessment (EQA) is provided at Appendix 2. This EQA was undertaken in February 2023 against the 2017 International Internal Audit Standards (predecessor to GIAS).

Independence

GIAS require us to communicate on a timely basis all facts and matters that may have a bearing on our independence.

We can confirm that the staff members involved in each 2024/25 internal audit review were independent of the Scottish Fire and Rescue Service and their objectivity was not compromised in any way.

Planning process

Our strategic and annual internal audit plans are designed to provide the Audit and Risk Assurance Committee with assurance that the Scottish Fire and Rescue Service's governance, risk management and internal control system is effective in managing the key risks. The plans are therefore informed by Scottish Fire and Rescue Service's risk management system and linked to the Corporate Risk Register.

The Strategic Internal Audit Plan was agreed in consultation with senior management and approved by the Audit and Risk Committee in March 2024.

The Annual Internal Audit Plan may be subject to revision throughout the year to reflect changes in the Scottish Fire and Rescue Service's risk profile. No changes were made to the 2024/25 plan.

We planned our work so that we have a reasonable expectation of detecting significant control weaknesses. However, internal audit can never guarantee to detect all fraud or other irregularities and cannot be held responsible for internal control failures.

Cover achieved

The 2024/25 Internal Audit Plan comprised 150 days of audit work and we completed the full programme. A comparison of actual coverage against the 2024/25 plan is attached at Appendix 1.

We confirm that there were no resource limitations that impinged on our ability to meet the full audit needs of the Scottish Fire and Rescue Service and no restrictions were placed on our work by management.

We did not rely on the work performed by a third party during the period.

Reports

We prepared a report from each review and presented these reports to the Audit and Risk Assurance Committee. The reports are summarised in the table below.

Where relevant, all reports contained action plans detailing responsible officers and implementation dates. The reports were fully discussed and agreed with management prior to submission to the Audit and Risk Assurance Committee. We made no significant recommendations that were not accepted by management.

Summary of reports by control assessment and action grade

Review	Control objective assessment	No. of issues per grading				
		4	3	2	1	Advisory
C.9 Anti-Fraud Arrangements		-	7	-	-	3
C.10 Environmental Management		-	1	3	1	2
C.11 Change Management		-	4	1	-	-

Review	Control objective assessment	No. of issues per grading
E.3 Cyber Security	N/A – Advisory Review	

Progress in implementing previous internal audit actions

Management monitors the implementation of audit actions and reports progress to each meeting of the Audit and Risk Assurance Committee. Before each action is agreed as closed, we review and validate evidence presented to us by management to demonstrate appropriate action has been taken. The outcome for each quarterly Follow Up review was as follows:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
No. of actions classed as closed	7	10	8	9
No. of actions to be completed	26	38	37	28

The following charts set out the position at the end of the year in relation to the 28 outstanding actions:

Chart 1 – number of actions within their original timescale for their implementation or overdue

Chart 2 – outstanding actions by grade

Chart 1: Outstanding actions – implementation timescales

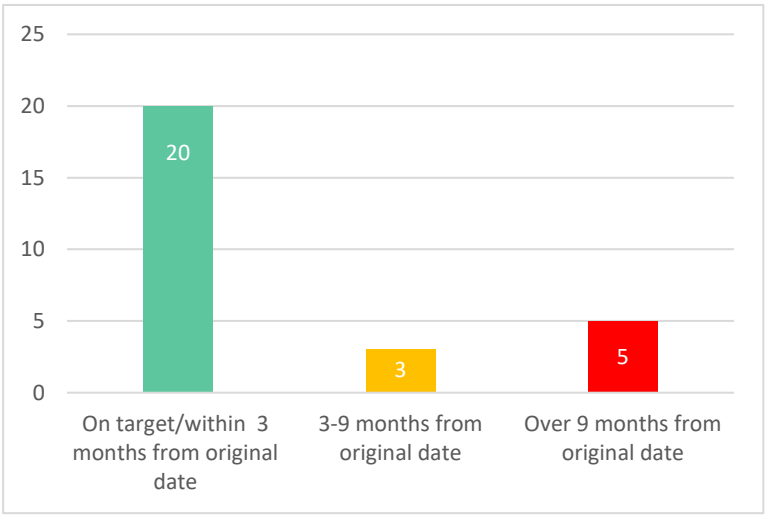
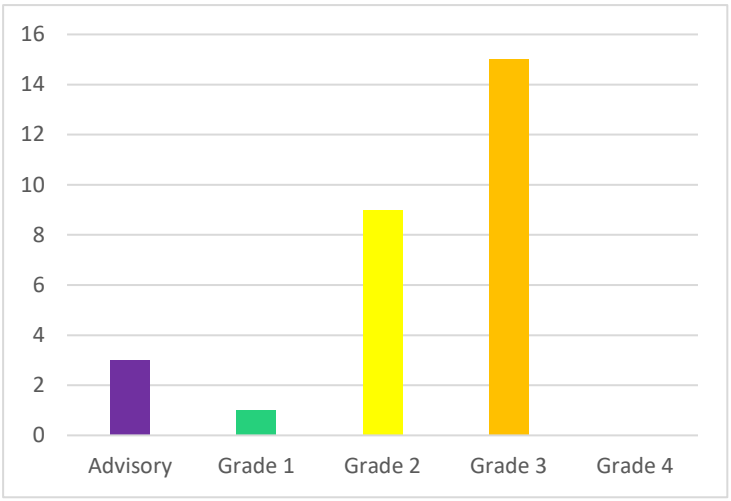


Chart 2: Outstanding actions by grade



Management have made reasonable progress in implementing agreed actions. Eight actions were beyond their agreed completion date at the year end with four actions rated as being higher risk.

Key themes from audit work in 2024/25

We confirmed in our review of Environmental Management that the Scottish Fire and Rescue Service has implemented effective controls to manage its environmental impact and work towards the Scottish Government's 2040 net zero emissions target. We also confirmed that appropriate measures are in place for monitoring and reporting environmental management progress and changes to both internal and external stakeholders, including the Scottish Government. The most significant finding from our work related to maintaining a record of funding applications along with their outcomes and associated conditions.

Our audit of Change Management identified several areas of good practice including the range of well-developed project management documents which will aid the change management process. Additionally, organisational strategic aims consider change as a core aspect at the heart of the organisation's strategy. Programme Boards are in place for all programmes, These meet regularly, have formal Terms of References and receive frequent updates on risks and issues. However, the review also identified several significant weaknesses that should be addressed. Without doing so, the organisation is unlikely to have the structures, processes and the necessary organisational culture and leadership in place to deliver business change effectively. A key weakness observed from the audit was that there was a lack of cohesion in internal processes. This included a lack of consistency in the approach to implementing change, a lack of a blueprint/vision of the organisation's future state, no prioritisation of change projects and a need to embed a consistent change culture within the Service. A more strategic approach to resource planning and management over change activity was required.

The Anti-Fraud Arrangements Review identified that the Scottish Fire and Rescue Service has a zero-tolerance stance in relation to fraud. In light of two recent instances of confirmed fraud being reported, the Service commissioned this audit to evaluate the anti-fraud internal control environment, as well as the culture of the organisation in relation to fraud issues. However, the audit identified several weaknesses in internal control arrangements that require attention to improve the anti-fraud culture across the organisation. Policies and procedures had not been updated within their review period to reflect lessons from recent fraud cases. While the Anti-Fraud and Corruption Policy includes reporting guidance, a separate Fraud Response Plan, as required by the Scottish Public Finance Manual, had not been documented. Additionally, a Fraud Risk Action Log exists but only half of the sampled actions were supported by evidence of implementation with training compliance rates requiring

attention. Although some fraud awareness activities occur, a more formal approach – such as a communication plan – would be beneficial. Fraud is discussed by senior leadership as needed and as an agenda item at ARAC meetings, though updates are verbal, with limited information sharing. Addressing the issues would strengthen fraud awareness and reduce associated risks.

The Cyber Security Advisory Review highlighted several areas where SFRS can enhance and strengthen their current cyber security maturity. Key areas for improvement include risk management, particularly in identifying cyber security risks, incident response planning and testing, policy implementation and maintenance, as well as both general and specialised cyber security training. Additionally, a significant area requiring attention is the absence of a clearly defined policy framework within the organisation.

Key performance indicators

We use a suite of Key Performance Indicators (KPIs) to monitor the quality of the internal audit service. Appendix 3 includes a summary of performance against the KPIs.

Appendix 1 – Planned v actual days 2024/25

Ref and Name of report	Planned Days	Actual Days
C.9 Anti-Fraud Arrangements	35	35
C.10 Environmental Management	20	20
C.11 Change Management	30	30
E.3 Cyber Security	25	25
F.1 Follow Up	10	10
G.1 Audit needs assessment/annual plan preparation	5	5
G.2 Audit & Risk Assurance Committee planning and attendance	12	8
G.3 Annual & internal audit progress reports, meetings with management	8	8
G.4 Contingency	5	5
Total	150	150

Appendix 2 – Summary of Quality Assurance Assessment

As part of our regular quality assessment procedures, we commissioned an external quality assessment (EQA) against the Institute of Internal Auditors (IIAs) International Professional Practices framework (IPPF) and, where appropriate, the Public Sector Internal Audit Standards (PSIAS).

We are pleased to disclose the outcome of this assessment as we believe it is important to provide you with assurance that the service you receive is of a high quality and fully compliant with internal audit standards. Outlined below are extracts from our most recent external quality assessment undertaken in February 2023.

External Quality Assessment summary

Executive Summary

I am pleased to report that there are no material governance, methodology or practical issues that are impacting Azets Risk Assurance's overall conformance with the Institute of Internal Auditors (IIAs) International Professional Practices framework (IPPF).

Internal Audit have achieved the highest level of conformance with the Standards, as well as the Definition, Core Principles, and the Code of Ethics, which form the mandatory elements of the IPPF, the global standard for quality in Internal Auditing. The Institute describe this as "Generally Conforms".

This is an excellent result and is based on an extensive EQA covering the team's approach, methodology, processes, and an extensive sample of engagement files. The EQA assessor is an experienced, former Chief Assurance Officer and current Audit Committee Chair.

Conformance Opinion

The IPPF/PSIAS includes the Mission and Definition of Internal Auditing, the Core Principles, Code of Ethics, and International Standards. There are 64 fundamental principles to achieve, with 118 points of recommended practice.

I am delighted to confirm that Azets Risk Assurance generally conform with 62 of these 64 fundamental principles. This is an excellent result. Furthermore, there are no areas of 'partial' or 'non-conformance' with any of the remaining fundamental principles.

The overall assessment resulting from the EQA is that Azets Risk Assurance "generally conforms to the International Professional Practices Framework". *The term "generally conforms" is used by the IIA to represent the highest level of achievement and performance.*

I include a summary of Azets Risk Assurance's conformance to these fundamental principles below. Overall, I believe that Azets Risk Assurance has achieved an excellent performance given the breadth of the IPPF, and the diverse work and activity the team undertakes.

Summary of IIA Conformance	Standards	N/A	Does not Conform	Partially Conforms	Generally Conforms	Total
Definition of IA and Code of Ethics	Rules of conduct				12	12
Purpose	1000 - 1130				8	8
Proficiency and Due Professional Care	1200 - 1230				4	4
Quality Assurance and Improvement Programme	1300 - 1322	1			6	7
Managing the Internal Audit Activity	2000 - 2130				12	12
Engagement Planning and Delivery	2200 - 2600	1			20	21
Total		2	0	0	62	64

Our response

The review identified a number of areas for future consideration to further enhance our internal audit practices. We welcome these findings and as such, a detailed action plan will be put into place to address the areas for further development.

Appendix 3 – Progress against KPIs

The table below sets out performance against the KPIs set by management and the Audit and Risk Assurance Committee.

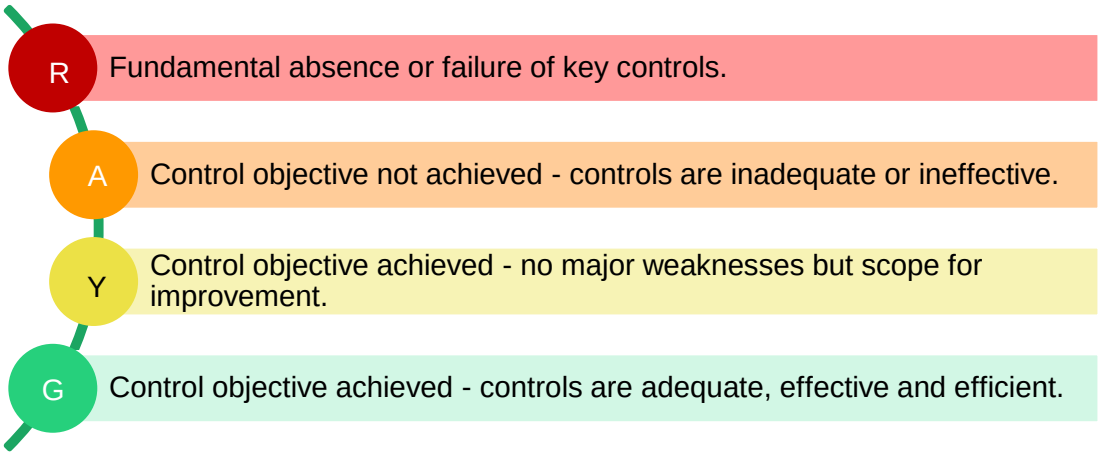
Service	Performance Standard	Status
1. Actual vs planned hours per audit	Audits completed within days approved by ARAC	GREEN
2. Cost of service by grade	Allocation of time per grade as agreed with management and provided for approval prior to invoicing	GREEN
3. Cost per audit	Cost per audit based on 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	GREEN

Key

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

Appendix 4 – Definitions

Control objective assessment definitions



Management action prioritisation definitions

4	•Very high risk exposure - major concerns requiring immediate senior attention that create fundamental risks within the organisation.
3	•High risk exposure - absence / failure of key controls that create significant risks within the organisation.
2	•Moderate risk exposure - controls are not working effectively and efficiently and may create moderate risks within the organisation.
1	•Limited risk exposure - controls are working effectively, but could be strengthened to prevent the creation of minor risks or address general house-keeping issues.

APPENDIX B

Scottish Fire and Rescue Service

Internal Audit Report 2024/25

Change Management

May 2025

Scottish Fire and Rescue Service

Internal Audit Report 2024/25

Change Management

Audit Sponsor	***Key Contacts***	***Audit team***
Liz Barnes, Director of People, Interim Deputy Chief Officer (Corporate Services)	*Curtis Montgomery, Head of Portfolio Office*	*Gary Devlin, Partner* *Paul Kelly, Head of Cyber Services* *Dominic O'Neill, Senior Auditor*

Executive Summary

Conclusion

SFRS has an ambitious change programme that is designed to enhance operational effectiveness and efficiency. This includes a variety of projects and programmes with the aim of supporting the organisation's strategic objectives as detailed in the Strategic Plan 2022-2025.

Our review has identified several areas of good practice including the range of well-developed project management documents which will aid the change management process. Additionally, organisational strategic aims consider change as a core aspect at the heart of the organisation's strategy. Programme Boards are in place for all programmes, These meet regularly, have formal Terms of References and receive frequent updates on risks and issues.

Our review identified several significant weaknesses that the Service needs to address. Without doing so, the organisation is unlikely to have structures, processes and the necessary organisational culture and leadership in place to deliver business change effectively The issues set out, below, contribute to challenges in delivering change.

A key weakness we observed is the lack of cohesion in internal processes. Our audit work identified a lack of consistency in approach to business change, a lack of a blueprint/vision on the organisation's future state, no prioritisation of change and a need to embed a consistent business change culture within the Service which is underpinned by strategic leadership.

We did not gain assurance that current processes and behaviours ensure all change is routed through the change management process and aligns with wider strategic and operational planning. Our review identified that significant change activity is set out within the Annual Operating Plan. However, this is not consistent with the activity of the change programme. There is no prioritisation of any change activity within the organisation. A causal factor in this is that there is no commonly agreed definition of what is regarded as business change within the organisation. This has resulted in the Portfolio Office not being involved in triaging all proposed business change initiatives and some change activity being managed locally rather than strategically. This is likely to result in ineffective and inefficient use of scarce resources as well as a failure to achieve value for money/Best Value.

The lack of consistency in approach to change has also resulted in the absence of a strategic approach to resource planning and management over change activity. We did not find any formal process in place to take the resource and skills requirements from approved business changes and assess whether this could be addressed through internal resource or recruitment activity. A common theme across projects and programmes was resource availability to support delivery.

Weaknesses were also identified in relation to benefits managements processes with no live projects or programmes adopting approved benefits documentation such as the Benefits Toolkit and Benefits Profile documents.

Background and scope

Like many public sector bodies, SFRS has an ambitious change programme that is designed to enhance operational effectiveness and efficiency.

Key priorities currently being progressed within the organisation include:

- Strategic Service Review
- Corporate Services Review
- Enabling Infrastructure.

The Service has a Portfolio Office which is responsible for ensuring formal processes and governance are in place around the project and programme delivery lifecycle.

A key element in securing effective business change is ensuring the organisation has the right skills and resources available. It is also vital that there are robust processes through which change activity is identified, approved, prioritised and governed.

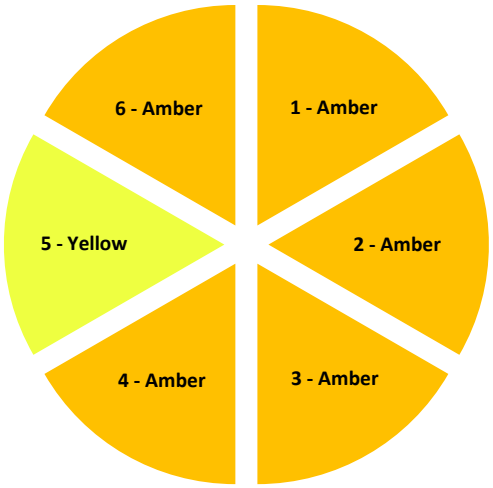
This review has assessed whether there are effective processes in place which ensures that SFRS has the appropriate organisational capacity and capability to deliver and embed business change activity. This review has assessed a sample of planned and active projects/ programmes.

Disclaimer

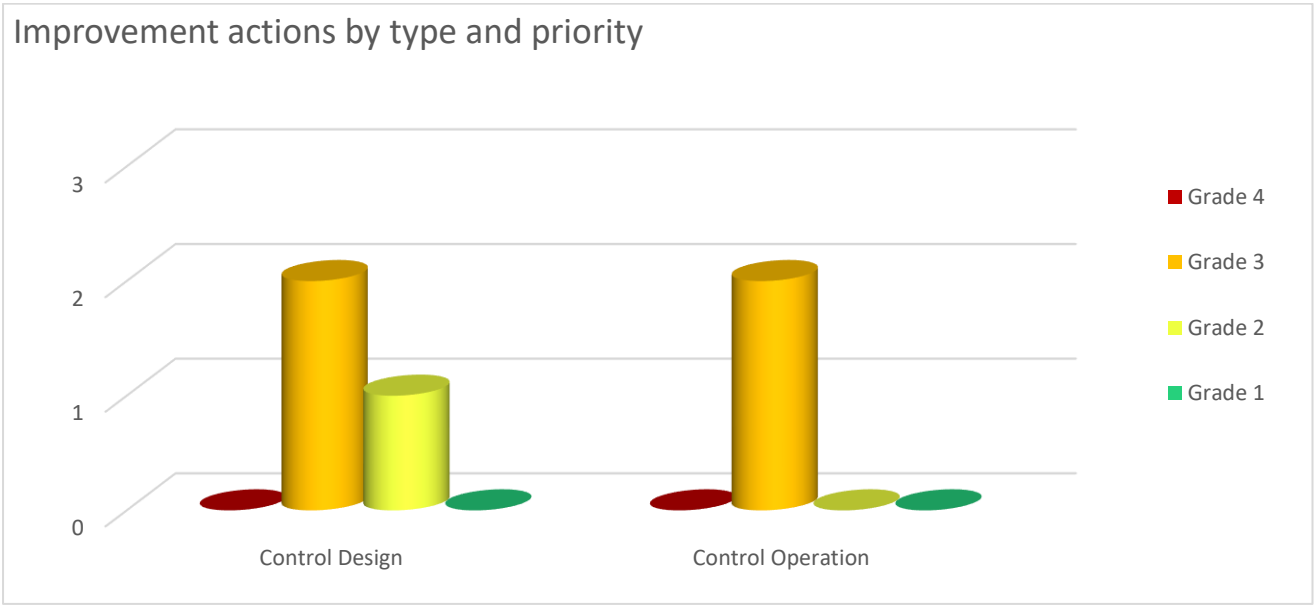
This report is intended for the Scottish Fire and Rescue Service use only and should not be relied upon by anyone else for any purpose whatsoever. Azets is acting for the Scottish Fire and Rescue Service only and will not be responsible to any other person for providing protections afforded to clients and will not give any advice to any recipient of this report. No representation or warranty, express or implied, is given by us as to the accuracy or completeness of the information and opinions contained herein. Additionally, no account has been taken of the needs of third party organisations in producing and agreeing this report and as such, it may be unsuitable for their purposes. Third parties should therefore verify the information contained in the report with the Scottish Fire and Rescue Service where necessary.

To the fullest extent permitted by law, neither Azets nor the Scottish Fire and Rescue Service nor its directors shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of any third parties relying on any information or opinions contained herein or in any other communication in connection with this report.

Control assessment



- 1. There are adequate governance processes through which change demand is identified, assessed and prioritised. All changes are assessed against an agreed future state to confirm strategic alignment.
- 2. There is effective planning to ensure business change activity and Annual Operating Plans are aligned.
- 3. Planned activity sets out a clear vision of change and future operating model to allow the organisation to determine the skills, resources and time required to support implementation.
- 4. The organisation has the appropriate capabilities and capacity in place to support business and cultural change activity.
- 5. There are effective governance processes in place for oversight of change project/programme delivery.
- 6. There are adequate processes in place to identify, manage and monitor quantitative and qualitative benefits arising from change activity.



Five improvement actions have been identified from this review, two of which relate to compliance with existing procedures, with the remaining three improvement actions relating to the design of controls themselves. See Appendix A for definitions of colour coding.

Key findings

Good practice

- A number of well-developed project management documents which aid change management are in place. This includes a range of tools and frameworks to support project and programme delivery through their lifecycle.
- Organisational strategic aims consider change as a core aspect at the heart of the organisation's strategy.
- Programme Boards are in place for all programmes. The Boards meet on a regular basis and have formal Terms of References (ToR) in place.
- Risk reporting is carried out by all Programme Boards, with the Change Portfolio Progress Group regularly reviewing these and identifying the highest scoring risks.

Areas for improvement

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

- There is a lack of consistency in the approach to and documentation of, the justification, assessment, approval and prioritisation of projects and programmes. A symptom of this is that programmes and projects do not have agreed prioritisation.
- There is no commonly understood definition of business change within the organisation. As a consequence, not all proposed business change is assessed through the Portfolio Office.
- There is an inconsistent level of understanding of change management processes across key decision makers involved in change management activity.
- There is no clear blueprint of the organisation's future operating model and how the current business change activity either ongoing or planned will allow the organisation to achieve its desired state.
- The Annual Operating Plan sets out significant change activity. However, this is not aligned to the change programme. Milestones were found to be task, rather than outcome focused.
- There has been no resources, skills and capabilities gap analysis undertaken within the organisation and there is no strategic approach to resource planning and management of business change activities.
- Change management governance structures are complex. Feedback during our audit work indicated that the complexity of governance creates a lack of clarity for stakeholders on key elements of governance process.
- Programmes and projects do not utilise the existing benefits management documentation, which is a requirement for all projects and programmes.

These are further discussed in the Management Action Plan below.

Acknowledgements

We would like to thank all staff consulted during this review for their assistance and co-operation.

Management Action Plan

Control Objective 1: There are adequate governance processes through which change demand is identified, assessed and prioritised. All changes are assessed against an agreed future state to confirm strategic alignment.

Amber

1.1 Strategic Assessment of Projects and Programmes

Our audit work identified a lack of consistency in approach to, and documentation of, the justification, assessment, approval and prioritisation of projects and programmes.

A 'New Demand Template' is in place to provide the relevant governance groups with the requisite information to assess the merits of a proposed new project or programme. The Template requires inclusion of detail on areas such as scope and objectives of the project as well as cost and risks. The Template has sections to record approval by each of the Design Authority and CPIG. However, this has not been used by any of the current change projects or programmes.

A 'Strategic Scoring Overview' was used for the Strategic Services Review Programme (SSRP), in May 2024, but has not been used for any other change projects or programmes. The Strategic Scoring Overview includes 11 questions through which projects and programmes of work can be assessed. The structure of this document allows for prioritisation decisions to be made, with each question graded on a 0-5 basis.

A further observation was that there is no commonly understood definition of what is regarded as business change within the organisation. We would expect all business change to be triaged and assessed through the Portfolio Office, but there are many instance of change that do not flow through this pathway. For example, there is change within the Annual Operating Plan and ICT Workplan (see MAP2.1) that has not been subject to Portfolio Office assessment.

Risk

There is a risk that if programmes and projects are not formally assessed consistently, this could result in projects and programmes being approved which do not align with corporate priorities and the wider change agenda. This may also result in ineffective or inefficient use of resources.

Without a consistent understanding of what represents business change, there is a risk that change is not managed and controlled effectively. This could result in change being progressed in silos without strategic leadership approval.

Recommendation

To ensure consistent approach to assessment, approval and prioritisation of projects and programmes, we recommend that the New Demand Template and Strategic Scoring Overview documents are completed by the respective business owner. These should flow through relevant governance arrangements prior to any decision being taken on their approval/rejection. This will also allow for better understanding of change activity and alignment with Annual Operating Plan processes.

Having agreed priorities will also support the organisation make prioritisation-based decisions when demand exceeds financial, skills and people resource capacity.

A key enabler of this approach will be to ensure that there is a commonly understood definition of business change within the organisation. This will be pivotal in ensuring all proposed business change activity follows the correct approval pathways within the organisation. For example, upgrades of technical ICT solutions to ensure they remain in support may not be regarded as a business change and could be managed within ICT. However, the implementation of a technology solution for a business function would be regarded as a business change.

All activity that meets the criteria of business change must then follow the agreed Portfolio Office processes. This will allow the organisation to triage demand and determine their respective priority.

Management Action

Grade 3 (Operation)

Implement the new business case process, including the following associated inter-dependent activities:

- **Develop and implement a definition of change matrix** to ensure there is a commonly understood definition of business change within the organisation. This will provide a definition of what a continuous improvement initiative, project or programme is.
- **New Demand sub-process** with triage and impact assessment of change to understand scope, size, complexity, and scale. Provide a single-entry point for all change to help align all plans and manage capacity. This will include the three-year delivery plan and strategic portfolio.
- **Update and consistently use the strategic scoring prioritisation matrix** to support ranking of change across the organisation. Align all delivery plans with the approach to ensure consistency within delivery areas.
- **Ensure that Demand Template and Strategic Scoring Overview documents** are completed by the respective business owners and follow governance and assurance processes.

Action owner: Curtis Montgomery

Interim review date: 31 March 2026

Due date: 31 March 2027

Control Objective 2: There is effective planning to ensure business change activity and Annual Operating Plans are aligned.

Control Objective 3: Planned activity sets out a clear vision of change and future operating model to allow the organisation to determine the skills, resources and time required to support implementation.

2.1 Future Operating Model, Strategic Aims and Resourcing

The Service's Strategic Plan 2022-2025 outlines the organisation's strategic aims, including details of the seven key outcomes. The strategy references the intention of the Service to progress with major change projects.

The Three-Year Delivery Plan 2024-27, which encompasses the Annual Operating Plan (AOP) for 2024-25, includes further detail of what change activity will be undertaken. This provides a brief description of the change and the benefits to the organisation.

The AOP sets out 23 change activities with each one containing at least one milestone. These are set out in Appendix B. Change activities represent 23 of 39 total activities within the AOP. Despite the large volume of change activity set out within the AOP, the organisation has not produced a blueprint or vision of what change is or what the outcomes of change activities will be, either collectively or individually.

We also noted that the production of the AOP is not aligned to the change management governance structure or processes. We were unable to reconcile change activity within the AOP to the change programme.

ICT is the only team within the Service that has developed an annual workplan, this being presented to the Corporate Board in August 2024. The ICT workplan sets out the various core and corporate activities that the ICT team is involved in. We noted that this workplan has not been agreed or prioritised with the Portfolio Office and is not aligned to approved change activity either within the AOP or change programme.

The weaknesses of the AOP and the slower progress than expected are indicative of a lack of agreed and consistent business change culture within organisation leadership.

We also noted from our review of the AOP that, in some instances, activity is regarded as change when it is more likely to be business as usual activity. For example, the introduction of a skills or training framework with a requirement to finalise a draft and undergo governance approval.

Our review also identified the following weaknesses regarding the AOP as regards the change agenda within the Service:

- It is not clear what priority any of the listed change activities have.
- There is no measurement criteria or Key Performance Indicators (KPIs) included within the AOP.
- There is no reference to the previous year's Annual Operating Plan and the achievement of prior objectives or continuation of objectives.

- No accountable individual is listed against any of the change activities, with responsible departments listed instead.

Risk

Without a clear Service-wide vision or blueprint on what business change activity is expected to deliver, the organisation will not be able to clearly define outcomes or agree the projects and programmes that are necessary to achieve this. The organisation will also not have a baseline for determining whether proposed activity aligns with agreed strategy and outcomes. This could result in projects and programmes being approved which do not maximise contribution to the efficiency and effectiveness of the organisation.

By not aligning the AOP to the change programme, there is a risk of maverick behaviour within the organisation and unofficial business change being progressed. This could undermine wider business change initiatives, consume scarce resources and delay progress to business change activities.

There is also a risk that, without outcome based milestones, the organisation will not be able to measure whether the AOP has been successfully delivered. It will also not allow the organisation to determine the skills and resources needed to deliver business change and may result in appropriate allocation of resources.

Recommendation

We recommend that a blueprint or vision is documented by the organisation. This should form the basis on which proposed projects and programmes are assessed. The blueprint/vision should set out what the organisation wishes to achieve from business change activity and set out a future operating model that projects and programmes must align with. This should also set out a roadmap for how this will be achieved including transitional arrangements over the course of implementing business change activity.

We recommend that all change activity is channelled through change governance processes. It will be important for the organisation to clearly define what is regarded as change activity and identify pathways for changes of different scale/complexity. This will allow the organisation to more carefully manage change activity and ensure that the organisation has the capacity to deliver both core services/business as usual as well as change. Only that activity approved through change governance should be included in the AOP. Where unapproved change is identified, this should be paused and subject to a formal governance process to determine next steps.

We also recommend that future versions of the AOP contain:

- clear links to the approved change programme
- milestones that are outcome rather than task focused. This will allow management to determine whether the activity has been realised its intended outcomes.
- KPIs to allow progress to be measured.
- details of accountable individuals for each agreed activity

Management should also consider whether all departments should have their own workplans that are aligned with the AOP and change programme. This may support the organisation better understand capacity and capability available to support delivery of the change programme.

Management Action

Grade 3 (Design)

Develop the first iteration of a five-year blueprint and future state model for the organisation, indicating its future working practices and processes, the information it requires, and the technology needed to deliver the capability described in the vision statement. This includes an articulation of:

- **Station configurations, crewing models, and assets** required to deliver front-line services.
- **The services, working practices, and overall target operating model** for corporate services.
- **An overarching change roadmap** setting out the main objectives, with a defined set of transitional architecture roadmaps that identify the "as-is" position and help navigate the organisation to the future state over multiple years.
- **Further develop KPIs** to support the visibility of change.
- **All change linked to the annual planning process –** The annual planning process will be further developed to ensure alignment across financial, strategic and change planning for 26/27.

Action owner: Sarah O'Donnell

Interim review date: 31 March 2026

Due date: 31 March 2027

Control Objective 4: The organisation has the appropriate capabilities and capacity in place to support business and cultural change activity.

Amber

4.1 Resources, Skills and Capabilities Issues

An initial assessment of the change resources, skills and capabilities SFRS currently holds has not been undertaken. In addition, while the organisation is committed to deliver significant change activity, it has not undertaken an exercise to establish the skills, capabilities and quantum of resource required to deliver both the change activity it is committed to and BAU operations in the medium and longer term.

The organisation does not have a formal resource planning and management process to ensure that the approved change activity has the appropriate resources and skills to support its delivery. All change activity that requires approval through formal change governance will have a resourcing impact, including the use of and backfilling of internal resources, this being defined in business cases. We did not see any evidence of the organisation having a systematic approach to strategic resource and skills planning for business change activity.

This lack of forward planning is having a negative impact on projects and programmes. A consistent theme of our review was resourcing gaps within projects and programmes. From reviewing the project resource plans as well as highlight reports, each programme was noted as having vacancies and were at risk from resourcing issues. Furthermore, ICT – which is a key supplier to many projects and programmes - reported in August 2024 that they had 30 FTE vacancies.

Risk

There is a risk that if the organisation does not carry out a resource gap analysis, or have processes to establish resource requirements for the change programme, programmes and projects will be under-resourced. This is highly likely to result in delays to projects and programmes with the Service not realising expected savings and efficiencies.

Recommendation

We recommend management implements formal resource planning and management processes for all agreed business change activity. This will be vital to ensuring the successful delivery of the change programme. Management should perform a skills gap analysis internally to identify what resources, if any, are available to support the change programme.

To support strategic resource planning and management of projects and programmes, management must ensure that resource and skill requirements are identified as part of business cases production. This information should then be used to determine the skills, capabilities, timing and quantum of resource needed to achieve the change. This information will be necessary for management to determine options for resourcing change activity, whether this be backfilling of existing roles on a temporary basis or recruiting for specific project and programme roles. This should be kept under regular review to optimise delivery as well as cost management.

Management Action

Grade 3 (Design)

Further develop resource planning, capacity management, and scheduling, implementing a standard (proportionate) approach across all change activities:

- **Introduce a combined annual planning process** that brings together a unified view of change (including AOP and Strategic Change Portfolio).
- **Identify resourcing requirements** for all change activities, particularly the need for specialist shared resources, in the form of resource plans. The resource plans will be required before the start of each project phase to ensure the appropriate resources are requested and available.
- **Utilise PPM systems and tools** to capture plans and help manage demand by aggregating resources by type and measuring against departmental capacity. This approach will help us to create a prioritised schedule that aligns change with the availability of business-critical resources.
- **Provide management information** for CPPG and CPIG that offers visibility of resource constraints and inter-dependencies supporting informed prioritisation decision making.

Action owner: Curtis Montgomery

Interim review date: 31 March 2026

Due date: 31 March 2027

Control Objective 5: There are effective governance processes in place for oversight of change project/ programme delivery.

Yellow

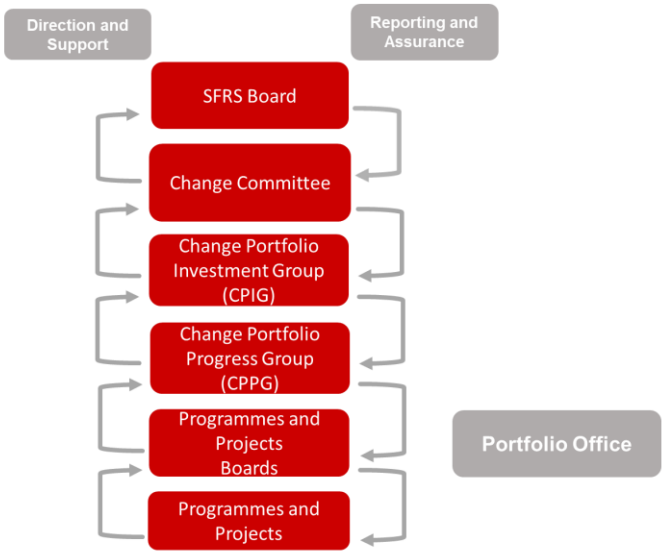
5.1 Change Management Governance Structures

There is extensive governance over strategic portfolio change activity within the Service. A summary of the governance groups and core roles/responsibilities is set out in the table, below:

Governance group	Summary of role/responsibilities
Corporate Portfolio Investment Group (CPIG)	The primary Executive group responsible for identification and selection of initiatives and to identify the prioritisation of the selected initiatives and ensure adequate resourcing.
Change Portfolio Progress Group (CPPG)	Responsible for providing oversight on progress and risks to ongoing programme. The group is chaired by the Deputy Chief Officer and membership is predominantly heads of service.
Design and Assurance Forum	Purpose is to provide cross-organisational expert oversight of change at early stages of change activity. While it is not stated that they are required to approve any projects, they are included as requiring approval within the new demand form, which new projects are required to fill out and submit.
Change Committee	Formal Committee of the SFRS Board which provides scrutiny and challenge over change activity within the Service.

All of the above groups, except the Change Committee, meet either monthly or on a rotating four / six weekly basis. The Change Committee meets quarterly. All governance groups have agreed terms of references.

In addition to the above, multiple programme boards are in place, with meetings held on a monthly basis. All groups report to either a portfolio board or the CPPG. Risk registers are in place for programmes with risk registers including mitigating actions and updates on ongoing actions undertaken to mitigate risks with these reviewed on a regular basis. The structure is summarised in the diagram, below:



While a governance structure is in place, feedback from meetings with multiple key contacts indicated that it is not effective or efficient. A range of issues were highlighted including, confusion over where projects and programmes report to, a sense of duplication of effort, lack of clarity on where key decisions are made, and who has responsibility for making such decisions.

At present, a single project may have reporting requirements to five separate governance groups; CPIG, CPPG, Change Committee, DAF and the programme board of which the project is a part of. It is routinely the case that some individuals will attend most/all of these meetings.

Additionally, there is overlapping responsibilities between some of the groups. For example:

- The CPIG, CPPG and DAF all operate as oversight groups with overlap in membership and responsibilities.
- Both the CPIG and CPPG have responsibilities to monitor and manage programme financials, review and approve change requests, and monitor progress of programmes.
- Both the DAF and CPIG have a responsibility of review of the portfolio strategy.

Our review of minutes of meetings and discussions with members of the CPPG, identified that the CPPG could be more effective in its role through the application of increased scrutiny on the progress of programmes. We also identified that the Design and Assurance Forum has had limited impact in its role to date due to low volume of strategic change activity that has flowed through it.

Risk

There is a risk that, if governance structures in place are overly complex, with overlapping responsibilities, there will be confusion over how to effectively navigate governance requirements by staff. This may result in reduced capacity for those involved in project work to effectively carry out their duties and delay the completion of projects.

Recommendation

We recommend management assesses the effectiveness of current change governance arrangements. A primary objective of change governance should be to strike a balance of effective oversight, decision-making and efficiency. The review should seek to reduce duplication of effort, overlapping responsibilities and attendance at meetings.

Management Action

Grade 2 (Design)

Assess current governance arrangements by conducting a review of the existing change governance structures to identify areas of duplication, overlapping responsibilities, and inefficiencies in meeting attendance.

- Produce a report outlining the recommendations to streamline existing change governance structures, processes and rationalise attendees. The report will be reviewed by the Change Portfolio Investment Group.

Action owner: Curtis Montgomery

Interim review date: 31 March 2026

Due date: 31 March 2027

Control Objective 6: There are adequate processes in place to identify, manage and monitor quantitative and qualitative benefits arising from change activity.

Amber

6.1 Lack of Compliance with Existing Benefits Management Process Documentation

While there is currently no single benefits management and realisation policy document in place at SFRS, there are various documents in place that provide significant detail on the benefits management process.

The two key documents are the Benefits Management Toolkit and the Benefits Profile document. These are required to be for all projects and programmes.

The Benefits Profile document includes information on areas such as how benefits support programme/ organisation objectives, what are the current/baseline performance levels, what issues/risks might affect full benefits realisation and how will you measure the impact of the benefit.

The Benefits Management Toolkit details the process to be followed for benefits management. In practice, we found these documents are not used. This is a concern as significant resources have been dedicated to some programmes that have been ongoing for years, with no benefits calculated.

Some stand-alone projects do have some detail around benefits.

The Rostering project is a stand-alone project and provided a detailed presentation to the CPPG in November 2024. It included the link between the benefits of the project and the strategic aims of the organisation, as well as benefits and dis-benefits. However, it did not utilise either of the benefits management documents, as required. Additionally, based on analysis undertaken by the Finance team, the project will now generate £1m in disbenefits as opposed to the £2.5m savings calculated in the business case. It was stated that this is due to the enabling policy work being removed from the Rostering scope, which will now deliver as a separate initiative to help release the benefits.

The ESMCP IVS programme has a benefits document, however it compromises of a single table that states benefits but does not include any baseline data or measurable benefits.

A key concern is that change governance has not identified and addressed these shortcomings in process. It is also not clear which governance group has the overall responsibility for the approval and monitoring of any benefits plans.

Risk

There is a risk that if benefits management processes are used consistently across the organisation, benefits will not be well defined and managed. This could result in expected benefits not being achieved and the organisation not achieving its strategy.

Recommendation

We recommend that all approved business change projects and programmes comply with the benefits toolkit as well as the benefits profile document.

Management must ensure that formal benefits identification and realisation processes are implemented. Benefits, both qualitative and quantitative, should be set out in the business case and tracked throughout the project and programme lifecycle. Project and programme boards should ensure that there is formal and regular monitoring of benefits with regular reporting on their achievement to the CPPG and CPIG, as necessary.

Management Action

Grade 3 (Operation)

Fully implement the agreed benefits management process and supporting toolkits for all major change to ensure the following elements are documented and agreed through governance:

- **Benefits profiles** setting out how benefits will be achieved, capturing the who, what, how, when, and by what method for each benefit.
- **SMART benefits KPIs**, with a baseline measure, target for improvement, and dates for realisation.
- **RACI matrix** identifying who will be accountable and responsible for the benefits realisation (in BAU).
- **A benefits realisation plan** with milestone dates and any associated tasks or activities required to realise the benefits.
- **A management report** to aggregate benefits across all change activities.

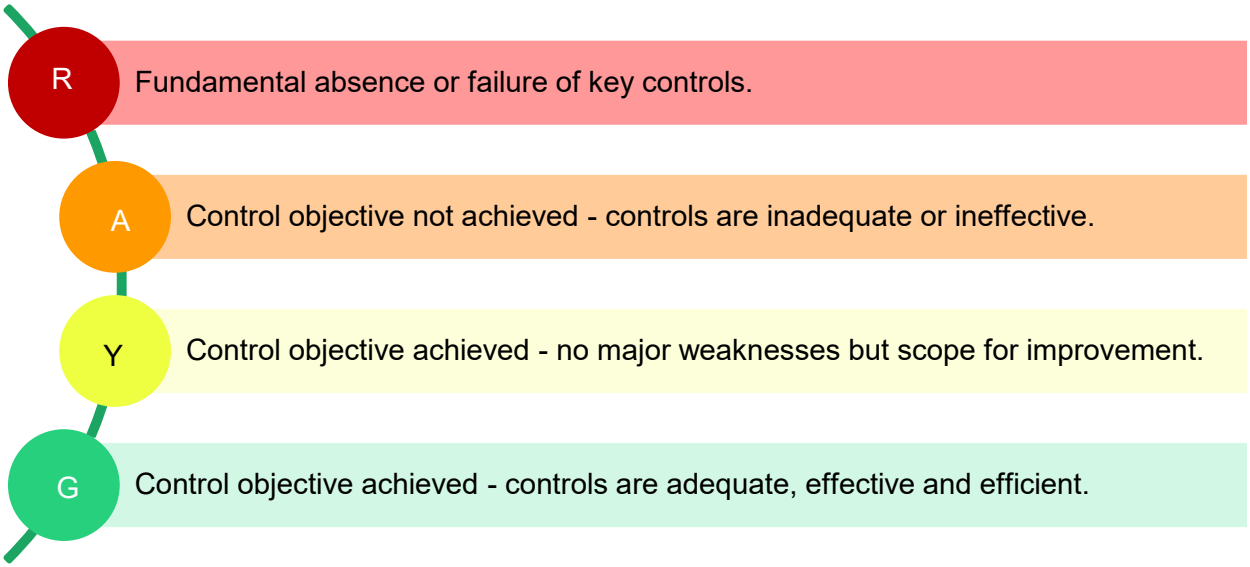
Action owner: Curtis Montgomery

Interim review date: 31 March 2026

Due date: 31 March 2027

Appendix A – Definitions

Control assessments



Management action grades

4	•Very high risk exposure - major concerns requiring immediate senior attention that create fundamental risks within the organisation.
3	•High risk exposure - absence / failure of key controls that create significant risks within the organisation.
2	•Moderate risk exposure - controls are not working effectively and efficiently and may create moderate risks within the organisation.
1	•Limited risk exposure - controls are working effectively, but could be strengthened to prevent the creation of minor risks or address general house-keeping issues.

Appendix B – Change Activity from Annual Operating Plan

Outcome 1 Community safety and wellbeing improves as we deploy targeted initiatives to prevent emergencies and harm.

Ref:	Activity	Milestones	Start Date	Due Date	Lead Directorate
SO1:1	**Assess external and internal structures, performance and accountability in relation to work under the remit of Prevention, Protection and Preparedness**	Collate current performance indicators associated with Prevention, Protection and Preparedness.	Apr-24	Jun-24	Prevention, Protection & Preparedness
		Identify targets for relevant Prevention, Protection and Preparedness activity and consult and reach agreement with external and internal Partners.	Apr-24	Dec-24	
		Undertake review of Prevention, Protection and Preparedness strategy, governance and structures with external and internal partners to inform / propose amended and appropriate responsibility and accountability protocols and controls.	Jun-24	Mar-25	
		Undertake review on how Prevention, Protection and Preparedness performance is reported and scrutinised and provide recommendations if any improvements.	Jun-24	Mar-25	
SO1:2	**Review and consider knowledge and development pathways to support Prevention, Protection and Preparedness Directorate/Area staff, ensuring competency and retention of specialist skills**	Undertake analysis of current training provision for the three Prevention, Protection and Preparedness Functions.	Jun-24	Dec-24	Prevention, Protection & Preparedness
		Develop a training plan for Prevention, Protection and Preparedness, working with colleagues in Training, Safety and Assurance and People Directorates.	Sep-24	Mar-25	
		Investigate the viability of a dedicated progression pathway within Prevention, Protection and Preparedness that ensures Best Value for the Service and retention of key skills, whilst supporting staff with further opportunities.	Jun-24	Mar-25	
		Identify internal and external training providers and associated costs.	Sep-24	Mar- 25	
SO1:3	**Implementation of Prevention, Protection and Preparedness development pathway**	Support Training, Safety and Assurance/Talent in analysing, planning and scheduling of Prevention, Protection and Preparedness development pathway courses and Continuous Professional Development.	Dec-24	May-26	Prevention, Protection & Preparedness

Outcome 2 Communities are safer and more resilient as we respond effectively to changing risk.

Ref:	Activity	Milestones	Start Date	Due Date	Lead Directorate
SO2:2	**Develop and secure approval of the business case and commence work to renew the Self-Contained Breathing Apparatus equipment**	Undertake Research, Development and Innovation process to identify end user high level requirements.	Apr-24	Dec-24	Finance & Contractual Services / Operational Delivery
		Establish SCBA Project team and User Intelligence Group.	Dec-24	Dec-24	
		Development of product specification for SCBA requirements and Invitation to Tender.	Mar-25	Jul-25	
SO2:3	**Continue implementation of the Digital Fireground Radio Project**	Roll out Phase 1 of delivery in East Service Delivery Area (250 units).	Apr-24	Jun-24	Finance & Contractual Services
		Roll out Phase 2 of delivery in North Service Delivery Area (250 units).	Jul-24	Sep-24	
		Roll out Phase 3 of delivery in North Service Delivery Area (250 units).	Oct-24	Dec-24	
		Roll out Phase 4 of delivery in North Service Delivery Area (250 units).	Jan-25	Mar-25	
SO2:4	**Implementation of the Strategic Service Review Programme: Service Delivery Review**	Review agreed outcomes of the 'Shaping Our Future Service: You say' public consultation exercise relating to Service Delivery Review.	Jun-24	Jul-24	Operational Delivery
		Produce a suite of options for change which can be proposed for full public consultation.	Aug-24	Nov-24	
SO2:5	**Procure New Mobilising System and commence implementation plan following configuration and testing**	Conclude procurement exercise and award contract to successful supplier.	Apr-24	TBC	Prevention, Protection & Preparedness/ Operations Delivery
		Onboard supplier and develop implementation plan.	TBC	TBC	
		Provision of configuration and testing environment.	TBC	TBC	
		Commence implementation plan in line with supplier schedule.	TBC	TBC	
SO2:6	**Delivery of the On Call Improvement Programme outcomes**	Inclusion in policy of an On Call to Wholetime Duty System Migration Pathway.	Apr-24	Jul-24	Operational Delivery
		Evaluation of the On Call Bank Rostering Scheme Pilots.	Apr-24	Jul-24	
		Introduction of Pre-Recruitment Engagement Programme (PREP) 2.	Jul-24	Dec-24	
		Introduction of modularised Task and Task Management and Breathing Apparatus training on a pilot basis.	Jul-24	Dec-24	

Outcome 3	We value and demonstrate innovation across all areas of our work.				
Ref:	**Activity**	**Milestones**	**Start Date**	**Due Date**	**Lead Directorate**
SO3:1	**Develop Business Case for funding for community resilience hubs**	Complete sections of Outline Business Case.	Apr-24	Apr-24	Finance & Contractual Services
		Undertake route through SFRS Governance.	Apr-24	May-24	
		Issue Business Case to Scottish Government.	Jun-24	Jun-24	
SO3:2	**Progress Emergency Services Mobile Communications Programme: SFRS In-Vehicle Systems Project**	Commence migration to Emergency Services Network (ESN) data first (installation of Handsfree R5 device).	Apr-24	Oct-25	Finance & Contractual Services
		Commence integration of Operational Intelligence and Mobile Data System.	Apr-24	Aug-24	
		Integration to the ESMCP User Services (lot 2).	Aug-24	Aug-25	
		Commence migration to integrated Operational Intelligence and Mobile Data System.	Sep-24	Sep-26	

Outcome 4	We respond to the impacts of climate change in Scotland and reduce our carbon emissions.				
Ref:	**Activity**	**Milestones**	**Start Date**	**Due Date**	**Lead Directorate**
SO4:1	**Commence work to enhance the capabilities of Building Managements Systems by utilising Internet of Things (IOT) technology such as sensors, devices and increased connectivity.**	Carry out research of IOT network.	Apr-24	Jun-24	Finance & Contractual Services.
		Carry our procurement exercise.	Jul-24	Sep-24	
		Installation of IOT network.	Oct-24	Dec-24	
		Implement pilot project to connect remotely to heating systems utilising IOT technology.	Jan-25	Mar-25	

Outcome 5	We are a progressive organisation, use our resources responsibly and provide best value for money to the public.				
Ref:	**Activity**	**Milestones**	**Start Date**	**Due Date**	**Lead Directorate**
SO5:1	**Deliver the pilot Community Resilience Hub at Portree**	Appoint Principal Consultant on the Portree Community Resilience Hub Project.	Apr-24	Jun-24	Finance & Contractual Services
		Engage with potential partners from public, private and third sectors on the Isle of Skye.	Apr-24	Dec-25	
		Conclude Project Agreement Document, including technical studies and design following detailed engagement with Service Delivery and Training colleagues.	Apr-24	Mar-25	
SO5:2	**Develop the SFRS Training Assets Framework, linked to our Training Vision & Strategy 2023-28, engaging, and communicating with all associated staff**	Establish the training facilities required for each skill set.	Apr-24	Sept-24	Training Safety & Assurance
		Identify the locations of all Training Facilities.	Apr-24	Dec-24	
		Scope and provide options for the provision of a Training Facilities Dashboard and booking system.	Oct-24	Mar-25	
		Prepare a first draft version of the SFRS Training Assets Framework.	Jan-25	Mar-25	
SO5:3	**Undertake restructures within Finance and Procurement, Fleet and ICT to enable more effective delivery of these corporate services.**	Undertake review of current structure and develop future structure proposals.	Apr-24	May-24	Finance & Contractual Services
		Liaise with Support Staff Representative Bodies on proposals.	May-24	Jun-24	
		Seek approval for structure proposals.	Jul-24	Aug-24	
		Implement structure proposals.	Sep-24	Mar-25	
SO5:6	**Continue delivery of the People, Payroll, Finance and Training Project**	Carry out Scottish Government Shared Services Programme Evaluation.	May-24	Jul-24	People
		Update Outline Business Case.	Jul-24	Sep-24	
		Procurement/Memorandum of Understanding (subject to above).	Sep-24	Oct-24	
		Full Business Case creation and approval.	Oct-24	Dec-24	
SO5:7	**Continue delivery of the Rostering Project**	Seek approval of Full Business Case from Change Portfolio and Investment Group.	Apr-24	Apr-24	Operational Delivery
		Award contract to successful supplier.	May-24	May-24	
		Onboard successful supplier.	Jun-24	Jul-24	
		Implementation of Rostering Project Plan.	Jul-24	Jul-25	
SO5:8	**Delivery of the Strategic Service Review Programme: Corporate Services Review**	Carry out data and benchmarking collection and analysis exercise.	Apr-24	Jun-24	People, SPPC & Corporate Services
		Identify lean process improvements.	Apr-24	Mar-25	
		Implement programme of lean process improvements.	May-24	Mar-26	
		Consider outcomes of the Corporate Service collaboration review.	May-24	Sep-24	
		Produce and agree a suite of options for strategic change based on review outcomes, aligning to organisational aims.	Sep-24	Mar-25	

SO5:9	**Review corporate office requirements and dispose of identified surplus properties (e.g. Hamilton)**	Complete Occupational Health Services move out of Hamilton Offices, thereafter, declare the building as surplus and market for sale.	Apr-24	Dec-24	Finance & Contractual Services
		Finalise scope for Scottish Ambulance Service move into the vacant space within the Asset Resource Centre in Inverness.	Apr-24	Mar-25	
		Review usage of all major office buildings including Newbridge, McDonald Road and Dyce, as well as all leased in buildings.	Apr-24	Mar-25	

Outcome 6 **The experience of those who work for SFRS improves as we are the best employer we can be.**

Ref:	Activity	Milestones	Start Date	Due Date	Lead Directorate
SO6:1	**Develop the Service Asset Management Plan: Training**	Compilation and review of consultation and on-line questionnaire returns by Fleet, Property & Equipment Teams.	Apr-24	May-24	Finance & Contractual Services
		Set priorities for future capital investment with Training Team, matching with training needs against existing estate.	Apr-24	Jan-25	
		Preparation of Asset Management Plan document.	Apr-24	Jul-24	
		Proceed route through Governance.	Jul-24	Aug-24	
SO6:2	**Introduce the SFRS Skills Maintenance Framework, linked to our Training Vision and Strategy 2023-28, engaging, and communicating with all associated staff**	Finalise the draft Skills Maintenance Framework and process governance.	Apr-24	Sep-24	Training, Safety & Assurance
SO6:3	**Introduce the SFRS Training Delivery Framework, linked to our Training Vision and Strategy 2023-28**	Finalise the draft SFRS Training Delivery Framework and process governance.	Apr-24	Sep-24	Training, Safety & Assurance

Outcome 7 **Community safety and wellbeing improves as we work effectively with our partners**

Ref:	Activity	Milestones	Start Date	Due Date	Lead Directorate
SO7:1	**Development of Engagement and Consultation Plan to support the Strategic Service Review Programme**	Complete the pre-consultation phase.	Apr-24	Jul-24	Strategic Planning Performance & Communications
		Complete options development and appraisal.	Jul-24	Sep-24	
		Complete formal public consultation.	Oct-24	Dec-24	
SO7:3	**Deliver a programme of coordinated work with Blue Light partners as part of our Corporate Services Review Programme.**	Consider the outputs of the Corporate Services Review Outline Business Case (OBC) and agree a preferred route forward with the Police Service of Scotland (PSoS) and the Scottish Police Authority (SPA).	Jun-24	Sep-24	Strategic Planning Performance & Communications
		Develop, with PSoS, an implementation pathway for the OBC preferred route forward.	Oct-24	Jan-25	
		Explore and agree options with PSoS for creating a joint Project Delivery Team.	Oct-24	Jan-25	
		Finalise the programme of work to deliver the agreed outputs of the Corporate Services Review OBC.	Jan-25	Mar-25	

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/24-25

Agenda Item: 8.2

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**INTERNAL AUDIT PROGRESS REPORT AND SCOPING DOCUMENTS**							
Report Classification:	**For Scrutiny**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with the Risk Management review and Budgetary Management – Investment Prioritisation scopes, as contained within the Internal Audit Plan for 2025/26. In addition, it includes the quarterly internal audit progress report for the 2025/26 Internal Audit Plan.
2	**Background**
2.1	Internal Audit is an independent and objective assurance and consulting activity designed to add value and improve the operations of Scottish Fire and Rescue Service (SFRS). It helps senior management accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
2.2	The provision of an Internal Audit framework is a key dimension of assurance that is required by the Accountable Officer to enable them to sign the governance statement as part of the annual accounts, for which they are responsible.
2.3	For SFRS the Internal Audit function is provided by an external contractor with this work currently undertaken by AZETS. Following a tender BDO have been appointed as Internal Auditors from 1 April 2025, for a 5-year period, with the 2025/26 internal audit plan being presented to the ARAC on 8 April 2025.
2.4	Within SFRS, internal audit engagement is led by the Deputy Chief Officer (Corporate Services), and audit planning is developed in conjunction with the Strategic Leadership Team (SLT) and ARAC. Draft audit scoping papers, completed assignment reports, and quarterly progress updates are reported to SLT in advance of submission to ARAC, to ensure internal audit work is meeting the organisation's needs.
3	**Main Report/Detail**
3.1	Following agreement by the Strategic Leadership Team of the Final 2025/26 audit plan, BDO have provided draft scoping documents in relation to the Risk management and Budgetary Management – Investment Prioritisation reviews for scrutiny and approval by the Audit and Risk Assurance Committee.
3.2 3.2.1	**Risk Management - Scope:** The purpose of the review is to provide the Service with assurance over key risk management controls and will cover:

	• Documented Procedures • Consistent Application • Management Oversight • Training and Induction • Assurance Mapping
3.2.2	The proposed review is attached as Appendix A, together with further detail on each of the areas to be covered. The document was prepared by BDO following discussion and agreement by Sarah O'Donnell, as Audit Sponsor.
3.2.3	The audit is due to commence in August 2025, with 18 days allocated in relation to planning, field work, review and reporting. BDO have discussed required documentation in advance of the audit and have outlined required information within their document.
3.3 3.3.1	**Budgetary Management – Investment Prioritisation - Scope:** The purpose of the review is to provide the Service with assurance over key budgetary management and investment prioritisation controls and will cover: • Budgeting Development • Budget Re-Forecasts • Policies and Procedures • Training and Induction • Management Oversight • Consistent Approach • Budget Commitment and Spend • Decision Considerations
3.3.2	The proposed review is attached as Appendix B, together with further detail on each of the areas to be covered. The document was prepared by BDO following discussion and agreement by Deborah Stanfield, as Audit Sponsor.
3.3.3	The audit is due to commence in September 2025, with 20 days allocated in relation to planning, field work, review and reporting. BDO have discussed required documentation in advance of the audit and have outlined required information within their document.
3.4 3.4.1	**Progress Report:** The purpose of the paper is to provide the Committee and management with an overview of the status of the internal audit programme for 2025/26. The status update is attached in Appendix C.
4	**Recommendation**
4.1	The Audit and Risk Assurance Committee is asked to: • Scrutinise and approve the draft scope for the Risk Management audit review. • Scrutinise and approve the draft scope for the Budgetary Management – Investment Prioritisation audit review. • Scrutinise the internal audit progress report
5	**Key Strategic Implications**
5.1 5.1.1	**Risk Appetite and Alignment to Risk Registers** The report is aligned to the Services Compliance risk appetite in relation to our internal governance, including systems of control and data governance, where a Cautious risk appetite was identified.
5.1.2	The report reflects the general underlying principle that SFRS will operate in an open and transparent manner using our resources responsibly and demonstrating best value in the use of public funds.

5.2 5.2.1	**Financial** The reviews are part of the 2025/26 internal audit plan and has been incorporated within the budget for 2025/26.	
5.3 5.3.1	**Environmental & Sustainability** Any implications arising from the report will be managed by the relevant Directorate.	
5.4 5.4.1	**Workforce** Any implications arising from the report will be managed by the relevant Directorate.	
5.5 5.5.1	**Health & Safety** Any implications arising from the report will be managed by the relevant Directorate.	
5.6 5.6.1	**Health & Wellbeing** Any implications arising from the report will be managed by the relevant Directorate.	
5.7 5.7.1	**Training** Any implications arising from the report will be managed by the relevant Directorate.	
5.8 5.8.1	**Timing** The report is provided to ARAC to allow initial work to be undertaken in relation to the Risk Management and Budgetary Management – Investment Prioritisation Reviews.	
5.9 5.9.1	**Performance** The report provides information on the Risk Management and Budgetary Management - Investment Prioritisation audits as part of the 2025/26 internal audit plan for SFRS. The internal audit contract will outline a number of agreed key performance indicators to demonstrate whether contract requirements are being met. Performance data will be provided by the Internal Auditor and reported quarterly to the ARAC.	
5.10 5.10.1	**Communications & Engagement** Any implications arising from the report will be managed by the relevant Directorate.	
5.11 5.11.1	**Legal** Any implications arising from the report will be managed by the relevant Directorate.	
5.12 5.12.1	**Information Governance** DPIA completed - No. The report provides a summary of information and actions to be taken by Directorates, and named individuals, to manage any significant risk identified. The responsible Directorate will ensure that any relevant DPIA is completed as required	
5.13 5.13.1	**Equalities** EHRIA completed - No. Where an equalities assessment is required, this will be determined by the responsible Directorate and progressed accordingly.	
5.14 5.14.1	**Service Delivery** Any implications arising from the report will be managed by the relevant Directorate.	
6	**Core Brief**	
6.1	Not applicable	
7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Sarah O'Donnell, Deputy Chief Officer (Corporate Services)
7.2	**Level of Assurance: (Mark as appropriate)**	**Substantial**/~~Reasonable/Limited/Insufficient~~

7.3	**Rationale:**	The development of the draft scopes for the Risk Management and Budgetary Management – Investment Prioritisation audits has been undertaken in line with BDO's methodology and in discussion with Sarah O'Donnell, as audit sponsor and Deputy Chief Officer (Corporate Services), and the respective management team involved in each review.
8	**Appendices/Further Reading**	
8.1	Appendix A – Risk Management – Draft Terms of Reference	
8.2	Appendix B – Budgetary Management – Investment Prioritisation – Draft Terms of Reference	
8.3	Appendix C – Internal Audit Progress Report	

Prepared by:	Sean Morrison, Internal Audit Senior Manager
Sponsored by:	Sarah O'Donnell, Deputy Chief Officer (Corporate Services)
Presented by:	Sean Morrison, Internal Audit Senior Manager

Links to Strategy and Corporate Values

The Internal audit process forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:

Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

- Objective 5.1: Remaining open and transparent in how we make decisions.
- Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.

Governance Route for Report	**Meeting Date**	**Report Classification/ Comments**
Strategic Leadership Team	*04 June 2025*	*For Decision*
Audit and Risk Assurance Committee	*19 June 2025*	*For Scrutiny*

APPENDIX A

SCOTTISH FIRE AND RESCUE SERVICE

RISK MANAGEMENT - TERMS OF REFERENCE - DRAFT

JUNE 2025

SIGN OFF			
ON BEHALF OF BDO LLP		ON BEHALF OF SCOTTISH FIRE AND RESCUE SERVICE	
SIGNATURE:	CLAIRE ROBERTSON	SIGNATURE:	SARAH O'DONNELL
TITLE:	DIRECTOR	TITLE:	DEPUTY CHIEF OFFICER
DATE:		DATE:	

IDEAS | PEOPLE | TRUST

BACKGROUND

BACKGROUND

As part of the 2025-26 Internal Audit Plan, it was agreed that internal audit would review the risk management framework in place within the Scottish Fire and Rescue Service (SFRS) and compare this with good practice.

SFRS has a risk management framework which sets out the arrangements for risk management within the organisation.

Risk information is reported to the senior leadership team on an ongoing basis, quarterly to the Audit & Risk Assurance Committee, and wider Board Committees.

The organisation have Directorate risk registers in place and reporting of those risks over a residual score of 15 are presented to the Committees and Leadership team within the risk reports.

Risk management training has been provided to via workshops at Board, Directorate and Project level. There is also ongoing risk management support, awareness raising and training provided to those with risk responsibilities via the engagement provided by the Risk & Audit Manager and Risk team.

PURPOSE OF THE REVIEW

We will assess the risk management arrangements and provide management with advice and recommendations for improving the arrangements further. The deliverables will include an internal audit report and a populated risk management maturity model, to demonstrate to management in detail the maturity status and actions which can be taken to further develop the risk management processes. The review will also assess the assurance mapping processes in place within the organisation and how this is linked to risk management.

SUMMARY SCOPE AND APPROACH

The following areas will be covered as part of the scope for this review:

- Documented Procedures
- Consistent Application
- Management Oversight
- Training and Induction
- Assurance Mapping

Interviews/documentation review will be undertaken to understand the process and design of control arrangements for the areas under scope. Detailed testing through walkthroughs will be carried out, along with a review of evidence, periodic updates and follow up meetings as required.

A closing meeting will take place to discuss findings and agree actions. We will then produce a draft report that will be provided to management for confirmation of their management actions before issuing a final report.

MANAGEMENT COMMENTS

Key contacts updated.
UPDATE AS REQUIRED

EXCLUSIONS/LIMITATIONS OF SCOPE

The scope of the review is limited to the areas documented under the scope and approach. All other areas are considered outside of the scope of this review.

Our work is inherently limited by sample testing and therefore will not provide assurance overall risk management controls process within the organisation. We are reliant on the honest representation by staff and timely provision of information as part of this review.

The review will not include coverage of operational risk assessments.

DETAILED SCOPE, RISKS & APPROACH

The table below outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high-level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
DOCUMENTED PROCEDURES	1. Actions are taken by management which do not align with the organisation's risk appetite, as the organisation may not have clearly set out its strategic direction and objectives in relation to risk management (including policy, roles and responsibilities, objectives, and communication).	• Review and assess risk management guidance documents, for example any risk management strategy, policy and framework documents. • Confirm whether risk management objectives and appetite have been defined. • Confirm whether roles and responsibilities for risk management have been documented. • Review and assess the approach for developing and updating risk registers. • Review and assess the Board and Audit & Risk Assurance Committee remits to confirm whether responsibilities for risk management have been defined.
CONSISTENT APPLICATION	2. The organisation may not have adopted a systematic process in identifying, evaluating, and measuring its key strategic and operational risks resulting in a failure to effectively record and manage emerging risks.	• Review and assess the process for identifying, evaluating, escalating, de-escalating and measuring strategic and operational risks. • Confirm the risk register review frequency. • Review and assess the process for assessing whether mitigating controls are in place and functioning effectively. • Review and assess the embeddedness of risk management processes within the organisation.
MANAGEMENT OVERSIGHT	3. Management and the Board are not provided with suitable information to make informed decisions as SFRS may not have adequate reporting regarding risk management activities.	• Review and assess the reporting arrangements in place for risk management. • Consider the efficiency of the arrangements in place to develop risk management reports, including automation and manual processes. • Review and assess whether the risks reported are linked effectively to objectives in the strategy. • Review and assess Board, committee and management team meeting minutes to confirm that risks are being effectively considered and acted on. • Confirm whether risk interrogations or deep dives are being undertaken.
TRAINING AND INDUCTION	4. Staff do not have sufficient risk management capabilities to effectively discharge their roles and responsibilities as SFRS may not be providing appropriate risk management training.	• Review and assess the process for providing risk management training and awareness raising within the organisation. • Confirm who is required to receive risk management training and whether it is included within induction materials.
ASSURANCE MAPPING	5. Management are looking for further reassurance that processes are well designed and effective in mitigating the risks which the organisation is facing.	• Review and assess the development of an assurance map within the organisation to effectively oversee the range of internal and third-party assurance reviews undertaken. • Review and assess whether there is a project plan in place for the assurance mapping development project. • Consider the effectiveness of linking risk management and assurance arrangements within the organisation to strategic objectives. • Review and assess the assurance reporting arrangements within the organisation.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS				
BDO LLP				
Claire Robertson	Director	Head of Internal Audit	T:07583 237 579	E:Claire.Robertson@bdo.co.uk
Sean Morrison	Internal Audit Senior Manager	Engagement lead	T:07812 463 131	E:sean.Morrison@bdo.co.uk
SFRS				
Sarah O'Donnell	Deputy Chief Officer (Corporate Service)	Audit Sponsor	E: Sarah.O'Donnell@firescotland.gov.uk	
Mark McAteer	Director of Strategic Planning, Performance and Communications	Key Audit Contact	E: Mark.McAteer@firescotland.gov.uk	
Deborah Stanfield	Director of Finance and Contractual Services	Key Audit Contact	E: Deborah.Stanfield@firescotland.gov.uk	
Richard Whetton	Head of Corporate Governance	Key Audit Contact	E: Richard.Whetton@firescotland.gov.uk	
Lynne McGeough	Head of Finance and Procurement	Key Audit Contact	E: Lynne.McGeough@firescotland.gov.uk	
David Johnston	Risk and Audit Manager	Key Audit Contact	E: David.Johnston@firescotland.gov.uk	
Risk owners, Heads of Departments, Directorate Leads and ARAC Chair to be consulted during the review.				
Internal audit will endeavour to engage with all relevant stakeholders in relation to the scope of the review.				

The staff listed above will be contacted during the fieldwork to assist in completion of the assignment. All these staff will be contacted prior to fieldwork to agree the timing of our visit and should be issued with a copy of this terms of reference. It is important that staff involved with the assignment are notified. To assist us in planning the logistics of the assignment, including provision of documents and meeting organisation the above audit coordinator has been nominated.

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	27/05/2025
TERMS OF REFERENCE AGREED	TBC
DOCUMENTATION REQUEST DEADLINE	21/07/2025
FIELDWORK COMMENCEMENT	28/07/2025
END OF FIELDWORK	29/08/2025
CLOSING MEETING	05/09/2025
ISSUE OF THE DRAFT REPORT	12/09/2025
RECEIPT OF MANAGEMENT RESPONSES	26/09/2025
ISSUE OF UPDATED FINAL DRAFT	29/09/2025
ISSUE OF FINAL REPORT	30/09/2025
SENIOR LEADERSHIP TEAM DATE	08/10/2025
AUDIT & RISK ASSURANCE COMMITTEE DATE	23/10/2025

By accepting this Terms of Reference document you are agreeing to the timing of this audit

LOCATION

We plan to perform this review via a combination of remote and on-site working as required as agreed with you. We will use a combination of conference calls, video conferencing facilities and emails. We will endeavour to limit the amount of time required of key colleagues.

ALLOCATION & FEES

ALLOCATION

This is an 18-day allocation, split as follows:

AREA	DAYS
Planning	3
Fieldwork	12
Reviewing and Reporting	3

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated Cost of Review	18	£576	£10,368

BUDGET & ASSUMPIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £10,368 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 18 days on a blended day rate of £576. See the table to the left-hand side for a full breakdown of the fees.

The fees are based upon our estimate of the time required to complete the engagement. These costs have been calculated on the assumption that we will receive all information outlined on this page by the dates specified and that we will be granted access to all key personnel.

The allocation outlined to the left-hand side above is based upon our estimate of the time required to complete the engagement outlined within this document. If the scope of work changes, we will communicate with management any predicted over-or-underspend, before invoicing. In addition, we assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit day allocation may not be accurate.

TIMING CHANGES AND CANCELLATION

In accepting this Terms of Reference document, you are agreeing to the timing of this audit specified in this document. We will make every effort to accommodate timing changes or cancellation of the audit however any changes within 3 weeks of the start of the fieldwork may result in fees being charged in respect of the audit. Changes with more than 3 weeks' notice will be accommodated at no extra charge.

ACCESS TO INFORMATION & COLLEAGUES

Any unreasonable delay in gaining access to required information or key colleagues will place audit timings at risk and may result in additional fees to you. Any such charges would be notified to you and agreed at the time the issue is identified.

APPENDIX A: DOCUMENTATION REQUEST

Outlined below and on the following page is an initial information request relating to this audit. Timely receipt of this information is critical to ensure that the objectives of the audit are met and that the work is completed on time. We have provided an overview of what we require from you. If you can please ensure to present the requested documentation by 21 July 2025 that would be most appreciated. We have tried to be specific wherever possible; however, please do contact us as soon as possible if you are unsure about any of the information required. Please note that this is an initial request and is not exhaustive – further information requiring your attention (including meetings) will be required at the time of our fieldwork.

INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA
Risk management policy/strategy/framework documents (most up to date)	Documented procedures
All risk registers – for example strategic and operational if in place	Consistent application
Board, Sub-Committee and Management Team reports and minutes for the last year on risk	Management oversight
Risk management training materials, induction materials, and any awareness raising	Training & induction
Risk appetite documents (if in place and separate from policy etc.)	Consistent application
Risk appetite approvals	Governance
Any assurance mapping materials in place	Assurance

FOR MORE INFORMATION:

CLAIRE ROBERTSON, HEAD OF RISK ADVISORY SERVICES – SCOTLAND

+44 (0)7583 237 579
claire.robertson@bdo.co.uk

www.bdo.co.uk

APPENDIX B

SCOTTISH FIRE AND RESCUE SERVICE

BUDGETARY MANAGEMENT AND INVESTMENT PRIORITISATION - TERMS OF REFERENCE - DRAFT

JUNE 2025

SIGN OFF			
ON BEHALF OF BDO LLP		ON BEHALF OF SCOTTISH FIRE AND RESCUE SERVICE	
SIGNATURE:	CLAIRE ROBERTSON	SIGNATURE:	DEBORAH STANFIELD
TITLE:	DIRECTOR	TITLE:	DIRECTOR OF FINANCE AND CONTRACTUAL SERVICES
DATE:		DATE:	

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BACKGROUND

BACKGROUND

It was agreed with management and the Audit & Risk Assurance Committee as part of the 2025-26 internal audit plan that Internal Audit would undertake a review of the budget setting and investment prioritisation processes.

The review will assess the core budget setting, investment prioritisation process and change programme, given future financial challenges.

Core Budget Setting:

Budgets are set on an annual basis.

The Scottish Fire and Rescue Service has a legal obligation, before the beginning of each financial year, to provide details of how it intends to allocate the financial resources it expects to have available. This information is presented within the budget, which is required to be reviewed and approved by the Board.

The annual budget is essentially a plan detailing how the organisation intends to allocate financial resources throughout the year to achieve organisational and financial objectives.

There is monthly monitoring by Finance and the Leadership Team.

Investment Prioritisation:

Investment prioritisation is a key activity which determines the prioritised allocation of all capital and the revenue funding allocation across the organisation's activities. It must consider Business as Usual (BAU) expenditure as well as allocating funding and resources for the ongoing multi-year change programmes.

The Change Portfolio Investment Group (CPIG) considers all change related investment bids from across the organisation and then allocates funding to agreed priorities.

Once approved budgets are allocated down to budget who are accountable for managing the spend of the budget in line with agreed parameters or in the case of change programmes/projects in line with the agreed individual Business Cases.

PURPOSE OF THE REVIEW

The purpose of this review is to provide management and the Audit & Risk Assurance Committee, with assurance over the design and operational effectiveness of the key budget setting, business case and investment prioritisation controls in place, and to assess whether controls and processes regarding budget prioritisation and setting are well designed and operating effectively.

SUMMARY SCOPE AND APPROACH

The following areas will be covered as part of the scope for this review:

- Budgeting Development
- Budget Re-Forecasts
- Policies and Procedures
- Training and Induction
- Management Oversight
- Consistent Approach
- Budget Commitment and Spend
- Decision Considerations

Interviews/documentation review will be undertaken to understand the process and design of control arrangements for the areas under scope. Detailed testing through walkthroughs will be carried out, along with a review of evidence, periodic updates and follow up meetings as required.

A closing meeting will take place to discuss findings and agree actions. We will then produce a draft report that will be provided to management for confirmation of their management actions before issuing a final report.

MANAGEMENT COMMENTS

Suggested edits completed.

EXCLUSIONS/LIMITATIONS OF SCOPE

The focus of our testing will be interviews and walk throughs to assess the design of the key budget setting and investment prioritisation controls in place and review of evidence to verify the operational effectiveness of those controls and processes. Sample testing of the operational effectiveness of these controls will also be completed. Operating effectiveness testing over controls will be dependent on those controls being sufficiently designed and implemented.

The scope of the review is limited to the areas documented in the scope, risks and approach section of this terms of reference. All other areas are considered outside of the scope for this review.

DETAILED SCOPE, RISKS & APPROACH – CORE BUDGET SETTING

The table below and on the following pages outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high-level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
BUDGET DEVELOPMENT (GENERAL BUDGETING PROCESS)	1. Budgets may be unrealistic, and there may not be clear plans in place which explain how the level of budgeted income and expenditure will be achieved.	Review and assess the process for developing the annual budget, including confirmation that: 1. There is sufficient internal and external consultation during the budget development. 2. There is robust scenario planning and sensitivity analysis undertaken. 3. Documented timelines for completion of the budgeting process are complied with. 4. There are suitable forecasts and assumptions used within the budgets. 5. There is sufficient review, challenge and approval of the budgets in line with the internal governance channels. 6. Review and assess the capital strategy. Confirm that there is clear alignment with the overall corporate strategy and supporting sub-strategies such as the Estates strategy.
BUDGET RE-FORECASTS (GENERAL BUDGETING PROCESS)	2. Budget re-forecasts may not be carried out on a regular basis to reflect changes which may occur to plans, or to predict the out-turn where expenditure in some areas differs from expectations resulting in management making uninformed decisions, or strategic objectives and budgets not being achieved.	• Review and assess the budget re-forecasting process. • Confirm the frequency of re-forecasting. • Confirm the required reviews and approvals for re-forecasting. • Confirm that there is suitable guidance regarding the governance channels, frequency of budget review on capital and revenue spend processes to be followed.
POLICIES & PROCEDURES (GENERAL BUDGETING PROCESS)	3. Inappropriate actions may be taken by staff regarding developing budgets due to there being a lack of robust budget setting policies, procedures and roles and responsibilities documented, resulting in financial damage to the organisation.	• Review and assess the budget setting policies and procedures in place for the organisation. • Confirm that there is suitable guidance regarding the budgeting processes to be followed. • Review and assess the process for publishing and implementing the policies and procedures throughout the different organisations. • Confirm that roles and responsibilities are effectively documented, and that staff with key responsibilities are aware of what is required of them.
TRAINING & INDUCTION (GENERAL BUDGETING PROCESS)	4. Staff may not have the required knowledge regarding the budget setting process to be followed due to there being no training on these topics or incorporation within the new start induction process.	• Review and assess the budget setting process training required to be completed by staff within the organisation. • Confirm the process for ensuring that all required members of staff have completed their training and remediation action for non-completion. • Review and assess training statistics for mandatory training. • Review and assess performance reporting to management regarding staff training completion statistics.

DETAILED SCOPE, RISKS & APPROACH – INVESTMENT PRIORITISATION

The table below and on the following pages outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high-level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
POLICIES & PROCEDURES (INVESTMENT PRIORITISATION)	1. Inappropriate actions may be taken by staff regarding investment prioritisation spend decisions due to there being a lack of robust budget setting and prioritisation policies, procedures and roles and responsibilities documented, resulting in financial damage to the organisation.	• Review and assess the investment management framework, policies and procedures in place for the organisation. • Confirm that there is suitable guidance regarding the governance channels, frequency of budget review, and capital and reform spend processes to be followed. • Review and assess the process for publishing and implementing the policies and procedures throughout the different organisations. • Confirm that roles and responsibilities are effectively documented, and that staff with key responsibilities are aware of what is required of them.
TRAINING & INDUCTION (INVESTMENT PRIORITISATION)	2. Staff may not have the required knowledge regarding the investment prioritisation process to be followed due to there being no training on these topics or incorporation within the new start induction process.	• Review and assess the investment prioritisation process training required to be completed by staff within the organisation. • Confirm the process for ensuring that all required members of staff have completed their training and remediation action for non-completion. • Review and assess training statistics for mandatory training. • Review and assess performance reporting to management regarding staff training completion statistics.
MANAGEMENT OVERSIGHT (INVESTMENT PRIORITISATION)	3. Inappropriate actions are taken by management in relation to budgeting decisions due to there not being a clear governance structure in place for delivering and reporting on budget performance and investment prioritisation, resulting in budgets not being delivered.	• Review the budgeting and investment prioritisation spend related papers presented to the Committees, Board and Management over one year and assess adequacy for discharge of responsibilities and includes all details which might be expected. • Confirm the process for tracking and overseeing actions from previous meetings.
CONSISTENT APPROACH (INVESTMENT PRIORITISATION)	4. Inappropriate actions are taken by staff when making investment prioritisation decisions due to there being a lack of a consistent approach or policies and procedures in place for assessing affordability and prioritising spend impacting budget deliverability.	• Review and assess the end-to-end process for investment prioritisation spend business cases, including completion of initial and full business cases, all required reviews and approvals, monitoring and oversight, and reporting of financial performance. • Confirm whether there is appropriate evidence maintained to show consideration of investment actions, resource constraints, available resources, personnel available to deliver the project, long term impacts, strategic alignment, scoring of investment opportunities, spend to save opportunities, and value for money. • Review and assess the current and previous budgets to determine whether the resource allocation is consistent with the strategic objectives. • Determine whether lessons have been learnt and addressed from previous budgets.

DETAILED SCOPE, RISKS & APPROACH – INVESTMENT PRIORITISATION

SCOPE AREA	KEY RISKS	APPROACH
BUDGET COMMITMENT AND SPEND (INVESTMENT PRIORITISATION)	5. Allocated budgets are not sufficiently spent resulting in an opportunity cost of other organisation priority areas not being invested in.	• Review and assess the processes for ensuring that budgeted spend is committed and made throughout the financial year. • Confirm that there is sufficient oversight and scrutiny of budget spend. • Confirm whether there is a process for reallocating spend between projects and priority areas, for example from a project that has paused to other areas such as estates and fleet. Assess whether reviews and approvals are required for budget re-allocations.
DECISION CONSIDERATIONS (INVESTMENT PRIORITISATION)	6. Budget prioritisation impacts are not fully considered resulting in a negative impact on staff wellbeing, quality of policing and estates deterioration.	• Review and assess the impact analysis undertaken during the budget setting and budget prioritisation processes. • Review and assess the transparency of decision making for investment prioritisation. • Review and assess the feedback process for business cases. • Confirm that the impact analysis includes consideration of staff wellbeing, staffing levels, quality of fire services, estates condition and public security.

Sample sizes will be determined following the completion of our walkthroughs using our Internal Audit Methodology; for example, if a control is performed daily, we may select a sample of fifteen and if monthly a sample of two to three. Where possible full population testing will be conducted utilising data analytics. See the following page for further information.

Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. A closing meeting will be held to discuss findings emerging from the review prior to issue of the draft report. Once the report and recommendations have been agreed following discussions with management, a summary of the findings will be presented to the Audit and Risk Assurance Committee at its next meeting.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS				
BDO LLP				
Claire Robertson	Director	Head of Internal Audit	T:07583 237 579	E:Claire.Robertson@bdo.co.uk
Sean Morrison	Internal Audit Senior Manager	Engagement lead	T:07812 463 131	E:sean.Morrison@bdo.co.uk
SFRS				
Deborah Stanfield	Director of Finance and Contractual Services	Audit Sponsor	E: Deborah.Stanfield@firescotland.gov.uk	
Sarah O'Donnell	Deputy Chief Officer (Corporate Service)	Key Audit Contact	E: Sarah.O'Donell@firescotland.gov.uk	
Lynne McGeough	Head of Finance and Procurement	Key Audit Contact	E: Lynne.McGeough@firescotland.gov.uk	
David Johnston	Risk and Audit Manager	Support Contact	E: David.Johnston@firescotland.gov.uk	
Marcus Jenkins	Decision Support Manager	Key Audit Contact	E: Marcus.Jenkins@firescotland.gov.uk	
SLT Members and PMO Team				
Internal audit will endeavour to engage with all relevant stakeholders in relation to the scope of the review.				

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	21/05/2025
TERMS OF REFERENCE AGREED	TBC
DOCUMENTATION REQUEST DEADLINE	25/08/2025
FIELDWORK COMMENCEMENT	01/09/2025
END OF FIELDWORK	03/10/2025
CLOSING MEETING	10/10/2025
ISSUE OF THE DRAFT REPORT	17/10/2025
RECEIPT OF MANAGEMENT RESPONSES	31/10/2025
ISSUE OF UPDATED FINAL DRAFT	03/11/2025
ISSUE OF FINAL REPORT	04/11/2025
SENIOR LEADERSHIP TEAM DATE	TBC
AUDIT & RISK ASSURANCE COMMITTEE DATE	22/01/2026

By accepting this Terms of Reference document you are agreeing to the timing of this audit

The staff listed above will be contacted during the fieldwork to assist in completion of the assignment. All these staff will be contacted prior to fieldwork to agree the timing of our visit and should be issued with a copy of this terms of reference. It is important that staff involved with the assignment are notified. To assist us in planning the logistics of the assignment, including provision of documents and meeting organisation the above audit coordinator has been nominated.

LOCATION

We plan to perform this review via a combination of remote and on-site working as required as agreed with you. We will use a combination of conference calls, video conferencing facilities and emails. We will endeavour to limit the amount of time required of key colleagues.

ALLOCATION & FEES

ALLOCATION

This is a 20-day allocation, split as follows:

AREA	DAYS
Planning	3
Fieldwork	13
Reviewing and Reporting	4

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated Cost of Review	20	£576	£11,520

BUDGET & ASSUMPIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £11,520 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 20 days on a blended day rate of £576. See the table to the left-hand side for a full breakdown of the fees.

The fees are based upon our estimate of the time required to complete the engagement. These costs have been calculated on the assumption that we will receive all information outlined on this page by the dates specified and that we will be granted access to all key personnel.

The allocation outlined to the left-hand side above is based upon our estimate of the time required to complete the engagement outlined within this document. If the scope of work changes, we will communicate with management any predicted over-or-underspend, before invoicing. In addition, we assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit day allocation may not be accurate.

TIMING CHANGES AND CANCELLATION

In accepting this Terms of Reference document, you are agreeing to the timing of this audit specified in this document. We will make every effort to accommodate timing changes or cancellation of the audit however any changes within 3 weeks of the start of the fieldwork may result in fees being charged in respect of the audit. Changes with more than 3 weeks' notice will be accommodated at no extra charge.

ACCESS TO INFORMATION & COLLEAGUES

Any unreasonable delay in gaining access to required information or key colleagues will place audit timings at risk and may result in additional fees to you. Any such charges would be notified to you and agreed at the time the issue is identified.

APPENDIX A: DOCUMENTATION REQUEST

Outlined below and on the following page is an initial information request relating to this audit. Timely receipt of this information is critical to ensure that the objectives of the audit are met and that the work is completed on time. We have provided an overview of what we require from you. If you can please ensure to present the requested documentation by 25th August 2025 that would be most appreciated.

We have tried to be specific wherever possible; however, please do contact us as soon as possible if you are unsure about any of the information required. Please note that this is an initial request and is not exhaustive – further information requiring your attention (including meetings) will be required at the time of our fieldwork.

INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA	COMMENT
a. Investment Governance Framework	Policies & Procedures	To assess investment governance processes
b. Budget setting policies and procedures	Policies & Procedures	Please provide all relevant documents as applicable relating to the budget setting process policies and procedures
c. Business case/project management policies and procedures	Policies & Procedures	Please provide all relevant documents as applicable relating to the business case or project management process policies and procedures
d. Evidence of last review and approval of above policies	Policies & Procedures	E.g., Board/Committee minutes from meetings where policies were last reviewed and approved
e. Evidence of how/where above policies/procedures are shared with staff	Policies & Procedures	E.g., screenshot of document locations on internal drives/intranet
f. Delegation of authority for making decisions regarding budget setting and prioritisation	Policies & Procedures	If documented, we are looking to see the who is required to make decisions regarding budget setting matters from a governance perspective (if applicable). **Scheme of financial delegation taken from website**
g. Performance reports and respective minutes for the last 12 months for groups receiving information regarding budgets and projects (for example Change Portfolio Investment Group, Capital Monitoring Group, any Finance or Resources Committees)	Governance	For example, Finance Committees, Change Board, Capital Investment Group, Board, Resources Committee
h. Population of current investment programmes or those that have finished in the last 12 months across the business.	Consistent Approach	Samples to be selected to verify budget setting and prioritisation processes being complied with.
i. Current organisation strategy	Strategic Alignment	To review organisation aims and objectives. Will be used to ensure investment projects align with the strategic aims. **Number of strategies taken from website**
j. Capital strategy and any supporting documents, papers and minutes to see progress and oversight of strategy development.	Strategic Alignment	For review
k. Training/budget setting masterclass materials and evidence of completion	Training	To assess knowledge sharing/training provided to budget holders.
l. Anything else deemed relevant to the audit	General	General request

FOR MORE INFORMATION:

CLAIRE ROBERTSON, HEAD OF RISK ADVISORY SERVICES – SCOTLAND

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claire.robertson@bdo.co.uk

www.bdo.co.uk

APPENDIX C

SCOTTISH FIRE AND RESCUE SERVICE

INTERNAL AUDIT PROGRESS REPORT

JUNE 2025

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CONTENTS

SCOTTISH FIRE AND RESCUE SERVICE

Working together for a safer Scotland

EXECUTIVE SUMMARY

INTRODUCTION

The purpose of this report is to ***advise*** the Audit & Risk Assurance Committee of the progress of the Internal Audit Plan for 2025-26. This paper together with progress and assignment updates are discussed with management and the Audit & Risk Committee throughout the year. These reports will form the basis of information to support our Annual Internal Audit Report for 2025-26.

INTERNAL AUDIT PLAN 2025-26

- Corporate Governance – In progress
- Risk Management – Audit scoped; draft terms of reference issued
- Budgetary Management and Investment Prioritisation – Audit scoped; draft terms of reference issued
- Estates & Facilities Management – To be scoped, meeting being arranged
- Freedom of Information – To be scoped, scoping meeting arranged
- PPE Process - To be scoped, meeting being arranged
- Follow Up – Draft report issued

CONCLUSION

The Audit & Risk Assurance Committee is asked to ***note*** this report.

WORK COMPLETED

REPORTS ISSUED	OVERALL REPORT CONCLUSIONS - SEE APPENDIX I				
				DESIGN	OPERATIONAL EFFECTIVENESS
Corporate Governance	TBC	TBC	TBC	TBC	TBC
Risk Management	TBC	TBC	TBC	TBC	TBC
Budgetary Management and Investment Prioritisation	TBC	TBC	TBC	TBC	TBC
Estates & Facilities Management	TBC	TBC	TBC	TBC	TBC
Freedom of Information	TBC	TBC	TBC	TBC	TBC
PPE Process	TBC	TBC	TBC	TBC	TBC

PERFORMANCE AGAINST OPERATIONAL PLAN

VISIT	DATE OF VISIT	PROPOSED AUDIT	PLANNED DAYS	ACTUAL DAYS	DAYS BILLED	STATUS
1	Commenced April 2025	Corporate Governance	18			In progress
2	Scheduled August 2025	Risk Management	18			Scoped and Draft TOR issued
3	Scheduled September 2025	Budgetary Management and Investment Prioritisation	20			Scoped and Draft TOR issued
4	Scheduled January 2026	Estates & Facilities Management	25			To be scoped
5	Scheduled December 2025	Freedom of Information	20			To be scoped
6	Scheduled October 2025	PPE Process	25			To be scoped
7	Ongoing	Follow Up	14			Ongoing quarterly review

AUDIT PERFORMANCE

AUDIT	COMPLETION OF FIELDWORK	DRAFT REPORT ISSUED	FINAL MANAGEMENT RESPONSES	FINAL REPORT ISSUED
Corporate Governance	TBC	TBC	TBC	TBC
Risk Management	TBC	TBC	TBC	TBC
Budgetary Management and Investment Prioritisation	TBC	TBC	TBC	TBC
Estates & Facilities Management	TBC	TBC	TBC	TBC
Freedom of Information	TBC	TBC	TBC	TBC
PPE Process	TBC	TBC	TBC	TBC
Follow Up	TBC	TBC	TBC	TBC

On average:

- UPDATE AS AUDITS COMPLETE

INTERNAL AUDIT SCHEDULE - 2025-2026

The chart below sets out the delivery schedule for the 2025-2026 Internal Audit plan.

REF	AUDIT TOPIC	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TARGET ARAC
SFRS/FY25/01	Corporate Governance													OCT
SFRS/FY25/02	Risk Management													OCT
SFRS/FY25/03	Budgetary Management and Investment Prioritisation													JAN
SFRS/FY25/04	Estates & Facilities Management													JUN
SFRS/FY25/05	Freedom of Information													MAR
SFRS/FY25/06	PPE Process													MAR
SFRS/FY25/07	Follow Up													ALL

APPENDIX I - DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF INTERNAL CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate 	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally, a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non-compliance with some controls, that may put some of the system objectives at risk.
Limited 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non-compliance and/or compliance with inadequate controls.

Recommendation Significance	
High 	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium 	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low 	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

FOR MORE INFORMATION:

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SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/25-25

Agenda Item: 8.3

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**SFRS PROGRESS UPDATE/MANAGEMENT RESPONSE**							
Report Classification:	**For Scrutiny**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	To provide the Audit and Risk Assurance Committee (ARAC) with the current status of recommendations raised by Internal Audit.
2	**Background**
2.1	Internal Audit is an independent and objective assurance and consulting activity designed to add value and improve the operations of Scottish Fire and Rescue Service (SFRS). It helps senior management accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
2.2	The provision of an Internal Audit framework is a key dimension of assurance that is required by the Accountable Officer to enable them to sign the governance statement as part of the annual accounts, for which they are responsible.
2.3	Within SFRS the Internal Audit function is provided by an external contractor with this work currently undertaken by BDO. Audit planning is developed in conjunction with the Strategic Leadership Team (SLT) and ARAC, with draft audit scoping papers, completed assignment reports and quarterly progress updates provided through BDO.
3	**Main Report/Detail**
3.1	In accordance with the Internal Audit Plan 2025/26, BDO will undertake follow up reviews on a quarterly basis. The purpose of these reviews will be to ascertain the progress made in implementing agreed actions arising from internal audit assignments.
3.2	Appendix A to the report provides the Committee with the internal audit summary dashboard and accompanying action templates. The dashboard highlights the new actions added in relation to the reviews of Anti-Fraud and Cyber Security and 7 actions where BDO have now been provided with sufficient evidence to allow closure.
3.3	The table below provides a summary of actions now complete:

Year	Audit Assignment	Rec Ref	Subject of Recommendation	Grade
2022-23	Revenue & Funding Maximisation	2.1	External funding documentation	3
2022-23	Revenue & Funding Maximisation	4.1	Evaluation framework	2
2022/23	Training	3.1	Cost efficiency	3
2024/25	Environmental Management	1.2	Strategies, Plans and Policies	1
2024/25	Environmental Management	3.1	Monitoring Funding Terms and Conditions	3
2024/25	Environmental Management	3.2	Approval of Grant Applications	2
2024/25	Environmental Management	3.3	Funding Application Documentation	2
2024/25	Anti-Fraud Arrangements	4.2.3	Low Engagement from Line Managers	AD

3.4 32 actions remain outstanding with the oldest related to audits carried out in 2022/23.

3.5 Note that of the 32 actions, 26 were not due for implementation at the time of the follow up based on either the original or revised target completion date.

3.6 Internal Audit are working with management to assess progress and to consider the extent to which recommendations remain valid.

4 Recommendation

4.1 The Audit and Risk Assurance Committee is asked to scrutinise the Follow Up report.

5 Key Strategic Implications

5.1 **Risk Appetite and Alignment to Risk Registers**

5.1.1 The report is aligned to the Services Compliance risk appetite in relation to our internal governance, including systems of control and data governance, where a Cautious risk appetite was identified.

5.1.2 The report reflects the general underlying principle that SFRS will operate in an open and transparent manner using our resources responsibly and demonstrating best value in the use of public funds.

5.2 **Financial**

5.2.1 Reviews undertaken as part of the 2025/26 internal audit plan have been incorporated within the budget for 2025/26.

5.3 **Environmental & Sustainability**

5.3.1 Any implications arising from the report will be managed by the relevant Directorate.

5.4 **Workforce**

5.4.1 Any implications arising from the report will be managed by the relevant Directorate.

5.5 **Health & Safety**

5.5.1 Any implications arising from the report will be managed by the relevant Directorate.

5.6 **Health & Wellbeing**

5.6.1 Any implications arising from the report will be managed by the relevant Directorate.

5.7 **Training**

5.7.1 Any implications arising from the report will be managed by the relevant Directorate.

5.8 **Timing**

5.8.1 Any implications arising from the report will be managed by the relevant Directorate.

5.9 5.9.1	**Performance** Performance data will be provided by the Internal Auditor and reported to ARAC.
5.10 5.10.1	**Communications & Engagement** Any implications arising from the report will be managed by the relevant Directorate.
5.11 5.11.1	**Legal** There are no direct implications associated with the report.
5.12 5.12.1	**Information Governance** DPIA completed - No. The report provides a summary of information and actions to be taken by Directorates, and named individuals, to manage any significant risk identified. The responsible Directorate will ensure that any relevant DPIA is completed as required
5.13 5.13.1	**Equalities** EHRIA completed - No. Where an equalities assessment is required, this will be determined by the responsible Directorate and progressed accordingly.
5.14 5.14.1	**Service Delivery** There are no direct implications associated with the report.
6	**Core Brief**
6.1	Not applicable
7	**Assurance (SFRS Board/Committee Meetings ONLY)**

7.1	**Director:**	Deborah Stanfield, Interim Director of Finance and Contractual Services
7.2	**Level of Assurance: (Mark as appropriate)**	~~Substantial~~/**Reasonable**/~~Limited/Insufficient~~
7.3	**Rationale:**	BDO have reviewed the follow up work completed by audit action owners and are providing their view on the work done to date and evidence provided to support closure of any actions

8	**Appendices/Further Reading**
8.1	Appendix A: Progress update on Internal Audit Recommendations Quarter 1 2025/26

Prepared by:	Sean Morrison, Internal Audit Senior Manager – BDO
Sponsored by:	Deborah Stanfield, Interim Director of Finance and Contractual Service
Presented by:	Sean Morrison, Internal Audit Senior Manager - BDO

Links to Strategy and Corporate Values

The Internal Audit process forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:

Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

- Objective 5.1: Remaining open and transparent in how we make decisions.
- Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.

Governance Route for Report	Meeting Date	Report Classification/ Comments
Audit and Risk Assurance Committee	*19 June 2025*	*For Scrutiny*

Appendix A – Progress update on Internal Audit Recommendations (Quarter 1 2025/26)

1. Background

In accordance with the Internal Audit Plan 2025/26, 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 tables 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 1 Follow Up review:

- Twelve actions have been added since the previous Quarter, 10 from the Anti-Fraud Arrangements review and 2 from Cyber Security
- For Quarter 1, sufficient evidence has been provided to close seven actions and part of one action which are as follows:

Year	Audit Assignment	Rec Ref	Subject of Recommendation	Grade
2022-23	Revenue & Funding Maximisation	2.1	External funding documentation	3
2022-23	Revenue & Funding Maximisation	4.1	Evaluation framework	2
2022/23	Training	3.1	Cost efficiency	3
2024/25	Environmental Management	1.2	Strategies, Plans and Policies	1
2024/25	Environmental Management	3.1	Monitoring Funding Terms and Conditions	3
2024/25	Environmental Management	3.2	Approval of Grant Applications	2
2024/25	Environmental Management	3.3	Funding Application Documentation	2
2024/25	Anti-Fraud Arrangements*	4.2.3	Low Engagement from Line Managers	AD

Dashboard – data as at 31st May 2025

***Partnership Working 2.1.1 & 2.1.2 are classed as 1 recommendation & would not be closed until both parts are classed as complete.**

Anti Fraud Arrangements - For the following Rec Nos. 3.1, 3.2, 4.1, 4.2,4.3,5.1. Sections within each recommendation are classed are the 1 recommendation & would not be closed until all parts are completed.

***Cyber Security - Both parts of recommendation 2 are classed as 1 action.**

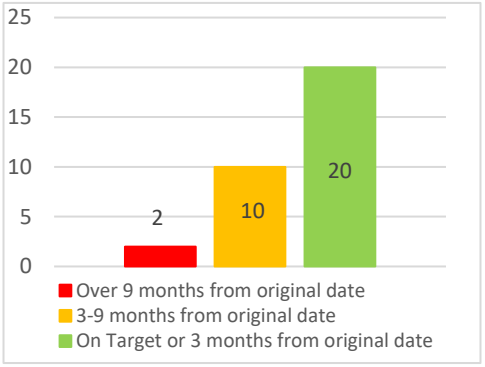
No. of actions complete past 12 months

34

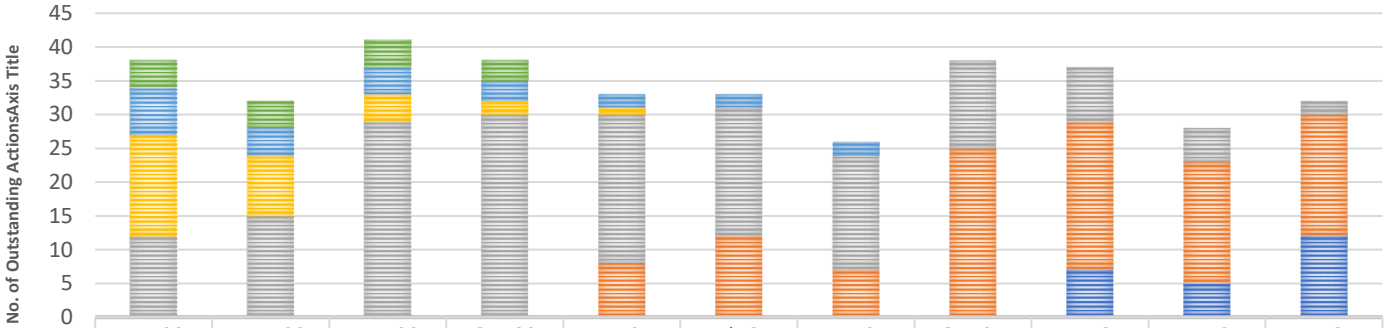
No. of Actions closed since last ARAC meeting

7*

No. of actions outstanding – **32***

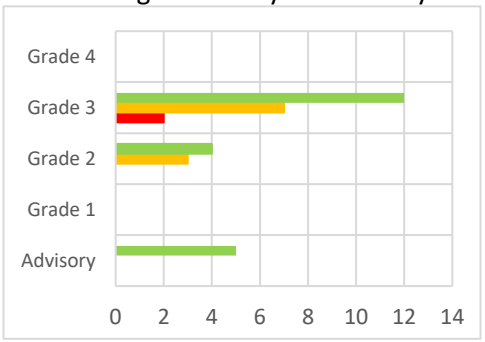


PROGRESS OF AUDIT YEARS ACTIONS



	Jan-23	Mar-23	Jun-23	Oct-23	Jan-24	Feb-24	Jun-24	Oct-24	Dec-24	Mar-25	Jun-25
2019/20	4	4	4	3	0	0	0	0	0	0	0
2020/21	7	4	4	3	2	2	2	0	0	0	0
2021/22	15	9	4	2	1	0	0	0	0	0	0
2022/23	12	15	29	30	22	19	17	13	8	5	2
2023/24	0	0	0	0	8	12	7	25	22	18	18
2024/25	0	0	0	0	0	0	0	0	7	5	12

Outstanding Actions by Risk Priority Level



*Cyber Security actions classed as Grade 3 for Dashboard

RED STATUS ACTIONS – by months past original due date

No Months past original date (as at 31.05.2025)	AUDIT YEAR	AUDIT REVIEW	Action No.	Action Priority	Original Action Due	Revised Date	% Complete
26	2022/23	Post Pandemic Review	1.1	GRADE 3	01.04.2023	31.12.2024	95%
13	2022/23	Corporate Performance Management	3.1	GRADE 3	30.04.2024	31.07.2025	80%

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

2022/23	Post Pandemic Review	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
		4	75%	0	3	0	0	0	1	0	0	0	0	0	0

Rec No. 1.1	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.					
	Update Directorate Business Continuity Plans 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 access 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…		Report Agreed Date	4th Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Head of Governance, Strategy & Performance**	*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 MCP has moved to SPPC as of September 2022 and this action will be coordinated by the Head of Governance, Strategy and Performance.*	01 April 2023	31 Dec 2024	Grade 3	95%	RED

Progress to date (Update provided 20/05/25)	Internal review of BCP during the Covid-19 pandemic completed as referenced by the audit. Review of BC plans for support functions undertaken in conjunction with civil contingencies officers in 2024 prior to new policy and template approval. Review of Corporate Governance BCP was completed in 2024, including standardisation of BCP template/recording. New BCP Policy and Framework was completed and approved in 2024. All departments were asked to update BCP Plans by the end of 2024.
Outstanding actions to close the recommendation	There are four departments still required to submit updated BCP plans. Operations, DaTs, Corporate Communications and Finance.
IA Provider's Comments	Per management response, action still in progress.

2022-23	Corporate Performance Management	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
		2	50%	0	0	1	0	0	1	0	0	0	0	0	0

Rec No.	RISK	There is a risk that decisions are made based on incorrect or incomplete data, due to lack of processes in place to gather and review information related to KPIs, which could lead to financial loss and/or reputational damage.	Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
3.1	Data Accuracy and Quality Management need to ensure that a strong focus is placed on ensuring the quality and accuracy of performance data which is being produced and reported upon. This includes the following: 1. Looking at ways to improve the quality of the data produced by focussing on the integration of management information systems and the automatic production of performance data, whilst at the same time endeavouring to minimise the use of spreadsheets and manual intervention in the process. 2. Ensuring data is quality assured and validated to supporting information prior to being reported. Management should ensure that sufficient resources are in place to perform this important task.						
	Responsible Owner Agreed Response **Head of Governance, Strategy & Performance**	*1. SFRS is establishing new data governance and quality management arrangements through the Data Governance Group. Integration or pipelining of SFRS systems to enable both greater automation and minimising of manual data processing has been identified as a priority.* *2. SFRS will establish a central capability within the BI team to manage data quality and will put in place data quality action plans for key data sources.*	30 April 2024	TBC	Grade 3	100%	RED

Progress to date (Update provided 20/05/25)	SFRS has established its Data and Information Governance Group and is continuously looking to improve the quality of the data produced, supported through the integration of management information systems and where possible through the automatic production of performance data. The understanding of data quality issues and challenges is improving. Part of the work in this area has been to produce a new Digital, Data and Technology (DDaT) strategy for the service. This is nearing completion and makes further recommendations for improvements in data governance, data quality management and systems integration. The work to ensure data quality is assured and validated is ongoing. If the auditors are content with this ongoing work, subject to evidence provided, then we would request that this recommendation is considered complete. For the specific point raised regarding 'sufficient resources are in place'. A business case for a specific resource to create a '*central capability within the BI team to manage data quality'* (which would have focused on the creation of data quality action plans) was considered but rejected due to wider, on-going funding pressures and competing priorities for resource. The service has limited capacity and capability to dedicate to data quality activity, work is progressing, albeit slowly, under the auspices of the Data and Information Governance Group. The service has also concluded the development of a new Digital, Data and Technology strategy in which data quality issues are specifically highlighted. Resources required to deliver the strategy will be reviewed as part of the implementation of that strategy.
Outstanding actions to close the recommendation	A meeting between action owner & BDO in progress of being arranged to discuss action
IA Provider's Comments	To be discussed at the action owner meeting on the 06/06/2025.

2023-24	Partnership Working	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
		3	0%	0	0	0	0	0	1	2	0	0	0	0	0

Rec No.			Report Agreed Date	1st Agreed Revised Date	Priority	% Complete	Status
1.1	**RISK**	**There is a risk that the SFRS does not have a consistent and effective approach to manage partnerships due to lack of clarity of approach based on the scale and complexity of individual partnerships and the role that SFRS is undertaking.**					
	Operational deployment of partnership activities SFRS should develop a principles-based set of guidance that enables LSOs to manage partnership relationships effectively. This should focus on the effective deployment of resources and understanding the extent to which SFRS is meeting their obligations. This will include understanding: • Whether the partnership is large and/or complex • Roles and responsibilities of SFRS in meeting their obligations • Expected resource commitments both financial and non-financial • Agreed reporting arrangements Internal reporting arrangements should be focused on considering how SFRS have deployed their resources and how that effectively aligns with the objectives of SFRS.						
	Responsible Owner Agreed Response **Director of Strategic Planning, Performance and Communications**	We will develop guidance to compliment National Community Planning guidance setting out SFRS expectations for Local Senior Officers and their teams with respect to partnership working, including internal reporting arrangements on local partnership activity and resource commitments.	31 March 2025	30 December 2025	Grade 2	40%	GREEN

Progress to date (update provided 07/03/25)	• Work is underway to review the National Community Planning Guidance and carry out research to identify similar guidance documents. • Work is underway to develop a reporting process and system that can be referenced within the Guidance document. • Work is underway to draft the guidance document. • This work is running behind schedule as the Team's focus has been on the development of the SFRS Strategy 2025-28 and Three-Year Delivery Plan. The timeline of these key pieces of work were brought forward following a request from the SFRS Board. • It is anticipated that the partnership guidance document will be available for publication by September 2025.
Outstanding actions to close the recommendation	• Finalise the draft guidance document. • Carry out a consultation exercise with stakeholders. • Progress guidance through governance route and seek approval. • Publish guidance.
IA Provider's Comments	Per management response, action still in progress.

Rec No.			Report Agreed Date	1st Agreed Revised Date	Priority	% Complete	Status
3.1	**RISK**	**There is a risk that resources are not appropriately allocated resulting in either excessive time committed to partnerships to meet SFRS's obligations or insufficient time is committed resulting in objectives not being met.**					
	3.1 Effective and proportionate planning of resources SFRS should review the resources committed to partnership working at a local level and ensure that appropriate resources are identified at both individual partnership and corporate levels. Periodically, the resources allocated should be reassessed to ensure that sufficient and not excessive resources are deployed to effectively develop and maintain partnerships.						
	Action 1 Responsible Owner Agreed Response **Director of Strategic Planning, Performance and Communications**	Working in Partnership with PP&P, SPPC will develop and support improvements in local partnership reporting by developing a reporting framework that captures key information on SFRS local partnership working that allows SFRS to better assess resources allocated to partnership working.	31 March 2025	30 December 2025	Grade 3	40%	GREEN
Action 1 Progress to date (update provided 07/03/25)		• Work has begun to identify the types of information we require to record and an accompanying process. This information and access to an interim reporting tool will form part of the guidance document referred to in Rec. 1.1. The same fields will later be used in Action 2 to develop an ICT module to record partnership activity. • The fields identified have been shared with ICT in advance of their work beginning for Action 2 to ensure requirements are understood and achievable. • This work is running behind schedule as the Team's focus has been on the development of the SFRS Strategy 2025-28 and Three-Year Delivery Plan. The timeline of these key pieces of work were brought forward following a request from the SFRS Board. • It is anticipated that the partnership guidance document will be available for publication by September 2025.					
Action 1 Outstanding actions to close the recommendation		• Finalisation of an improved reporting system and process in advance of CSET replacement review. • Carry out a consultation exercise with stakeholders (see 1.1.1). • Progress reporting proposal through governance route and seek approval. • Publish reporting system and process.					
IA Provider's Comments		Per management response, action still in progress.					
	Action 2 Responsible Owner Agreed Response **Director of Prevention, Protection and Preparedness**	SFRS will review the current Community Safety Engagement Toolkit to improve partnership reporting functionality.	31 March 2026	n/a	Grade 3	-	GREEN
Action 2 Progress to date (update provided 23/01/25)		• SFRS will replace the current Partnership Module hosted within the Community Safety Engagement Toolkit with a reporting tool that can capture partnership activity across the Service. • Initial discussions have taken place with ICT to progress the development of the outstanding modules on CSET.					
Action 2 Outstanding actions to close the recommendation		• Develop list of requirements for partnership recording tool • Initiative work with ICT business partner • Carry out testing • Launch new tool					
IA Provider's Comments		Per management response, action still in progress.					

Rec No.	RISK	There is a risk that either insufficient or excessive resources are deployed undermining the achievement of value for money..					
4.1	**4.1 Reporting Arrangements** SFRS should periodically review the deployment of resources in relation to partnerships to ensure that they continue to meet their obligations in a value for money manner. This should build on processes identified within recommendation 1.1		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Director of Strategic Planning, Performance and Communications**	SFRS will incorporate the outputs from the partnership reporting framework into the annual SFRS Working in Partnership Report and provide highlight reports to Service Delivery Area DACOs in support of their management scrutiny of local area partnership.	31 December 2025	n/a	Grade 2	40%	GREEN
Progress to date (update provided 07/03/25)	• Initial planning has taken place to establish milestones and timeline to complete the action. • The process to ensure that timely Highlight Reporting has been noted and will be included in the guidance document referred to in Rec. 1.1. • This work is running behind schedule as the Team's focus has been on the development of the SFRS Strategy 2025-28 and Three-Year Delivery Plan. The timeline of these key pieces of work were brought forward following a request from the SFRS Board. • It is anticipated that the partnership guidance document will be available for publication by September 2025.						
Outstanding actions to close the recommendation	• Ensure output from Partnership Reporting (see 3.1.1) is available to DACOs/HoFs to form timely Highlight Reporting. • Include a section in the draft SFRS Working in Partnership 2025/26 publication detailing output from the Partnership Reporting System (see 3.1.1).						
IA Provider's Comments	Per management response, action still in progress.						

2023-24	Risk Assurance Advisory Review	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				3	2	1	Ad	3	2	1	Ad	3	2	1	Ad
		5	40%	1	1	0	0	1	0	0	2	0	0	0	0

Rec No. 1.7	RISK	Assurance should be a key component of any risk management framework as it is essential that there is a means for management and the Board to be able to determine whether the actions they are putting in place to address risk are effective and also, that appropriate action is taken where assurance is lacking. Failure to provide guidance on this to staff increases the risk of the actions put in place to mitigate risks not being effective which leads to the ineffective use of resources and increases the likelihood of the risk occurring.					
	Risk Management Framework - Assurance The Risk Management and Policy Framework should be updated to provide detailed guidance on the Service's assurance framework including different types of assurance and how this should be collated/reported upon and monitored including the use of assurance mapping as a tool to assist this process. The policy should also be updated to include any changes which have been or will be made to processes following this review so that it reflects how risk management is/should be carried out in practice and provides sufficient guidance to relevant staff.		Report Agreed Date	1st Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Risk and Audit Manager**	The risk management policy will be reviewed to align with available guidance on the Assurance Framework. Any associated changes to the reporting framework will be incorporated within the risk management policy.	30 November 2024	31 March 2025	Grade 3	90%	AMBER
Progress to date (update provided 07/03/25)	The risk dashboard and associated risk register templates have been updated to incorporate lines of assurance, aligned with the Good Governance Framework. Input templates also now require evidence to be provided before control actions can be formally closed. Some amendments may be required to work undertaken once reports are provided to Committee. The risk management policy to be updated to reflect these changes once any additional changes have been completed.						
Outstanding actions to close the recommendation	Review work on the Risk Management Policy has been completed and going through peer review.						
IA Provider's Comments	Awaiting evidence of updated Risk Management Policy in order to consider closing this action.						

Rec No. 2.14	RISK	There is a risk of different parts of the organisation operating in silos with regard to risk assurance which could lead to the risk assurance framework not being as effective or streamlined as possible with opportunities for a co-ordinated approach to managing and monitoring assurance not being explored and optimised.					
	Managing risk and assurance – Co-ordinated approach to risk assurance Management should consider adopting a more co-ordinated approach to risk assurance to ensure that processes are as effective and streamlined as possible with responsibilities clearly defined. At Appendix C, we have included a flowchart where we have suggested how risk management including the assurance framework could operate in practice to ensure this is achieved and that maximum use is made of the technology available for recording and reporting on risk.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Risk and Audit Manager / Head of Corporate Governance**	Further alignment between Assurance and Risk frameworks will be identified with additional guidance provided.	31 March 2025	n/a	Advisory	90%	GREEN
Progress to date (update provided 07/03/25)	Risk appetite statements have been agreed by the Board and now form part of the Services wider governance arrangement. The risk dashboard, input spreadsheets and reporting templates now include relevant information. The risk register input template also includes an alignment between control actions and lines of assurance, together with the added requirement for evidence of completion to be provided. The completion of the action is aligned to the updating of the risk management policy and additional guidance provided within guidance notes associated with risk registers.						

	Future improvement work, outwith the current control action will continue, in relation to the Power BI tool will continue throughout 2025/26 and discussions are being held between Data Services and ICT to support the streamlining of activities throughout the Service. For risk management, this would allow the removal of the input spreadsheet, with information able to be entered directly into the risk dashboard.
Outstanding actions to close the recommendation	The risk dashboard has been developed to allow assurance information to be recorded and reported. Review work on the Risk Management Policy has been completed and going through peer review.
IA Provider's Comments	Awaiting evidence of updated Risk Dashboard and Risk Management Policy in order to consider closing this action.

Rec No. 3.37	**RISK**	Failure to capture and make best use of the knowledge held by risk owners and associated managers in relation to assurance obtained for their Directorate risks increases the probability that gaps in assurance are not identified which could ultimately result in the risk materialising. Moreover, assurance activities could be duplicated leading to ineffective use of resources.					
	Assurance within the Directorates - Responsibility for documenting assurance Management should consider assigning responsibility for identifying and documenting assurances obtained in relation to individual Directorate risks to the risk owners and relevant managers in order to ensure that assurances are fully reviewed and that any gaps/duplication relating to assurance activities are more likely to be identified.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Risk and Audit Manager / Head of Corporate Governance**	The risk management policy will be reviewed and updated to include Directors' and relevant officers' responsibilities for the identification and documentation of assurances obtained in relation to individual risks.	31 March 2025	n/a	Advisory	90%	GREEN

Progress to date (update provided 07/03/25)	The risk dashboard and associated risk register templates have been updated to incorporate lines of assurance, aligned with the Good Governance Framework. Input templates also now require evidence to be provided before control actions can be formally closed. Some amendments may be required to work undertaken once reports are provided to Committee. The risk management policy to be updated to reflect these changes.
Outstanding actions to close the recommendation	Review work on the Risk Management Policy has been completed and going through peer review.
IA Provider's Comments	Awaiting evidence of updated Risk Management Policy in order to consider closing this action.

2023-24	Contract Management	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
		14	14%	0	0	2	0	0	8	4	0	0	0	0	0

Rec No. 1.1	RISK	There is a risk of staff being unaware of the current protocols for monitoring contracts in the absence of up-to-date and comprehensive documented procedures leading to an inconsistent and outdated approach to contract management resulting in poor supplier performance and financial and reputational loss.					
	Outdated Procurement Practice Note The Procurement Practice Note No.19 needs to be updated and approved as soon as practicable and be subject to periodic review going forward to ensure that it provides current and comprehensive coverage of the overall process and also reflects good practices in operation. This will assist in ensuring that a consistent approach is adopted for contract management throughout SFRS. Management also need to ensure that the Standing Orders for the Regulation of Contracts are also reviewed in a timely manner.		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Procurement Manager**	Management will progress a review and update of the Procurement Practice note and the Standing Orders for the Regulation of Contracts. These will be agreed through SFRS governance routes.	31 December 2024	30th September 2025	Grade 3	20%	AMBER
Progress to date (update provided 23/01/25)		Review of PPN and Standing Orders is currently underway					
Outstanding actions to close the recommendation		Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments		Per management response, action still in progress.					

Rec No. 1.2	RISK	Assessment of the degree of risk associated with a contract is a key element of the contract management process as the type and frequency of monitoring including the level of resources allocated to the management of a contract is dependent on whether the contract is deemed to be high, medium or low risk. Failure to clearly define how risk is assessed in relation to contracts increases the likelihood of an incorrect risk assessment which could lead to inadequate and/or disproportionate contract management, resources not being used efficiently and effectively and subsequent poor supplier performance and financial loss					
	Risk Assessment When updating the Procurement Practice Note, management should also review the definitions of risk in order to provide clearer guidance for staff on the level of risk assigned to contracts.		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Procurement Manager**	Management will review the definition of risk as part of the review and update of the Procurement Practice note to ensure clearer guidance is provided on the level of risk assigned to contracts.	31 December 2024	30th September 2025	Grade 3	20%	AMBER
Progress to date (update provided 23/01/25)		Review of PPN and Standing Orders is currently underway					
Outstanding actions to close the recommendation		Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments		Per management response, action still in progress.					

Rec No. 2.1	**RISK**	**Failure to keep a formal record of contract management meetings could lead to an increased risk of misunderstandings between SFRS and suppliers which could result in agreed actions not being carried out and potential conflicts between the two parties.**					
	Minutes of meetings not formally documented Minutes of formal contract management meetings should be recorded and shared with supplier to ensure transparency and accountability.		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Procurement Manager**	Management will implement a process for recording of Contract Management Meetings and store within a centralised repository accessible by relevant individuals. Processes will be updated to ensure all minutes are shared formally with suppliers.	31 December 2024	30th September 2025	Grade 2	10%	AMBER
Progress to date (update provided 23/01/25)	Process of contract management recording being reviewed and updated – engagement with all relevant stakeholders will follow						
Outstanding actions to close the recommendation	Slippage to actions due to illness and leave periods within the team.						
IA Provider's Comments	Per management response, action still in progress.						
Rec No. 2.2	**RISK**	**There is a risk that contract managers may not adequately monitor the services being delivered under the contract in the absence of a method for formally determining and documenting the way in which the contract will be monitored. This could potentially compromise the quality and effectiveness of the contract management process.**					
	Monitoring mechanisms not formally documented Management should ensure that the way in which the services/goods provided under the contract will be monitored are determined and documented from the outset. This should encompass defined roles, responsibilities, monitoring type and intervals, quality criteria etc. for each contract to ensure comprehensive oversight and adherence to contractual obligations throughout the contract lifecycle		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Procurement Manager**	As part of the review of the PPN, management will ensure robust guidance and templates are implemented to ensure education provided to contract managers, enabling them to address the contract arrangements and the documentation required.	31 December 2024	30th September 2025	Grade 3	20%	AMBER
Progress to date (update provided 23/01/25)	Review of PPN on-going						
Outstanding actions to close the recommendation	Slippage to actions due to illness and leave periods within the team.						
IA Provider's Comments	Per management response, action still in progress.						
Rec No. 2.4	**RISK**	**There is a risk of duplicate efforts arising from self-monitoring activities being performed by both parties in the absence of a proper assessment mechanism to evaluate the frequency, nature and adequacy of the contractors' own monitoring practices. This could lead to inefficient allocation of resources resulting in financial and operational losses.**					
	Contractors' self-monitoring assessment As part of updating the Procurement Practice Note, management should incorporate guidance on assessing the frequency, nature and adequacy of self-monitoring conducted by contractors (including some illustrative examples) and determining whether reliance can be placed on this in order to ensure resources are used efficiently and any duplication is minimised.		Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Procurement Manager**	Management will incorporate guidance as requested as part of the review and update of the PPN.	31 December 2024	30th September 2025	Grade 3	20%	AMBER
Progress to date (update provided 23/01/25)	Review of PPN on-going						

Outstanding actions to close the recommendation	Slippage to actions due to illness and leave periods within the team.
IA Provider's Comments	Per management response, action still in progress.

Rec No. 2.5	RISK	There is a risk that contractor's performance may not be measured effectively throughout the period of the contract in absence of formally established quality standards/KPIs resulting in unaddressed performance issues or compromised quality.	Report Agreed Date	1st Agreed Revised Date	Priority	% Complete	Status
		Contract specific quality standards/KPIs not defined Management should formally establish contract related quality standards/KPIs at the start of each contract either as part of tendering process or before commencing the contract and agree the frequency of assessing performance against those standards throughout the contract period.					
	Responsible Owner Agreed Response **Procurement Manager**	Management should formally establish contract related quality standards/KPIs at the start of each contract either as part of tendering process or before commencing the contract and agree the frequency of assessing performance against those standards throughout the contract period	31 March 2025	30th September 2025	Grade 3	10%	GREEN
Progress to date (update provided 23/01/25)		Review underway					
Outstanding actions to close the recommendation		Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments		Per management response, action still in progress.					

Rec No. 3.1	RISK	There is a risk of insufficient capacity to conduct effective contract management activities due to inadequate resource allocation and the absence of periodic reviews. This situation may result in disruptions or failures to identify contract-related issues in a timely manner.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
		Mechanism for resource allocation not developed Once the frequency and type of monitoring have been defined by management for a given contract (as per recommendation at 2.2), resource allocation to that contract should be conducted with due consideration of these factors, along with the contract's value and associated risks.					
	Responsible Owner Agreed Response **Head of Finance & Procurement**	Management are in the process of a recruitment campaign with the aim to obtain a fully established Procurement Team. Market demand is extremely competitive in this field, however all options are being considered to build the team. All resourcing of contracts is and will continue to be considered as capacity allows.	30 September 2024	n/a	Grade 3	100%	AMBER
Progress to date (update provided 23/01/25)		Recruitment is currently in progress to maximise the capacity within the team and fill all current vacancies where possible. Category Lead posts now finalised recruited, however capacity still stretched due to illness. This will be rectified in the new calendar year					
Outstanding actions to close the recommendation		Supporting Evidence to be provided to Internal Audit by responsible owner					
IA Provider's Comments		Awaiting evidence of mechanism for resource allocation being in place in order to consider closing this action.					

Rec No.			Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
3.3	**RISK**	**There is a risk that staff may not have the necessary knowledge and skills required for managing contracts in absence of regular training on contract management leading to inefficiencies and errors in the contract management process.**					
	Training on contract management Management should devise a plan for providing training to staff involved in contract management with regular refresher training also provided on a periodic basis to keep staff up to date with evolving knowledge and practices in this area.						
	Responsible Owner Agreed Response **Head of Finance & Procurement**	Management are currently exploring external training provision with the intention to implement across SFRS.	30 September 2024	30th September 2025	Grade 2	5%	AMBER
Progress to date (update provided 23/01/25)		Capacity limitations has delayed this					
Outstanding actions to close the recommendation		Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments		Per management response, action still in progress.					

Rec No.			Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
4.1	**RISK**	**There is a risk that contractors' performance is not reviewed and measured in the absence of periodic performance reports leading to compromised performance and inefficiency. There is a risk of inaccurate or incomplete monitoring of contractor's performance against established benchmarking in the absence of a structured comparison against the performance table and the failure to address all specified KPIs in the monthly progress report. This could lead to challenges in accurately assessing the contractor's adherence to contractual obligations and identifying areas for improvement or intervention.**					
	Performance measurement reports not prepared Management should enforce strict oversight to ensure contractors fully comply reporting requirements established within contracts. This includes mandating structured performance reporting at defined intervals, covering all related standards and KPIs. These reports should clearly articulate benchmarking criteria and deviations from these benchmarks.						
	Responsible Owner Agreed Response **Procurement Manager**	Robust Contract Management processes will be updated and implemented across SFRS. This will be encompassed within the PPN and centrally held repository for all contract information actions at 1.1 and 2.1.	31 December 2024	30th September 2025	Grade 3	20%	AMBER
Progress to date (update provided 23/01/25)		Ongoing as part of PPN review and update					
Outstanding actions to close the recommendation		Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments		Per management response, action still in progress.					

Rec No.			Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
4.3	**RISK**	**There is a risk of continued underperformance by the contractor and compromised contract effectiveness in the absence of appropriate actions and penalties for unmet benchmarks leading to diminished value and financial loss to SFRS.**					
	Deductions for shortfalls against performance targets Management should ensure that appropriate arrangements are in place for determining if contractor performance falls below expected levels and whether this should result in penalties being incurred (as per the contract). Management should ensure that any financial or other penalties to be made are appropriately enforced.						
	Responsible Owner Agreed Response **Procurement Manager**	As per previous actions, management will ensure robust processes are in place, are being followed and training is provided across SFRS to ensure action is taken if performance of a contractor falls below expected levels.	31 March 2025	30th September 2025	Grade 3	20%	GREEN

Progress to date (update provided 23/01/25)	On-going as part of all previous action / audit points					
Outstanding actions to close the recommendation	Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments	Per management response, action still in progress.					
Rec No. 6.1	**RISK**	**There is a risk of inadequate oversight and decision making in terms of contract cost and payments in the absence of appropriate cost reporting covering all the elements mentioned in the contract which could result in financial discrepancies, disputes and inefficiencies.**				
	Cost report not presented as agreed in the contract Management should enforce the contractual requirement for the supplier to present specified cost reports during monthly cost and procurement meetings. This requirement should be clearly communicated to the supplier with emphasis on the importance of timely and accurate reporting.	Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Procurement Manager**	As per previous actions, management will ensure a robust Contract Management review is undertaken and processes updated to clearly communicate supplier expectations and monitor adherence.	31 March 2025	30th September 2025	Grade 2	20%	GREEN
Progress to date (update provided 23/01/25)	On-going as part of all previous action / audit points					
Outstanding actions to close the recommendation	Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments	Per management response, action still in progress.					
Rec No. 6.2	**RISK**	**There is a risk of inadequate oversight and transparency in contract management processes in the absence of structured periodic reporting to the board and/or sub-committees leading to key stakeholders being unaware of critical contract-related issues, including performance, compliance, and financial matters.**				
	Periodic reporting to the board Management should establish a formal mechanism for preparing and presenting periodic contract reports to the board or relevant sub-committees covering a summary of contract management activities for all the contracts and highlighting key issues, where appropriate.	Report Agreed Date	2nd Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Head of Finance & Procurement**	Management currently report monthly through the FCS Procurement Group. New Governance structures have recently been introduced within SFRS – management will establish the most appropriate route for contract reporting and will produce reports for the appropriate boards.	31 December 2024	30th September 2025	Grade 2	20%	AMBER
Progress to date (update provided 23/01/25)	On-going as part of all previous action / audit points					
Outstanding actions to close the recommendation	Slippage to actions due to illness and leave periods within the team.					
IA Provider's Comments	Per management response, action still in progress.					

2024-25	Environmental Management	Total No of Actions	% Complete Actions	Fully Implemented				Part/In Progress				Not Implemented			
				3	2	1	Ad	3	2	1	Ad	3	2	1	Ad
		6	86%	1	3	1	1	0	0	0	1	0	0	0	0

Rec No. 3.4			Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	RISK	**There is a risk that environmental management projects aimed at reducing carbon emissions may not be completed, which could hinder the Service's ability to meet its environmental objectives and commitments.**					
	Aligning spending plans on Environmental management Initiatives to available resources/funding We recommended that the Service undertakes a further review of its strategic environmental goals to confirm they remain achievable over the planning period. Management should reassess its plans and set realistic targets that align with available resources. Plans for environmental management and carbon footprint reduction should be feasible and developed with clear consideration to the constraints of current funding and staffing levels. Regular reviews should be conducted to monitor progress and address any shortfalls promptly.						
	Responsible Owner Agreed Response **Environment and Carbon Manager**	A revised Carbon Management Plan is under development, this will have to be based on the outcomes of SSRP, as part of this work we will reassess the current plan and set targets that align with available resources.	31 December 2025	n/a	Advisory	10%	GREEN
Progress to date (update provided 05/03/25)		The action has been progressed, but the detailed areas of the plan cannot be finalised until the outcomes of the SSRP have been shared, available resources determined and carbon reduction budgets outlined by the Scottish Government.					
Outstanding actions to close the recommendation							
IA Provider's Comments		Per management response, action in progress.					

2024-25	Anti-Fraud Arrangements* * For the following Rec Nos. 3.1, 3.2, 4.1, 4.2,4.3,5.1. Sections within each recommendation are classed are the 1 recommendation & would not be closed until all parts are completed.	Total No of Actions	% Complete Actions	Fully Implemented					Part/In Progress					Not Implemented				
				4	3	2	1	Ad	4	3	2	1	Ad	4	3	2	1	Ad
		10	10%	0	0	0	0	1	0	7	0	0	2	0	0	0	0	0

Rec No. 1.1	**RISK**	**There is a risk that if policies are not updated in a timely manner, processes and guidance will become out-dated and not reflect current practice, resulting in a lack of clarity over correct processes, increased fraud risk and potential financial loss.**			
	Lack of Policy Review It is recommended to incorporate any lessons learned from the two confirmed instances of fraud into new versions of the policy and procedures. This should be carried out as a priority as the review and update of the Anti-Fraud and Corruption policy is a year overdue. Once the new version is published, this should be communicated to the staff within the organisation with suitable awareness raising taking place to compliment the publishing of these policies.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Risk & Audit Manager**	Review Anti-Fraud and Corruption Policy, update LCMS training module and issue suitable communication throughout the Service.	31 July 2025	n/a	Grade 3	50%	GREEN
Progress to date		Review of policy being undertaken to incorporate additional lessons learned from recent incidents. Internal Audit in relation to Anti-Fraud will also be used to inform policy.					
Outstanding actions to close the recommendation		Once reviewed & published, communication will be issued with suitable awareness raising taking place to compliment the publishing of these policies. The LCMS Fraud module will be updated with the new policy.					
Internal Auditor's Comments		New action, not due for implementation.					

Rec No. 1.2	**RISK**	There is a risk that if a Fraud Response Plan is not documented, when fraud does take place, it may not be addressed in an appropriate manner resulting in poor investigation outcomes.			
	Absence of a Fraud Response Plan We recommend that as a priority a Fraud Response Plan is developed. This should cover several core roles, responsibilities, processes and procedures in the following key areas: • Reporting of suspected fraud and corruption • Investigation of suspected fraud and corruption • Reporting of suspected fraud and corruption to External Legal Bodies (i.e. Police Scotland) • Disciplinary and Legal Action procedures • Recovery processes • Internal and external communication. Each section should clearly define the processes to be followed in the event of fraud to ensure that any investigations carried out are done so in a consistent manner to ensure suspected instances of fraud are effectively investigated. This should be widely disseminated to ensure that all employees understand the organisation's response to any suspected fraud, and the resulting disciplinary and legal action that will be taken in confirmed instances of fraud. Testing of the plan should also be undertaken to ensure that the plan functions as	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status

	expected with a lessons learned process utilised after any test to allow for improvements to be made to the plan. Refer to Appendix B for an example fraud response plan as set out by the Scottish Government.						
	Responsible Owner Agreed Response **Risk & Audit Manager**	Publish a standalone Fraud Response Plan in alignment with the revised Anti-Fraud and Corruption Policy. **Additional Management response.** These documents will include the Service's commitment to fully investigate identified fraud for learning purposes.	31 July 2025	n/a	Grade 3	25%	GREEN
Progress to date	Work on the standalone Fraud Response Plan to align with the revised Anti-Fraud Policy is being progressed.						
Outstanding actions to close the recommendation	Once completed, with be issued along with the review Anti-Fraud Policy & communicated appropriately with information added to the LCMS Module						
Internal Auditor's Comments	New action, not due for implementation.						

Rec No. 2.1	**RISK**	**There is a risk that if the actions detailed within the Fraud Risk Action Log are not being undertaken, the risks detailed will not be adequately mitigated resulting in an increased likelihood of fraud.**					
	Fraud Risk Mitigation Actions We recommend that a full review of the Fraud Risk Action Log is undertaken with each action listed reviewed and only signed off when sufficient evidence is provided that the action listed is in place and being undertaken as stated. Responsibility for overseeing completion of the Fraud Action Risk Log should be assigned to a nominated officer. Following this, the Fraud Risk Action Log should be reviewed on a regular basis to ensure progress has been made against actions put in place to address identified fraud risks. Where actions have already been implemented confirmation should be obtained that these are operating effectively.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Risk & Audit Manager**	Review to be undertaken of the Fraud Risk Action Log, confirming responsible officer and requirement for evidence. The Fraud Risk Action Log will be reported regularly to the Corporate Board to ensure progress is being made. Associated Fraud Risk Assessment Guidance will be updated aligned with the new reporting requirement.	31 July 2025	n/a	Grade 3	75%	GREEN
Progress to date	The Fraud Risk Assessment guidance has been updated and the Action Log template revised to include responsible officers and requirement of supporting documented evidence.						
Outstanding actions to close the recommendation	A standardised report with be provided to Corporate Board and ARAC.						
Internal Auditor's Comments	New action, not due for implementation.						

Rec No. 3.1	RISK	There is a risk that without regular and formal awareness raising, an embedded anti-fraud culture will not be present within the organisation. This may lead to further instances of fraud due to lack of awareness and knowledge.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Anti-Fraud Culture & Awareness Raising It is also recommended that a formal awareness raising, and communication plan is created. This should include a month-by-month schedule of activities and communications around fraud that will be undertaken, including but not limited to anti-fraud workshops, articles published on the organisation's intranet and webinars. The implementation of these recommendations will improve the degree of organisational knowledge of fraud, the anti-fraud procedures of the organisation as well as support a well-established anti-fraud culture. To assist with the above, SFRS may wish to consider whether there would be benefit in establishing a Counter Fraud Team to provide expertise, support and a more structured approach to anti-fraud awareness across the organisation.						
3.1.1	Responsible Owner Agreed Response **Risk & Audit Manager**	A schedule of briefing sessions will be arranged throughout the year with Heads of Function to raise awareness of related fraud issues and to monitor progress in relation to fraud risk assessments (FRA). Monitoring reports on the National Fraud Initiative (NFI) and FRA will be provided to scrutiny bodies and related iHub articles published.	31 March 2026	n/a	Grade 3	30%	GREEN
Progress to date		Standardised report will be provided to both Corporate Board and ARAC highlighting work being progressed in relation to NFI and FRA's.					
Outstanding actions to close the recommendation		A workplan of fraud awareness will be developed in line with work undertaken for fraud risk assessment and aligned with available resources within the function.					
Internal Auditor's Comments		New action, not due for implementation.					
3.1.2	Responsible Owner Agreed Response **Head of Finance & Procurement**	Finance and Procurement to consider how counter fraud expertise and support could be supported within existing structures.	31 March 2026	n/a	Grade 3	0%	GREEN
Progress to date		Discussions to be held in relation to the Finance & procurement structure which will consider additional requirements in relation to fraud expertise.					
Outstanding actions to close the recommendation							
Internal Auditor's Comments		New action, not due for implementation.					

Rec No. 3.2	**RISK**	**There is a risk that without mandatory organisation-wide anti-fraud training, staff may not be fully aware of the correct organisational procedures, resulting in further instances of fraud or delays in the reporting of suspicions**					
	Fraud Awareness Training We recommend that the anti-fraud training is made mandatory for all staff in the organisation and carried out on an annual basis. Additionally, appropriate escalation processes should be in place to ensure that completion of training is at a minimum of 85% across the organisation, with directorates which are high-risk areas, such as procurement or finance, required to have a 100% completion. It should also be considered whether further targeted training should be carried out for support staff in high-risk areas to address fraud risks specific to those directorates. Following this, timescales for completion to be established, with completion rates monitored and reported upon to the Audit, Risk and Assurance Committee		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
3.2.1	Responsible Owner Agreed Response **Risk & Audit Manager**	The Fraud LCMS package will be updated to incorporate a formal confirmation by the employee that they have read and understood the Anti-Fraud and Corruption Policy. The module will be a mandatory module for all staff	31 July 2025	n/a	Grade 3	75%	GREEN
Progress to date		LCMS package has been updated, and modules are now mandatory for all staff. Reporting of completion will be part of the standardised report developed for Corporate Board and ARAC.					
Outstanding actions to close the recommendation		Further targeted engagement will be identified in line with revised LCMS module reports which will be available in June 2025.					
Internal Auditor's Comments		New action, not due for implementation.					
3.2.2	Responsible Owner Agreed Response **Head of Finance & Procurement**	Finance and Procurement to consider how counter fraud expertise and support could be supported within existing structures	31 March 2026	n/a	Grade 3	0%	GREEN
Progress to date		Discussions to be held in relation to the Finance & Procurement structure which will consider additional requirements in relation to fraud expertise.					
Outstanding actions to close the recommendation							
Internal Auditor's Comments		New action, not due for implementation.					
Rec No. 4.2	**RISK**	**The low feedback rate undermines the confidence that managers are investigating these incorrect or potential fraudulent claims, and therefore potential fraud may not be followed up appropriately. The lack of line manager involvement may also delay or weaken fraud investigations, reducing SFRS's ability to confirm or mitigate potentially fraudulent claims promptly.**					
	Low Engagement from Line Managers We recommend that SFRS review line manager roles and responsibilities to include the review of claims as part of wider fraud detection processes. The responsibilities and importance of line managers engaging in these processes should be communicated to staff. Consideration should be taken on how to ensure more active participation from line managers in this initial check of expenses including incorporating into job responsibilities		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status

	and performance management and reporting on engagement rates to allow senior leadership to address persistent issues of low participation.						
4.2.2	Responsible Owner Agreed Response **People Directorate (aligned People Manager)**	The Overtime Policy will be reviewed during 25/26 and will consider current processes required for Line Manager authorisation.	30 April 2026	n/a	ADVISORY	0%	GREEN
Progress to date		The Overtime Policy will be reviewed during 25/26 and will consider current processes required for Line Manager authorisation.					
Outstanding actions to close the recommendation							
Internal Auditor's Comments		New action, not due for implementation.					

	RISK	**There is a risk that the Service fails to develop required analytical tools for the detection and prevention of fraud.**					
Rec No. 4.3	**Enhanced Fraud Detection and Reporting Capabilities in the Verification Interactive Claims Analysis Tool** A caveat must be added that the Verification team reported recent reduction in resources including staff members, and inclusion of these recommendations require additional resources to enhance reporting. It is intended that the new systems being brought in will mean data from other systems can be cross referenced for accuracy. We recommend that reporting is prioritised when setting this system up to support the Verification Team's work and for fraud detection purposes. We are aware that on-call data is being incorporated into the dashboard. We recommend that where possible, other systems are cross referenced to ensure accuracy of data that previously was linked to potential fraud cases within SFRS for instance availability for on-call. The Verification Interactive Claim Analysis Tool should be configured to highlight claims that differ from expected patterns such as flagging employees that have an unusually high number of claims compared to colleagues in similar roles / locations. This can be achieved through cross referencing yearly activity to baseline number or amounts by team / role / location / expense type. These baseline figures can act as a reference point to flag unusual activity. Previous threshold values on amount had to be increased due to the volume of anomalies identified. If additional engagement is obtained from line managers, unusual claims by amount expected for role / location could be further examined through this process. We recommend that overview dashboards include additional analysis on yearly activity of claims to detect patterns and trends. This overview should highlight areas that may require additional scrutiny due to number of anomalies observed. For instance, this can include number of employees by number of claims, sub breakdowns of teams, roles and locations and average amounts by these. It may be beneficial to include reporting of response rates by line managers within this dashboard to promote better engagement.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
4.3.2	Responsible Owner Agreed Response **Risk & Audit Manager**	Continued development of a Verification Dashboard allowing additional analysis of claim information, that may assist in the identification of potential fraudulent activity.	30 April 2026	n/a	ADVISORY	0%	GREEN

Progress to date	Further development of the Verification Dashboard to discussed with Team and other functions that may assist in the identification of potential fraudulent activity, aligned with the available capacity within the Team.
Outstanding actions to close the recommendation	
Internal Auditor's Comments	New action, not due for implementation.

Rec No.							
5.1	**RISK**	**Failure to report suspected fraud to the Director of Finance and Contractual Services in a prompt manner increases the risk of a lack of co-ordinated and effective response to fraud resulting in financial loss and reputational damage. Delays in reporting suspected fraud to the police hinders the investigative process and makes the possibility of successfully prosecuting the individual(s) responsible for the fraud less likely**					
	Notifying the Director of Finance & Contractual Services and Police Scotland of suspected fraud When updating the Anti-Fraud and Corruption Policy, incorporating an anti-fraud response plan, and the Disciplinary policy it must be emphasised that all suspected instances of fraud must be reported to the Director of Finance and Contractual Services at the earliest opportunity so that an effective and co-ordinated response to the fraud can be put in place including taking the decision as to when the police should be notified and by whom.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
5.1.1	Responsible Owner Agreed Response **Risk & Audit Manager**	Information on the requirement to report all suspected instances of fraud to the Director of Finance and Contractual Services will be incorporated within the revised Anti-Fraud and Corruption Policy	31 July 2025	n/a	Grade 3	50%	GREEN
Progress to date		Clarity on the requirement to report all report all suspected instances of fraud to the Director of Finance and Contractual Services will be incorporated within the revised Anti-Fraud and Corruption Policy.					
Outstanding actions to close the recommendation							
Internal Auditor's Comments		New action, not due for implementation.					
5.1.2	Responsible Owner Agreed Response **Deputy Head of People**	People Directorate to consider alternative wording in the Disciplinary policy/procedure which captures that where an individual resigns during a disciplinary process consideration should be given to whether to continue with this or not, but each case should be considered on its own facts. Guidance will be added to support such considerations	30 September 2025	n/a	Grade 3	0%	GREEN
Progress to date		People Directorate to consider alternative wording in the Disciplinary policy/procedure which captures that where an individual resigns during a disciplinary process.					
Outstanding actions to close the recommendation							
Internal Auditor's Comments		New action, not due for implementation.					

Rec No. 6.1	**RISK**	**There is a risk that a lack of effective scrutiny and oversight of fraud risks and issues will not support the achievement of an anti-fraud culture across SFRS**					
	Fraud Reporting & Discussion We recommend that the Corporate Board should receive a formal report to discuss as part of the standing agenda item for fraud. This could include, but not limited to, internal activities or internal communications issued, training compliance, reference to recent articles/reports on fraud within the public sector, any intelligence received from other public sector organisations. The ARAC Terms of Reference should be updated to reflect this reporting requirement. The SLT Terms of Reference should also be updated to detail senior management's responsibilities around fraud discussion, fraud reporting and the creation of an anti-fraud culture as the tone at the top of the organisation provides the foundation for the rest of the organisation's approach to anti-fraud. For any future suspected frauds, the SLT should consider how to more formally record the discussions that take place in the absence of formal meeting minutes. The ARAC should have the Fraud Risk Assessment contained as part of their standing agenda item to ensure the Fraud Risk Action log is discussed frequently as well as to ensure that there is adequate progress on improving the organisation's anti-fraud culture.		Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
	Responsible Owner Agreed Response **Risk & Audit Manager**	A regular highlight report to be provided to ARAC and SLT by exception on Fraud Risk Assessment monitoring activity and Terms of Reference for ARAC and SLT to be revised. The Fraud Risk Action Log will be reported regularly to the Corporate Board to ensure progress is being made.	31 March 2026	n/a	Grade 3	50%	GREEN
Progress to date		Standardised report will be provided to both Corporate Board and ARAC highlighting work being progressed in relation to NFI and FRA's.					
Outstanding actions to close the recommendation		Terms of Reference for both ARAC and SLT still to be revised.					
Internal Auditor's Comments		New action, not due for implementation.					

2024-25	Cyber Security Maturity Assessment* This maturity assessment was approached using the Scottish Government's Cyber Resilience Framework as the baseline for our work. Whilst the work performed included assessment of controls, it was not performed as an audit. It has been performed in this manner to support management in establishing a baseline of current controls and to identify those areas where improvement may be required. *Both parts of recommendation 2 are classed as 1 action.	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
		2	0	0	0	0	0	0	2	0	0	0	0	0	0

Rec No. 1	RISK	Cyber-security represents a significant risk for organisations and regularly features on corporate risk registers. It is essential that organisations take appropriate precautions to minimise the risk and impact of a cyber-security incident.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
		The first will be to agree target maturity ratings for each expected control. These targets should inform the second priority of developing a medium to long term cyber security improvement plan/strategy					
	Responsible Owner Agreed Response	**A report will be provided to SFRS Strategic leadership Team to allow a decision to agree target maturity ratings for each expected control**	31 May 2025	n/a	n/a	100%	GREEN
Progress to date		A paper was presented to the SLT meeting providing details to allow an agreed decision on the target maturity ratings and implementation of the Cyber Security Action Plan. It was agreed to have a 2 phase approach with Phase 1 being for the financial year 25/26 which would aim to deliver Baseline deliverables, and Phase 2 for 26/27 that would work toward the Target deliverables to align with the Scottish Government Cyber Resilience Framework (v1.2) and subsequent actions detailed within the Azets Cyber Security Assessment.					
Outstanding actions to close the recommendation		Awaiting Supporting evidence to be forwarded by action owner					
IA Provider Comments		Update provided following the assessment of management comments and evidence.					

Rec No. 2*		RISK	Cyber-security represents a significant risk for organisations and regularly features on corporate risk registers. It is essential that organisations take appropriate precautions to minimise the risk and impact of a cyber-security incident.	Report Agreed Date	Agreed Revised Date	Priority	% Complete	Status
			The improvement plan/strategy should set out the organisation's cyber security priorities across people, process and technical areas, focusing on addressing those areas that represent greatest risk to the organisation. In addition, the plan should be kept under review to reflect the evolving cyber security risk landscape. Defining and implementing a medium to long term plan for the organisation will aid SFRS in understanding the resources required to embed a secure-by-design culture within the organisation.					
	1	Responsible Owner Agreed Response	**Carry out Phase 1 of the agreed Action Plan. Due to the complexity of the Action Plan deliverables, the DaTS function have implemented project management methodology for delivery and will use of the Wrike Project Management tool to monitor all aspects of the progress and implementation. This is classed as a BAU Project and will be monitored and have oversight as part of the DaTS 25/26 workplan.**	31 March 2026	n/a	n/a	9%	GREEN
	2	Responsible Owner Agreed Response	**Carry out Phase 2 of the agreed Action Plan. Due to the complexity of the Action Plan deliverables, the DaTS function have implemented project management methodology for delivery and will use of the Wrike Project Management tool to monitor all aspects**	31 March 2027	n/a	n/a	12%	GREEN

			of the progress and implementation. This is classed as a BAU Project and will be monitored and have oversight as part of the DaTS 26/27 workplan.					
Progress to date			Following approval of the Action Plan by the SLT, DaTS have started to draft detailed work packages for each function / department who have deliverables within the plan. This work is ongoing at present with engagement with function leads due to be scheduled throughout June. As functions work towards delivery of the Baseline actions, it may be identified that Target actions could also be delivered at the same time (only if this doesn't adversely impact delivery of Baseline). Therefore, some actions from Phase 2 may also be delivered within the current financial year. Once meetings have taken place with function leads, and any additional sub-tasks have been identified, the Project Plan will be updated to reflect accurate timescales.					
Outstanding actions to close the recommendation								
IA Providers Comments			Update provided following the assessment of management comments and evidence.					

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/26-25

Agenda Item: 9

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**PMF QUARTERLY PERFORMANCE – 2024-25 Q4**							
Report Classification:	**For Scrutiny**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	To provide members with fourth quarter performance of KPIs 35 – 42 for fiscal year 2024-25. KPIs 58 - 61, 64 and 65 are only reported annually as part of the fourth quarter report.
2	**Background**
2.1	The Performance Management Framework (PMF) defines how we, the Scottish Fire and Rescue Service (SFRS), manage our performance and how we use performance information to inspire change and improvement. This framework remains in place for the current fiscal year until the roll out of a new Strategic Plan in 2025.
2.2	56 quarterly indicators (8 for ARAC) and 9 annual indicators (6 for ARAC) were identified across directorates to provide senior leaders, committees and the SFRS Board with relevant information on our performance. This supports those responsible for scrutiny of how SFRS perform in delivering its Strategic Outcomes.
2.3	The quarterly performance dashboard (& report) provide an overview for those indicators and through the use of statistical process control charts (SPC) alerts stakeholders to situations deteriorating or improving or where performance is stable and in control.
3	**Main Report/Detail**
3.1	This paper covers all performance indicators stated in the PMF intended for scrutiny by the Committee.
3.2	As an interim measure (pre 2025 SFRS Strategy & PMF), any current KPI indicators with compliance statutory or other legislative implications, are identified in red underlined text to assist their intended audience considering wider implications than just improving or deteriorating performance.
3.3	The indicators identified in this report as pertinent to the requirement of 3.2 are – • **36 – Subject Access requests within timeframe** – ICO Guidance on 'Right to Access' states "*Individuals have the right to access their personal data. SFRS should respond without delay and within one month of receipt of request*". • **38 – FOI requests within timeframe** – FOI and EIR information requests handling procedure states "*All public bodies have a duty to assist applicants in requestion information. Under the FOI Scotland Act SFRS has 20 working days to respond*".

3.4	Exceptional variation: • 37 - Data Breaches • 40 - % Invoices in 30 Days
3.5	Deteriorating (long-term): • 42 - % Service Desk Requests within SLA • 58 - Average age of Heavy Fleet • 59 - Average age of Light Fleet
3.6	Improving (long-term): • None
3.7	Not changing: • 35 - Cyber Security Breaches • 36 - % Subject Access within Timeframe • 38 - % FOI within Timeframe • 39 - Confirmed Frauds • 65 – Budget Outturn
3.8	Not known – limited data or unspecified direction: • 41 - % Service Desk Incidents within SLA – Due to previously identified data quality issue, there is not enough historical data to determine the long-term direction of this KPI. It is currently achieving the desired target of 85% and has done so in 6 of the last 7 quarters. • 60a - % Stations Good or Satisfactory Condition • 60b - % of Station Gross Internal Area Good or Satisfactory Condition • 61 - % Stations Good or Satisfactory Suitability • 64 - % Savings of Resource Budget
4	**Recommendation**
4.1	Members are invited to scrutinise the contents of this, question KPI performance and provide feedback on practical use of reporting to ensure continuous development of user experience. The live version of the report can be accessed through the Governance area of the Power BI Landing Page.
5	**Key Strategic Implications**
5.1 5.1.1	**Risk Appetite and Alignment to Risk Register** SFRS has a specific risk SPPC001 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.
5.1.2	This links to the 'Compliance' risk category. In relation to our internal governance, including systems of controls and data governance, SFRS has a Cautious appetite.
5.2 5.2.1	**Financial** Performance measures reported for Strategic Outcomes 5 and under 'Annual Reporting' provide insight to finance.
5.3 5.3.1	**Environmental & Sustainability** Performance measures reported under 'Annual Reporting' provide insight to environmental and sustainability.
5.4 5.4.1	**Workforce** There are no specific Workforce implications addressed in this paper.

5.5 5.5.1	**Health & Safety** There are no specific Health and Safety implications addressed in this paper.	
5.6 5.6.1	**Health & Wellbeing** There are no specific Health and Wellbeing implications addressed in this paper.	
5.7 5.7.1	**Training** There are no specific Training implications addressed in this paper.	
5.8 5.8.1	**Timing** Some performance indicators rely on manual collation of data and are a 'snapshot' in time (2/3 weeks ahead of scrutiny) and may be subject to change dependant on relevant business areas business practices.	
5.9 5.9.1	**Performance** All performance measures reported are linked to Strategic Outcomes 5 and 'Annual Reporting'.	
5.10 5.10.1	**Communications & Engagement** There are no specific Communications & Engagement implications addressed in this paper.	
5.11 5.11.1	**Legal** There are no specific Legal implications addressed in this paper.	
5.12 5.12.1	**Information Governance** DPIA completed - No	
5.13 5.13.1	**Equalities** EHRIA completed - No	
5.14 5.14.1	**Service Delivery** Performance measures reported for Strategic Outcomes 2 & 6 are linked to Service Delivery	
6	**Core Brief**	
6.1	Not applicable	
7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Mark McAteer, Director for Strategic Planning, Performance and Communications
7.2	**Level of Assurance: (Mark as appropriate)**	~~Substantial~~/**Reasonable**/~~Limited/Insufficient~~
7.3	**Rationale:**	The service has continued to develop its approach to performance reporting. The Organisational Performance Dashboard, aligned to the SFRS Performance Management Framework, is now live and available across the service with a pdf version made available to the public. Scrutiny of service performance is evident across the service, at executive level and by the SFRS Board at committee and board level.
8	**Appendices/Further Reading**	
8.1 8.2	Appendix A: PDF copy of PBI0068 report Further Reading: - Link to Power BI Landing Page.	

Prepared by:	Ellen Gayler, Senior Data Analyst
Sponsored by:	Richard Whetton, Head of Corporate Governance, Strategic Planning, Performance and Communications Directorate
Presented by:	Mark McAteer, Director for Strategic Planning, Performance and Communications

Links to Strategy and Corporate Values

Strategy

Outcome 5 – We are a progressive organisation, use our resources responsibly and provide best value for money to the public

- Remaining open and transparent in how we make decisions.
- Improving levels of Service performance whilst providing value for money to the public.
- Improving the use of data and business intelligence to support decision making.

Governance Route for Report	Meeting Date	Report Classification/ Comments
Corporate Board	*23 June 2025*	*For scrutiny*
Audit and Risk Assurance Committee	*19 June 2025*	*For scrutiny*

Audit, Risk & Assurance Committee Performance Report

SCOTTISH FIRE AND RESCUE SERVICE

Working together for a safer Scotland

LIVE MANAGEMENT INFORMATION

Latest quarter shown: **2024-25 Q4**

Previous report

All previous reports

APPENDIX A

You can use these navigational buttons to go to other pages, or use the contents panel at the left-hand side of the screen

Welcome

The Audit, Risk and Assurance Committee Performance Report provides a view of how the Scottish Fire and Rescue Service is performing against its corporate performance measures, as mapped against our Strategic Plan Outcomes.

Our Performance Management Framework 2023-24 defines these corporate performance measures, whilst the Strategic Plan 2022-25 outlines the high-level outcomes through which the Service will continually work towards its overall purpose.

This report is a tool to support and scrutinise effective delivery of the Strategic Plan 2022-25. Each KPI has an owner, who's responsible for monitoring and commenting on its performance.

Key contact: BI@firescotland.gov.uk

BUSINESS INTELLIGENCE

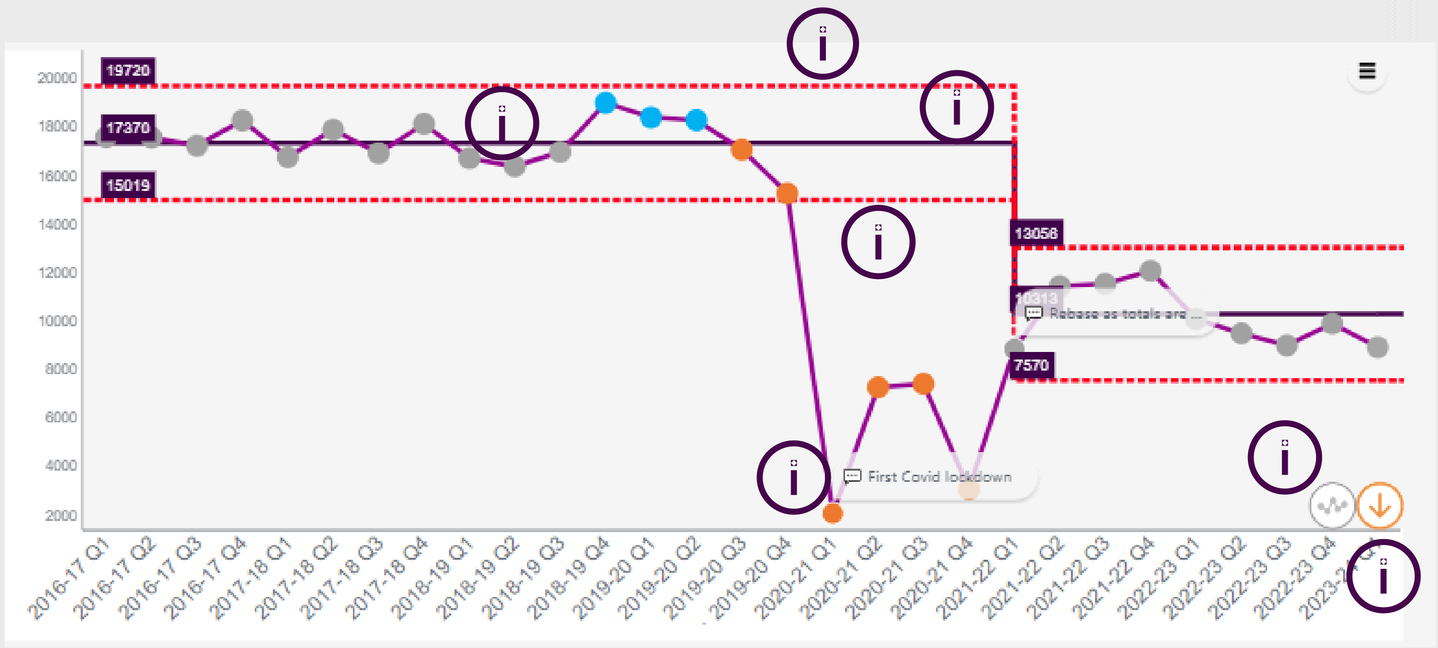
This report presents data over time for each of the quantitative performance measures as detailed in the Performance Management Framework 2023-24, broken down into the Strategic Plan Outcomes. The Contents page (next) provides direction as to where you can find certain information.

SPC Charts

In this PMF Board Report, we use **Statistical Process Control (SPC) charts** to analyse and visualise how the Service is performing against each of its corporate performance measures. We also use commentary as provided by the KPI owner to provide context and highlight key messages. This approach to analysis is how the Business Intelligence Team will analyse, interpret and present performance data going forwards.

SPC is an analytical technique that **plots data over time**. It helps us to **understand variation** and guides us to take the most appropriate action.

SPC alerts us to a situation that may be deteriorating, shows us if a situation is improving, shows us how capable a system is of delivering a standard or target, and shows us if a process that we depend on is reliable and in control.



Above: anatomy of a SPC chart

How to Interpret SPC Charts - see chart - anatomy of a SPC chart

Normally data points will fall **between the upper and lower control limits**. If any of the following scenarios apply, the change needs to be investigated and an explanation provided. Over time this lets us analyse performance in a meaningful way.

An **ORANGE** data point indicates special cause variation of particular concern and needing action. For example, whenever a data point falls outside of a control limit, or if 2 out of 3 data points are close to a control limit.

A **BLUE** data point indicates where improvement appears to lie.

A **GREY** data point indicates no significant change (common cause variation) as well as the baseline.

The following variation icons will also appear on each SPC chart:

Common cause – no significant change	Special cause of concerning nature or higher pressure due to (H)igher or (L)ower values	Special cause of improving nature or lower pressure due to (H)igher or (L)ower values

Source: making-data-count-getting-started-2019.pdf (england.nhs.uk)

Data source for this report:

Details of each data source can be found on the Index page. Some of these are automated whilst others are manual.

Frequency of update:

This report will be updated quarterly.

OUTCOME 05 (Effective Governance & Performance)

We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

KPI	Indicator	Purpose	Geography	Frequency	Target	Business Area
35	Number of Cyber Security Breaches	To record the number of successful cyber breaches experienced by the Service	National	Quarterly	0	Information and Communication Technology
36	% of subject access requests responded to within the statutory timescales	Demonstrates if we are meeting the statutory timescales of GDPR/Data Protection legislation	National	Quarterly	95%	Corporate Communications
37	Number of Data Breaches	Demonstrates if staff are comlying with GDPR/Data Protection legisation to avoid data breaches	National	Quarterly	0	Corporate Communications
38	% of FOIs responded to within statutory timescales	Demonstrates if we are meeting the statutory timescales of Freedom of Information legislation	National	Quarterly	95%	Corporate Communications
39	Number of confirmed frauds	Unavailable	National	Quarterly	0	Finance and Procurement
40	% of invoices paid in 30 days	Unavailable	National	Quarterly	98%	Finance and Procurement
41	% Service Desk incidents resolved within Service Level Agreement	To demonstrate the level of compliance with Service Level Agreement for dealing with incidents (eg broken equipment or no access to an ICT system or service)	National	Quarterly	85%	Information and Communication Technology
42	% Service Desk requests resolved within Service Level Agreement	To demonstrate the level of compliance with Service Level Agreement for dealing with service requests (eg new or additional equipment or improvement to an ICT system or service)	National	Quarterly	85%	Information and Communication Technology
58	Average age of Heavy Fleet	The move towards reducing average age of heavy fleet.	National	Annually	12 years and below	Asset Management
59	Average age of Light Fleet	The move towards reducing the average of light fleet	National	Annually	6 years and below	Asset Management
60a	% of Community Fire Stations in good or satisfactory condition	The overall condition of the property estate	National	Annually	1% increase against previous year	Asset Management
60b	% of Station Gross Internal Area in Good or Satisfactory Condition	The overall condition of the property estate	National	Annually	1% increase against previous year	Asset Management
61	% of Community Fire Stations in good or satisfactory suitability	The overall suitability of the property estate	National	Annually	1% increase against previous year	Asset Management
64	Savings achieved as a % of Resource budget for year	Unavailable	National	Annually	3.5% for 2023/24	Finance and Procurement
65	Total Budget Outturn vs agreed funding (RDEL & CDEL)	Unavailable	National	Annually	Track	Finance and Procurement

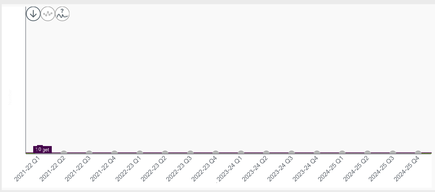
We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

KPI 35 — Cyber Security Breaches

0

PURPOSE: To record the number of successful cyber breaches experienced by the Service

OWNER: Head of ICT



SUMMARY

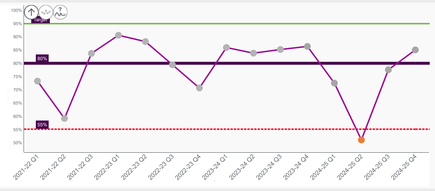
The SFRS ICT Cyber team continues to enhance technical controls and processes to improve incident response and lower the likelihood of a breach. Improved security awareness training for all staff has raised our security posture against the most common threats.

KPI 36 — % Subject Access within Timeframe

95%

PURPOSE: Demonstrates if we are meeting the statutory timescales of GDPR/Data Protection legislation

OWNER: Head of Corporate Communications



SUMMARY

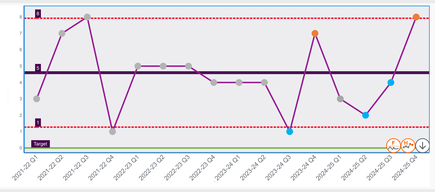
Number of cases completed on time has increased this quarter due to having extra temporary staff.

KPI 37 — Data Breaches

0

PURPOSE: Demonstrates if staff are comlying with GDPR/Data Protection legislation to avoid data breaches

OWNER: Head of Corporate Communications



SUMMARY

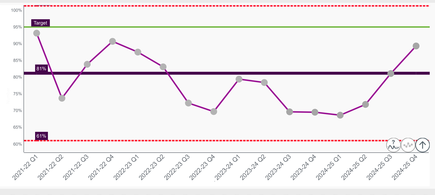
General increase in information being disclosed in error via emails or wrong permission access to systems. Reviewing practices and will issue guidance and comms.

KPI 38 — % FOI Responded within Timeframe

95%

PURPOSE: Demonstrates if we are meeting the statutory timescales of Freedom of Information legislation

OWNER: Head of Corporate Communications



SUMMARY

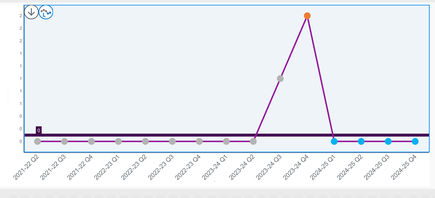
Number of cases completed on time has increased this quarter due to having extra temporary staff.

KPI 39 — Confirmed Frauds

0

PURPOSE: Unavailable

OWNER: Head of Finance & Procurement



SUMMARY

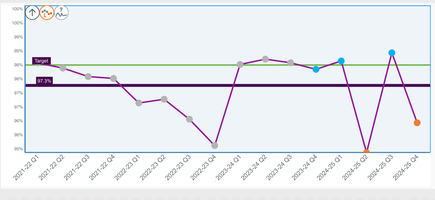
Work to raise awareness and ownership of the risks associated with fraud is undertaken through a fraud LCMS awareness package and direct engagement through sessions on Fraud and requirements to declare Gifts, Hospitality and Interests.

KPI 40 — % Invoices Paid in 30 Days

98%

PURPOSE: Unavailable

OWNER: Head of Finance & Procurement



SUMMARY

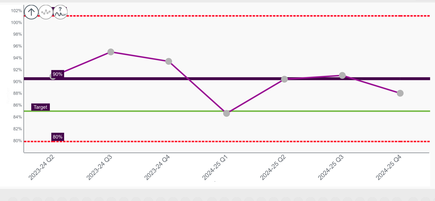
While Q4 KPI is 96%, the cumulative year to date KPI is 97%. Weekly reminders are issued to authorisers to check and approve invoices to ensure performance is maintained.

KPI 41 — % Service Desk Incidents within SLA

85%

PURPOSE: To demonstrate the level of compliance with Service Level Agreement for dealing with incidents (eg broken equipment or no access to an ICT system or service)

OWNER: Head of ICT



SUMMARY

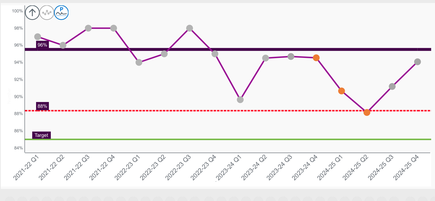
We continue to deliver on this KPI and with, the required amount of resources in place, I would expect us to continue to perform to these standards. The DaTS restructure will, no doubt have an influence on this moving forward.

KPI 42 — % Service Desk Requests within SLA

85%

PURPOSE: To demonstrate the level of compliance with Service Level Agreement for dealing with service requests (eg new or additional equipment or improvement to an ICT system or service)

OWNER: Head of ICT



SUMMARY

We continue to deliver on this KPI and with, the required amount of resources in place, I would expect us to continue to perform to these standards. The DaTS restructure will, no doubt have an influence on this moving forward.

Effective Governance and Performance

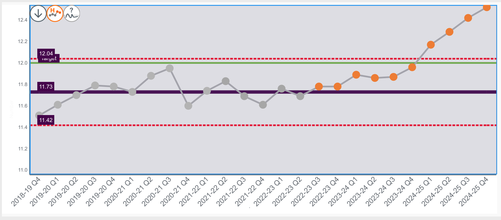
We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

KPI 58 — Average Age of Heavy Fleet

12 years and below

PURPOSE: The move towards reducing average age of heavy fleet.

OWNER: Head of Asset Management



SUMMARY

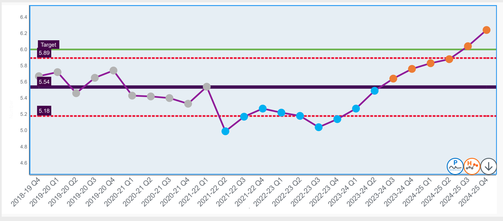
Thirty 18 tonne appliances have been ordered to replace aging appliances within the heavy fleet category together with two height appliances and this will reflect in 2025/26 figures. 47% of heavy fleet remains overdue for replacement.

KPI 59 — Average Age of Light Fleet

6 years and below

PURPOSE: The move towards reducing the average of light fleet

OWNER: Head of Asset Management



SUMMARY

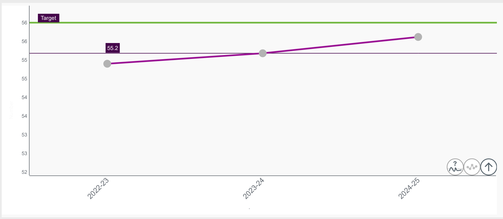
41% of light fleet remains overdue for replacement. The transition to ULEV results in a higher cost for replacement of vehicles in comparison to ICE equivalents and this affects the number of new vehicles which can be purchased.

KPI 60a — % Stations Good or Satisfactory Condition

1% increase against previous year

PURPOSE: The overall condition of the property estate

OWNER: Head of Asset Management



SUMMARY

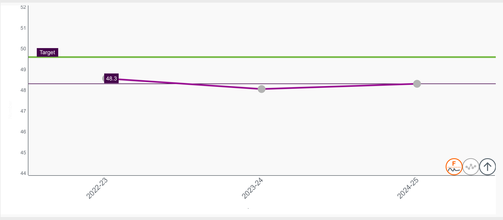
Upgrades to properties such as Dingwall and Newcraighall are countered by defects in other parts of the station estate. The overall condition position has not improved since initial surveys were undertaken in 2019. Fresh surveys completed at the end of March covered around half the building stock but are still subject to individual quality assurance before we can provide an updated position.

KPI 60b — % of Station Gross Internal Area Good or Satisfactory Condition

1% increase against previous year

PURPOSE: The overall condition of the property estate

OWNER: Head of Asset Management



SUMMARY

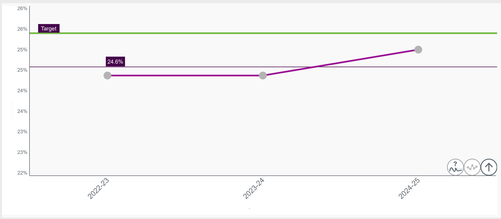
This measure for condition aligns with the CIPFA Benchmarking standard, It also reflects that overall condition across the estate continues to remain a cause for concern, with a lack of funding to address this. The 10 capital investment requirement for property currently sits at £496m. The planned remediation or replacement of RAAC affected stations over the next five years will see improvement.

KPI 61 — % Stations Good or Satisfactory Suitability

1% increase against previous year

PURPOSE: The overall suitability of the property estate

OWNER: Head of Asset Management



SUMMARY

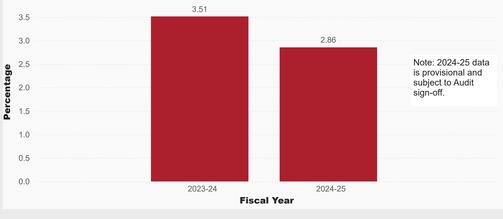
Suitability remains at a constant, however this measure will require to be re-evaluated to reflect the supreme court ruling on provision of gender facilities.

KPI 64 — % Savings of Resource Budget

3.5% for 2023/24

PURPOSE: Unavailable

OWNER: Head of Finance & Procurement



Note: 2024-25 data is provisional and subject to Audit sign-off.

SUMMARY

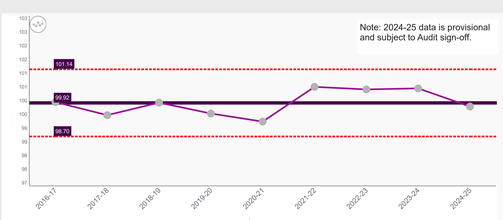
the Resource savings target for 2024/25 was £9.1 m. The provision figures for the year are that savings of £9.0m were delivered during the year. this figure remains subject to change unti the 2024/2025 accounts have been fully audited.

KPI 65 — Budget Outturn

Track

PURPOSE: Unavailable

OWNER: Head of Finance & Procurement



Note: 2024-25 data is provisional and subject to Audit sign-off.

SUMMARY

Rdel budget for 2024/2025 was £314,857k the provisional resource outturn is £314,130k, an underspend of c£720k, 0.2% of the budget
Cdel budget for 2024/2025 was £43,326k the provisional capital outturn is £43,296 an underspend of c£30k, 0.07% of the budget
These figures are subject to change

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SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/27-25

Agenda Item: 10

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE (ARAC)**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**ANNUAL GOVERNANCE STATEMENT FOR ACCOUNTING PERIOD 2024/25**							
Report Classification:	**For Scrutiny**	**Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	To advise the Audit and Risk Assurance Committee (ARAC) of the Annual Governance Statement (AGS), for inclusion in the Annual Report and Accounts of the Scottish Fire and Rescue Service (SFRS) for the year ended 31 March 2025.
2	**Background**
2.1	The Scottish Public Finance Manual (SPFM) requires the Accountable Officer to produce an AGS for inclusion within the accountability section of the Annual Report and Accounts. The AGS outlines the arrangements that are in place for internal controls, risk management and corporate governance, and how effective these arrangements have been during the period under review.
2.2	On 8 April 2025 the ARAC considered the SFRS's approach for preparing the AGS for the year ended March 2025. 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.
2.3	The evidence used to support the preparation of the AGS has been drawn from four key assurance providers outlined in the 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.
2.4	Furthermore, inspection work carried out by independent bodies such as His Majesty's Fire Service Inspectorate (HMFSI) have been used to inform the Accountable Officer's overall opinion of the effectiveness of SFRS's internal controls, risk management and corporate governance arrangements.
3	**Main Report/Detail**
3.1	In preparing the AGS 2024/25, there are 2 significant issues or risks as defined in the SPFM that need to be highlighted: 1. Information Governance meeting statutory timescales: Work is ongoing to review the structure of the team and ensure the department is structured and resourced in an appropriate way to maintain performance in line with the requisite statutory timescales.

	2. Health and Wellbeing (HW) complying with legislative requirements: A recovery plan is being progressed through the HW Tactical Action Group (TAG) and a HW Compliance Investigation has been commissioned. There are a number of recommendations as a result that require to be actioned before legislative requirements can be met.
3.2	The 2 areas of risk identified along with all areas for improvement identified within the Internal Control Checklists will be progressed quarterly through scrutiny at the Corporate Board (CB). This process intends to strengthen assurances around the effectiveness of the SFRS's internal controls, risk management and corporate governance arrangements. Areas of Fraud Risk identified will be progressed quarterly through scrutiny at the Corporate Board (CB) to strengthen controls and measures to reduce Fraud Risk.
3.3	Following presentation at the ARAC, SFRS's External Auditor will review the AGS for its consistency with evidence collected while auditing the financial statement and with other work they undertook during this period. A final Annual Report and Accounts for 2024/25 will be presented to the Board on 30 October 2025.
3.4	The existing Equality Impact and Human Rights Assessment – SFRS Corporate Governance Arrangements, has been reviewed and updated March 2025 and presented to the Board in April 2025 as part of the Annual Governance Review of Board and Committee related items, there are no issues arising from the matters raised within this report.
4	**Recommendation**
4.1	The ARAC are asked to consider the contents of the AGS as set out in Appendix A, for inclusion in the Annual Report and Accounts of the Scottish Fire and Rescue Service (SFRS) for the year ended 31 March 2025.
5	**Key Strategic Implications**
5.1 5.1.1	**Risk Appetite and Alignment to Risk Registers** Evidence gathering in support of the AGS requires all Strategic and Directorate level risks to be reviewed. From this exercise no significant risks have been reported and/or identified for 2024/25.
5.2 5.2.1	**Financial** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to finance management.
5.3 5.3.1	**Environmental & Sustainability** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to risk and compliance related to Environmental impacts.
5.4 5.4.1	**Workforce** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to our workforce and human resources.
5.5 5.5.1	**Health & Safety** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to health and safety management.
5.6 5.6.1	**Health & Wellbeing** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to staff wellbeing.

5.7 5.7.1	**Training** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to staff training linked to business areas reviewed. The SFRS Learning and Content Management System (LCMS) is available to support those responsible for completing Internal Control Checklists and Certificates of Assurance.	
5.8 5.8.1	**Timing** The AGS is scheduled to be presented to the Board as a part of the Annual Report and Audited Accounts for 2024/25 on 30 October 2025.	
5.9 5.9.1	**Performance** Assurance can be provided that effective and standardised systems of control are in place and operating effectively. Any necessary action will be taken by responsible managers to ensure continuous improvement is made in areas of development that have been identified during this process to enhance the effectiveness of our risk management and internal control arrangements. These areas of further development are fully captured within the Improvement Action Plans which are reported through Corporate Board (CB) and link where appropriate to Corporate Risks through Strategic and Directorate Risk Registers building this into our business as usual processes.	
5.10 5.10.1	**Communications & Engagement** As most of the evidence gathering in support of the AGS is coordinated by Deputy Directors, the process for producing this year's AGS were detailed to the CB in February 2025. Follow-up support and Fraud Risk Assessment input was also provided by the Corporate Business Manager and Risk and Audit Manager respectively.	
5.11 5.11.1	**Legal** The production of the AGS is a requirement of the SPFM which sets out relevant statutory, requirements with regard to the proper handling and reporting of public funds.	
5.12 5.12.1	**Information Governance** No Data Protection Impact Assessment is required as no personal data is involved in this process.	
5.13 5.13.1	**Equalities** Evidence gathered in support of the AGS demonstrates internal controls in place within SFRS related to equality and diversity. The existing Equality Impact Assessment – SFRS Corporate Governance Arrangements, has been reviewed and updated as part of the Annual Governance Review of Board and Committee related items April 2025. There are no issues arising from the matters raised within this report.	
5.14 5.14.1	**Service Delivery** Evidence gathering in support of the AGS requires all Directors and Heads of Function to review internal controls, fraud risk management and establish any related Improvement Action Plans. From this exercise no significant risks have been reported and/or identified for 2024/25.	
6	**Core Brief**	
6.1	Not applicable	
7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Mark McAteer, Director of Strategic Planning, Performance and Communications
7.2	**Level of Assurance: (Mark as appropriate)**	**Substantial**/~~Reasonable/Limited/Insufficient~~

7.3	**Rationale:**	This assurance is based on the statement itself which confirms that SFRS has a proven and sound system of risk management and internal control arrangements in place that supports the achievement of our strategic aims and objectives, which is underpinned by our robust policies and procedures. 2 significant issues during 2024/25 have been identified which have mitigating actions in place.
8	**Appendices/Further Reading**	
8.1	Appendix A – Annual Governance Statement for the Accounting Period 2024/25	

Prepared by:	Marion Lang, Corporate Business and Admin Manager Chris Casey, Group Commander, Board Support David Johnston, Risk and Audit Manager
Sponsored by:	Mark McAteer, Director of Strategic Planning, Performance and Communications
Presented by:	Mark McAteer, Director of Strategic Planning, Performance and Communications

Links to Strategy and Corporate Values

Links to Strategic Plan 2023-25, Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

Governance Route for Report	**Meeting Date**	**Report Classification/ Comments**
Strategic Leadership Team	*4 June 2025*	*For Scrutiny*
Corporate Board	*23 June 2025*	*For Information*
Audit and Risk Assurance Committee	*19 June 2025*	*For Scrutiny*

APPENDIX A

Annual Governance Statement (AGS)
For Accounting Period 2024/25

1 Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control, risk management and corporate governance that supports the achievement of the Scottish Fire and Rescue Service's (SFRS) policies, strategic aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I am also responsible for ensuring that the SFRS is administered prudently and economically and that resources are applied efficiently and effectively. I acknowledge my responsibilities as set out in the Principal Officers Memorandum to Accountable Officers of Other Public Bodies.

2 The SFRS Corporate Governance Framework

Members of the Board are appointed by the Scottish Ministers in line with the Code of Practice for Ministerial Appointments to Public Bodies in Scotland. During the first quarter of 2024/25 the SFRS Board ('the Board') comprised of fourteen Non-Executive Members including the Non-Executive Chair. In June 2024, Board Member Steve Barron resigned and in October 2024 Board Member Fiona Thorburn retired, reducing the Board to twelve Non-Executive Members including the Non-Executive Chair.

2.1 The Board

The SFRS Board is responsible for providing strategic direction, support and guidance to the SFRS, ensuring it discharges its functions effectively and that Ministers' priorities are implemented. The SFRS Governance and Accountability Framework document sets out these responsibilities in detail, along with the formal relationships between the SFRS and the Scottish Ministers and Officials. The Board discusses, debates and makes decisions in many areas and focuses on:

- the quality of the service being delivered and how this can be improved;
- strategic decisions, including key areas for future development;
- financial position and organisational performance, to ensure that the SFRS is in line with its targets and statutory obligations.

The Board has approved Standing Orders and a Scheme of Delegations (incorporating matters reserved to the Board) in place that outlines the responsibilities for the Board, Chief Officer and Strategic Leadership Team (SLT) on key issues such as governance and financial transactions. All staff are required to comply with the requirements set out in these documents and they are reviewed annually and approved by the Board within the Annual Governance Review of Board and Committee related items.

During 2024/25 the Board met six times in public using a blended approach of face to face meetings and virtual technology and made the minutes and papers of these meetings available on the SFRS website. The Board also conducted five standalone meetings in private during this reporting period. Further to this, eight Board Strategy / Development / Information Days were held to support the effective and positive working relationships between the Board and Strategic Leadership of the Service. These continue to inform the Board of key strategies, projects, work streams and organisational workloads and allow the Board the opportunity to engage at a Strategic level.

KEY HIGHLIGHTS OF THE BOARD DECISIONS DURING 2024-25

- Appointed a new Chief Officer
- Approved the Annual Governance Review of Board and Committee Related Items to ensure the continued effectiveness of the governance arrangements of the SFRS Board and its Committees
- Approved the Internal Audit Plan 2024/25 which sets out a timetable of the main reviews of key activities during 2024/25 that are intended to assist in ensuring effective governance and monitoring arrangements within SFRS
- Approved the SFRS Three-Year Delivery Plan
- Approved the New Mobilising System Project Procurement Options (Private)
- Approved the Outline Business Case for Community Resilience Hubs (Private)
- Approved the revised Committee Membership Structure
- Approved the Arrangements for Reviewing the Effectiveness of the Board
- Approved the Full Business Case for the New Mobilising System (Private)
- Approved the Annual Performance Review Report 2023/24 (Private)
- Approved the Annual Procurement Report for Period: 1 April 2023 - 31 March 2024
- Approved the Board Forward Plan Schedule 2025/26 for all Board and Committee meetings
- Approved the Risk Appetite Statements
- Approved the Draft Annual Report and Accounts 2023/24 and authorised the Chief Officer, as the Accountable Officer, to sign and submit this on behalf of the Service (Private)
- Approved raising action in Scotland against Systemes et Telecommunications SA (Systel) (Private)
- Approved the recommended initiatives for the Social Impact Pledges
- Approved the Draft SFRS Strategy 2025-2028 for Consultation (Private)

- Approved the Budget Approach 2025/26, which outlines the approach to developing both Resource and Capital budgets, within the context of the Scottish Government's budget proposals
- Approved the Resource Budget 2025/26
- Approved the Capital Programme 2025/26 – 2027/2028
- Approved the Risk Based Capital Investment Plan 2025

2.2 Board Members

The biographies and interests of Board Members can be found on the SFRS website at: Board members | Scottish Fire and Rescue Service (firescotland.gov.uk).

The table below outlines Board meetings and Board Member attendance for 2024/25.

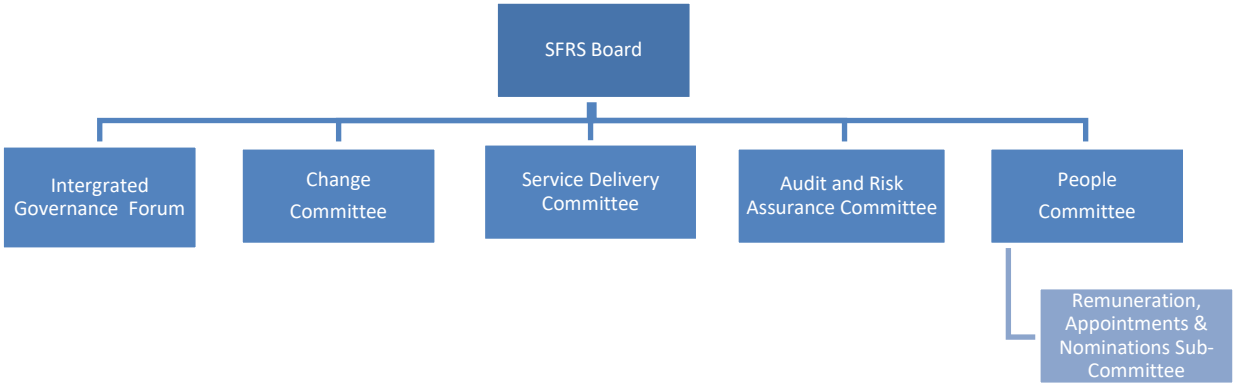
Name of Board Member	Number of meetings attended in year	Possible
Kirsty Darwent (Chair)	11	11
Fiona Thorburn (Deputy Chair until October 2024)	4	5
Paul Stollard (Deputy Chair from October 2024)	11	11
Tim Wright	10	11
Brian Baverstock	8	11
Mhairi Wylie	11	11
Malcolm Payton	10	11
Stuart Ballingall	8	11
Steve Barron (resigned June 2024)	3	3
Angiolina Foster	11	11
Andrew Smith	11	11
Madeline Smith	11	11
Neil Mapes	11	11
Therese O'Donnell)	11	11

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined or retired.)

2.3 Committee Structure and Coverage

During 2024/25 the Board had a Committee structure comprising four standing Committees and one Sub-Committee, together with an Integrated Governance Forum. Each of these Committees/Forum have a Terms of Reference, which are reviewed annually and approved by the Board within the Annual Governance Review of Board and Committee related items.

SFRS Board Committee Structure during 2024/25



2.3.1 Audit and Risk Assurance Committee (ARAC)

The ARAC scrutinises the systems and processes for governance, internal control and risk management and provides assurances on their effectiveness to the Board and Accountable Officer. The ARAC comprises five Non-Executive Members and during 2024/25 met three times in public, each of which included a private session. The Chair of the Committee is Brian Baverstock.

Representatives from the external and internal auditors attended all meetings and met separately in private with Committee Members. The Accountable Officer and the Director of Finance and Contractual Services attend the ARAC, along with other Senior Managers as appropriate. Representatives from His Majesty's Fire Service Inspectorate (HMFSI) were also invited to attend and to provide their Annual Report.

Based on the Committee's work during the period under review and the assurances received, the Committee concluded the SFRS has effective risk management, governance and internal control arrangements in place.

The Committee also concluded that it is not aware of any issues of significant concern that should be brought to the attention of the Board and the Accountable Officer.

Further highlights of the ARAC's work during 2024/25 can be found via this link which takes you to their Annual Report to the Board and Accountable Officer. (**Please note the link to the report, which will be contained within the June ARAC public meeting pack, will not be available on our website until 16 June 2025).**

The table below outlines ARAC meetings and Board Member attendance 2024/25.

Board Member	Number of meetings attended in year	Possible
Brian Baverstock (Chair)	3	3
Malcolm Payton (Deputy Chair)	3	3

Mhairi Wylie	3	3
Madeline Smith	2	3
Neil Mapes	3	3

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined or retired.)

2.3.2 Change Committee (CC): Strategic Change and Major Projects

The CC provides oversight and scrutiny of the Change Portfolio (Strategic Change and Major Projects) to assure consistency with the strategic direction set by the Board and effective resourcing, planning and delivery. In February 2025, the Committee changed to the Strategic Planning and Change Committee.

The CC comprises five Non-Executive Members and during 2024/25 met four times in public, each of which included a private session, and two standalone meetings in private. The Committee Chair was Fiona Thorburn until October 2024, then Stuart Ballingall took over the role. The Deputy Chief Officer, Interim Deputy Chief Officer (Corporate Services), Director of Prevention, Protection and Preparedness and other Senior Managers were invited to attend the meetings as appropriate.

The Committee monitored progress of major projects such as the New Mobilising System, People Payroll, Finance and Training Project, as well as other projects such as Rostering along with the Strategic Service Review Programme (SSRP).

The risk tracking and risk monitoring for individual projects was further developed, with a view to gaining better insight of risks that may affect the delivery of the Programme while the methodology for benefits mapping and project finance reporting also continued to be developed. Evaluation reports were produced which highlighted lessons identified and learned, for review and reflection within new projects.

The Interim Deputy Chief Officer (Corporate Services) provided Executive leadership and oversight regarding the Change portfolio and how it was managed.

Further highlights of the CC's work during 2024/25 can be found via this link which takes you to their Committee Assurance Statement presented at the 1 May 2025 public meeting.

The table below outlines CC meetings and Board Member attendance 2024/25.

Board Member	**Number of meetings attended in year**	**Possible**
Fiona Thorburn (Chair – until May 2024)	4	4
Stuart Ballingall (Chair – from June 2024	6	6

Brian Baverstock (Deputy Chair – Until May 2024)	0	1
Angiolina Foster (Deputy Chair – From June 2024)	6	6
Paul Stollard	5	5
Tim Wright	2	5
Therese O'Donnell	5	6

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.3.3 Service Delivery Committee (SDC)

The SDC's purpose is to scrutinise, monitor and review performance, and provide assurances to the Board relating to the quality of Service Delivery through operational efficiency and effectiveness, operational safety, and delivery of approved Prevention & Protection and operational strategies.
The SDC comprises five Non-Executive Members and during 2024/25 met four times in public. The Committee Chair is Tim Wright. The Deputy Chief Officer, Director of Operational Delivery, Director of Prevention, Protection and Preparedness and Director of Training, Safety and Assurance, as well as other Senior Managers, were invited to attend the meetings as appropriate.

HMFSI continue to attend the SDC, primarily to monitor progress against the SDC aligned HMFSI action plans, but also from a general Service Delivery business perspective across the Service.
At each meeting, the Committee received a revised Service Delivery Update report from the Deputy Chief Officer. This comprehensive report outlines updates of key points of work from the Operational Delivery Directorate and the Training, Safety and Assurance Directorate over the previous quarter.
Further highlights of the SDC's work during 2024/25 can be found via this link which takes you to their Committee Assurance Statement presented at the 28 May 2025 public meeting.

The table below outlines SDC meetings and Board Member attendance 2024/25.

Board Member	**Number of meetings attended in year**	**Possible**
Tim Wright (Chair)	4	4
Paul Stollard (Deputy Chair)	3	4
Angiolina Foster	2	4
Andrew Smith	4	4
Madeline Smith	4	4

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.3.4 People Committee (PC) and Remuneration, Appointments & Nominations Sub-Committee (RANSC)

The PC provides strategic advice and direction on matters affecting employees and ensures that staffing and remuneration arrangements support the strategic aims and objectives of the SFRS, reflecting best practice. The PC comprises five Non-Executive Members and during 2024/25 met four times in public, each of which included a private session. The PC Chair is Mhairi Wylie and the RANSC Chair was Board member Fiona Thorburn until October 2024, then Mhairi Wylie took over the role.

The overall purpose of the RANSC is to offer guidance, support and recommendations to the Board and Chief Officer, in relation to matters of remuneration, appointments, nominations and negotiations. The RANSC comprises six Non-Executive Members (including the Chair of the SFRS Board) and during 2024/25 met five times in private.

The business which comes before the PC does not vary significantly from year to year and is primarily intended to obtain assurances on behalf of the Board, who are the statutory employer of all SFRS staff, regarding matters affecting employees. The RANSC formally report to the PC after each meeting. Monitoring of People and Training, Safety and Assurance (TSA) Directorates progress and performance and the RANSC Forward Plan feature regularly on the PC agenda and these enable future work priorities to be set.

The success of any organisation is critically related to the commitment and skill of its employees, and to its adherence to the culture and values it espouses. These in turn are underpinned by the policies and procedures it has in place, the arrangements and opportunities for learning, training and development of employees so they may attain their full potential, and the quality of engagement and relations between the organisation and its representative bodies. The work of the PC and its RANSC seeks to assist me within my role as the Accountable Officer and the Director of People and her team together with the SLT to plan and deliver effective policies and actions in this regard, and to provide appropriate assurance to the Board accordingly.

Further highlights of the PC's and RANSC's work during 2024/25 can be found via this link which takes you to their Committee Assurance Statement. (**Please note the link to the report, which will be contained within the June PC's public meeting pack, will not be available on our website until 6 June 2025).**

The table below outlines PC meetings and Board Member attendance 2024/25.

Board Member	Number of meetings attended in year	Possible
Mhairi Wylie (Chair)	4	4
Steve Barron (Deputy Chair – Until June 2024)	1	1
Andrew Smith (Deputy Chair – From June 2024)	4	4
Malcolm Payton	3	4
Fiona Thorburn (retired October 2024)	2	2
Neil Mapes	4	4
Madeline Smith	2	3

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

The table below outlines RANSC meetings and Board Member attendance 2024/25.

Board Member	Number of meetings attended in year	Possible
Fiona Thorburn (Chair – Until October 2024)	2	2
Mhairi Wylie (Chair – From October 2024)	5	5
Steve Barron (Deputy Chair – Until June 2024)	1	1
Kirsty Darwent	5	5
Stuart Ballingall	4	5
Therese O'Donnell	5	5
Malcolm Payton	4	4
Paul Stollard	3	3

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.3.5 Integrated Governance Forum (IGF)

The IGF was formed in June 2017, initially termed as a group and until March 2020 a standing Committee of the Board, however following a review a decision was made to establish this as a Forum and use this as a basis for all Committee Chairs to meet regularly. Chaired by the Chair of the Board and made up of the Deputy Chair and Chairs of all other Committees, it reviews and discusses issues and key themes identified in specific governance Committees and as an outcome provides additional assurance to the Board, ensuring a joined-up approach to corporate governance.

The Forum comprises six Non-Executive Members and during 2024/25 met four times. The Chief Officer and other Senior Managers were invited to attend the meetings as appropriate. Good examples of Common Themes and/or areas of overlap included Data Quality, Cyber Security/Artificial Intelligence Technology and management of risk. The Forum again recognised the importance of having an increased focus on risk to better inform decision making/scrutiny. The continual evolution to ensure good governance and the appropriate levels of scrutiny/focus by the Committees/Board were also recognised and that the implementation of integrated assurance mapping going forward, would also focus attention on specific areas.

During Committee workshops where their purpose, responsibilities and general business were reviewed, the consensus was that the IGF provides a required and valuable platform. The examples set out above demonstrate the benefit of having the Chairs of each Committee meet formally to ensure a joined-up approach to corporate governance and ensure continuous improvement across the Service.

The table below outlines IGF meetings attended by Members during 2024/25.

Name	Number of meetings attended in year	Possible
Kirsty Darwent (Chair)	4	4
Fiona Thorburn (Deputy Chair – Until October 2024)	0	2
Paul Stollard (Deputy Chair – From October 2024)	3	4
Brian Baverstock	3	4
Mhairi Wylie	4	4
Tim Wright	3	4
Stuart Ballingall	3	4

(* Note that the number of meetings within 'Possible' column to attend by Members is dictated by when they joined, moved or retired.)

2.4 Review of Board Effectiveness

The Board continues to be committed to developing its capacity and capability to be effective, and ensures that its performance, as well as the performance of individual Committees and individual Board Members is regularly reviewed.

Further highlights that demonstrate the Board's commitment to improving their effectiveness throughout 2024/25 can be found in the Arrangements and Outcome of the Annual Review – Effectiveness of the Board report, available via this link. (**Please note the link to the report, which will be contained within the June Board's public meeting pack, will not be available on our website until 23 June 2025).**

In summary, collectively and through the detailed variety of examples within the report presented at the Board meeting (26 June 2025), it clearly demonstrates that progress continues to be made to improve the overall effectiveness of the Board.

Introduction of the SFRS Good Governance Framework approved by the Board in April 2022 builds on our Code of Corporate Governance ('the Code') and outlines our continued commitment to upholding high standards of corporate governance by setting out the principles and supporting characteristics being applied to ensure we are achieving our intended outcomes, while acting in the public interests at all times. The Framework will continue to be a living document and evolve as we strive to continually improve in everything we do. Importantly it embodies and supports our values of Safety, Teamwork, Respect and Innovation.

As Accountable Officer I am therefore confident we comply with good governance standards as set out within our SFRS Governance and Accountability Framework demonstrating our continued commitment to delivering our intended outcomes in the best possible manner.

3 Risk Management Framework

The ARAC advises the Board and the Accountable Officer on the effectiveness of strategic processes for risk management and internal controls. During 2024/25, quarterly written and verbal reports to the ARAC and periodic reports from the Chair of the ARAC to the Board, provided assurance that appropriate systems of risk management and internal control were in place.

The SFRS recognises that it cannot eliminate the risk of disruption to its Service Delivery and that a residual level of risk will always remain. However, the risk management framework has been developed to minimise the likelihood and impact of risk causing disruption to SFRS's strategic priorities.

The aim of the SFRS is to be risk aware, allowing innovation and aspiration, whilst actively managing risk through a range of measures to ensure key priorities are met. The risk framework establishes a consistent and effective structure and is integrated within the governance and assurance arrangements of the Service.

A key development during 2024/25 was the identification and integration of Risk Appetite within the Services Risk Management Framework. Risk Appetite is defined as the amount of risk the service is prepared to accept, tolerate or be exposed to in order to achieve its strategic priorities. The purpose of developing these statements is to add value to the decision-making process, providing an additional evaluation tool against which decisions are made.

Eight risk appetite categories have been identified, with sub-categories evaluated against agreed risk appetite levels:

- People
- Compliance
- Service Delivery
- Financial
- Political and Stakeholder Relationships
- Organisational Security
- Environmental
- Technology

Development of the framework will continue, aligned to the use of risk appetite within reports and risk registers and through external validation undertaken by internal audit as part of their 2025/26 audit plan.

Monitoring and review of risk information is embedded throughout the Service, forming an integral reporting element to all Committees and Executive Boards. Early engagement with the Board, SLT and Directorates ensures the framework is effectively used to inform the decision-making process, allowing the Service to present a fair and reasonable reflection of the most significant risks impacting upon its operations.

Maturing the risk framework, allowing the Service to effectively consider and manage emerging risks and challenges, will further strengthen our governance process. However, the risk management framework is only one of the many governance tools available. Other important aspects are:

- SFRS Assurance Framework
- Internal and External Audit
- Business Planning
- Financial Management
- Fraud Policies and Procedures
- A Procurement Framework
- Human Resources
- Health, Safety and Wellbeing
- Information Governance
- Operational Assurance.

The outcome of the risk and governance framework is an awareness of those risks with the potential to impact upon the intended outcomes of the Service, with the risk management framework providing a single consistent approach to the identification, assessment and reporting of business risk across the Service.

4 Risk Registers

The most significant risks identified by the SFRS are reported through Directorate risk registers, with additional information identified through Project risk registers. Prioritisation of each risk is undertaken in line with the SFRS's risk assessment matrix, with guidance provided to staff around probability and likelihood ratings.

Individual meetings with Board Members and SLT have shaped the Register, increasing awareness and ownership of risk across the SFRS.

Risk update reports are provided quarterly to ARAC, all other Committees and Executive Boards highlighting the Services most significant risks.

Risk Registers are aligned to the SFRS 2022-25 Strategic Plan Outcomes, reflecting the service values and strategy, ensuring our work supports the priorities outlined within the Fire and Rescue Framework for Scotland 2022. The Services most significant risks, at the time of reporting, are as follows:

Directorate Risk	Risk Rating
ICT Recruitment and Retention	20
Fire Engineering Resourcing	20
Cyber Security	20
Maintain and Improve Training Delivery	20
Information Governance Compliance	20
Securing Funding	16
Critical Services and systems	16
Finance Recruitment and Retention	16
Support to Concurrent Pension Exercises	16
Delivery Against Stated Commitment and Objectives	16
Performance Management Reporting	16
Training Capacity	16
Incident Mobilisation	15
Non-Resilient Fire Control	15

Risks will be managed collectively by the SLT with each Director responsible for the creation, monitoring and integration of risk within their functions.

Scrutiny and assurance, as to the adequacy and effectiveness of controls, is undertaken through quarterly reporting to the ARAC and the SLT and annually through the SFRS Assurance Framework. To ensure a consistent approach, additional reporting to Committees of the Board, and Executive Boards, will continue to be undertaken where deemed appropriate through spotlighting specific risks.

This consists of risks being selected from the register by the Committee or Executive Board and then presented through a combination of written or verbal reports, thus enabling scrutiny bodies to seek wider assurance that all necessary work is being undertaken to mitigate these wherever possible.

5 Review of Effectiveness of Risk Management and Internal Control

As Accountable Officer, I am responsible for reviewing the effectiveness of systems of risk management, internal control and corporate governance. My review is formed by many sources, and includes the work of the Executive Directors, the ARAC, and the views of the organisation's internal and external auditors, as well as the outcomes of inspection work carried out by independent bodies such as HMFSI, Audit Scotland, Gateway Reviews. The key findings of the review are outlined below.

5.1 Assurance Framework

The SFRS Assurance Framework, provides a structured means of identifying and mapping the main sources of assurance in the organisation, and co-ordinating this evidence to provide an overall opinion of the adequacy and effectiveness of the SFRS's risk management, and internal control arrangements.

Development of the SFRS Good Governance Framework approved by the Board in April 2022 has further clarified and strengthened our governance arrangements. Proposals to develop our assurance mapping processes further, which now includes levels of assurance from Directors in Committee and Board level reports, have continued in 2024/2025.

Our risk-based assurance plan ensured that the assurance evidence being gathered and assessed for 2024/25 was focused on the most appropriate areas of the SFRS. The Assurance Framework was reviewed by ARAC on 8 April 2025 as part of the paper submitted in relation to the 'Arrangements for Preparing the AGS'. Scottish Government engagement ensured the SFRS Assurance Framework and internal control checklist remained consistent with the Scottish Public Finance Manual. The Service engaged early in 2025, identifying changes to the checklist and incorporating these within the SFRS Assurance Framework.

To ensure increased governance and assurance around potential fraud activities within SFRS, all Heads of Function are required to complete a Fraud Risk Assessment (FRA) of their function and provide details of any areas that have been identified as having risk of fraud. Risk ratings were

provided for each risk and any actions to be taken to mitigate the risk were identified. Further training and input on this process was provided to assist Heads of Function in identifying further potential fraud considerations and to ensure risks are mitigated where possible.

In addition to internal arrangements for the detection and prevention of fraud, SFRS also participates in the National Fraud Initiative (NFI), which is led in Scotland by Audit Scotland. The NFI is a proactive data matching exercise designed to identify and prevent fraud within a range of public sector organisations in Scotland. Audit Scotland, as External Auditors and as the NFI point of contact, have confirmed that they are happy with the Services approach.

Following receipt of the Certificates of Assurance from all Directors, I can report that there are 2 significant issues or risks as defined in the SPFM that need to be highlighted:

1. Information Governance meeting statutory timescales: work is ongoing to review the structure of the team and ensure the department is structured and resourced in an appropriate way to maintain performance in line with the requisite statutory timescales.

2. Health and Wellbeing (HW) complying with legislative requirements: a recovery plan is being progressed through the HW Tactical Action Group (TAG) and a HW Compliance Investigation has been commissioned. There are several recommendations, as a result that require to be actioned before legislative requirements can be met.

These matters have control actions in place to mitigate risk and resolve issues raised. Aside, from these, no other areas have been identified out with those risks already detailed on our risk register and I can therefore provide assurance that effective and standardised systems of control are in place and operating effectively. Accordingly, any necessary action will be taken by responsible managers to ensure continuous improvement is made in areas of development that have been identified during this process and adequately addressed to enhance the effectiveness of our risk management and internal control arrangements. These areas of further development are fully captured within the Improvement Actions Plans (IAP) which are centrally stored within the Chief Officer Business Support SharePoint site and link where appropriate to Strategic and Directorate Risk Registers, building into our business as usual process. It is the responsibility of the Heads of Function to ensure quarterly updates on IAP and FRA progress, by exception reporting on a quarterly basis to the Corporate Board and ensure evidence against the areas highlighted is readily available, should this be required for further scrutiny by Internal / External Audit or ARAC. This gives me, as Accountable Officer, great comfort that we have robust processes in place, which remain under continual review.

5.2 Audit and Risk Assurance Committee

The ARAC provides an Annual Report to the Board and Accountable Officer, summarising its evaluation of the SFRS's risk management, governance and internal control arrangements. The ARAC has prepared its Committee Annual Report based upon the work it conducted during 2024/25 and believes the SFRS has effective risk management, governance and internal control arrangements in place that are sufficient to give me, as the Accountable Officer, the necessary assurance in relation to the preparation of this Annual Governance Statement.

5.3 Internal Audit

The programme of Internal Audit activity undertaken and evidence gathered for 2024/25 is compliant with the Global Internal Audit Standards (GIAS). AZETS, as Internal Auditor to the Scottish Fire and Rescue Service is required to provide the Audit and Risk Assurance Committee with assurance on the whole system of internal control. In providing their opinion AZETS note the assurance can never be absolute and the most internal audit can provide is reasonable assurance that there are no major weaknesses in the whole system of internal control.

AZETS have confirmed that sufficient and appropriate audit procedures have been concluded, and evidence gathered, to support the basis and accuracy of the conclusions reached and contained within their annual report for 2024/25. The report concludes that "In our opinion, Scottish Fire and Rescue Service has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.

The table below provides a summary of the conclusions for the individual audits undertaken in 2024/25:

Summary of reports by control assessment and action grade

Review	Control objective assessment	No. of issues per grading				
		4	3	2	1	Advisory
C.9 Anti-Fraud Arrangements		-	7	-	-	3
C.10 Environmental Management		-	1	3	1	2
C.11 Change Management		-	4	1	-	-
E.3 Cyber Security	N/A – Advisory Review					

The 2024/25 Internal Audit Plan comprised 150 days of audit work and AZETS completed the full programme. AZETS confirmed that there were no resource limitations impinging upon their ability to meet the full audit needs of the Scottish Fire and Rescue Service and no restrictions were placed on their work by management. AZETS confirm that they did not rely on the work performed by a third party during the period.

5.4 External Audit

The Auditor General for Scotland appointed Audit Scotland as auditors to the SFRS covering the 12-month period ending 31 March 2025. Audit Scotland presented their final report to the Audit and Risk Assurance Committee (ARAC) of Scottish Fire and Rescue Service (SFRS) for the 2023/24 audit issuing an unmodified audit opinion, further detail can be found via this link.

Information was provided by Audit Scotland to the ARAC on 8 April 2025, communicating the audit activity to be undertaken for the SFRS for the period 2024/25. It is anticipated that the conclusions of the Audit will be reported to ARAC on 23 October 2025 and included within the Annual Report and Accounts for 2024/25.

5.5 His Majesty's Fire Service Inspectorate (HMFSI)

The SFRS has a duty under the Fire (Scotland) Act 2005 to have regard to any report given to it by HMFSI and to take such action as deemed fit. During the period under review, HMFSI published local area and thematic inspection reports, where further detail can be found via this link to their website. HMFSI continue to present quarterly progress reports, presented by the Chief Inspector or nominated representative, at every ARAC meeting during 2024/25. The report allows for monitoring of general progress against the HMFSI inspections and reporting activity. Our response to the recommendations and other key findings from the inspection reports published during 2024/25 continue to be monitored through robust governance arrangements with oversight and scrutiny of this work by the ARAC providing assurance at Committee level through to the Board. These mechanisms form part of SFRS's broader corporate governance arrangements and ensure that we are continuing to fully meet our statutory obligation by giving due regard to HMFSI inspection reports and acting to continuously improve and transform the services we deliver to the communities of Scotland. As detailed earlier, HMFSI is now also an attendee at the quarterly SDC meeting.

5.6 Executive Directors

Executive Directors have responsibility for the development and maintenance of the risk management and internal control arrangements within their area of responsibility. They provide me as 'Accountable Officer' with a Certificate of Assurance covering a self-assessment of areas. The Directors, in turn receive individual Certificates of Assurance, and the actual supporting Internal Control Checklists themselves, from their Heads of Function, together with relevant Improvement

Action Plans. Fraud Risk Action plans are also produced to address areas of potential fraud risk identified. Where applicable, Improvement and Fraud Risk Action Plans will be reported to the Corporate Board and ARAC by exception during 2025/26 to ensure continuous improvement against identified areas.

6 Significant Issues

My review confirms that overall, the SFRS has a proven and sound system of risk management and internal control arrangements in place that supports the achievement of our strategic aims and objectives, which is underpinned by our robust policies and procedures. 2 significant issues have been identified during 2024/25 with mitigating actions in place to address.

As part of our on-going work and our commitment towards continuous improvement, where we have identified areas for development in both our risk and fraud management and internal controls arrangements, these will be addressed through specific Improvement and Fraud Risk Action Plans, for relevant managers where appropriate.

ACCOUNTABLE OFFICER
Stuart Stevens
Chief Officer
ORGANISATION: Scottish Fire and Rescue Service
MAY 2025

SCOTTISH FIRE AND RESCUE SERVICE

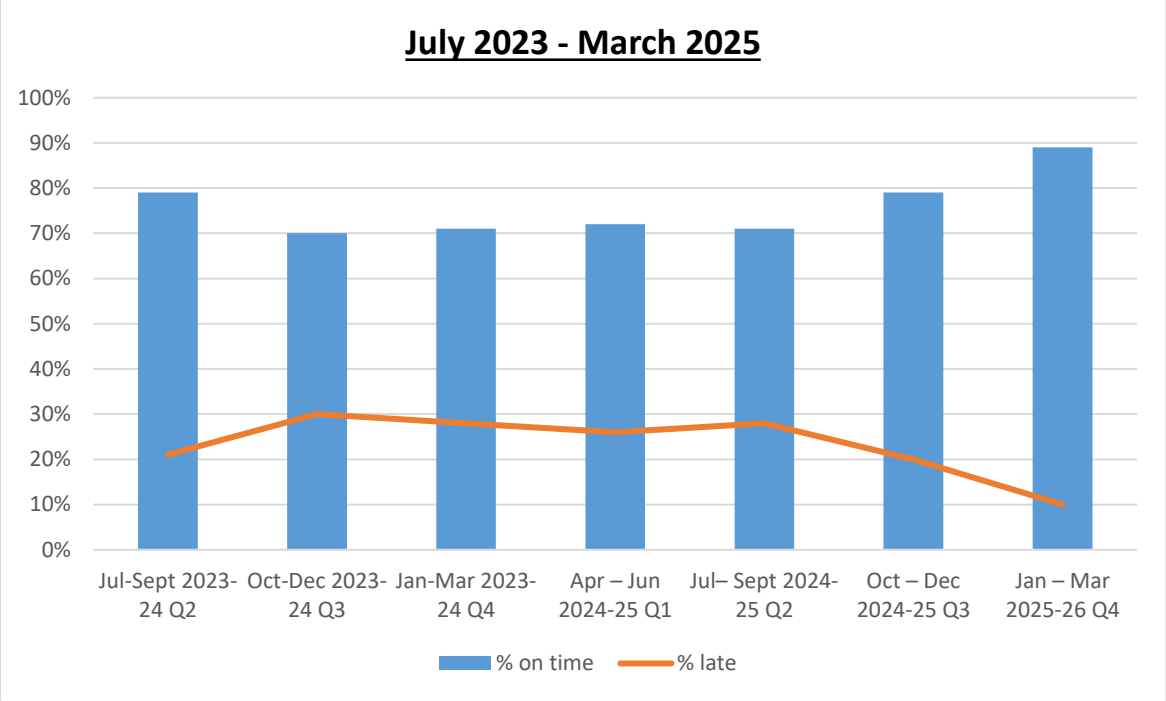
Audit and Risk Assurance Committee

Report No: C/ARAC/30-25

Agenda Item: 11

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**ANNUAL DATA COMPLIANCE REPORT**							
Report Classification:	**For Scrutiny**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	To provide the Audit and Risk Assurance Committee (ARAC) with annual statistics on our performance against the three pieces of access to information legislation we are governed by: • Freedom of Information (Scotland) Act 2002 (FOISA), • Environmental Information (Scotland) Regulations 2004 (EIR) • Data Protection Act 2018 (DPA).
2	**Background**
2.1	Access to information is principally governed by the Freedom of Information (Scotland) Act 2002 (FOISA), the Environmental Information (Scotland) Regulations 2004 (EIR) and the Data Protection Act 2018 (DPA). All three provide rights of access to information, with limited exceptions.
2.2	In effect, the three pieces of legislation work together, the EIR enabling access to environmental information, DPA enabling access to one's own personal data and FOISA enabling access to all other information.
3	**Main Report/Detail**
3.1	Statistics for the three pieces of legislation are reported quarterly to the Office of the Scottish Information Commissioner (OSIC), internally to the Data and Information Governance Group (DIGG), highlight reports to the Corporate Board (CB), to Performance Data Services for the Performance Management Framework who provide details to the Service Delivery Committee (SDC), Strategic Leadership Team (SLT) and SFRS Board.
3.2	The total number of requests for Freedom of Information, Environmental Regulations and Data Protection requests for 2024/25 was 2311 which is a slight decrease of 164 from 2475 during 2024/25.
3.3	A breakdown of FOI/EIR/DPA requests per quarter during both years is available on Appendix A attached. This Appendix also shows the percentage of requests responded to within statutory timescales per quarter.

3.4	**Intervention Level 2**
3.4.1	In January 2025, the ARAC were informed of a Level 2 Intervention letter issued on 29 November 2024 by OSIC to SFRS in relation to FOI/EIRs. SFRS were asked to submit a formal response and action plan to OSIC by 22 January 2025.
3.4.2	The action plan and associated evidence was provided by the deadline and a meeting arranged for 15 April 2025.
3.4.3	Overall figures have shown improvements from January 2025 since intervention has been opened. Previous figures showed continually low on time responses for both FOI and EIR requests. OSIC were satisfied with the improvement over the quarter at this point and are looking for achieving over 95% of responses on time moving forward.
3.5	**FOI/EIRs**
3.5.1	
3.6	**Data Protection / Subject Access Requests (SARs)**
3.6.1	Overall, in 2023/24 there were 254 SARs of which 83% were responded to on time. In 2024/25 whilst the total number dropped to 222, the percentage completed on time reduced to 76%.
3.6.2	After receiving the Intervention from OSIC, the FOI/DP Officers focused specifically on FOI/EIRs to ensure timescales could be improved and the action plan followed. The team were also granted overtime to continue ensuring Subject Access Requests were still responded to in compliance with the UK Information Commissioner's timescales.
3.7	**Who requests information?**
3.7.1	SFRS receive requests from a number of different requesters and all requests are treated as applicant blind so we may provide the same document to multiple sources i.e. solicitors, journalists and members of the public.
3.7.2	Appendix B details the number of FOI/EIR/DP requests we have received from different types of requesters and comparisons between 2023/24 and 2024/25.
3.7.3	Appendix C show examples of the types of requests we receive across all Directorates.

3.7.4 The largest increases/decreases in numbers of types of requesters are as follows:

- Insurance Companies increase of 59
- Local Authorities/Councils increase of 33
- Members of the public decrease of 30
- Police Scotland decrease of 58

3.7.5 Overall changes in number of requests from various requesters between 2023/24 and 2024/25:

- 14 have decreased
- 6 increased
- 2 the same

3.7.6 Unfortunately, the previous system we used to record FOI/EIR/DPA requests was limited in capability, and we are unable to interrogate it to obtain detail on the number of different types of requests and trends other than what is contained in the appendices attached.

3.7.7 As of 1 April 2025, we have begun using a new system which has been developed by Business Intelligence to track and record all requests. This has already shown benefits in monitoring cases and identifying issues. Making these improvements to the process will help manage the cases more effectively.

3.8 **Benchmarking**

3.8.1 The statistics below show a comparison against the other organisations within Scotland who all receive the highest number of FOI requests each year. These figures have been taken from submissions provided to OSIC.

Scottish Government

	Q1	Q2	Q3	Q4	Totals	On Time
FOI	1040	1159	1365	1407	4971	87%
EIR	314	340	325	362	1341	89%

Glasgow City Council

	Q1	Q2	Q3	Q4	Totals	On Time
FOI	838	879	926	980	3623	96%
EIR	94	61	59	50	264	95%

Police Scotland

	Q1	Q2	Q3	Q4	Totals	On Time
FOI	724	839	787	1076	3426	73%
EIR	0	0	0	4	4	75%

Fife Council

	Q1	Q2	Q3	Q4	Totals	On Time
FOI	500	503	577	639	2219	89%
EIR	252	236	228	245	961	89%

Scottish Fire and Rescue Service

	Q1	Q2	Q3	Q4	Totals	On Time
FOI	504	494	455	581	2034	79.5%
EIR	15	8	12	17	53	48%

3.8.2	There are no statistics made available by the ICO for benchmarking with Subject Access Requests.
3.9 3.9.1	**Ongoing Work** We have reviewed the Single Points of Contact (SPOCs) and their remits to ensure cases are forwarded to the correct departments/people without delay. Regular chaser emails will be sent to SPOCs and escalated to Heads of Function/DACOs when not dealt with.
3.9.2	In line with the legislation, SFRS have always maintained a Publication Scheme where information/documentation is published on the website proactively to allow easier access to information and reduce the number of responses we must provide. The new Document Library encourages staff to consider if something should be uploaded to the Publication Scheme at the same time it is made available on the iHub. This process is being automated as part of a workflow and will help to encourage more proactive publishing.
3.9.3	One area where this has assisted with both information and media requests is with EIRs. Based on the increase in the number of requests and enquiries we have received in relation to Battery Energy Storage Sites (BESS), and our role in ensuring compliance with best practice and public safety, we created a dedicated website page to answer queries the public or businesses may have on this topic.
3.9.4	The Information Governance Manager has carried out awareness training across relevant areas of the service, to ensure there is clear understanding of requirements and our statutory obligations. Also highlighting the Records Management element in not holding documents for longer than is necessary.
3.10 3.10.1	**Reporting in the Future** The new system and relevant dashboards will allow us to provide detailed breakdowns on a number of fields to support SFRS work and also provide instant quarterly reports to OSIC and other groups and committees. A full list is available in Appendix A – Statistics for Dashboards.
4	**Recommendation**
4.1	The Committee is asked to scrutnise the contents of the report.
5	**Key Strategic Implications**
5.1 5.1.1	**Risk Appetite and Alignment to Risk Registers** As the details of interventions are made public there is a reputational risk to SFRS. Also failure to evidence improvement could result in further sanction from OSIC, including investigation and fines.
5.2 5.2.1	**Financial** There is the potential that failure to improve performance could result in a fine against SFRS.
5.3 5.3.1	**Environmental & Sustainability** There are no environmental and sustainability issues associated with this report.
5.4 5.4.1	**Workforce** There are no immediate workforce issues associated with this report.
5.5 5.5.1	**Health & Safety** There are no health and safety issues associated with this report.

5.6 5.6.1	**Health & Wellbeing** There are no health and wellbeing issues associated with this report.	
5.7 5.7.1	**Training** FOI training being rolled out across all Directorates to support the Service understanding of FOIs and our legal compliance responsibilities.	
5.8 5.8.1	**Timing** There are no timing issues associated with this report.	
5.9 5.9.1	**Performance** This report highlights a reduction in performance in terms of compliance with FOI legislation.	
5.10 5.10.1	**Communications & Engagement** There are no communications issues associated with this report.	
5.11 5.11.1	**Legal** SFRS are in breach of their statutory responsibilities in managing in processing FOIs and failure to act to rectify the situation could result in OSIC imposing fines and further sanctions on SFRS.	
5.12 5.12.1	**Information Governance** DPIA is not required	
5.13 5.13.1	**Equalities** EHRIA not required	
5.14 5.14.1	**Service Delivery** There are no service delivery issues associated with this report.	
6	**Core Brief**	
6.1	Not applicable	
7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Mark McAteer, Director Strategic Planning, Performance and Communications
7.2	**Level of Assurance: (Mark as appropriate)**	~~Substantial/~~**Reasonable**~~/Limited/Insufficient~~
7.3	**Rationale:**	The service has continued to engage with OSIC to improve its approach to the management and performance reporting of FOIs. The improvement plan is being implemented and beginning to have the desired impact and longer term plans are being put in place to secure this improvement. Scrutiny of service performance is evident across the Service, at executive level and by the SFRS ARAC and board level.
8	**Appendices/Further Reading**	
8.1 8.2 8.3 8.4	Appendix A – Information Governance Statistics 2023/24 v 2024/25 Appendix B – Requester Breakdown and Comparison Appendix C – Request Example Details Appendix D – Statistics for Dashboards	

Prepared by:	Carol Wade, Information Governance Manager/Data Protection Officer
Sponsored by:	Mark McAteer, Director of Director Strategic Planning, Performance and Communications
Presented by:	Mark McAteer, Director of Director Strategic Planning, Performance and Communications

Links to Strategy and Corporate Values

This paper supports the delivery of Outcome 5 in the SFRS Strategi Plan 2022-2025:

We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

Governance Route for Report	Meeting Date	Report Classification/ Comments
Audit and Risk Assurance Committee	*19 June 2025*	*For scrutiny*

APPENDIX A

	2023/24	Number of requests received	Percentage responded to within statutory timescale			2024/25	Number of requests received	Percentage responded to within statutory timescale
Q1	Freedom of Information	544	81%		**Q1**	Freedom of Information	507	73%
	Environmental Information	14	71%			Environmental Information	16	31%
	Data Protection	50	86%			Data Protection	63	73%
Q2	Freedom of Information	565	78%		**Q2**	Freedom of Information	493	67%
	Environmental Information	5	100%			Environmental Information	8	38%
	Data Protection	62	84%			Data Protection	45	67%
Q3	Freedom of Information	547	70%		**Q3**	Freedom of Information	455	80%
	Environmental Information	3	67%			Environmental Information	12	33%
	Data Protection	61	85%			Data Protection	67	78%
Q4	Freedom of Information	542	65%		**Q4**	Freedom of Information	581	89%
	Environmental Information	1	100%			Environmental Information	17	29%
	Data Protection	81	78%			Data Protection	47	85%
	Total FOIs	2198				Total FOIs	2036	
	Total EIRs	23				Total EIRs	53	
	Total DPs	254				Total DPs	222	
		2475					**2311**	

APPENDIX B

2023/24 Requester Breakdown

Apr-Jun 2023/24		Jul-Sep 2023/24		Oct-Dec 2023/24		Jan to Mar 2023/24		Totals
Councillor	0	Councillor	2	Councillor	1	Councillor	0	3
Crown Procurator Service	10	Crown Procurator Service	4	Crown Procurator Service	4	Crown Procurator Service	8	26
Employee	42	Employee	33	Employee	34	Employee	43	152
Fire Investigation Company	64	Fire Investigation Company	59	Fire Investigation Company	63	Fire Investigation Company	67	253
Housing Association	24	Housing Association	26	Housing Association	19	Housing Association	28	97
Insurance Companies	105	Insurance Companies	114	Insurance Companies	105	Insurance Companies	71	395
Journalists	33	Journalists	34	Journalists	21	Journalists	25	113
Local Authorities/Councils	14	Local Authorities/Councils	18	Local Authorities/Councils	17	Local Authorities/Councils	28	77
Members of Public	211	Members of Public	215	Members of Public	232	Members of Public	250	908
NHS	5	NHS	2	NHS	4	NHS	2	13
Other Fire Services	0	Other Fire Services	3	Other Fire Services	4	Other Fire Services	3	10
Police (UK)	1	Police (UK)	2	Police (UK)	1	Police (UK)	2	6
Police Scotland	47	Police Scotland	56	Police Scotland	42	Police Scotland	38	183
Property Letting Management	5	Property Letting Management	2	Property Letting Management	9	Property Letting Management	7	23
Research Company	1	Research Company	6	Research Company	3	Research Company	4	14
Researcher for MSP	3	Researcher for MSP/MP	6	Researcher for MSP	0	Researcher for MSP	2	11
SFRS	0	SFRS	0	SFRS	0	SFRS	0	0
Solicitor	39	Solicitor	43	Solicitor	40	Solicitor	41	163
Scottish Prison Service	2	Scottish Prison Service	0	Scottish Prison Service	0	Scottish Prison Service	0	2
Trade Union	1	Trade Union	1	Trade Union	4	Trade Union	0	6
MP	1	MP	0	MP	2	MP	1	4
MSP	8	MSP	4	MSP	3	MSP	1	16
Total	**618**		**632**		**608**		**621**	**2475**

2024/25 Requester Breakdown

Apr-Jun 2024/25		Jul-Sep 2024/25		Oct-Dec 2024/25		Jan to Mar 2024/25		Total
Councillor	0	Councillor	2	Councillor	0	Councillor	0	2
Crown Procurator Service	11	Crown Procurator Service	10	Crown Procurator Service	4	Crown Procurator Service	4	29
Employee	21	Employee	23	Employee	39	Employee	28	111
Fire Investigation Company	54	Fire Investigation Company	51	Fire Investigation Company	34	Fire Investigation Company	31	170
Housing Association	22	Housing Association	21	Housing Association	21	Housing Association	25	89
Insurance Companies	100	Insurance Companies	99	Insurance Companies	108	Insurance Companies	147	454
Journalists	15	Journalists	14	Journalists	23	Journalists	44	96
Local Authorities/Councils	21	Local Authorities/Councils	25	Local Authorities/Councils	27	Local Authorities/Councils	27	100
Members of Public	235	Members of Public	190	Members of Public	199	Members of Public	254	878
NHS	2	NHS	1	NHS	1	NHS	1	5
Other Fire Services	0	Other Fire Services	0	Other Fire Services	1	Other Fire Services	1	2
Police (UK)	0	Police (UK)	0	Police (UK)	0	Police (UK)	0	0
Police Scotland	40	Police Scotland	40	Police Scotland	18	Police Scotland	27	125
Property Letting Management	8	Property Letting Management	6	Property Letting Management	9	Property Letting Management	5	28
Research Company	3	Research Company	4	Research Company	2	Research Company	0	9
Researcher for MSP/MP	0	Researcher for MSP/MP	2	Researcher for MSP	2	Researcher for MSP	2	6
Solicitor	38	Solicitor	41	Solicitor	39	Solicitor	45	163
Scottish Prison Service	1	Scottish Prison Service	0	Scottish Prison Service	1	Scottish Prison Service	0	2
Trade Union	3	Trade Union	0	Trade Union	0	Trade Union	1	4
MP	3	MP	0	MP	2	MP	0	5
MSP	1	MSP	6	MSP	1	MSP	3	11
No contact type	8	No contact type	11	No contact type	3			22
Total	**586**		**546**		**534**		**645**	**2311**

Requester	23-24	24-25	
Councillor	3	2	↓
Crown Procurator Service	26	29	↑
Employee	152	111	↓
Fire Investigation Company	253	170	↓
Housing Association	97	89	↓
Insurance Companies	395	454	↑
Journalists	113	96	↓
Local Authorities/Councils	77	100	↑
Members of Public	908	878	↓
NHS	13	5	↓
Other Fire Services	10	2	↓
Police (UK)	6	0	↓
Police Scotland	183	125	↓
Property Letting Management	23	28	↑
Research Company	14	9	↓
Researcher for MSP	11	6	↓
Solicitor	163	163	→
Scottish Prison Service	2	2	→
Trade Union	6	4	↓
MP	4	5	↑
MSP	16	11	↓
No contact type	0	22	↑
Total	**2475**	**2311**	

APPENDIX C

Finance and Contractual Services

Finance - Spenditure on Training
Fleet - Aerial Appliances
Contractual Information
Overtime - No of Hours and Spenditure
No of Vehicles - Galasheils (25 radius)
Spenditure - Corporate Functions
Contact Information - Supplier, service and repair of the on site flagpoles for each station
Spenditure - Measures relating to Equality, Diversity and Inclusion
Copy of a Public Floor Plan
No of Insurance Claims against SFRS in the last 5 years
Hosting contract(s) with 3rd party providers
Costs associated with the fire response at the Battery Energy Storage System site in Rothienorman on the 21st of February
Cost spent on Cannich Wildfire of 2023
Fleet List
ICT Contracts

Strategic Planning, Performance and Communications (less Business Intelligence)

SFRS procedure reporting to SEPA

Hurdle criteria options

Dundee Incident - (SG Request)

Policies, Procedures and Governance

Policy on Sharing of Fire Investigation reports with Police Scotland

Precognition Details - 16 Tweed Street

Business Intelligence

Amount of Calls Attended by each station in 2024
No of Incidents - e-scotters and e-bikes
No of Incidents - Bariatric Incidents (emergency services assistance)
No of Incidents - Hoax Calls
No of Incidents - Student Halls of Residence
No of Call outs - BESS
No of Incidents - Electric Cars charging in Charging Stations
No of Incidents - Electric Cars not charging in Charging Stations
No of Incidents - OI Glass Limited
D&G Appliances off the Run
No of Health and Safety Incidents
No of Incidents - Chemical/Sewage incidents in the home
No of Incidents - Airfryers and dwelling fires where smoke alarms were present
Number of Incidents - Bellshill Incident Statistics - 2023/24
No of Wildfires in Scotland between April 2024 and Jan 2025
No of Incidents - Firefighter Assaults in Inverclyde
No of Incidents - involving Robotic Vacuum Cleaners
No of Incidents - e-vapes and e-cigarettes in the last 5 years
No of Incidents - Vape related incidents
No of Electric Vehcile Incidents
No of Calls to Waterfront Avenue in Edinburgh
West Granton Road / Waterfront Avenue in Edinburgh
No of Incidents - Animal Rescues
No of Incidents in Blackridge, West Lothian and in Shotts, North Lanarkshire
No of Incidents - Fireraising Stats Grampian
No of Incidents - Deliberate/Wilful
No of Incidents - East Renfrewshire
No of Incidents - Lithium Ion & Electric Vehicle Fires
Number of hours per year each Ellon Fire Station can only crew one fire appliance and not man appliance
Station Activity 2023
No of incidents - Mutual Aid to Each County
No of Incidents - Car Fires
Number of Deliberate Farm Fires
Number of Incidents - Wilful fireraising/secondary fires - Girvan Area
No of Incidents - Fireraising Stats Grampian - Period 01/03/2025 to and including 31/03/2025

Fire Investigation - 15

Glasgow School of Art -15/6/2018
Glasgow School of Art - 23/05/2014
King George IV Bridge Edinburgh - 24/8/21
Clachnaharry Care Home 19/4/24
FI Report - Bo'Ness Football Ground, Jamieson Road, Bo'Ness
All incident records - Shore Recycling Plant in February 2023
Photographs/FI - Breadalbane Street, Edinburgh
FI Report and officer details - 30 Anderston Quay
Breadalbane Street, EH6 5JW
FI Report - vehicle fire at Gateend, Barrmill on 26/01/24
FI Report - Main Street Barrhead 25 04 24
Incident information in relation to an incident in 2011 in Falkirk
All incident records - 16 Willow Brae, Plean, Stirling, FK78FB
Unit 3 Hutton Square, Brucefield Industrial Estate, EH54 9DJ
4 Breadalbane Street, Edinburgh, EH6 in 2006

Prevention, Protection and Preparedness (PPP)

Copy of the latest FSA02 for filling station Braehead, Braehead Shopping Centre
Fire Safety Info/Measures - Shawlands Laundry, 22 Minard Road G41 2HN
P&P - Risk Register (Disabilities)
P&P Advice - Laundrette at 22 Minard Road, Shawlands Glasgow
44 Coltswood Road, Coatbridge, North Lanarkshire, ML5 2AA
Outcome of a visit made to Elizabeth Street, Tayport
Response Plans - High Rise at Anderston area, Finneston, Glasgow
No of Incidents - Primary fires where sprinklers are recorded
Inchgarth Field, Inchgarth Rd, Aberdeen
Information request - Waste Tyre Sites
Copy of Building Warrant and all information in relation to the building warrant at "the development" at 73-77 John Street, Glasgow

Operational Delivery

Busiest and least busiest times - 1.Aberdeen City. 2.Edingburgh City. 3 City of Glasgow. 4.Angus and Dundee

Report of Near Miss Fire - due to faulty electric meter

All documents in relation to property 2 Munduff Drive, Markinch, KY7 6BG

Hazardous Materials SOP

Further incident info - 92A High Street Dunbar (previously requested under FOI-022022-2025)

1992 incident(s) of the attempted poisining at Census 91,OPCS Hillington Glasgow

Further Information - 1/2, 45 Mitchell Street GLASGOW G1 3LA

Risks to operational firefighters in respect of carcinogenic particles from operational activity

No of Calls Statistics - 2024

Amount of Calls Attended by each station in 2024

Balmoral, Delnadamph Estate - Confirmation of Call out (Controlled incident)

People and Organisaltional Development (POD)

No of female FFs employed
Sickness Levels
No of Incidents - Consensual sexual activity on fire engines
Copy of re-SIA Door Supervisors license
No of Incidents - Gross misconduct
Red Book Conditions - Review (Merseyside FRS)
No of incidents - Mental Health over the last 10 years
Recruitment - Equality Diversity Posts and Training
Number of Applicants for post
Cases of Misconduct
No of FF's employed over the last 10 years
Inclusive communication practices/support requests
Settlement Agreements
Common Surnames - Numbers
Policy - Managing Occupational Stress in SFRS
Number of Employees - Salary Bands
Pension Info
Number of Grievences

Environmental Regulations Requests

Proposed BESS Site

Battery Storage Stations

Sensitive receptors at site within 1km radius - Biffa waste services (Cambuslang)

Response plans to BESS unit

Usage of electricity half-hourly and natural gas supplied portfolio

No of Incidents involving Electric Meters in Domestic Settings

BESS Information

APPENDIX D

OSIC DATA

FOIs

The number of requests received

The number of requests closed because clarification was not provided

The number of requests closed because the requester withdrew the request

The number of requests for which a fees notice was issued

The number of occasions on which a fees notice was paid

The number of requests which received a response within the statutory timescale

The number of requests which received a late response

The number of requests which required a response, but which did not receive one(i.e. failure to respond

The number of requests refused on the grounds of excessive costs

The number of requests refused because they were vexatious

The number of requests refused because they were repeated

The number of requests for which information was provided in full

The number of requests for which a refusal notice was issued for all the information requested

The number of requests for which some information was provided, but other information was withheld or was not held by the authority (partial):

The number of requests for which all of the information was not held

The number of requests for which the authority refused to confirm or deny whether the information existed or was held

FOI Reviews

The number of requests for review received

The number of requests for review answered within the statutory timescale

The number of requests for review which received a late response

The number of requests for review which did not receive a response

The number of review responses which confirmed the original response, with or without modification (upheld)

The number of review responses which substituted a different decision for the original (overturned)

The number of review responses which reached a decision for the first time (there had been no response to the original request)

FOI Exemptions

S25(1) Otherwise accessible

S25(3) Publication scheme

S27(1) Future publication: 12 weeks

S27(2) Future publication: programme of research

S28 Substantial prejudice to UK relations

S30(b)(i) Substantial inhibition to free and frank provision of advice

S30(b)(ii) Substantial inhibition to free and frank exchange of views

S30(c) Substantial prejudice to effective conduct of public affairs

S31(1) National security

S33(1)(b) Substantial prejudice to commercial interests

S34(1) Information held for the purposes of a criminal investigation

S34(2)(a) Information held for ongoing Fatal Accident Inquiry

S35(1)(a) Substantial prejudice to prevention or detection of crime

S35(1)(b) Substantial prejudice to apprehension or prosecution of offenders

S36(1) Confidentiality of communications

S38(1)(a) Personal data of the applicant

S38(1)(b) Third party personal data

S39(2) Environmental information

EIRs

The number of requests received

The number of requests closed because clarification was not provided

The number of requests closed because the requester withdrew the request

The number of requests for which a fees notice was issued

The number of occasions on which a fees notice was paid

The number of requests which received a response within the statutory timescale

The number of requests which received a late response

The number of requests which required a response, but which did not receive one(i.e. failure to respond)

The number of times the timescale was extended for voluminous and complex requests

The number of requests refused because they were manifestly unreasonable (on grounds of cost)

The number of requests refused because they were manifestly unreasonable (other than on grounds of cost)

The number of requests for which information was provided in full

The number of requests for which a refusal notice was issued for all the information requested

The number of requests for which some information was provided, but other information was withheld or was not held by the authority (partial)

The number of requests for which all of the information was not held

The number of requests for which the authority refused to confirm or deny whether the information existed or was held

EIR Reviews

The number of requests for review received

The number of requests for review answered within the statutory timescale

The number of requests for review which received a late response

The number of requests for review which did not receive a response

The number of review responses which confirmed that the authority's response to the original request complied with the EIRs

The number of review responses which found that the authority's response to the original request was not compliant with the EIRs and steps were taken to remedy the breach

EIR Exemptions

Reg 10(5)(a) Substantial prejudice to international relations, public safety, etc

Reg 10(8)Neither confirm nor deny whether environmental information is held

Reg 11(1)Personal data of applicant

Reg 11(2)Third party personal data

DPA

The number of requests received under the Data Protection Act and responded to on time.

Other fields we report on in statistical reports:

Request Type – FOI/EIR/DPA

Requestor Type – Journalist, MSP etc.

FOI/EIR Subject – Animal Rescue, IRS etc.

DPA Subject – E-PRF, H&W records etc.

Exemptions Applied - *We can record type of exemption, but some requests may have one or more exemptions applied so I wondered if you wanted to capture the number where exemptions are applied*.

Directorate response times

SPOCs contacted

SPOCs responded on time

How old is the oldest open request? (FOI/EIRs)

How many requests were responded to 1 -5 days late?

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/28-25

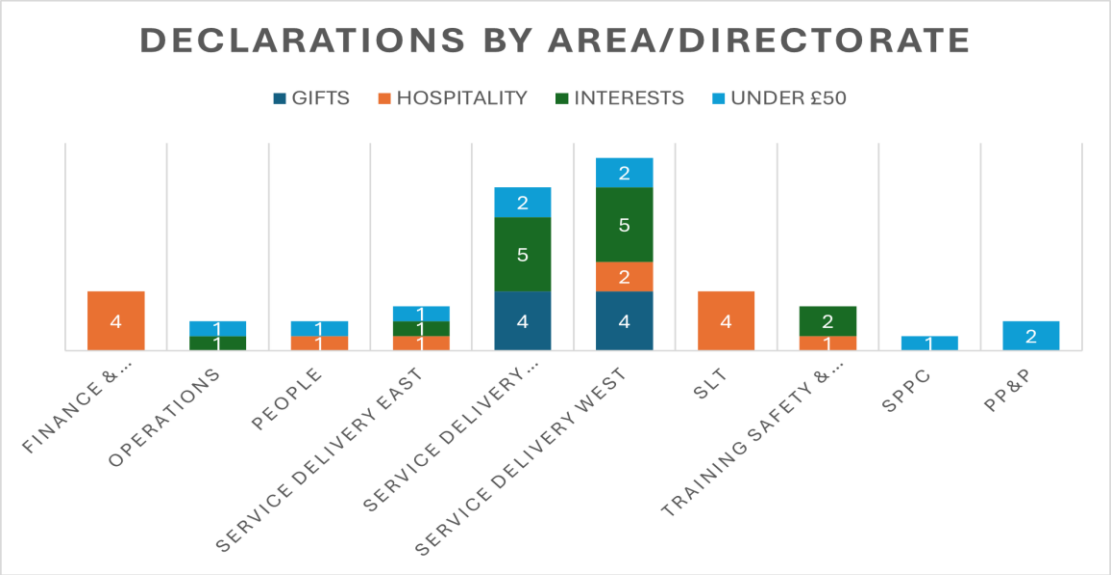
Agenda Item: 12

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**QUARTERLY UPDATE OF GIFTS, HOSPITALITY & INTERESTS REGISTER**							
Report Classification:	**For Scrutiny**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	The purpose of this report is to provide the Audit & Risk Assurance Committee (ARAC) with the 2025/26 Q1 update on the Gifts, Hospitality and Interests 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 Audit & Risk Assurance Committee (ARAC) and the Corporate Board (CB) for noting. The Risk & Audit Section will be responsible for managing any relevant information.
3	**Main Report/Detail**
3.1	The Gifts, Hospitality and Interests (GHI) register for 2025/26, up to 29 May 2025, identifies 4 entries, with further information identified within Appendix A to this report. Separately, 4 further declarations, under the £50 threshold, were received but not published.
3.2	The table below provides a comparison on previous years: (above and below £50)

	2022/23	*2023/24*	*2024/25*	*2025/26*
Q1	-	4	10	4
Q2	20	36	12	
Q3	4	6	8	
Q4	16	3	5	
TOTAL	**40**	**49**	**35**	4

3.3	Engagement in relation to gifts, hospitalities and interests has continued with meetings held with all Directorate Management Teams, LSO meetings and Functional meetings to communicate the requirements of the policy and examples of declarations that need to be made.
3.4	In relation to the Gifts, Hospitality and Interests LCMS module, held within Training for Operational Competence (TFOC), approximately 5,916 members of staff have now completed this module, or 74% of uniform and support staff.
3.5	In June 2025, with the assistance of the Learning and E-Development team, Risk and Audit will have access to Workforce Pro which will allow further analysis of the module completion rates, highlighting personnel who have still to complete their organisational learning and allowing a more targeted approach to future engagement.
3.6	Declarations in relation to 2024/25 have been outlined in the chart below. It identifies 45 declarations for the year, which includes 8 Gifts, 13 Hospitality offers, 14 Interests and 10 Gifts under the £50 reporting threshold Service wide.



4	**Recommendation**
4.1	The report is provided to the Audit and Risk Assurance Committee for scrutiny.
5	**Key Strategic Implications**
5.1 5.1.1	**Risk Appetite and Alignment to Risk Register** The report 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 and minimises the risk of fraud to the Service.
5.1.2	The report is aligned to the Services Financial risk appetite in relation to financial propriety, regularity and Fraud risks, with a strong focus on maintaining effective financial controls and accountability, where a Minimalist risk appetite was identified.
5.2 5.2.1	**Financial** The report identifies declarations made in relation to Gifts, Hospitality and Interests, minimising the risk of fraud and associated financial loss to the Service.

5.3 5.3.1	**Environmental & Sustainability** Any implications arising from the report will be managed by the relevant Directorate.	
5.4 5.4.1	**Workforce** Any implications arising from the report will be managed by the relevant Directorate.	
5.5 5.5.1	**Health & Safety** Any implications arising from the report will be managed by the relevant Directorate.	
5.6 5.6.1	**Health & Wellbeing** Any implications arising from the report will be managed by the relevant Directorate.	
5.7 5.7.1	**Training** Any implications arising from the report will be managed by the relevant Directorate.	
5.8 5.8.1	**Timing** The report is provided to the Audit and Risk Assurance Committee on a quarterly basis as required.	
5.9 5.9.1	**Performance** The report provides information on declarations received and actions taken to increase awareness and ownership within the Service, the result of which will be increased levels of reporting.	
5.10 5.10.1	**Communications & Engagement** Any implications arising from the report will be managed initial through Finance and Procurement and by the relevant Directorate to ensure policy is adhered to.	
5.11 5.11.1	**Legal** Any implications arising from the report will be managed by the relevant Directorate.	
5.12 5.12.1	**Information Governance** DPIA completed – Yes, in relation to the Gifts, Hospitality and Interests Policy.	
5.13 5.13.1	**Equalities** EHRIA completed – Yes, in relation to the Gifts, Hospitality and Interests Policy.	
5.14 5.14.1	**Service Delivery** Any implications arising from the report will be managed by the relevant Directorate.	
6	**Core Brief**	
6.1	Not applicable	
7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Deborah Stanfield, Interim Director of Finance and Contractual Services
7.2	**Level of Assurance:**	~~Substantial~~/**Reasonable**/~~Limited/Insufficient~~
7.3	**Rationale:**	Engagement undertaken throughout the Service is resulting in increased awareness within Directorates, with additional queries being received. The aligned LCMS module has been completed by over 4800 staff as at May 2025 and wider engagement activities will be continued to raise awareness across the Service.

8	Appendices/Further Reading
8.1	Appendix A – Gifts Hospitality and Interests Register Q1 2025-26

Prepared by:	Hazel Buttery, Fraud, Risk & Compliance Officer
Sponsored by:	Deborah Stanfield, Interim Director of Finance and Contractual Services
Presented by:	David Johnston, Risk and Audit Manager

Links to Strategy and Corporate Values

External Audit forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:

Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

- Objective 5.1: Remaining open and transparent in how we make decisions.
- Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.

Governance Route for Report	Meeting Date	Report Classification/ Comments
Audit and Risk Assurance Committee	*19 June 2025*	*For Scrutiny*

APPENDIX A

Date	Employee Name	Employee Position	Area/Directorate/Function		Details of Gift / Hospitality (G/H) & Interest	G/H or Interest	Estimated Value	From (Organisation offering)	Any other Organisation involved	Accepted / Declined / Interest Cat.	Comments
14/04/2025	Mark Cleland	GC	Prevention, Protection & Preparedness		Opportunity to participate in Pro-Am at Scottish Open & a golf day in St Andrews	Hospitality	£320	Visit Scotland	Visit Scotland	Declined	
20/04/2025	Grant Gaffney	CC	Service Delivery West	Lanarkshire	Thank you card with cash delivered to station following incident	Gift	£100	Helen Buchanan	Helen Buchanan	Accepted	Donated to Fire Fighters Charity
25/04/2025	Cindy Cheong	Support Staff	Finance & Contractual Services	Property	Husband now working with Kier Construction	Interest	NA	Kier Construction	Kier Construction	7	No conflict identified in relation to the employee's position. Kier construction is not currently used and is an Inactive supplier on the supplier database
10/05/2025	Chris Kerr	WC	Service Delivery West	City of Glasgow	Donations to the FF Charity for Station open raffle day including a signed Rangers football shirt, ASDA camping tent, Complete Beauty By Kelly voucher.	Gift	£390	Rangers FC, ASDA stores, Complete Beauty	Rangers FC, ASDA stores, Complete Beauty	Accepted	All gifts have been handed to Lyndsay Campbell from the FF Charity

SCOTTISH FIRE AND RESCUE SERVICE

Audit and Risk Assurance Committee

Report No: C/ARAC/29-25

Agenda Item: 13.1

Report to:	**AUDIT AND RISK ASSURANCE COMMITTEE**							
Meeting Date:	**19 JUNE 2025**							
Report Title:	**RISK UPDATE REPORT**							
Report Classification:	**For Scrutiny**	**SFRS Board/Committee Meetings ONLY For Reports to be held in Private Specify rationale below referring to Board Standing Order 9**						
		A	B	C	D	E	F	G

1	**Purpose**
1.1	The purpose of this report is to provide the Audit & Risk Assurance Committee (ARAC) with an overview of the current risks highlighted by Directorates and to gain approval of the revised risk management policy.
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 Audit & Risk Assurance Committee (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 risk and will ensure that Risk Registers present 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 outcomes and objectives.
2.4	Risk Registers 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 3.1.1	**Risk Overview** 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 and review.
3.1.2	Appendix A provides details of all risks above the risk rating of 15, as previously agreed by the Service, with Appendix B providing a summary of risks falling below 15 together with details on the position of control actions.
3.2 3.2.1	**Alignment to Strategic Outcomes** The table below identifies the alignment between the 2022-25 Strategic Outcomes and the current Directorate Risks with each risk aligned to a single outcome:

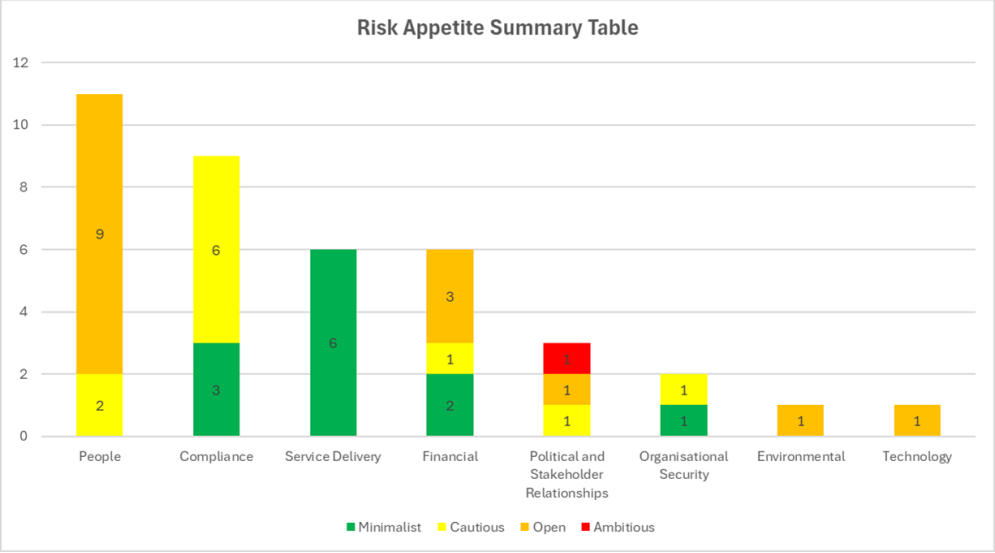
Strategic Outcomes		Directorate Risks				Total
		VH	H	M	L	
Outcome 1	Community safety and wellbeing improves as we deploy targeted initiatives to prevent emergencies and harm.	1	1	1		3
Outcome 2	Communities are safer and more resilient as we respond effectively to changing risks.	5	3	2		10
Outcome 3	We value and demonstrate innovation across all areas of our work.			1		1
Outcome 4	We respond to the impacts of climate change in Scotland and reduce our carbon emissions.		1			1
Outcome 5	We are a progressive organisation, use our resources responsibly and provide best value for money to the public	4	7	2		13
Outcome 6	The experience of those who work for SFRS improves as we are the best employer we can be.	3	4	3		10
Outcome 7	Community safety and wellbeing improves as we work effectively with our partners			1		1
		13	16	10		39

3.2.2 All risks will be realigned to the new 2025-2028 Strategic Plan once this is agreed.

3.3 **Risk Appetite**

3.3.1 Following agreement of the Services risk appetite statements an alignment to current Directorate risks was undertaken. The tables below provide information on each of the stated risk appetite definitions and a summary of risk alignment to stated risk appetite:

Risk Appetite Levels	Category Description	Associated Risk Target Rating
Minimalist	Preference for low level of associated risk and uncertainty and will only look to accept risk where it is essential to do so. The creation of opportunity is not a key driver.	Rating Appetite Rating of 1 - 3
Cautious	Preference for safe options where the level of benefit and risk is limited but some opportunity may be experienced.	Rating Appetite Rating of 4 - 9
Open	Willing to consider all potential delivery options and to choose the one that is most likely to result in success and opportunity whilst also providing an acceptable level of risk.	Rating Appetite Rating of 10 - 12
Ambitious	Eager to be innovative and to take opportunities offering potentially higher reward, whilst accepting greater risk and uncertainty.	Rating Appetite Rating of 15 - 25



3.3.2 The table below provides a breakdown of information in relation to the alignment between risks rated 15 or over and risk appetite:

Risk ID	Governance Alignment	Risk Rating	Target Risk	Risk Appitite	RR Against RA
FCS005	ARAC (CB)	16	8	Financial (Minimalist)	Above
FCS018	PC (CB)	16	6	People (Open)	Above
FCS019	SDC (SDB)	20	12	Technology (Open)	Above
FCS022	PC (CB)	16	12	People (Open)	Above
OD001	SDC (SDB)	15	6	Service Delivery (Minimalist)	Above
POD020	PC (CB)	16	4	People (Open)	Above
PPP005	SDC (SDB)	16	4	People (Open)	Above
SD001	SDC (SDB)	15	10	Service Delivery (Minimalist)	Above
SDD007	ARAC (CB)	20	12	Organisational Security (Minimalist)	Above
SPPC001	SDC (SDB)	16	8	Compliance (Cautious)	Above
SPPC004	ARAC (CB)	20	8	Compliance (Cautious)	Above
TSA018	PC (TSAB)	16	6	Compliance (Minimalist)	Above
TSA019	PC (TSAB)	16	8	Financial (Open)	Above

3.3.3 The table below provides a breakdown of information in relation to the alignment between risks rated below 15 and risk appetite:

Risk ID	Governance Alignment	Risk Rating	Target Risk	Risk Appitite	RR Against RA
FCS008	ARAC (SDB)	12	8	Environmental (Open)	Within
FCS011	ARAC (CB)	12	9	Financial (Minimalist)	Above
FCS015	ARAC (SDB)	12	8	People (Open)	Within
FCS020	ARAC (CB)	12	8	Financial (Open)	Within
FCS021	ARAC (SDB)	12	8	Financial (Open)	Within
FCS023	ARAC (CB)	12	9	Financial (Cautious)	Above
FSC024	ARAC (SDB)	12	4	People (Open)	Within
FCS025	PC (CB)	12	4	People (Open)	Within
POD015	PC (CB)	12	4	People (Cautious)	Above
POD016	PC (CB)	9	4	Service Delivery (Minimalist)	Above
POD018	PC (CB)	12	4	Compliance (Cautious)	Above
POD021	PC (CB)	6	4	Service Delivery (Minimalist)	Above
POD022	PC (CB)	12	4	People (Cautious)	Above
POD023	PC (CB)	6	4	People (Open)	Below
PPP004	SDC (SDB)	12	4	People (Open)	Within
PPP006	SDC (SDB)	6	4	Compliance	Above
SD003	SDC (SDB)	9	9	Service Delivery (Minimalist)	Above
SD004	SDC (SDB)	8	6	Compliance (Cautious)	Within
SD006	PC (CB)	12	8	Service Delivery (Minimalist)	Above
SPPC003	ARAC (CB)	8	8	Compliance (Cautious)	Within
SPPC007	ARAC (CB)	12	12	Political and Stakeholder Relationships (Cautious)	Above
SPPC012	ARAC (CB)	12	8	Organisational Security (Cautious)	Above
SPPC013	ARAC (CB)	8	8	Political and Stakeholder Relationships (Open)	Below
SPPC014	ARAC (CB)	8	8	Compliance (Cautious)	Within
SPPC015	ARAC (CB)	6	6	Political and Stakeholder Relationships	Below
TSA014	PC (TSAB)	12	4	Compliance (Minimalist)	Above

3.3.4 Whilst risks rated 15 or above fall above our stated appetites, the alignment between risks rated below 15 and risk appetite shows a closer relationship, with 13 risks currently sitting within or below the stated appetite.

3.4 **Risk Spotlights**

3.4.1 Throughout 2024/25 Committee's utilised risk spotlights to gain additional assurance on a number of risk areas, this is in addition to additional assurance requested on associated risk areas within submitted reports. These include:

- Pension Remedy and associated workstreams
- Operational Intelligence
- Management of Contaminants
- Protection Staffing and Development
- Statutory Duties
- Operations control Staffing Improvement Plans
- ICT Recruitment and retention
- OC Staffing Levels
- Cyber Security
- Fraud Action Plans
- Development of risk appetite

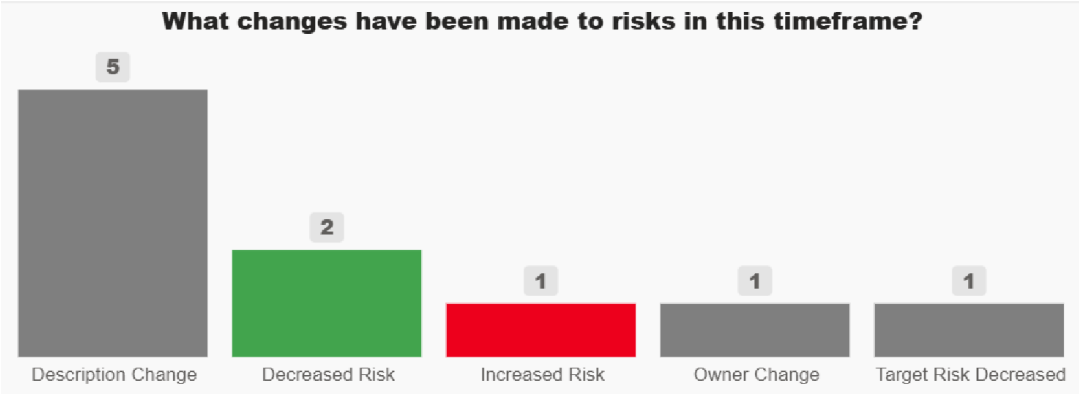
3.4.2 Further information has been requested on risk spotlights undertaken by Committee's and the level of assurance obtained through these discussions. This information will be provided within future reports.

3.5 **Significant Directorate Risks**

3.5.1 In relation to the current period Directorates reviewed their registers identifying 39 Directorate risks of which 13 are rated at 15 or above and coloured red within the table. All risks are outlined within appendices A and B:

What is the current status of each risk?						
		Impact				
		Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Probability	Rare (1)					
	Unlikely (2)			4	4	
	Possilble (3)			2	12	1
	Likely (4)			4	8	2
	Almost Certain (5)			1	1	

3.5.2 Following review over the last quarter the following changes have been made in relation to risks rated 15 or above, as outlined within Appendix A:

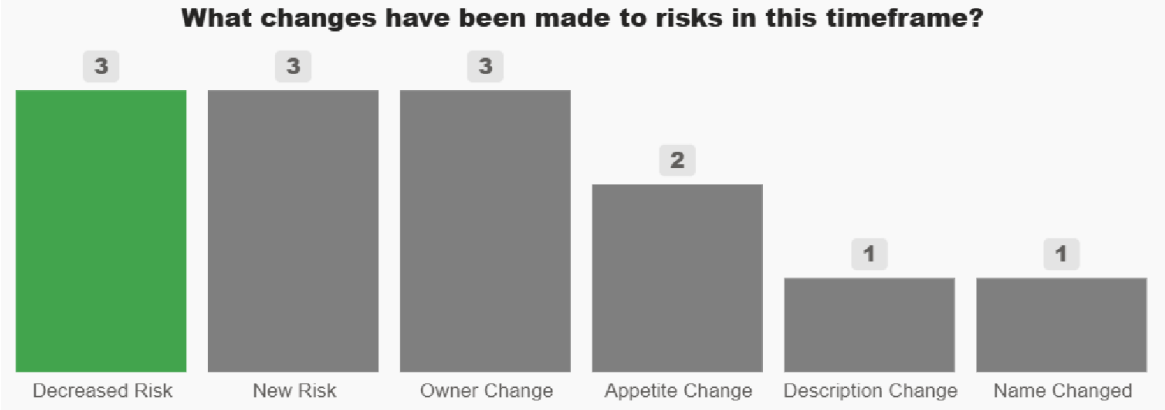


3.5.3 In relation to the increased risk rating this aligns to FCS019:

Risk ID	Description	Increased Risk	Comment
FCS019	There is a risk that many of our critical services and systems, which support Operations Control team functions, could fail and be unrecoverable. This is because of the age of both the	Impact rating increased from 4 to 5 resulting in a new risk rating of 20, from 16.	Increased rating relates to continuing age of existing kit and an additional risk as new kit is introduced placing additional testing

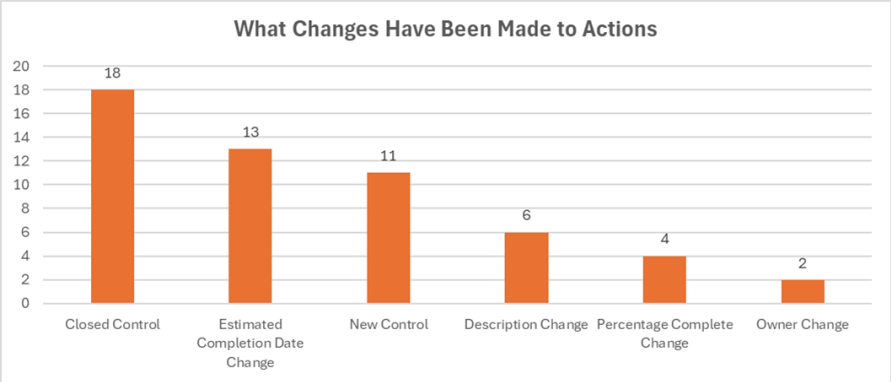
	hardware and software elements involved, much of which is substantially beyond end of life		requirements and pressure on existing kit.

3.5.4 In relation to those risks rated below 15 the following changes have been made:

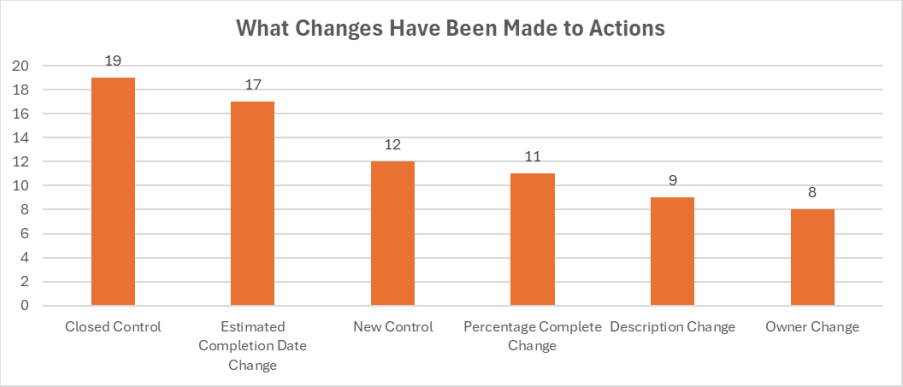


3.6 **Control Actions**

3.6.1 Following review over the last quarter, the following changes have been made to control actions rated 15 or above:



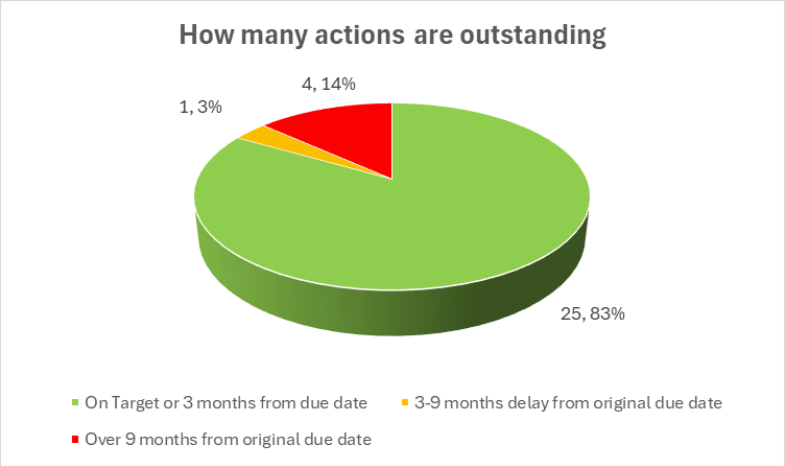
3.6.2 In relation to risks falling below a rating of 15 the following changes have been identified:



3.6.3 Without immediate action being taken on progressing identified controls, risks are likely to remain static. Discussions with Directorates will focus on identifying actions required within the current financial year with a RAG status incorporated within reports, aligned to the agreed process for Internal Audit, to identify progress made. This will focus scrutiny on priority areas, allowing responsible officers to provide assurance updates.

Green	On target or within 3 months of original due date
Amber	3-9 months delay from original due date
Red	Delay of over 9 months from original due date

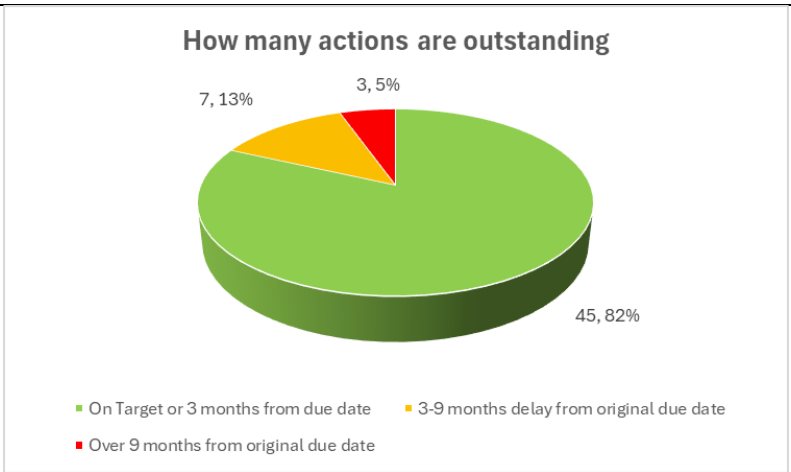
3.6.4 In relation to risks rated 15 or above, Appendix A identifies the 4 control actions now over 9 months from their original due date:



3.6.5 The table below identifies the control actions over 9 months from their original due date. Discussions continue to be held with Directorates to ensure these control actions are progressed in line with revised dates:

Risk ID	Action Description	Action Due	Est. Date	Action Comment
TSA018	Introduce supplementary Structural Firefighting PPE solutions in collaboration with Asset Management across the Training Function.	31/03/24	31/05/25	Contaminants Working Group continue to work with Assets to support the roll out of supplementary PPE, storage and PPE for Newbridge is scheduled to be onsite for 31/04/25.
TSA019	Review the suitability of Dundee Airport site (course delivery and welfare facilities).	30/06/24	30/06/25	Review undertaken on outstanding actions, with short, medium and long-terms solutions being considered. Consideration will be given to reasonable returns in investment before the projected withdrawal of the site in Q2 2026/27.
SD001	Procurement and implementation of Vision 5 Disaster Recovery System (for EOC and DOC)	31/12/23	31/07/25	Vision modems reset and remain inoperable. Request from NEC to change sim cards however this has not resolved the issue. Modems remain inoperable and we are still unable to mobilise via Vision 5 - investigations continue. Meeting with NEC to be arranged to discuss a way forward. DATS colleagues to engage with NEC on remedial work.
SD001	Support the design, procurement, delivery and implementation of the New Mobilising System (NMS) - Phase 1	31/12/23	31/12/25	NMS Procurement now concluded with contract award to Motorola. NMS Project now moved onto Phase 1 - Planning and Implementation, with initial fact-finding workshops which will work to deliver the initial 'sandpit' environment in early December. Estimated completion date of ICCS implementation will be December 2025 with CAD implementation August to October 2026.

3.6.6 In relation to risks falling below a rating of 15, three control actions are over 9 months from their original due date:



3.6.7 The table below identifies the 3 control actions over 9 months from their original due date:

Risk ID	Action Description	Action Due	Est. Date	Action Comment
FCS015	Review the structure of the Asset Management section to remove single points of failure and create capacity for succession planning	03-2024	31/08/2025	Fleet re-structure paper has been completed along with business case. Job evaluation is complete, and staff consultation is now underway.
POD015	Ensure regular participation in process planning, and ongoing dialogue is in place with Scottish Public Pensions Agency and Finance colleagues through a number of informal and formal forums and provide regular progress updates to SFRS management teams and stakeholders to ensure appropriate oversight and escalation of potential challenges should these arise.	12-2023	31/03/2026	A phased approach to gathering "Expression of Interest" from in-scope current and former employees for the 2nd Option exercise was completed. A risk spotlight was provided to the People Committee with further information presented to the Service Delivery Board in April. The revised due date aligns to the latest project delivery plan received from SPPA.
SD004	Delivery of Document Conversion Project	03-2023	31/12/2025	Phase 2 GRAs are in the sign-off phase, with the go-live date for Phase 2 (covering fires and firefighting) scheduled for the 2nd of June. The DCP continues to progress as planned. Phase 3 – Transport is in the final stages of review and is scheduled to be published for familiarisation before the end of Q2 2025/26

4. **Risk Management Policy**

4.1 Appendix C provides a copy of the updated risk management policy. The main change to the policy relates to the introduction of risk appetite within the risk framework and the revision of the risk spotlight template to incorporate risk appetite.

4.2 BDO, as internal auditors to SFRS, will undertake a review of risk management arrangements as part of the 2025/26 audit plan. The audit is an 18-day review due to commence on 21st July 2025 with the final report planned to be presented to SLT and ARAC in October 2025.

4.3 Where recommendations are made in relation to the policy a further update will be undertaken and reported back to ARAC in line with identified management actions within the final audit report.

4 Recommendation

4.1 The Audit & Risk Assurance Committee is asked to:

- Scrutinise the updated risk information presented within the report; and
- Scrutinise and approve the risk management policy.

5	Key Strategic Implications
5.1 5.1.1 5.1.2	**Risk Appetite and Alignment to Risk Registers** The report identifies risks from each Directorate together with the significant changes made since the last update. Each Directorate will be responsible for the identification and mitigation of any associated risk and for the update of relevant risk registers. The report is aligned to the Services Compliance risk appetite in relation to our internal governance, including systems of control, where the Service has a **Cautious** appetite.
5.2 5.2.1	**Financial** The report identifies risks from each Directorate with financial implications arising from control decisions to be managed by the relevant Directorate.
5.3 5.3.1	**Environmental & Sustainability** Any implications arising from the report will be managed by the relevant Directorate.
5.4 5.4.1	**Workforce** Any implications arising from the report will be managed by the relevant Directorate.
5.5 5.5.1	**Health & Safety** Any implications arising from the report will be managed by the relevant Directorate.
5.6 5.6.1	**Health & Wellbeing** Any implications arising from the report will be managed by the relevant Directorate.
5.7 5.7.1	**Training** Any implications arising from the report will be managed by the relevant Directorate.
5.8 5.8.1	**Timing** The report is provided to the Audit and Risk Assurance Committee on a quarterly basis.
5.9 5.9.1	**Performance** The risk report is used to ensure risks are identified and suitably managed by relevant Directorates.
5.10 5.10.1	**Communications & Engagement** Any implications arising from the report will be managed by the relevant Directorate.
5.11 5.11.1	**Legal** Any implications arising from the report will be managed by the relevant Directorate.
5.12 5.12.1	**Information Governance** DPIA completed - No. The report provides a summary of risks identified by Directorates. Each Directorate will ensure that any relevant DPIA is completed as required.
5.13 5.13.1	**Equalities** EHRIA completed - No. An assessment was undertaken in relation to the Risk Management Policy. Any individual elements of work, which may have an impact upon Equalities, will require to be assessed and managed by the relevant Directorate.
5.14 5.14.1	**Service Delivery** Any implications arising from the report will be managed by the relevant Directorate.
6	**Core Brief**
6.1	Not applicable

7	**Assurance (SFRS Board/Committee Meetings ONLY)**	
7.1	**Director:**	Deborah Stanfield, Interim Director of Finance and Contractual Services
7.2	**Level of Assurance: (Mark as appropriate)**	~~Substantial~~/**Reasonable**/~~Limited/Insufficient~~**:** There is room for improvement in the identification of the right risks, controls and the completion of mitigating actions within identified timescales.
7.2	**Rationale:**	The report is based upon risk information identified by each Directorate and I have confidence that the information is correctly reported based upon these returns.
8	**Appendices/Further Reading**	
8.1	Appendix A – Significant Risks – May 2025	
8.2	Appendix B – Other Risk Summary – May 2025	
8.3	Appendix C – Risk Management Policy	

Prepared by:	David Johnston, Risk and Audit Manager
Sponsored by:	Deborah Stanfield, Interim Director of Finance and Contractual Services
Presented by:	Deborah Stanfield, Interim Director of Finance and Contractual Services

Links to Strategy and Corporate Values

Risk Management forms part of the Services Governance arrangements and links back to Outcome 5 of the 2022-25 Strategic Plan, specifically Objectives 5.1 and 5.6:

Outcome 5: We are a progressive organisation, use our resources responsibly and provide best value for money to the public.

- Objective 5.1: Remaining open and transparent in how we make decisions.
- Objective 5.6: Managing major change projects and organisational risks effectively and efficiently.

Governance Route for Report	**Meeting Date**	**Report Classification/ Comments**
Audit & Risk Assurance Committee	*19 June 2025*	*For Scrutiny*

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS018	6	There is a risk of challenges with recruiting and retaining staff with the necessary skills and experience required to support the digital and technology services and systems used by the Service, as well as the availability of budget to upskill existing staff with the skills required. This is because of a very buoyant DaTS job market, pay grade challenges and the availability of budget to provide the necessary training.	PC (CB)	Director of Finance and Contractual Services	16	20	6	Open (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Review vacancies on a case-by-case basis and proceed to advert only when filling vacancy has been justified	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date
Advertise vacancies wider than just MyJobScotland, using LinkedIn. Consideration should also be given to using wider social media platforms or specialist recruitment companies.	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date
Ensure staff appraisals identify skills gaps	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date
Ensure DaTS budget availability to support staff training and development	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
PPP005	1	There is a risk of insufficient levels of qualified and skilled Fire Engineering resources due to challenges with recruitment, access to qualifications/training requirements, finances and retention of staff, resulting in the potential that the Directorate/SFRS may not be able to deliver against its statutory and organisational responsibilities and demands.	SDC (SDB)	Head of Directorate (DACO)	16	20	4	Open (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Engage with the University of Edinburgh to establish new course in relation to Fire Engineering Degree and forward business case to LPG to secure interim funding for alternative degree course in England.	31/03/2025	31/03/2026	Head of Directorate (DACO)	UK Wide scoping work and engagement undertaken to determine available courses for Fire Engineers. Ongoing work with Edinburgh University and NFCC to consider Scottish Degree and Masters level options. This will take some time to develop. SFRS have secured interim degree courses at UCLan commencing Aug 25 though the budget remains to be secured in line with the FSE Modules and RPL courses stated above. Business Case developed and discussions ongoing at Director level to secure funding. SFRS at risk of losing several Fire Engineers in the short term with succession planning reliant upon completion of new Degree course.	On Target or 3 months from due date
Form contingency options to mitigate any Service failures to deliver Fire Engineering services through existing staff. Option to be progressed through governance for decision.	31/03/2025	31/10/2025	Head of Directorate (DACO)	SFRS may have to consider an external contractor to assist with responsibilities should we be unable to secure appropriately skilled staff. This would require careful contract considerations due to organisational risk of conflicts of interest in specialist work. Alternative option would require employment at market value rates approximately 3 times the current contractual pay grade. Discussions with People Directorate and Trade Unions is required which will include potential necessary interim options for Fire-Engineering through sub-contracting. This would have significant financial impact due to current market rates of pay, demand currently outweighing supply and impact of the Grenfell Phase 2 report/outcomes and recent implementation of the Cladding Remediation (Scotland) Act.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SDD007	5	There is a risk of SFRS being unable to maintain adequate levels of Cyber Security to avoid any breach. This may result because of a lack of staff awareness, education and adherence to the policies and processes in place. This may result in the failure of access to or stability of systems, affecting SFRS activity	ARAC (CB)	Director of Finance and Contractual Services	20	20	12	Minimalist (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Staff Engagement and Education (KnowBe4 Training)	31/03/2025	31/03/2025	Head of DaTS	Q3 and Q4 training have a combined completion status of around 75% to date.	On Target or 3 months from due date
Ensure a Service wide priority around staff Cyber Security training, and seek assistance from other functions/directorates i.e. People, Service Delivery, etc, to improve completion rates	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC004	5	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	ARAC (CB)	SPPC	20	20	8	Cautious (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Review resource and structure of IG Team	31/03/2025	31/10/2025	Head of Governance, Strategy and Performance	Resource paper drafted for discussion with Business Case currently being prepared by Director. Temporary staff have been appointed to address backlog, pending outcome of business case.	On Target or 3 months from due date
Undertake review within SFRS to ascertain policy compliance	01/04/2025	31/03/2026	Head of Governance, Strategy and Performance	Discussions being held with FCS in relation to Compliance Monitoring	On Target or 3 months from due date

Appendix A – Significant Risks – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FSC005	5	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	ARAC (CB)	FSC	16	16	8	Minimalist Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Develop a 3 year medium term financial plan, taking account of the developing strategic service review programme.	31/03/2025	31/07/2025	Head of Finance and Procurement	The 3-year delivery plan will be reported to the SFRS Boasrd at the end of June 2025. Draft budget allocation has been provided for 25/26 which is currently being aligned to SFRS Strategy and Priorities with the aim of achieving a balanced budget. Discussions continue with SG re financial demands and impact of settlements.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FSC019	2	There is a risk that many of our critical services and systems, which support Operations Control team functions, could fail and be unrecoverable. This is because of the age of both the hardware and software elements involved, much of which is substantially beyond end of life	SDC (SDB)	Director of Finance and Contractual Services	20	16	12	Open (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Work closely with support partners to ensure preventative maintenance is carried out on at risk systems.	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date
Ensure subject matter experts are involved in the NMS transition phase of the project	31/03/2026		Head of DaTS	Action currently being progressed and on target.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FSC022	6	There is a risk of continued challenges with recruiting and retaining staff with the necessary skills and experience required to support the Finance and Procurement Function. This is particularly apparent within the Accountancy and Procurement Sections which is proving to have a very buoyant job market and provides pay grade challenges	PC (CB)	FSC	16	16	12	Open (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Review of Finance and Procurement Structure to ensure alignment with Strategic and Directorate priorities and associated projects.	31/12/2025	31/12/2025	Head of Finance & Procurement	Proposed structure developed and shared with FMT - potential revisions being considered at which point finalised structure will move through governance / unions etc. FMT discussions continue	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD020	6	There is a risk that the Directorate is unable to deliver against stated commitments and objectives or provide timeous support to wider SFRS projects and change initiatives, due to limited resources and capacity brought about by the current financial context and competing organisational priorities.	PC (CB)	PEOPLE	16	16	4	Open (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Develop business cases for additional resource to meet strategic priorities for consideration via governance and, if approved, undertake the required recruitment to appoint resources to support critical priorities	31/03/2025	30/06/2026	Head of People	Majority of Business cases not progressed due to budgetary constraints, with one remaining outstanding	On Target or 3 months from due date
Subject to outcomes from business cases, review the resources against the agreed priorities with final outcomes shared with stakeholders	05/02/2025	30/09/2025	Head of People	Awaiting outcome of business cases.	On Target or 3 months from due date

Appendix A – Significant Risks – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC001	5	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.	SDC (CB)	SPPC	16	16	8	Cautious (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Continue work to establish SFRS Data Governance arrangements	31/03/2026	31/03/2026	Head of Governance, Strategy and Performance	Evidence of data governance work progressing.	On Target or 3 months from due date
Development of Board Risk and Performance Reporting	31/03/2026	31/03/2026	Head of Governance, Strategy and Performance	Work being progressed in line with requirements.	On Target or 3 months from due date
Establish of Data and Information Governance Group	31/03/2026	31/03/2026	Head of Governance, Strategy and Performance	DIGG Group established	On Target or 3 months from due date
Ongoing Service Delivery dashboard development	31/03/2026	31/03/2026	Head of Governance, Strategy and Performance	Service wide reporting and dashboard development on-going	On Target or 3 months from due date
Produce SFRS Digital, Data and Technology Strategy	31/03/2026	31/03/2026	Head of Governance, Strategy and Performance	Procured support for DDaT Strategy and work underway	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
TSA018	2	There is a Directorate risk, of an inability to maintain or improve our training delivery due to insufficient capacity being available within the Training Function to meet current demand,	PC (TSAB)	TSA	16	16	6	Minimalist (Above Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Introduce supplementary Structural Firefighting PPE solutions in collaboration with Asset Management across the Training Function.	31/03/2024	31/05/2025	Group Commander Training	Contaminants Working Group continue to work with Assets to support the roll out of supplementary PPE, storage and PPE for Newbridge is scheduled to be onsite for 31/04/25.	Over 9 months from original due date
Review of Driver Training instructor / examiner staff retention.	31/03/2025	30/06/2025	Group Commander Training	Evaluation of role is progressing via the Rewards Team with the involvement of Instructors and delegated examiners completing questionnaires. The Rewards Team have indicated that interviews will take place in May. Process duration is currently being established, Driver Training are liaising with People Team to gauge an understanding of predicted timeline for the process outcome. Dependent on outcome and the possibility of an increase in Grading, there is a risk that this will impact on resource budget. If there is no increase, then this may make it more challenging attracting people to apply for the role. This will require to be considered following the outcome of the job evaluation review.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
TSA019	2	There is a Directorate risk, of an inability to maintain or improve our training delivery due to the limited finance/budget available for capital investment, condition and location of our Training Estate and therefore lack of access to appropriate facilities, which could result in current and future negative impact on currency in operational skills & capacity and associated legal, regulatory, compliance, financial and reputational cost.	PC (TSAB)	Director of Training, Safety and Assurance	16	16	8	Open (Outwith Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Review the suitability of Dundee Airport site (course delivery and welfare facilities).	30/06/2024	30/06/2025	Head of Training	Onsite meeting 22/04/25 scheduled with Property, H&S, Training SMEs to review recommendations and outstanding actions taking cognisance of the Fire Contaminants MA and new Management of Contaminants at Training Centres GRA/SSoW, from this a specific GRA/SSoW will be produced. Short-term solutions include self-decontamination onsite as per Operational Procedures/ Fire Contaminants SOP. Medium- term solutions, as per adaption requests, hand washing facilities, fire kit disrobe area, dignified changing facility. Some adaption request timeframes may significantly impact the risk of the capital allocation. Consideration will be given to reasonable returns in investment before the projected withdrawal of the site in Q2 2026/27. Timeframe and project cost will be reviewed post meeting 22/04/25. Long-term solutions will be implemented Q2 2026/27 moving to Perth's new CFBT facility.	Over 9 months from original due date
Liaise with Assets / Property Function to support and oversee tenders priced, planning permission granted, and the delivery of works completed, for the new welfare facility at Portlethen TC.	01/03/2025	01/12/2025	Head of Training	Property is awaiting a fee quote for professional services to complete the design, provide tender documentation and make planning and building warrant applications.	On Target or 3 months from due date
Oversee the tactical implementation of the Training Service Asset Management Plan	01/03/2025	30/01/2023	Head of Training	First meeting concluded on 25/03/25. Action Log, Area specific updates by property managers and Training facilities including Sumbrugh and New Carbonaceous boxes all discussed. Actions and priorities agreed by all.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
OD001	2	There is a risk of a non-resilient fire control due to insufficient employees and an ineffective fire control structure. Failure to attract, recruit, personnel, high abstraction and sickness levels lead to ineffective workforce planning, as a result, we would be failing to provide a resilient fire control capability.	SDC (SDB)	Director of Operational Delivery	15	15	6	Minimalist (Outwith Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Develop and implement and active recruitment strategy	01/08/2024	30/06/2025	Head of Function	Recruitment now the responsibility of the resourcing team. No timeline confirmed for completion of strategy due to capacity issues. Discussion to be held with the People Directorate.	3-9 months from original due date
Explore targeted development of OC Management (Supervisory to Strategic level).	31/05/2024	30/06/2025	Head of Function	Supervisory Management Engagement Session content agreed with People Directorate and input from West LSO area. focusing on Culture, Values, Behaviours, Managing Employee Performance, Standards and Management in Practice. This will be supported by FDOs from Lanarkshire LSO area. To align with outcome of Crew Commander (Control) process - this has been rearranged for June.	On Target or 3 months from due date

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SD001	2	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.	SDC (SDB)	Director of Operational Delivery	15	15	10	Minimalist (Outwith Appetite)

Controls Actions	Original Due Date	Est' Completion Date	Owner	Comment	Action Status
Procurement and implementation of Vision 5 Disaster Recovery System (for EOC and DOC)	31/12/2023	31/07/2025	Head of Function	Vision modems reset and remain inoperable. Request from NEC to change sim cards however this has not resolved the issue. Modems remain inoperable and we are still unable to mobilise via Vision 5 - investigations continue. Meeting with NEC to be arranged to discuss a way forward. DATS colleagues to engage with NEC on remedial work.	Over 9 months from original due date
Support the design, procurement, delivery and implementation of the New Mobilising System (NMS) - Phase 1	31/12/2023	31/12/2025	Head of Function	NMS Procurement now concluded with contract award to Motorola. NMS Project now moved onto Phase 1 - Planning and Implementation, with initial fact-finding workshops which will work to deliver the initial 'sandpit' environment in early December. Estimated completion date of ICCS implementation will be December 2025 with CAD implementation August to October 2026.	Over 9 months from original due date

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS008	4	There is a risk of that the Service will be unable to achieve environmental and carbon reduction commitments of 6% per annum; Because of limited investment or anticipated saving targets not being achieved through current projects	ARAC (SDB)	FSC	12	12	8	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
3	2	1	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS011	5	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.	ARAC (CB)	FCS	12	12	9	Minimalist (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	0	1	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS015	6	There is a risk of a number of issues with regards to staffing, including the ability to recruit specialist staff, single points of failure across a number of key roles, lack of succession planning, age profile of staff in senior roles, staff retention rates and staff training; Because of a very buoyant job market in fleet and property, pay grades challenges and the need to review and update structure within sections not updated for 10 years	ARAC (SDB)	FCS	12	12	8	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	0	0	1

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS020	5	There is a risk of SFRS not achieving best value from the resources it has because of inefficient systems and processes, a failure to respond to changing risks and/or ineffective governance.	ARAC (CB)	FCS	12	12	8	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
2	1	1	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS021	2	There is a risk of SFRS Property, Fleet and Equipment Assets failing to meet operational standards; Because of a lack of sufficient capital investment from Government	ARAC (SDB)	FCS	12	12	8	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
5	5	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS023	5	There is a risk to the Service where delays are experienced in introducing a new Finance system. Extensions of the current finance system contract will end over the next two years and challenges will be experienced if further extensions are required.	ARAC (CB)	FCS	12	12	9	Cautious (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
2	2	0	0

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS024	5	There is a risk of failure to deliver the capital programme due to capacity of current staffing levels.	ARAC (SDB)	FCS	12	12	4	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
FCS025	6	There is a risk to the Service where essential mandatory training for support staff is not available. This could put staff at risk or the Service may suffer disruption if no suitably certified staff are available to address workload.	PC (CB)	FCS	12	12	4	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD015	2	There is a risk that the People and Finance teams are unable to effectively support the significant number of concurrent Pensions related exercises and associated implementations due to competing priorities and capacity constraints, and the ability of external partners to confirm requirements	PC (CB)	PEOPLE	12	16	4	Cautious (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
3	2	0	1

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD018	5	There is a risk that SFRS is not fully compliant with Data Protection requirements due to a lack of effective processes related to how employee data is stored, accessed and maintained in paper based and electronic Personal Record Files	PC (CB)	PEOPLE	12	12	4	Cautious (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
4	1	3	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD022	6	There is a risk to maintaining positive and harmonious employee relations within SFRS and of potential legal challenge as a result of a lack of prioritisation due to capacity and inconsistent approach to employee relations investigations.	PC (CB)	PEOPLE	12	12	4	Cautious (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
3	3	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
PPP004	1	There is a risk of insufficient levels of qualified and skilled Fire Safety Enforcement resources due to challenges with recruitment, training/qualification requirements, finances, ICT and retention of staff	SDC (SDB)	PPP	12	12	4	Open (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
3	3	0	0

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SD006	2	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	PC (CB)	OD	12	12	8	Minimalist (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
2	2	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC007	5	There is a risk that the services reputation is adversely affected due to a lack effective communication and consultation plans and supporting management processes resulting in a loss of workforce, stakeholder and public confidence	ARAC (CB)	SPPC	12	12	12	Cautious (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC012	5	There is a risk that the service has inadequate organisation security because of a lack of up to date corporate security arrangements resulting in risk to staff and the public	ARAC (CB)	OD	12	12	8	Cautious (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
2	2	0	0

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
TSA014	6	There is a risk of not being able to demonstrate legislative compliance because of gaps identified in risk control measures, management arrangements and alignment with recognised standards resulting in potential criminal/civil litigation, and reputational damage.	PC (TSAB)	TSA	12	12	4	Minimalist (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD016	6	There is a risk that outdated 'Trainee Firefighter Development to Competent Policy and Procedures' and a lack of clarity amongst employees and managers around process leads to incorrect application of the MA/SVQ process, particularly for new apprentices	PC (CB)	PEOPLE	9	9	4	Minimalist (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SD003	2	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.	SDC (SDB)	OD	9	9	9	Minimalist (Above Appetite))

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
0	0	0	0

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SD004	2	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.	SDC (SDB)	OD	8	8	6	Cautious (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	0	0	1

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC003	5	There is a risk that the service does not have an appropriate and effective governance arrangements in place resulting in loss of public and stakeholder confidence.	ARAC (CB)	SSPC	8	8	8	Cautious (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC013	7	There is a risk that the service fails to secure adequate benefits from collaboration and partnership working due to a lack of effective management and the coordination and sharing of information	ARAC (CB)	SPPC	8	8	8	Open (Below Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
8	8	0	0

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC014	5	There is a risk that the service fails to demonstrate robust Business Continuity Planning arrangements, demonstrating lessons learned from Covid and other events	ARAC (CB)	SPPC	8	8	8	Cautious (Within Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
0	0	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD021	6	There is a risk to maintaining an effective Retained Duty System and meeting the Service's obligations under the Fire Scotland Act as a result of the impact of revisions to On Call T&Cs and associated policy / procedural arrangements, in particular effective management to meet the requirements of the Working Time Regulations	PC (CB)	PEOPLE	6	9	4	Minimalist (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
POD023	6	There is a risk to maintaining positive and harmonious employee relations within SFRS as a result of current and planned organisational change activity for which the Service does not yet have an agreed suite of framework and accompanying policies/guidance related to the impact of change on colleagues.	PC (CB)	PEOPLE	6	9	4	Open (Below Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
2	2	0	0

Appendix B – Other Risk Summary – May 2025

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
PPP006	1	There is a risk of SFRS being unable to undertake the powers detailed under Section 29 of the Fire (Scotland) Act 2005, to investigate the origin, cause and development of fires and fulfil it's obligations under the Joint Protocol Agreement with Police Scotland, British Transport Police and Forensic Services - Scottish Police Authority, due to a shortage of staff who have appropriate accreditation	SDC (SDB)	PPP	6	6	4	Minimalist (Above Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

Risk ID	Strategic Outcome	Risk Description	Governance Alignment	SLT Risk Owner	Risk Rating	Previous Risk Rating	Target	Risk Appetite
SPPC015	3	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.	ARAC (CB)	SPPC	6	6	6	Ambitious (Below Appetite)

Number of control Actions	Number of Control Actions on Target or 3 months from due date	Number of Control Actions 3-9 months from original due date	Number of Control Actions Over 9 months from original due date
1	1	0	0

FINANCE AND CONTRACTUAL SERVICES

RISK MANAGEMENT POLICY AND FRAMEWORK

Author/Role	David Johnston, Risk & Audit Manager
Date of Risk Assessment (if applicable)	
Date of Equality Impact Assessment	Revised 21 February 2025
Date of Impact Assessment (commenced)	Revised 21 February 2025
Date of Impact Assessment (concluded)	21 February 2025
Quality Control (name)	Lynne McGeough, Head of Finance and Procurement
Authorised (name and date)	Sarah O'Donnell, Director of Finance and Contractual Services
Last reviewed (name and date)	March 2025
Date for Next Review	March 2028

Contents

1. Policy Statement

The Scottish Fire and Rescue Service (SFRS) provides a diverse range of critical services to the Communities of Scotland. The provision of these services is undertaken within an ever changing and challenging environment that presents risks that must be effectively managed.

SFRS is committed to the development and implementation of an integrated risk management framework, identifying, managing and monitoring those risks which may impact upon the successful achievement of the key priorities of the Service.

The aim of SFRS is to be risk managed, allowing innovation and aspiration, whilst actively managing risk through a range of measures to ensure key priorities are met. Establishing a consistent and effective framework, integrated within Governance and Assurance arrangements, and embedding risk appetite principles to more effectively consider and manage risk will strengthen our control framework and help further embed an effective risk culture within the Service.

The Service recognises that it cannot entirely eliminate the risk of disruption and that a residual level of risk will always remain. It further recognises that by effectively managing risk, opportunities for continuous improvement may be identified.

The management of risk is fully embedded throughout the Service, forming an integral element of all Committees and Executive Boards. Engagement with the Board, Strategic Leadership Team (SLT) and Directorates will ensure the framework is effectively used to inform decision making, allowing the Service to present a fair and reasonable reflection of the most significant risks impacting upon its operations.

2. Risk Management Objectives

To assist in the management of organisational risk the following objectives have been identified and form the basis of our Risk Management Framework. We aim to:

- Promote awareness of business risk and embed a consistent approach to its management throughout the organisation.
- Seek to provide assurance that a system of control is in place to identify, assess, control and report on business risk
- Align the management of risk to our Service Priorities, assurance and compliance processes

3. Risk Management Culture

We recognise the value of an effective risk management culture. Systems and processes are dependent upon people adhering to and supporting the process and providing an enabling environment for them to operate effectively. Our approach to risk management will:

- integrate risk management with planning at strategic and operational levels
- devolve responsibility for the management of risk to the appropriate levels within the organisation
- ensure that designated individuals receive the necessary training, ongoing support and advice on risk management
- review risk information within Committees and Executive Boards to enhance assurance and scrutiny processes.
- independently review our arrangements for the management of risk

4. Scope

The policy will extend to cover the management of Directorate risks that may impact upon the achievement of the strategic priorities of the Service. The policy does not cover the risk management processes used on the incident ground or for general Health, Safety and Wellbeing in the workplace.

5. Roles and Responsibilities

The SFRS Board is responsible for the Risk Management Policy with the Audit & Risk Assurance Committee (ARAC) supporting the Board and Accountable Officer by providing assurance that appropriate risk management systems are in place and operating effectively.

The Chief Officer, as the Accountable Officer for SFRS, is responsible for maintaining a sound system of internal control, with delegated responsibility to members of the SLT for ensuring that adequate systems for internal control and risk management, both financial and otherwise, are in place and are monitored and reviewed regularly.

Internal Audit will review the effectiveness of the Services risk management processes, providing independent assurance on the management of risk and contribute to the continuous improvement of governance, risk management and internal control processes.

Appendix A provides further information on roles and Responsibilities.

6. Risk Management Process

The SFRS Risk Management Framework provides a structure and process for managing risk, outlining general guidelines on risk management which, if followed, will increase the likelihood of service priorities being achieved.

The overarching goal is to develop a risk managed culture where employees and stakeholders are aware of the importance of managing risk.

Key elements of the risk management process:

6.1 Risk Registers

Risk Registers will be used as a management tool to record and report on Directorate risks impacting upon the organisation. The primary purpose of risk registers is to inform decision making, encourage scrutiny and report progress on control actions identified to mitigate risk.

Directorate risk registers reflect the significant risks identified with the potential to impact not only on a single Directorate, but also more widely across the organisation. Registers are aligned to the Service priorities, contained within the Strategic Plan, and are aligned to the agreed risk appetite statements of the Service.

Functional and Project risk registers are maintained as appropriate to cover risks identified through core functional activities or projects. These registers will be assessed at Directorate or Project level to determine whether any risk should be escalated to a relevant Directorate register for additional monitoring.

Risks will be reported in a consistent manner using a standard risk template. The register includes key information on alignment to strategic priorities, risk appetite, lines of assurance and scrutiny processes of the Service.

6.2 Risk Identification

Risk identification is an ongoing activity, with individual risks and the impact and/or likelihood of risk subject to change. The process of risk identification helps SFRS identify any threats and/or opportunities to the achievement of priorities.

The identification process will be based around the business processes of the Service, considering actions and priorities set through the Strategic Plan or relevant Directorate Plans.

Risks can be identified from a number of sources including:

- Strategic Planning
- Monitoring of performance reports
- HMFSI Reports
- External Audits
- Internal Audits
- De-briefings / lessons learned (non-operational)
- Existing forums (Board, Committees, Executive Boards, Project Boards, management meetings)
- Risks identified through established projects
- Directorates and individuals as part of their normal management roles and responsibilities

6.3 Risk Analysis and Assessment

Once identified risks need to be assessed in terms of their probability of occurrence and their potential impact upon the delivery of priorities. It is important to use an agreed and standardised process that measures impact and probability consistently across the organisation.

Probability will be categorised and assessed on a scale of 1 to 5, with 1 being Rare and 5 being Almost Certain. Impact will be assessed on a scale of 1 to 5, with 1 being Negligible and 5 being Very High.

Appendix B provides further guidance on assessments undertaken.

Risk Matrix						
Probability	Almost Certain (5)	5	10	15	20	25
	Likely (4)	4	8	12	16	20
	Possible (3)	3	6	9	12	15
	Unlikely (2)	2	4	6	8	10
	Rare (1)	1	2	3	4	5
		Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
		Impact				

6.4 Risk Appetite

The purpose of the risk management framework is to encourage debate and discussion on risk and inform our decision-making processes. Risk Appetite is an integral element of this overall framework and can be considered as an expression of the type and amount of risk the Service is prepared to take in order to achieve its Service Priorities.

In addition to the categorisation of risk in terms of probability and impact all relevant risks will be aligned to a single risk appetite category and sub-category, identifying the related risk appetite level.

The benefits of adopting a formal approach to risk appetite includes:

- Alignment of risk tolerance between Service and Directorate
- Supporting informed decision making
- Improving consistency across governance processes and decision making
- Supporting performance improvement
- Focusing discussion on priority areas
- Informing resource prioritisation

For SFRS, risk appetite will be based upon a number of underlying principles:

- It will be aligned to the risk maturity of the Service
- It will be aligned to our capacity and the resources available
- It will add value to and be supported by the risk management framework
- It will be measurable by and meaningful to service users

Defining Risk Appetite

SFRS will evaluate its risk appetite using the following categories / levels:

Risk Appetite Levels	Category Description	Associated Risk Target Rating
Minimalist	Preference for low level of associated risk and uncertainty and will only look to accept risk where it is essential to do so. The creation of opportunity is not a key driver.	Rating Appetite Rating of 1 - 3
Cautious	Preference for safe options where the level of benefit and risk is limited but some opportunity may be experienced.	Rating Appetite Rating of 4 - 9
Open	Willing to consider all potential delivery options and to choose the one that is most likely to result in success and opportunity whilst also providing an acceptable level of risk.	Rating Appetite Rating of 10 - 12
Ambitious	Eager to be innovative and to take opportunities offering potentially higher reward, whilst accepting greater risk and uncertainty.	Rating Appetite Rating of 15 - 25

The organisations appetite for risk will be defined and applied across an agreed range of risk appetite categories:

- Financial
- Organisational Security
- Environmental
- Compliance
- Service Delivery
- People
- Technology
- Political & Stakeholder Relationships.

Each risk appetite category is further developed through agreed sub-categories with an agreed appetite identified for each of these sub-categories. Further information on risk appetite is contained within the risk dashboard and contained within guidance notes attached within the risk register template. Appendix C outlines the 8 risk appetite statements developed.

6.5 Responding to and Managing Risk

The risk management framework will identify that risk is being managed in an open and transparent manner and consistently applied across the Service. The completion of identified control actions, or delays encountered, will be contained within governance reports, with additional assurance to be provided on controls significantly delayed from original due date.

Control actions put in place, will follow SMART principles of being Specific, Measurable, Achievable, Realistic and Time Bound and will reduce the probability of the risk occurring or minimise the impact if the risk occurs. Appendix D provides further information on SMART principles.

In broad terms any action taken to manage risk to an acceptable level can fall into four categories:

- **Terminate** - in this situation the risk is terminated by deciding not to proceed with an activity. For example, if a particular project is very high risk and the risk cannot be mitigated it might be decided to cancel the project. Alternatively, the decision may be made to carry out the activity in a different way.
- **Transfer** - in this scenario, another party bears or shares all or part of the risk. For example, this could include transferring out an area of work or by using insurance.
- **Treat** - this involves identifying mitigating actions or controls to reduce risk. These controls should be monitored on a regular basis to ensure that they remain effective.
- **Tolerate** - in this case, it may not always may be necessary (or appropriate) to take action to treat risks, for example, where the cost of treating the risk is considered to outweigh the potential benefits.

6.6 Risk Monitoring and Reporting

The management of risk is an ongoing process that needs to be embedded throughout the organisation. The process must be reviewed regularly to remain effective and it is the responsibility of risk owners to undertake regular review of identified risk, ensuring registers reflect the most significant risks impacting upon their area and that controls actions are achievable and delivered within reasonable timescales.

Monitoring of risk will be undertaken through the SFRS Board, Committee's, Executive Boards and within Directorates. The provision of assurance through a standardised reporting template will ensure the right information is used to inform decision making and enable effective scrutiny of risk.

Within SFRS the following monitoring and review processes will be undertaken:

- Annual reporting to the SFRS Board on the Services significant risk
- Quarterly reporting to the Audit & Risk Assurance Committee and all other Committees aligned to their terms of reference, utilising Risk Spotlights (Appendix E) to provide additional assurance.
- Quarterly reporting on risk to the Strategic Leadership Team
- Regular reporting on risk to Executive Boards aligned to their terms of reference, utilising Risk Spotlights to provide additional assurance.
- Review of Directorate risk registers by management teams quarterly, as a minimum, and monthly to ensure current information is presented within reports
- Project risk registers will be reviewed in accordance with agreed governance arrangements

It is essential to good governance that the management of risk is integrated within our Committees, Executive Boards, Management Teams and Projects and used as a management tool to inform our decision-making processes.

6.7 Risk Spotlights

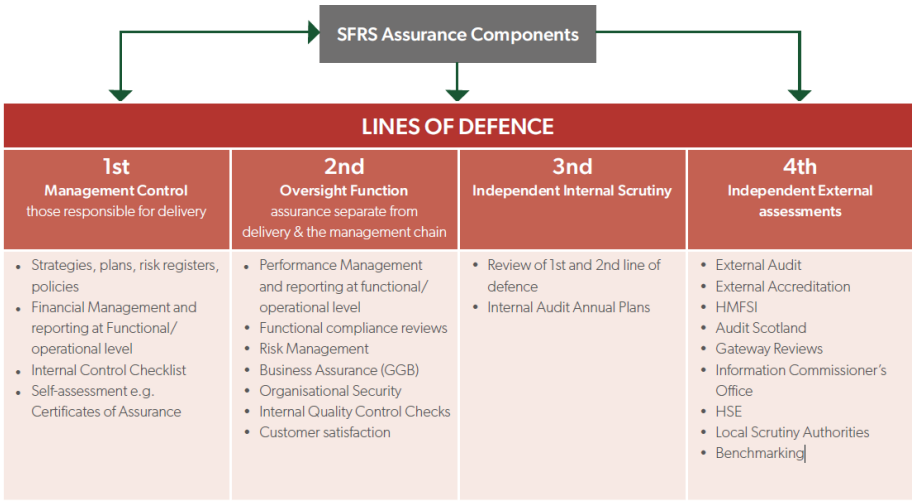
Risk spotlights will be used by Committee's and Executive Boards to gain additional assurance on specified risk areas, allowing the risk owner to provide further detail on the associated risk, controls and additional work required to manage the risk towards agreed risk appetite levels.

Appendix D to the policy outlines the reporting template for risk spotlights.

6.8 Alignment to Good Governance Framework (Levels of Assurance)

The Good Governance Framework brings together the various strands of our corporate governance arrangements into one overarching document and, through our Annual Assurance process, will assess the effectiveness of our overall governance, risk management and internal control arrangements.

The risk management framework will utilise the Four Lines of Defence Model to map risk assurances received, in relation to risk control actions against the lines of defence.



6.9 Risk Escalation

The movement between Functional and Project registers is based upon the assessment of risk and a judgement on the wider impact upon business objectives. It is the responsibility of individual risk owners to escalate risks that they believe require further consideration and action at a more senior level.

A risk assessed as very high to a project or function does not necessarily mean a very high risk being identified within the relevant Directorate register, although the identification of recurring themes across a number of projects or functions would require further evaluation to consider its wider impact.

Where risks are assessed as being appropriately managed and, in the judgement of the responsible owner, the risk rating enables the removal of a risk from a Directorate register, it can be removed from that register and managed at a functional risk reporting level. Equally, where the assessment identifies that the risk is appropriately managed a judgement can be made as to whether ongoing monitoring is undertaken through business as usual processes.

The removal or escalation of a risk within a Directorate rests with the responsible Director or Project, with the risk register providing justification for the decision taken.

6.10 Risk Review - Improving the Framework

To ensure the risk framework continues to remain fit for purpose it will be continually reviewed in line with the Fire and Rescue Framework, the Strategic Plan and the Services

overall governance framework. New initiatives and practices identified within partner organisations, or through agreed Scottish Public Finance Manual (SPFM) guidance, will be considered and where appropriate incorporated within the framework.

Regular reviews of both risk information and the risk framework will be undertaken in discussion with the SFRS Board, relevant Committee's, the Strategic Leadership Team and Directorates.

The Services risk management framework is subject to internal and external audit review and recommendations arising from audit activity will be considered and implemented to ensure best practice is demonstrated.

7. Project Risk

The Portfolio Office has been established to facilitate improved governance of projects, and to build a strong, consistent and effective project management methodology that fits the needs of the Service.

The reporting of risk within Projects will adhere to the risk management framework, utilising the risk register and associated reporting processes to manage and report on risk, providing required levels of assurance for scrutiny purposes.

Escalation of risk within the context of Projects will depend upon the risk identified and the judgement of the Project Manager and Programme Office. Project Managers should highlight any significant project risk that will impact wider service delivery and ensure effective communication and engagement with Directorates, and Risk Owners, on any relevant risks for inclusion or escalation within specific Directorate registers.

The Strategic Planning and Change Committee will provide scrutiny and challenge of the Portfolio Office, agreeing an acceptable risk profile and thresholds applicable to project risks.

8. Communication and Engagement

The risk management framework relies upon awareness and ownership of risk being retained across all levels of the organisation. Risk cannot be managed in isolation to other core business processes if it is to inform decision making.

Scheduled quarterly meetings with Directorates will ensure ongoing engagement with Directorates, allowing any changes to the reporting framework to be communicated, ensuring that risk updates are received in time for onward reporting. Monthly updates within the quarterly scheduled meetings will reflect ongoing changes to registers and will be reflected within monitoring reports.

9. Equalities

The SFRS commitment to mainstreaming Equality and Diversity throughout our work means that it is a consideration in our risk management process. Risk management and effective controls will ensure we are able to manage areas where equality and diversity issues may exist.

Where the risk framework identifies revisions within policy or procedures, that have the potential to impact upon Equalities or our wider governance arrangements, responsible owners will review and update existing assessments as appropriate.

10. External Assurance

Risk registers will be a primary source of information to inform the internal audit process and the accuracy of risk information, and the associated management controls, will be central to the Services provision of assurance information.

The provision of risk information and associated assurance will provide assurance in relation to External Audit reporting and may be included within HMFSI reporting.

11. Appendices / Associated Documents

Good Governance Framework

Appendix A - Roles and Responsibilities

Appendix B - Risk Assessment Guidance

Appendix C – Risk Appetite Statements

Appendix D - SMART Characteristics

Appendix E - Risk Spotlight Template

APPENDIX A

Role	Responsibilities
The SFRS Board	The SFRS Board is responsible for ensuring effective arrangements are in place to provide assurance on risk management, governance and internal control. The Board will approve any amendments to the Risk Management Policy and will set the risk appetite for the Service.
Audit and Risk Assurance Committee (ARAC)	The Audit and Risk Assurance Committee will advise the Board and Accountable Officer (Chief Officer) on the effectiveness of the application of the strategic processes for risk, control and governance. This will include a quarterly review of the Service's Risk Registers and associated action plans.
SFRS Committee Structure	Individual Committees retain a scrutiny role, providing assurance to the Board on matters falling within their scope. All SFRS Committees will scrutinise risks pertinent to the business of the Committee and utilise risk spotlights to seek further assurance as required.
Chief Officer	The Chief Officer, as the Accountable Officer, is responsible for maintaining a sound system of internal control, risk management and corporate governance that supports the achievement of the SFRS policies, strategic aims and objectives. The Chief Officer will champion the importance of risk management in supporting the wider governance arrangements of the Service and use identified risk appetite statements to inform discussions.
Strategic Leadership Team (SLT)	The identification and management of risk register will be the primary responsibility of the SLT. The SLT will undertake to monitor and review strategic risks regularly and take appropriate action to control risks. The SLT will champion the importance of risk management in supporting the achievement of the SFRS strategic aims and objectives and will ensure that adequate systems for internal control and risk management are in place.
Executive Boards	All Executive Boards will provide a monitoring and scrutiny role for risks falling within their scope and will provide assurance to SFRS Committees and the SLT that risk is being effectively managed. Executive Boards will champion the importance of managing risk as part of an integrated governance framework, ensuring that awareness and ownership of risk is embedded throughout the organisation.
Risk Owner	each Directorate risk is owned by the relevant director with the responsible officer identified at a head of function level for ensuring that the register is fully populated and monitoring systems developed to update the information
Internal Audit	Internal Audit will audit the effectiveness of the Service's risk management process as appropriate, provide assurance on the management of risk to the Board and help support the risk management process and coordination of risk reporting.

APPENDIX B

Tables below provide a guide to assist in assessments undertaken

Probability Criteria		
Probability Rating	**Description**	**Plain English**
1 Negligible	Very Low – Where an occurrence is improbable or very unlikely	Never happened and doubt it will
2 Low	Low - Where an occurrence is possible but the balance of probability is against	Has happened before but unlikely
3 Medium	Medium- where it is likely or probable that an incident will occur	Will probably happen at some point in the future
4 High	High- where it is highly probable that an incident will occur	Has happened in recent past and will probably happen again
5 Very High	Very High- where it is certain that an event will occur	It's already happening and will continue to do so

Impact Criteria					
Impact	Political	Operational	Financial	Legal/Regulatory compliance	Reputational / Stakeholder confidence
1 Rare	Effective Strategic decision making, full engagement by Board and SLT	No negative impact upon ability to deliver services	No impact on our ability to deliver a balanced budget	No impact on our ability to achieve compliance with relevant legislation	No adverse reputational damage to the Service
2 Unlikely	Minor reduction in Board engagement, minimal impact upon achievement of strategic objectives	Minimal impact on ability to deliver service	Ability to achieve a balanced budget with minimal adjustments	Acts or omissions resulting in minor legal or regulatory breach causing minimal loss	Some negative local press or public interest/concern
3 Possible	Questions raised over effectiveness of strategic decision making, noticeable impact upon service provision, criticism by external bodies	Reduction in ability to deliver services and minor disruption to services	Action required to ensure delivery of balanced budget and potential impact upon service delivery options	As above causing moderate loss	Limited damage to reputation, extended negative local press, Regional press coverage
4 Likely	Ineffective Board engagement, challenge over strategic decision making, failure to deliver against agree priorities and objectives	Service disruption for extended periods	Insufficient finance available to support service provision	As above causing major loss	Loss of credibility and confidence in the Service, national negative press coverage, significant public concern
5 Almost Certain	Failure to deliver against Fire Framework, Failure of Board and SLT to engage and intervention by Scottish governance and scrutiny bodies	Failure to deliver service	Failure to demonstrate effective use of public funds	As above causing catastrophic loss resulting in legal or regulatory supervision	Public enquiries into actions of Service, prolonged negative national press coverage

APPENDIX C – RISK APPETITE CATEGORIES

Risk Appetite Category Descriptions

Risk Appetite Levels	Category Description	Associated Risk Target Rating
Minimalist	Preference for low level of associated risk and uncertainty and will only look to accept risk where it is essential to do so. The creation of opportunity is not a key driver.	**Target Rating of 1 - 3**
Cautious	Preference for safe options where the level of benefit and risk is limited but some opportunity may be experienced.	**Target Rating of 4 - 9**
Open	Willing to consider all potential delivery options and to choose the one that is most likely to result in success and opportunity whilst also providing an acceptable level of risk.	**Target Rating of 10 - 12**
Ambitious	Eager to be innovative and to take opportunities offering potentially higher reward, whilst accepting greater risk and uncertainty.	**Target Rating of 15 - 25**

Alignment to Assurance Framework

LINES OF DEFENCE			
1st **Management Control** those responsible for delivery	**2nd** **Oversight Function** assurance separate from delivery & the management chain	**3nd** **Independent Internal Scrutiny**	**4th** **Independent External assessments**
• Strategies, plans, risk registers, policies • Financial Management and reporting at Functional/ operational level • Internal Control Checklist • Self-assessment e.g. Certificates of Assurance	• Performance Management and reporting at functional/ operational level • Functional compliance reviews • Risk Management • Business Assurance (GGB) • Organisational Security • Internal Quality Control Checks • Customer satisfaction	• Review of 1st and 2nd line of defence • Internal Audit Annual Plans	• External Audit • External Accreditation • HMFSI • Audit Scotland • Gateway Reviews • Information Commissioner's Office • HSE • Local Scrutiny Authorities • Benchmarking

Risk Category	Appetite Statement	Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Financial	In relation to financial propriety, regularity and fraud risks SFRS has a **Minimalist** appetite with a strong focus on maintaining effective financial controls and accountability. In relation to qualification of our accounts SFRS has a **Minimalist** appetite. In relation to breaching budgetary limits SFRS has a **Minimalist** appetite, aiming to fully utilise but not exceed approved budgets. In exceptional circumstances, where additional spend may be required, that would exceed budget provision, approval may be sought from the Scottish Government. In relation to ensuring service levels for transaction processing SFRS has a **Cautious** appetite. In relation to transformation and spend to save initiatives, SFRS has an **Open** appetite, looking to improve longer term financial sustainability, supported by robust business cases. In relation to multi-year capital planning SFRS has an **Open** appetite. We are prepared to initiate capital investment beyond confirmed future funding, aligned to careful monitoring and management, to ensure the maximum possible investment in our asset priorities. In relation to additional income generation, beyond Grant In Aid, SFRS has an **Ambitious** appetite for being innovative in exploring other sources of potential income.	Maintain robust system of financial and procurement delegation and accountability. Ensure that there is appropriate separation of duties in relation to processing and approval of spend. Ensure that reconciliations of financial data are carried out and reviewed regularly. Maintain sound and proportionate contract management arrangements. Develop, maintain, and communicate medium/long term financial scenarios and plans, including asset management plans, linked to service planning. Set realistic budgets in conjunction with budget holders and strategic decision makers to ensure both alignment to strategic direction and credibility. Ensure regular reporting on spend against forecasts to facilitate effective management of the budget in year and early identification of under/overspend to enable corrective action. Maintain ongoing communication and reporting with SG Sponsorship Team on budget progress. Avoid in-year unfunded spending decisions and ensure sound and proportionate governance around new spending priorities and decision making e.g. business case process. Embed finance and procurement business partners to provide professional advice, challenge and scrutiny at all stages of decision making. Ensure alignment and adherence to the Income Generation Policy and associated reporting requirements.	**1st Line – Management Control** Certificate of Assurance returns – particularly financial and fraud sections Adherence to strategy, policy and procedure **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Monitoring of Key Performance Indicators: KPI39 – No of Confirmed Frauds KPI40 - % of invoices paid within 30 days KPI65 – Budget Outturn/ Annual Report and Accounts Monthly budget monitoring and reporting Verification oversight Monitoring against Assurance Framework **3rd Line – Independent Internal Scrutiny** Internal Audit reporting **4th Line – Independent External Assessments** External Audit reporting

Risk Category	Appetite Statement	Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Organisational Security	In relation to the prevention or detection of cyber security incidents, SFRS has a **Minimalist** appetite. In relation to risks associated with inappropriate use of information, SFRS has a **Minimalist** appetite In relation to the prevention of unauthorised and/or inappropriate access to estate, SFRS has a **Cautious** appetite. In relation to risks associated with the use, adoption or reliance upon technology resulting in a security exposure, SFRS has a **Cautious** appetite.	Develop, maintain, and communicate an SFRS Organisational Security Policy to include Cyber, Information, Physical and People security, in line with best practice standards. Develop, maintain and communicate procedures to be applied by staff, to ensure Cyber, Information, Physical and People security. Senior leaders to model security conscious behaviours to demonstrate its importance. Maintain robust control of access to SFRS estate and IT systems. Implement and regularly review, an assessment of Physical security at all SFRS sites. Implement recommendations and develop best practice based on the Protective Security Management System (PSeMS) framework. Ensure all staff complete Organisational Security (including cyber security) training (initial and refresher). Conduct regular testing and exercising of Cyber defences and business continuity plans, to develop the organisation's response strategy in the event of an attack. Ensure Cyber, Information, Physical and People security standards are adhered. Ensure cyber and other security requirements are reflected within relevant procurement tender and contract management documents, project design and project governance, as appropriate. Report all suspicious activity to Police Scotland, Duty Officer and NILO (if appropriate). Ensure a multi-disciplinary approach to cyber threat intelligence received within the organisation across NILOs, cyber team and other relevant contributors to maximise value and action.	**1st Line – Management Control** Adherence to strategy, policy and procedure 3 yearly TfOC, e.g. Organisational Security, GDPR Data Protection and Information Security awareness/ training. Phishing exercise, testing awareness **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Number of reports of Suspicious Activity, Break-In or Theft Monitoring of Key Performance Indicators: KPI - Annual CybSafe Training KPI - Annual Penetration Testing KPI – known cyber security vulnerabilities not yet addressed KPI – number of cyber security attempts KPI – number of GDPR Data Breaches Progress of Cyber Action Plan (in development) Monitoring against Assurance Framework **3rd Line – Independent Internal Scrutiny** Internal Audit Reporting **4th Line – Independent External Assessments** External Audit Reporting Accreditation status – SG Cyber Essentials plus (CE+) Compliance with SG Public Sector Cyber Resilience Framework Insurance Special Perils Survey

Risk Category	Appetite Statement	Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Environmental	In relation to the risk of breaching environmental legislation, regarding pollution prevention and control, SFRS has a **Minimalist** appetite. In relation to maintaining Service resilience, associated with energy supplies, SFRS has a **Minimalist** approach to new and untested technologies, and will ensure operational response levels are maintained. In relation to the measures needed to create and maintain a climate conscious culture, SFRS has an **Open** appetite. In relation to the risk of failing to meet carbon reduction targets, SFRS has an **Open** appetite to maximise the impact of available funding. In preparing for climate change, SFRS has an **Ambitious** appetite. We will seek new ways of working, pursue opportunities to scale up proven new and impactful technologies and deliver investment with communities and partners. We will build community resilience, reducing our collective energy consumption and recognising that solutions may be site specific.	Ensure robust training and awareness of individual and organisational climate responsibilities. Senior leaders to model climate conscious behaviours. Develop, maintain, communicate and implement relevant policies to ensure regulatory compliance. Plan future asset investment with Net Zero Carbon in mind to maximise value from all investment. Pursue all avenues to secure funding for decarbonisation and ensure best value from investment towards Net Zero targets. Adopt a multi-disciplinary approach to pursuing action, making best use of all skills within SFRS and beyond. Work collaboratively and innovatively with partners and communities to explore news ways of working that support carbon reduction.	**1st Line – Management Control** Value of additional funding secured for carbon reduction Resource cost impact (positive and negative) of carbon reduction measures/failure to act on carbon reduction Adherence to strategy, policy and procedure Environmental Management System **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Monitoring of Key Performance Indicators: KPI32 organisational carbon emissions – target reduce by 6% annually KPI33 Carbon Management Plan funding – actual v required – target 100% KPI34 Recycling Rate – target increase by 5% annually KPI57 % of Light Fleet that are ULEV – target 100% Monitoring against Assurance Framework **3rd Line – Independent Internal Scrutiny** Internal Audit **4th Line – Independent External Assessments** Alignment with Scottish Government and partner agency monitoring requirements External Audit

Risk Category	Appetite Statement		Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Compliance		In relation to the Health & Safety of staff, SFRS has M**inimalist** approach in relation to meeting legal or regulatory requirements.	To ensure the health, safety and wellbeing of staff we will comply fully with all health and safety legislation and regulatory compliance matters. We will deliver Best Value in all that we do. We will engage with regulators to ensure they understand our organisational perspectives on regulations on the Service. We will work with sectoral partners and others in having an appropriate influence on the regulations and standards we operate to. We will fully comply with our statutory duties under **all** key legislation including the Fire (Scotland) Act 2005, Police and fire Reform (Scotland) Act 2012. We will give full regard to the Fire and Rescue Framework Scotland (2022) in developing our Strategic Plan and other key Service Plans. We will give due regard to His Majesty's Fire Inspectorate in Scotland (HMFSI) inspection reports.	**1st Line – Management Control** Adherence to strategy, policy and procedure Internal Health and Safety Management system, aligned to Health and Safety Executive guidance. (HSG 65 – Successful Health and Safety Management) Maintenance of a legal register that ensures ongoing compliance with legislation and regulations as well as identifying best practice from HSE and other external guidance. H&S event investigation and debrief of operational incidents to ensure lessons are learned and actions take to prevent reoccurrence and ensure continual improvement. **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Monitoring of Key Performance Indicators – i.e. Safety and Assurance KPI's as part of the SFRS Performance Management Framework. SFRS maintain a programme of support reviews and audit arrangements to provide assurance on legislative compliance. Annual Station Audits and Inspections are scheduled to provide assurance on compliance with organisational procedures and arrangements. Monitoring against Assurance Framework Verification Oversight **3rd Line – Independent Internal Scrutiny** Internal Audit Assessment against ISO45001 standards. **4th Line – Independent External Assessments** We will meet the requirements of our Best Value Duty We will engage with Audit Scotland and other regulatory bodies to ensure the regulatory requirements are proportionate and enabling of our ability to delivery services to the community Liaise with HSE on sector specific inspections and audits and where required. HMFSI undertake thematic inspections and audits of Safety and Assurance and Arrangements and include our legal duties.
		In relation to meeting our legal and regulatory obligations SFRS has a **Minimalist** appetite.		
		In relation to our internal governance, including systems of controls and data governance, SFRS has a **Cautious** appetite.		
		In relation to influencing regulators to propose proportionate regulations for the Service SFRS has an **Open** appetite.		

Risk Category	Appetite Statement	Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Service Delivery	In relation to risk of failing to provide a safe and effective emergency response, SFRS has a **Minimalist** appetite. In relation to ensuring that operational staff are safe and competent through compliance with training, SFRS has a **Minimalist** appetite. In relation to providing safety advice, education and support to enhance community safety and resilience, SFRS has a **Minimalist** appetite. In relation to exploring new ways to deliver our training, prevention, preparedness and operational activities for better outcomes, SFRS has an **Open** appetite. In relation to continuous improvement and learning utilising all stages of the OA process, SFRS has an **Open** appetite. In relation to exploring new delivery models, specifically related to SSRP, utilising various data and information sources, SFRS has an **Ambitious** Appetite In relation to new ways of working and technologies, that may lead to enhanced or improved operational activities and tactics with safer and/or more efficient outcomes, SFRS has an **Ambitious** appetite.	Provide a fit for purpose emergency response service as legislatively required. Ensure our operational footprint is aligned to community risk and demand utilising a data led, evidence-based approach. Continue to develop methodologies that ensure the deposition of our resources and weight of response is appropriate and maintains FF and Community Safety. Support continual assessment and development of an Operational Strategy that remains flexible to changing influences including community risk, innovation and finances. Continually explore change opportunities including new technology and innovations that will enhance our Service whilst providing Best Value. This includes stations, appliances, equipment and PPE. Maintain our approach to working openly with stakeholders internally and externally to improve how we deliver services to our staff and communities. Ensure our people are skilled and safe through compliance with Training and Health & Safety standards. Continue to recruit, select and develop staff for Service Delivery. This includes acquisition and maintenance training, and development activities/opportunities across all levels of management. Support, encourage and develop our approach to continual improvement. This should be underpinned by our Operational Assurance (OA) process. Ensure our governance and reporting arrangements are appropriate and robust whilst supporting good performance, visibility and accountability. Promote a culture of innovation and improvement methodologies that encourages change.	**1st Line – Management Control** Adherence to strategy, policy and procedure Adherence to Operational Strategy, supported by MORRD methodology **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Utilise the PMF and relevant KPI's to direct continual improvement and to track the longer-term impact of decisions made utilising risk appetite principles. This will include delegating responsibility and risk to the lowest appropriate level whilst supporting the critical outcome of FF and Community Safety. Critically assess our operational footprint whilst *Matching Operational Resource to Risk and Demand* (MORRD). This includes application of a robust impact assessment processes supported by consideration of compliance factors such equalities, employment and public consultation. Ensure our internal management arrangements are appropriate and robust. These will continue to be assessed to ensure effective leadership, management and delivery of Operational Strategy, Priorities and action plans. Ensure organisational learning from our OA process is fundamental to decision making in terms of FF Safety and operational response. We will continue to develop our community risk profiling capability using current relevant sources such as historical incidents and socio and economic data. Monitoring against Assurance Framework **3rd Line – Independent Internal Scrutiny** Operational Assurance **4th Line – Independent External Assessments** e.g. HMFSI

Risk Category	Appetite Statement		Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
People		In relation to risks that could compromise the physical and mental health of colleagues, SFRS has a **Minimalist** appetite, investing in robust health, safety and wellbeing measures to ensure a healthy workplace.	Leaders at all levels prioritise the health, safety and wellbeing of colleagues. Innovative solutions are sought to talent attraction, development and retention challenges e.g. direct entry, links with relevant education establishments. Leaders at all levels encourage and enable colleague development. We set clear standards and expectations around workplace behaviours and culture Representative body partners are engaged and consulted with proactively	**1st Line – Management Control** Adherence to strategy, policy and procedure Monitoring People and Safety & Assurance management information regular mandatory checks put in place 6 or 12 monthly as appropriate. Maintenance of appropriate functional and Directorate risk registers **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Monitoring against Assurance Framework Performance Management Framework: KPIs related to People and Safety Employee engagement indicators, including our Colleague Experience and pulse surveys Safety & Assurance performance data Wellbeing performance data Analysis of employee relations cases, outcomes and lessons learned, learning from NJC and NFCC **3rd Line – Independent Internal Scrutiny** Internal Audit **4th Line – Independent External Assessments** External Audit HMFSI
		In relation to employment law and regulations SFRS has a **Cautious** appetite, managing these risks through appropriate legal and compliance reviews and ensuring compliance is a priority of the Service.		
		In relation to ensuring it has the appropriate capacity and capabilities to deliver its priorities, SFRS has an **Open** appetite, ensuring robust workforce plans are in place across all colleague groups, while exploring creative or innovative ways to deliver our services.		
		In relation to seeking innovative approaches to talent acquisition, development and retention SFRS has an **Open** appetite, looking to experiment with new methods of attracting, developing and retaining talent.		
		In relation to fostering progressive, positive and respectful employee relationships, valuing open communication and diverse perspectives, in line with our Working Together Framework, SFRS has an **Open** appetite, ensuring significant cultural and operational benefits.		
		SFRS has an A**mbitious** approach to ensuring the culture aligns with Service values, fostering positive workplace behaviours that promote wellbeing, engagement, high performance and inclusion.		

Risk Category	Appetite Statement	Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Technology	In relation to handling sensitive data or working with national infrastructure systems or technologies, SFRS has a **Minimalist** appetite. In relation to the procurement of new and innovative technologies, SFRS has a **Cautious** appetite, and operating within defined legal requirements. In relation to staff training in innovation and use of technology and the adoption of appropriate online behaviours SFRS has a **Cautious** appetite. In relation to how innovation is governed and appropriately managed SFRS has a **Cautious** appetite. In relation to safely replacing obsolete technologies and dealing with matters of technical debt SFRS has an **Open** Appetite. In relation to the research, development and adoption of new and emerging technologies, SFRS has an **Ambitious** appetite.	We will explore innovative, new or novel digital solutions, we will recognise the finance and skills investment required. We will use our technology networks, cloud based applications to support the delivery of services and processes where manual processes are retained We will monitor our appetite depending upon the nature, significance and criticality of systems and data used, specifically in relation to sensitive data or national infrastructure systems and technologies. We will manage technology risks appropriately to provide opportunities for technical innovations and digital transformation, maximising improvement whilst providing resilience against potential disruption or cyber threats. We will develop a capacity for research, development, working in partnership and collaboration with others to promote innovation across SFRS.	**1st Line – Management Control** Adherence to strategy, policy and procedure, e.g. Penetration Testing, Development of a Cyber Action Plan, SFRS Application Strategy, SFRS Digital Strategy We will revise the SFRS Innovation Strategy and build an implementation plan We will develop and implement an integrated SFRS Data and Technology Strategy Our target risk is managed through ongoing use of inbuilt technology security controls such as user access; encryption; data loss prevention; firewalls; and ongoing vulnerability scanning and a range of technology security protocols and procedures We will offer specialist information technology and data management advice to all Service areas Executive Directors and Head of Function responsibilities for ongoing compliance with aligned policy, guidance and protocol **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Monitoring against Assurance Framework We will produce, in addition to business as usual activities, appropriate programme and project reports where technology and data features as part of our work and report these to the appropriate Executive Board and SFRS Board/ Board Committee Monitoring of Key Performance Indicators **3rd Line – Independent Internal Scrutiny** Internal Audit and recommendations **4th Line – Independent External Assessments** We will work with the Scottish Government's Digital Assurance Office when undertaking major technology dependent change programmes and projects Assessment against Government's cyber resilience framework and the UK Government National Cyber Security Centre guidance

Category	Appetite Statement		Control Environment (behaviours we expect to see)	Assurance Measures (Lines of Defence)
Political and Stakeholder Relationships		In relation to legal requirements in managing stakeholder engagement, SFRS has a **Minimalist** appetite.	We will undertake stakeholder engagement and consultation exercises, abiding by the Gunning Principles and best practice guidance. We will regularly undertake a series of national political engagements across all political parties and regularly undertake engagements with local scrutiny bodies and local politicians, aligned to SFRS guidance. Each major change programme/ project will develop and implement a stakeholder engagement plan and risk management plan where there is chance of reputational repercussion for SFRS. We will take decisions which are likely to bring additional governmental/ political scrutiny where benefits outweigh risks. We will involve stakeholders in option appraisal, strategic change, operational change, business planning and decision-making processes We will have a measured approach to managing all political relations to maintain confidence in SFRS We will share internally political insights we develop in undertaking our duties to ensure we are informed of relevant political matters. We will take active roles in supporting government working groups to ensure safer outcomes for communities and firefighters. We will make full use of both traditional and innovative consultation and engagement processes with communities, stakeholders and partners. We will be an active advocate of partnership/ collaborative working to support our strategic objectives and community wellbeing and report on work undertaken. We will be open, honest and clear in how we communicate with our stakeholders. We will review each year the SG Programme for Government to identify issues relevant to SFRS We will develop and deploy stories/ images of SFRS to build stakeholder understanding of the service and secure more positive media coverage.	**1st Line – Management Control** Adherence to strategy, policy and procedure We will undertake and publish systematic Public Sentiment tracking exercises / stakeholder engagement activities, using the insights to inform decision making Adherence to and communication of a revised Political Engagement Strategy SLT/ Heads of Functions will undertake a regular programme of workplace visits to engage with staff and feedback any issues of note or interest. We will publish our annual partnership report detailing how we are working with partners to improve outcomes for communities **2nd Line – Oversight Function** SLT, Executive Board and Committee scrutiny. Development of Key Performance Indicators Monitoring against Assurance Framework Report outputs from the SFRS Public Consultation Group We will use the Ihub to undertake regular staff pulse surveys on a range of issues and we will report the results and use the insights gained in our decision making **3rd Line – Independent Internal Scrutiny** We will engage with staff representative bodies through the Employee Partnership Forum and individually ensuring that their voices are heard in decision making Internal Audit recommendations **4th Line – Independent External Assessments** We will engage the SG Sponsor Team when developing our Strategic Plan and other plans HMFSI
		In managing reputational risks arising from political, community and stakeholder engagement, particularly with a change focus in mind, SFRS has a **Cautious** appetite recognising that the Service is likely to suffer occasional negative publicity.		
		In relation to the involvement of all stakeholders to inform Service decision-making processes, including change options, SFRS has an **Open** appetite.		
		In relation to building relationships and influencing Scottish Government, MSPs and local political actors in support of SFRS change objectives and in delivering our Outcomes, SFRS has an **Open** appetite.		
		In relation to influencing legislation at the Scottish and UK levels in support of safer outcomes for communities and firefighters, SFRS has an **Ambitious** appetite.		
		In relation to engaging with communities and stakeholders SFRS has an **Ambitious** appetite.		
		In relation to managing consultation processes, SFRS is **Ambitious** in utilising innovative approaches to community and stakeholder engagement.		
		In working in partnership or collaborating with public service and third sector bodies, SFRS has an **Ambitious** appetite.		

APPENDIX D

Characteristic of SMART Actions
• **Specific: the performance measure indicates exactly what result is expected so that performance can be judged accurately**
• **Measurable: data are available or can be collected relatively easily**
• **Achievable: they are realistic, not based on aspirations**
• **Relevant: they matter to the intended audience and clearly relate to the service being measured**
• **Timely and have information available frequently enough to have value in making decisions**

APPENDIX E – Risk Spotlight Template

Agenda Item:

Meeting – Date

Title

Risk :

Submitted by:

Background: What would cause the risk to materialise / what is the effect likely to be?
•
What risk appetite category and sub-category does the risk align to? (does it fall below, within or above the relevant risk appetite rating)?
•
Controls and mitigating actions (stating what actions are being taken if the residual/current risk assessment is operating above or below risk appetite).
•
External or other factors which might impact on the current risk assessment. (has internal or external audit provided a related report or has HMFSI undertaken a review in this area).
•
Summary of Mitigating Actions Undertaken by Directorates
• FCS • SPPC • … • ….

Report No: C/ARAC/31-25
Agenda Item: 14

HM Fire Service Inspectorate

Report to:	**SCOTTISH FIRE AND RESCUE SERVICE**
	AUDIT AND RISK ASSURANCE COMMITTEE
Date:	**19 June 2025**
Report By:	**HM Fire Service Inspectorate**

Subject:	**Annual Update Report on HMFSI business**

1. PURPOSE

The purpose of this report is to provide the Audit and Risk Assurance Committee (ARAC) with an update on HM Fire Service Inspectorate's (HMFSI) inspection and reporting activity for 2024-25. The report will also provide an update regarding inspection work underway or planned for 2025-26.

2. RECOMMENDATIONS

That the Committee notes the update from HMFSI.

3. ACTIVITY AND PROGRESS 2024-25

During 2024-25 HMFSI concluded a total of three Inspections. These are detailed further within the Report.

3.1 Service Delivery Area Inspection

In 2022 HMFSI introduced a new style of inspection to replace the Local Area Inspection's that had bee in place since 2013. The new Service Delivery Area Inspection approach aimed to provide evidence that the SFRS was operating in an efficient and effective manner across the whole of Scotland. The process also allowed HMFSI to make observations and present recommendations for improvement where appropriate to do so, thus assisting the Service in its journey of continuous improvement.

The East Service Delivery Area (ESDA) concluded in April 2023, and the report was laid in Parliament in October 2023. The West Service Delivery Area (WSDA) report was laid in the Scottish Parliament in June 2024.

We are pleased to report that the North Service Delivery Area (NSDA) has now concluded, and the report is expected to be laid in the Scottish Parliament in June 2025.

It was perhaps foreseeable that some of our observations would be repeated across all three SDAs, and this was indeed the case. Some other issues however, whilst evident in the East and West reports held a greater prominence in the North SDA. Challenges relative to the On Call duty system, and the suitability of some rural stations, are exacerbated in the North due to sheer volume of stations and reliance on Retained and Volunteer duty systems.

The Chief Inspector would like to record his thanks, and the thanks of the team, for the support provided by the Service and for the open and honest interaction with all those we met during our fieldwork.

3.2 Thematic Inspection Work

During 2024-25 HMFSI completed the following Thematic Inspections.

- The Inspection of 'Organisational Culture in the Scottish Fire and Rescue Service – Volume 1' will be laid in Parliament on 18 June 2025. This inspection set out to examine the corporate building blocks that shape an organisations culture. Our desire was to consider organisational values, policies, procedures and structures in a bid to determining the impact these had on the Service and consider staff awareness. During the course of this inspection a number of staff expressed views and opinions that whilst outwith our original terms of reference felt relevant to the wider issue of culture and as such were included within the report. HMFSI has not carried out sufficient fieldwork to support or challenge these views, however, they will in some way influence the terms of reference for volume 2 of this series of inspections.

- HMFSI are currently carrying out a thematic inspection of Operational Assurance within the SFRS as per the previously agreed outline. All scheduled fieldwork has been completed with report development ongoing. At the request of the Service, and following positive engagement, the consultation period has been extended and is now due to conclude by summer 2025. The final report is due to be published in the autumn of 2025.

3.3 Chief Inspector's Update 2025-2028

The Chief Inspector has a statutory obligation to publish an inspection plan outlining inspections scheduled, and information on how inspections will be carried out. Following a period of formal consultation, the Chief Inspector's Plan for 2025-28 was laid in Parliament in April 2025. The HMFSI Annual Operating Plan for 2025-26 outlines areas of inspection scheduled as outlined below.

4. PLANNED ACTIVITY 2025-26

4.1 The following Thematic Inspections are scheduled for 2025/26:

4.2 Operational Training and Development

HMFSI are currently initiating a thematic inspection of Operational Training and Development within the SFRS with the Inspection Outline consulted upon and agreed. Inspectors have engaged with SFRS managers to discuss further action as well as develop an interview and fieldwork schedule. The fieldwork is due to start in June 2025 with analysis, report development, and consultation due by late winter 2026. The final report is due to be published in the Spring of 2026.

4.3 Organisational Culture – Volume 2

Following on from this year's inspection, HMFSI will now focus on issues of conduct, discipline and behaviour within the SFRS. Terms of reference are currently being drafted and will be shared with the SFRS for comment and feedback in due course. We anticipate fieldwork will commence in Autumn 2025 with the report being published in the Summer of 2026.

4.4 Service Delivery – Corporate Functions

Having now considered service delivery across the East, West and North, and in response to feedback from many members of the Service, we will now consider the role played by staff engaged in corporate roles, who play a vital part in the delivery of front line services. We will meet with colleagues from fleet, assets, finance, ICT, people and many others in a bid to better understand

their contribution to delivering the services that keep the people of Scotland safe. Terms of reference are currently being drafted and will be shared with the SFRS for comment and feedback in due course. We anticipate fieldwork will commence in the Autumn of 2025 with the report being published in the Summer of 2026.

4.5 Focussed Report

In preparation for the forthcoming Commonwealth Games we will carry out a focussed review of the steps taken, and arrangements in place with the Service, to ensure the safe delivery of this high profile international event.

HM Chief Inspector Robert Scott QFSM

Date: 19 June 2025

AUDIT AND RISK ASSURANCE COMMITTEE – ROLLING FORWARD PLAN

Agenda Item 16.1

	STANDING ITEMS	FOR INFORMATION ONLY	FOR SCRUTINY	FOR RECOMMENDATION	FOR DECISION
23 OCTOBER 2025	**ANNUAL PRIVATE MEETING WITH EXTERNAL AUDIT**				
	• Chair's Welcome • Apologies • Consideration of and Decision of any items to be taken in Private • Declaration of Interests • Minutes of Previous Meeting • Action Log • 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**	**Standing/Regular Reports** • HMFSI Quarterly Report • Independent Audit/ Inspection Action Plan Update **New Business** •	**Standing/Regular Reports** **Internal Audit** • Internal Audit Progress Report 2025/26 • Progress Update – Internal Audit Recommendations **External Audit** • External Audit – 2024/25 Audit Plan Progress Report • Internal Controls Updates - Strategic Risk Register - Anti Fraud/Whistleblowing • Gifts & Hospitality – Quarterly Update • Quarterly Performance report **New Business** •	**Standing/Regular Reports** • SFRS Draft Annual Report and Accounts 2024/25 (Private) **External Audit** • Private Session – Annual Report to Members and Auditor General for Scotland **New Business**	**Standing/Regular Reports** • **New Business**
22 JANUARY 2026	• Chair's Welcome • Apologies • Consideration of and Decision of any items to be taken in Private • Declaration of Interests • Minutes of Previous Meeting • Action Log • 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**	**Standing/Regular Reports** • HMFSI Quarterly Report • Independent Audit/ Inspection Action Plan Update **New Business**	**Standing/Regular Reports** **Internal Audit** • Internal Audit Progress Report 2025/26 • Progress Update – Internal Audit Recommendations **External Audit** • Internal Controls Updates - Strategic Risk Register - Anti Fraud/Whistleblowing • Gifts and Hospitality – Quarterly Update • Quarterly Performance report **New Business**	**Standing/Regular Reports** **Internal Audit** • Draft Internal Audit Plan 2026/27 **New Business**	**Standing/Regular Reports** **New Business**