PUBLIC MEETING - AUDIT AND RISK ASSURANCE COMMITTEE

THURSDAY 16 JULY 2026 @ 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)	Therese O'Donnell (TO'D)
Madeline Smith (MS)	

IN ATTENDANCE:

Stuart Stevens (SS)	Chief Officer
Sarah O'Donnell (SO'D)	Deputy Chief Officer Corporate Services
Mark McAteer (MMcA)	Director of Governance, Strategy and Change
Lynne McGeough (LMcG)	Head of Finance and Procurement
David Johnston (DJ)	Risk and Audit Manager
Tommy Yule (TY)	External Audit (Audit Scotland)
Sean Morrison (SM)	Internal Audit (BDO)
Robert Scott (RS)	HMFSI
Ijaz Bashir (IB)	Head of Asset Management (Items 8.1 only)
Carol Wade (CW)	Information Governance Manager (Item 8.1 and 12 only)
Chris Fitzpatrick (CF)	Business Intelligence and Data Services Manager (Item 10 only)
Mhairi Wylie (MW)	Chair of SFRS Board
Chris Casey (CC)	Group Commander Board Support Manager
Heather Greig (HG)	Board Support Executive Officer
Debbie Haddow (DJH)	Board Support/Minutes

OBSERVERS:

Karen Horrocks, Verification and Risk Officer
James Wallace

1 CHAIR'S WELCOME

1.1 The Committee Chair opened the meeting and welcomed all those attending and those participating via MS Teams and reminded everyone 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 Andy Watt, Deputy Chief Officer
Deborah Stanfield, Interim Director of Finance, Digital and Infrastructure
Michael Oliphant, External Audit (Audit Scotland)

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

3.1 The Committee discussed and agreed that the previous private minutes will be taken in the public session.

4 DECLARATION OF INTERESTS

4.1 There were no declarations of interest made.

5 MINUTES OF PREVIOUS PUBLIC MEETING:

5.1 **Thursday 9 April 2026**

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

5.2 **Matters Arising**

5.2.1 There were no matters arising.

5.3 **The minutes of the meeting held on 9 April 2026 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 7.1.7 Internal Audit Progress Report 2025/26 (09/04/2026): TO'D advised that she had not been sighted on the Change Management Terms of Reference prior to the meeting papers being issued. This would be discussed further under Item 8.2.

Action 12.1.3 Risk Report Update (09/04/2026): Action to be re-opened. The Committee sought clarity on Board or Committee oversight of the AI policy and whether a specific AI risk(s) should be recorded.

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

7 COMMITTEE ANNUAL REPORT 2025/26 TO THE ACCOUNTABLE OFFICER AND BOARD

7.1 The Chair presented the Annual Report 2025/26, for approval prior to the submission to the Board for information. The following key areas were highlighted:

- Levels of assurance over key activities over the course of the year, in particular Internal Audit, External Audit and risk management.
- Scrutiny of Internal Audit reports and work which has provided reasonable assurance.
- Review of 2024/25 Annual Report and Accounts and External Auditor's report and the planning for the 2025/26 review.
- Overall the Service was relatively mature in regard to risk management and this provided good assurance. Recognition of the ongoing work in relation to risk appetite and assurance mapping.

7.2 The following revisions were proposed and agreed:

- Paragraph 5.1 to be amended to reflect Audit Scotland's 4th year of appointment.
- With paragraph 6.3, reference to the HMFSI Organisational Culture inspection to be amended to add Volume 1.

ACTION: BST

7.3 The Committee acknowledged the support provided from the Board Support Team throughout the year.

7.4 **Subject to the agreed amendments, the Committee approved the report for submission to the next SFRS Board meeting with reasonable assurance.**

8 INTERNAL AUDIT

8.1 **Internal Audit Progress Report 2025/26**

8.1.1 SM presented a report to the Committee which summarised the quarterly progress on the delivery of the 2025/26 Internal Audit Plan. SM advised that the assurance level, noted as substantial, should be amended to reasonable.

8.1.2 Final Report: Budgetary Management and Investment Prioritisation
SM presented the final report noting a moderate level of assurance. The audit had identified that investment prioritisation, governance, business case and benefits management processes were not yet fully embedded across the organisation. It was noted that there were strong templates and examples of good practice in place. However, there was limited evidence of a consistent organisation-wide approach, particularly in relation to benefit baselines and measuring outcomes. SM advised that, due to timings, budget prioritisation work had not formed part of the fieldwork process and had not been included within the findings. SM further advised that the current reporting system had limited functionality and procurement of a new system was being considered.

8.1.3 SO'D noted that the audit had highlighted the need for stronger links between budget management, investment prioritisation and the change portfolio. SO'D commented on the 2026/27 budget challenges and the need to ensure more effective prioritisation, systems/processes and allocating of resources. SO'D recognised that further work was required in relation to benefits realisation which included clearly defined outcomes, identifying baselines and evidencing progress.

8.1.4 Brief discussion took place on whether the completion date (31 March 2027) was appropriate and for consideration to be given to add milestones to monitor progress.

ACTION: MMcA

8.1.5 MMcA noted that the existing new demand management process would be strengthened through improved training and consistent application. Brief discussion took place on the capacity and capability across the full portfolio and how critical path analysis could be used to help identify and manage any issues.

8.1.6 The Committee noted the findings on the robust financial management processes. The Committee commented on the current forecasting arrangements and whether there would be benefit from a more formal reforecasting approach being undertaken. SO'D advised that the Service were content with the current forecasting process.

8.1.7 The Committee commented on the finding relating to the lack of clear measurable outcomes and the implications arising from this. It was felt that this was a reoccurring and fundamental issue which the Service should have learnt lessons from past experiences.

8.1.8 In relation to the long term financial planning, the Committee noted that this was an area that required greater focus. SO'D advised that the Long Term Vision was due to be refreshed and this would enable the Service to identify investment opportunities to address long-term challenges. It was proposed that the management responses could be enhanced to incorporate the pending refresh of the long term vision/investment planning as the current reference to reviewing business cases did not fully address the recommendation.

ACTION: MMcA

8.1.9 The Committee noted that the proposed project and programme sizing definition framework had been identified as good practice and therefore, there was no planned follow up on progress, etc. SM advised that the upcoming Change Management Audit would consider and provide assurance on the framework.

8.1.10 The Committee noted that 3 of the final reports had identified a gap between the design of

controls and the effectiveness of their application and requested that a high level paper be brought to the next meeting to provide an update on how this would be addressed. It was also noted that there remained weaknesses in business cases and benefit tracking despite this being highlighted previously. The Committee commented on the need to ensure clear alignment with strategic priorities when considering any proposed changes/initiatives.

ACTION: SS

8.1.11 Final Report: PPE Process

SM presented the final report noting that the audit had identified several areas of good practice. Key findings related to incomplete PPE logbooks, unavailability of external suppliers reports to check/confirm annual inspection processes, lack of overview on frequency of station audits and progressing of follow up actions and insufficient evidence that the Contaminants SOP was being consistently applied during incidents. The findings also identified the completion rates for the mandatory contaminants training was lower than anticipated and there were unnecessary delays in applying processes relating to leavers, lost, stolen or defective PPE.

8.1.12 IB welcomed and acknowledged the findings within the audit.

8.1.13 In regard to station audits, the Committee commented on the limited oversight on frequency and follow up actions being progressed. SM noted that only a small selection of station audits had been reviewed and these had provided assurances on areas such as health and safety and training. SM advised that, at the time of the audit, a new system solution was being considered and this would improve record keeping as well as tracking of actions, etc.

8.1.14 The Committee commented on the completion date (March 2028) assigned to Finding 2 and queried whether this could be brought forward. SM noted that challenges relating to data protection and GDPR had impacted on the date, however this would be reviewed during follow up work. IB advised that this date took into consideration other competing workloads, however, he confirmed that this would be completed earlier, if possible.

8.1.15 RS reminded the Committee that similar findings in relation to station audits had been identified during the Operational Assurance Inspection last year. He noted that limited capacity within the operational assurance team had been identified and additional investment in staffing had been recommended.

8.1.16 The Committee requested that all completion dates be reviewed and, where possible, they are brought forward and that milestones are introduced for remaining longer term dates.

ACTION: MMcA

8.1.17 The Committee commented on the importance of a prompt response to the risks relating to contaminants and that the current management response relating to the system redesign was not adequate. The Committee noted that an update should be circulated outwith the meeting to provide an overview of the immediate response to safety critical recommendations within the audit.

ACTION: IB

8.1.18 The Committee were reminded that station audits formed only one element of assurance and the process would benefit from being strengthened. SO'D noted that enhanced communications had been issued to highlight the importance of these audits. The Committee welcomed this communication but noted that it should emphasise that compliance should be evidenced and reporting from local senior officers should be improved. It was noted that performance reporting should not focus solely on completion rates but should be used to identify themes, remediation actions undertaken and evidenced.

8.1.19 In regard to station audits, it was noted that a recent paper presented to the Service Delivery Committee would be shared with the Committee for information.

ACTION: BST

8.1.20 Final Report: Freedom of Information

SM presented the final report noting that the audit had identified several areas of good practice, enhancements to the case management system and increased resources within the team. The audit findings identified areas for improvement which related to mandatory training completion levels and responding within statutory timescales. It was noted that the Service's performance and compliance had improved during the year.

8.1.21 MMcA acknowledged and welcomed the findings and advised that measures had already taken steps to address the issues. He noted that temporary support and an additional permanent team leader had increased capacity within the team.

8.1.22 CW advised that the intervention, served in 2024, had identified inefficiencies within processes. CW noted that the internal audit had formalised these issues, helped to establish clear actions/focus and support continued improvements.

8.1.23 SS reminded the Committee that the Service were subject to a consistent high volume of complex requests. SS extended his thanks to MMcA, CW and her team for their continued efforts to address these challenges whilst making significant improvements.

8.1.24 In regard to completion of data protection and information security training, the Committee queried whether the 49% was accurate. CW advised that this was accurate and was attributable to competing priorities across the Service. CW further advised that a two-tiered mandatory training package was being developed for implementation later this year.

8.1.25 In regard to succession planning, the Committee noted concerns of resilience within the small team. CW provided a brief overview of the measures already in place including job shadowing (within the team) and improvements to policies and procedures.

8.1.26 MMcA provided a brief overview of the role of SPOCs (single point of contact) within the Service.

8.1.27 In regard to AI, the Committee queried how the Service would manage both the risks and opportunities associated with AI. MMcA provided a brief overview of the Service's monitoring of AI developments including engagement with providers, partner agencies experience, etc. It was noted that the current AI products were insufficient and still required substantial levels of manual work. It was further noted that the public use of AI may increase the volume and complexity of requests in the future.

8.1.28 Final Report: Estate Management

SM presented the final report noting a moderate level of assurance and that the Civica system was effective for management of reactive and planned repairs.

8.1.29 The audit highlighted the need for improved strategic asset-management plans and clearer oversight of repair prioritisation across the geographically dispersed estate. It was found that scheduling and financial constraints were delaying lower-priority work whilst health and safety risks remain prioritised. Actions raised through site risk assessments lacked target completion dates or prioritisation levels.

8.1.30 IB acknowledged and welcomed the audit, noting the substantial improvements within asset management over the past five years. IB accepted the findings and actions required to support further progress but highlighted that significant investment pressures remain.

8.1.31 The Committee sought clarification on the benefit of an overarching estates strategy. SM advised that the current asset-management plans set out broad objectives. An overarching strategy would provide clear links for future estate requirements, capital investment and actions to address the wider operational/reform priorities. SS acknowledged the potential for an overarching document but noted that individual component plans remained the most practical approach.

8.1.32 The Committee sought clarity on the timescale for the HMFSI and Audit Scotland inspection on Capital Estates. RS advised that the first meeting was scheduled on Monday 20 July 2026 and the inspection would conclude by March 2027. RS noted that BDO's audit had covered a significant portion of the planned review and this would help to reduce the overall timescale.

8.1.33 In regard to the management response for finding 3, the Committee noted this could be misinterpreted and that clearer assurance was required that statutory and safety-critical work would be prioritised and funded as required. SM advised that the outstanding actions related to improvements, such as dignified workplaces and shower facilities, rather than immediate safety risks. It was confirmed that urgent issues were being prioritised and actioned as appropriate.

(I Bashir left the meeting at 1124 hrs)

8.1.34 Annual Follow Up Report
SM presented the annual follow up report noting that quarterly progress reports had been provided throughout the year. SM advised that significant progress had been made with 32 actions closed, 7 actions had been superseded, 2 actions were in progress and a further 8 actions were not yet due. The Committee commented on the improvement in relation to long-standing actions being addressed in recent years and noted that this momentum should continue.

8.1.35 Annual Assurance Statement 2025/26
SM presented the annual assurance statement for 2025/26 noting that the governance, risk management and control arrangements were generally satisfactory with some improvement required. It was noted that effective follow-up and action management supported the overall positive opinion. SM highlighted several recurring themes which included mandatory training, compliance with procedures, limitations in systems, limited resources and single points of failure.

8.1.36 The Committee recognised the progress being made but commented on the continuing gap between well-designed policies and their effective implementation. It was noted that strengthened compliance, performance oversight and accountability arrangements would help to address this issue. The Committee requested a short, high-level report be brought to the next meeting (October) to explain how the Service would address the gap between well-designed policies and their consistent implementation, how assurance mapping, compliance and risk arrangements would support this work and the resource/investment required.

ACTION: SS

8.1.37 Typographical errors relating to the superseded percentages was noted within the covering report and executive summary.

8.1.38 **The Committee scrutinised the report with reasonable assurance.**

(The meeting broke at 1136 hrs and reconvened at 1145 hrs)

8.2 Internal Audit Progress Report 2026/27

8.2.1 SM presented a report to the Committee which summarised the quarterly progress on the

delivery of the 2026/27 Internal Audit Plan and draft terms of reference. SM advised that the assurance level, noted as substantial, should be amended to reasonable. The following key points were highlighted:

- Health and Safety fieldwork was nearing completion and the draft report would be finalised in the coming weeks.
- Staff Development Performance Management review was progressing well. Any comments raised by the Committee today would be incorporated into the fieldwork.
- Financial review draft terms of reference was progressing through SLT and the timings of the review was also being considered.

8.2.2 The Committee noted that consideration of AI should be included within the terms of reference for all future reviews. This would help to assess all current practices and potential opportunities to use AI.

8.2.3 Terms of Reference: Procurement

SM noted that the review would consider progress since the previous contract management review and identify further areas of improvement. The review would also focus on the embedding of practices and whether a proportionate approach was being applied to contracts.

8.2.4 The Committee suggested that the review should consider whether the Service had sufficient capability or had access to specialist skills required for different types of procurement. SM advised that this could be considered within the review to help provide clarity on capability and how it was assessed.

8.2.5 The Committee commented on the UIG process and whether this was proportionate and efficient. SM advised that engagement with end users would be undertaken regarding lessons learnt from procurement exercises.

8.2.6 Terms of Reference: Staff Development

The Committee noted that succession planning was not included with the terms of reference. SM advised that succession planning had originally formed part of this review. However, due to ongoing work in this area, it would not be appropriate to review at this time and could potentially be reviewed separately in future years. SM confirmed that the current review focused on training, development, performance and appraisal.

8.2.7 In regard to Performance Management, the Committee queried whether this should be given more prominence than appraisals in identifying staff development needs.

8.2.8 The Committee commented on the potential to review how learning and development requests arising from appraisals were being prioritised to ensure that all essential/relevant requests were being addressed.

8.2.9 Brief discussion took place on mandatory training including the difference between legal/regulatory and strategic priorities identified training. It was noted that all mandatory training was important and should not be classified into a two-tier system.

8.2.10 Terms of Reference: Change

SM advised that the purpose of the review was to assess how the function was performing, future direction and the end users experience. The review would also focus on training and upskilling across the Service and the benefits from this.

8.2.11 In regard to the Strategic Planning and Change Committee oversight, SM noted that the Committee's views would form part of the stakeholder feedback process.

8.2.12 During discussion it was noted that the review should consider whether operational processes were fit for purpose, delivered the needs of the organisation and alignment with

the strategic priorities. Other areas that were highlighted included benefit tracking, consistency in application across the Service/within the function and how lessons learned were being identified/embedded, identification of cross cutting risks and delivery timescales and return on investment.

8.2.13 It was noted that the change function had been the focus of previous reviews. Therefore, the Committee requested that the upcoming review should focus on strategic alignment and assessing whether the Service had the appropriate enabling function and activities in place.

8.2.14 Terms of Reference: Business Performance
The Committee sought clarification that the focus on the new Performance Management Framework (PMF) would include how it operated and its alignment with strategic objectives. SM offered his assurance and confirmed that the review had been scheduled towards the end of the audit plan to allow the framework to become established across the Service.

8.2.15 The Committee noted that it would be helpful to understand how performance, risk and assurance connected together and it would be useful to have exemplar practices of other organisations within the final report.

8.2.16 **The Committee scrutinised the report with reasonable assurance.**

8.3 SFRS Progress Update/Management Response

8.3.1 SM presented a report to the Committee and outlined the status of the recommendations raised by Internal Audit and the following key points were highlighted:

- Seven actions had been closed during this reporting period.
- Twenty actions remained open.
- Ongoing focus to review, cleanse and remove legacy actions.

8.3.2 The Committee sought clarification on the Internal Audit's comments "per management response action in progress". SM explained that some recommendations had been closed where the original risk had been addressed by new frameworks or guidance and any further improvements were going beyond the original action/risk. SM noted that other actions would remain open until sufficient evidence had been provided and some actions had been superseded/closed due to changes in the Service's priorities, risks or financial circumstances.

8.3.3 In regard to Risk Management (Rec 1), the Committee sought clarification on the timetable for developing strategic risks. DJ advised that a joint SLT and SMB workshop had been held. The outcomes of the workshop would be presented to the SLT for further discussion on strategic risks, alignment with risk appetite and SFRS Strategy.

8.3.4 In regard to Change Management (Rec 5.1), the Committee noted that the revised governance structure would be considered by SLT in July 2026 and queried whether these would be shared with the Board or SPPC for information. MMcA confirmed that this was the case.

8.3.5 **The Committee scrutinised the update report and acknowledged the progress being made with reasonable assurance.**

9 EXTERNAL AUDIT

9.1 External Scrutiny Report and Recommendation

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

- Total of 21 out of the 26 total Action Plans had been completed.
- The Mental Health and Wellbeing Support action plan contained 25 actions with 15

actions completed.

- The West Service Delivery Area action plan contained 30 actions with 25 actions completed.
- The Organisational Culture Volume 1 action plan contained 25 actions with 10 actions completed
- Four Action Plans were in development for Operational Assurance, North Service Delivery Area, Operational Training and Development and Planning and Preparedness for the Commonwealth Games 2026.

9.1.2 In regard to the Mental Health and Wellbeing Support action plan, the Committee noted the good progress being made. The Committee requested an update on the re-formed Mental Health and Wellbeing Group, including frequency of meetings, resourcing and progress being made.

ACTION: MMcA

9.1.3 RS highlighted the Service's commitment in the development of action plans in response to recommendations raised through inspections and the significant work undertaken to complete them.

9.1.4 The Committee commented on the appropriate duration for which completed action plans should remain on the dashboard.

9.1.5 **The Committee scrutinised the report with reasonable assurance.**

9.2 Independent Line of Assurance Reporting Proposal

9.2.1 DJ presented a report outlining the proposal to enhance visibility and oversight of progress against independent assurance reporting across the Service. DJ highlighted the challenges relating to presenting the information in a standardised format and that work would continue to develop a template for recording and monitoring actions.

9.2.2 The Committee commented on benefits of more strategic oversight rather than an operational monitoring of individual action plans. The potential to link with assurance mapping was also discussed.

9.2.3 The Committee also commented on the assurance gaps relating to local authority scrutiny which was due to different approaches across the local authorities and inconsistent reporting within the Service.

9.2.4 The Committee were supportive of standardising reports/templates however, concerns were noted on the potential delays whilst this was being developed. It was noted that the future proposed reports should be refined with cross cutting themes and assurance gaps clearly identified.

9.2.5 **The Committee scrutinised the report with reasonable assurance.**

10 AUDIT AND RISK ASSURANCE COMMITTEE QUARTERLY PERFORMANCE Q4 2025/26

10.1 CF presented the Committee with the third quarter performance of KPIs 35 – 42 for fiscal year 2025/26 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:

- KPI38 (FOI within timeframe) was reporting a significant improvement.
- KPI 37 (Data breaches), KPI58 (Average age of heavy fleet) and KPI 59 (average age of light fleet) were all reporting exceptional variation.

10.2 In regard to data breaches, the Committee were informed that there was no identifiable reason for this increase. The Data Information Governance Group were aware and would manage any arising issues.

10.3 **The Committee scrutinised the report with reasonable assurance.**

(C Fitzpatrick left the meeting at 1235 hrs)
(C Wade joined the meeting at 1235 hrs)

11 SFRS ANNUAL GOVERNANCE STATEMENT 2025/26

11.1 MMcA presented 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 2026 for scrutiny. MMcA noted that during preparation no significant issues or risks had been highlighted. However, some areas of improvement had been identified and these had been monitored through internal management processes.

11.2 As Accountable Officer, SS advised the Committee that the review process had been rigorous and had identified opportunities to strengthen statements, as well as areas of learning and development.

11.3 The Committee suggested the following amendments/comments:

- On Page 11 (paragraph 2), it was felt that the wording understated the role of People Committee and did not accurately capture the variety of the work undertaken.
- Reference to the People, Payroll, Finance and Training Project to be updated to the new project title.
- Section 6 (Significant Issues), the Committee commented on the misleading title however, it was confirmed that this was part of the template and could not be amended.

ACTION: MMcA

11.4 The Committee noted and welcomed the assurance that the process had been subject to rigorous scrutiny and remained a valuable tool for the Service.

11.5 **The Committee scrutinised the report with substantial assurance.**

12 ANNUAL DATA COMPLIANCE REPORT

12.1 CW presented a report to the Committee providing an update on annual compliance statistics in relation to the Freedom of Information (Scotland) Act 2002 (FOISA), Environmental Information (Scotland) Regulations 2004 (EIR) and Data Protection Act 2018 (DPA). The following key points were highlighted:

- Total number of requests have increased by 532 on the previous year which was equivalent to an additional quarter.
- Improvements in performance including completion rates and response times. Quarter one performance levels for FOI and EIR were reporting 98% and 95% respectively.
- Positive benchmarking against other justice sector organisation for FOI and EIR requests and the high level of full disclosure responses.
- Recent Internal Audit undertaken to review FOI and Subject Access Requests.
- Good progress had been made in relation to the Scottish Information Commissioner's intervention order.

12.2 The Committee recognised the level of performance being achieved by the under-resourced team.

12.3 In regard to the high volume of requests from Police Scotland, CW explained that these were formal information requests linked to investigations and as such, required robust audit trails in case of court proceedings.

12.4 In regard to the volume of requests from employees, CW explained that these often related to data protection queries and/or requests for advice. These requests could involve significant work and were recorded to accurately reflect the workload of the team.

12.5 **The Committee scrutinised the report with reasonable assurance.**

(C Wade left the meeting at 1249 hrs)

13 FRAUD REPORT

13.1 DJ presented the fraud report to the Committee for scrutiny and highlighted the following key points:

- No confirmed fraud cases or whistleblowing had been reported during the reporting period.
- Appendix B provided the initial breakdown report of mandatory training completion rates by staffing group and subject matter. This report would continue to be developed.
- Additional detailed breakdown of information was available for managers to enable them to monitor compliance and performance levels for individuals and/or stations.

13.2 The Committee noted and welcomed the improved report.

13.3 In regard to completion rates for Volunteers, the Committee noted that these were notably lower than other staffing groups. It was acknowledged that limited contact time and the different training arrangements for this staffing group created challenges. DJ noted that alternative approaches such as collective training options were being explored.

13.4 **The Committee scrutinised the report with reasonable assurance.**

14 NATIONAL FRAUD INITIATIVE REPORT FOR 2024/25 EXERCISE

14.1 DJ presented a report to the Committee providing an update on the outcomes of the National Fraud Initiative (NFI) Exercise 2024/25. The following key points were highlighted:

- Exercise had been 100% completed and reviewed.
- Total monies recovered amounted to £25,000.
- Positive engagement with Audit Scotland and other public sector bodies throughout the process.
- NFI self-appraisal checklist (appendix A) captures lessons learned and supports ongoing training and process improvements.
- Thanks were extended to Karen Horrocks and her team for the work undertaken throughout this exercise.

14.2 The Committee queried whether the Service could have identified these issues independently. DJ advised that the NFI process was embedded within the internal controls framework and was utilised by the Service. It was noted that the NFI used complex and specialist data checking processes which the Service would not be able to replicate.

14.3 The Committee commented on the strengthening of fraud awareness and compliance training. DJ advised that initial training for a core group has been identified with scope for further specialist training in the future.

14.4 **The Committee scrutinised the report with substantial assurance.**

15 INTERNAL CONTROLS UPDATE

15.1 **Risk Report Update**

15.1.1 DJ presented the overview report of the current risks highlighted by Directorate to the Committee for scrutiny. The following key points were highlighted:

- Regular meeting/process to review and update directorate risks, controls and mitigations.
- Commenced discussion regarding strategic risks.
- Proposals to bring new risk dashboard to future workshop/strategy day.

15.1.2 The Committee noted the new risk relating to recruitment/retention of procurement personnel. DJ advised that previously there had been a combined capacity risk for procurement and other finance areas.

15.1.3 The Committee commented on the risk of insufficient core funding and the inability of replacing ageing systems. The Committee noted the importance of sufficient strategic ICT leadership and capacity to prioritise requirements and develop compelling investment cases. It was recognised that the core funding risk related not only to technology but also to people, capability and capacity.

15.1.4 The Committee noted that no mitigating actions had been outstanding for more than nine months. However, concern remained over the significant number of risks that were rated 15 or above. It was noted that work was ongoing to review mitigating actions to ensure that they remained effective, demonstrated actions being taken and the intended outcomes.

15.1.5 The Committee commented on the need to review risks above appetite levels to assess the current risk approach and the identification of clear mitigation actions towards an acceptable position. DJ reminded the Committee of the ongoing development of the risk dashboard. This would provide a fuller view of controls and ongoing work as well as supporting more informed risk assessment and stronger scrutiny.

15.1.6 It was agreed that the new risk dashboard would be presented at the Committee workshop (3 September 2026).

15.1.7 **The Committee scrutinised the report and noted the continuing progress being made with reasonable assurance.**

(G Welsh joined the meeting at 1314 hrs)

15.2 UPDATE ON INTEGRATED ASSURANCE MAPPING

15.2.1 CC presented a report to the Committee providing an overview of the implementation and development of assurance mapping within the Service. CC highlighted the introduction of a Power BI solution which would provide a more integrated approach to assurance. The map would be populated after meetings with the agreed assurance level. The map would then be used at forward planning meetings to identify any overlaps or gaps and would help to shape Committee agendas and/or programme of work.

15.2.2 GW presented the Power BI assurance mapping tool which would be used to capture Committee reports, align them to themes and lines of defence framework. The mapping tool would be used to record assurance levels and challenges raised by the Committee. GW advised that as more data was added, the tool would be able to help identify assurance gaps, inform forward planning and support a “path to green”.

15.2.3 In regard to a combined overview, GW advised that this would be developed for the Integrated Governance Forum to highlight gaps across Committees and would be available in the next quarter.

15.2.4 The Committee welcomed the assurance mapping tool noting its usefulness in recording external scrutiny and identifying gaps. The Committee commented on the importance of linking to strategic objectives and key deliverables and remaining vigilant to ensure that all assurance needs were being captured and nothing was being overlooked.

15.2.5 **The Committee scrutinised the report with substantial assurance.**

(T Yule left the meeting at 1320 hrs)
(C Fitzpatrick joined the meeting at 1320 hrs)

15.3 Update on SFRS Emerging Use of AI

15.3.1 CF provided a verbal update to the Committee on the SFRS emerging use of AI and highlighted the following key points:

- AI was increasingly becoming embedded in software and normal business operations. Research estimated that AI could save public-sector workers up to 30 million hours per week which would allow greater focus on higher-value work.
- The Service were taking a proactive, governance-first approach by establishing controls, policies and assurance arrangements before wider adoption.
- An AI policy was being developed and would be based on human oversight and accountability, data protection, transparency, fairness and auditability.
- Potential areas of AI adopted that would add value would be identified.
- Keen awareness of the risk associated with wider AI adoption.
- Governance oversight would be through the Data and Information Governance Group with strategic oversight by the Strategic Leadership Team.
- Reasonable assurance was offered that appropriate measures were being taken to govern AI responsibly.
- Paper would be submitted to the SLT in July/August and would then be submitted to the next Committee meeting (October).

15.3.2 The Committee noted that AI governance could potentially be a recurring theme across several committees due to challenges associated with the implementation and compliance with the policy. The Committee queried whether governance would involve several committees, with different lenses or the full Board. MMcA confirmed that the policy would set out the principles to support consistent consideration across the organisation.

15.3.3 **The Committee noted the verbal update**.

16 ANNUAL REPORT ON HMFSI BUSINESS

16.1 RS presented the annual report to the Committee to provide an update on HMFSI's inspection and reporting activity during 2025-26. The following key points were noted:

- Organisational Culture Volume 1 laid before Scottish Government in June 2025 with a brief overview of the inspection's focus and findings.
- Operational Assurance laid before Scottish Government in September 2025 with a brief overview of the inspection's focus and findings.
- Operational Training and Development laid before Scottish Government in June 2026 with a brief overview of the inspection's focus and findings.
- Focussed report on the Planning/Preparedness for the Commonwealth Games 2026 with a brief overview of the inspection's focus and findings.
- Overview of the planning activity for 2026-27 which included Operational Control, Organisational Culture Volume 2 and Property, Estate and Fleet.
- Personnel changes within the HMFSI Team with the retirement of Graeme Fraser and appointment of Andrew Hearn.

16.2 In regard to the Property, Estate and Fleet inspection, the Board commented on the potential for the Service to undertake further collaborative/shared resources work. RS noted that collaboration and use of shared resources would form part of the inspection. He further noted that these areas were being considered by other inspection bodies and Scottish Government and there was a need for greater cross-service collaboration.

16.3 **The Committee noted the report.**

17 REVIEW OF ACTIONS

17.1 It was confirmed that several 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 No items were identified.

19 DATE OF NEXT MEETING

19.1 The next public meeting is scheduled to take place on Thursday 20 October 2026 at 1000 hrs.

20 MINUTES OF PREVIOUS PRIVATE MEETING:

20.1 **Thursday 9 April 2026**

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

20.2 **Matters Arising**

20.2.1 There were no matters arising.

20.3 **The minutes of the meeting held on 9 April 2026 were approved as a true record of the meeting.**

21 PRIVATE ACTION LOG

21.1 There were no outstanding actions on the private action log.

There being no further matters to discuss the public meeting closed at 1342 hrs.