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Date: 6 December 2018

Dear Sir/Madam

You are invited to the following meeting:

**Audit Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Thursday 13 December 2018 at 10am**

Apologies for absence should be notified to Louise Adamson at the above number.

Yours faithfully

Executive Manager – Governance and Law

Chair: Mr A Duncan  
Vice-Chair: Ms C Hughson

## **AGENDA**

- (a) Hold circular calling the meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of Interest - Members are asked to consider whether they have an interest to declare in relation to any item on the agenda for this meeting. Any Member making a declaration of interest should indicate whether it is a financial or non-financial interest and include some information on the nature of the interest. Advice may be sought from Officers prior to the meeting taking place.

- (d) Confirm the minutes of the meetings held on (i) 30 August 2018 and (ii) 19 September 2018. (enclosed).

Items	
1.	Six-Monthly Internal Audit Progress Report 2018/19 <i>IA-26-18</i>
2.	External Audit Annual Report 2017/18 Update on Recommendations <i>CRP-21-18</i>
3.	Audit Scotland and Other External Audit Reports <i>IA-28-18</i>
4.	Audit Committee Self-Assessment <i>IA-27-18</i>
5.	Risk Assessments Update <i>HR-20-18</i>
6.	Audit Committee Business Programme <i>CRP-22-18</i>



## **MINUTES**

## **B - Public**

**Audit Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Thursday 30 August 2018 at 10am**

**Present:**

A Duncan	C Hughson
S Leask	A Manson
R McGregor	I Scott
C Smith	R Thomson

**Apologies:**

None

**In attendance (Officers):**

C Ferguson, Director of Corporate Services  
C McIntyre, Executive Manager – Audit, Risk and Improvement  
J Riise, Executive Manager – Governance and Law  
H Tait, Team Leader – Accountancy  
J Jamieson, Senior Risk Management Officer  
L Adamson, Committee Officer

**Chairperson**

Mr Duncan, Chair of the Committee, presided.

**Circular**

The circular calling the meeting was held as read.

**Declarations of Interest**

None

**Minutes**

The Committee confirmed the minutes of the meeting held on 12 June 2018 on the motion of Mr Scott, seconded by Mr Thomson.

Mrs Hughson highlighted two action points that had been agreed during the discussion on Item 10/18 “Local Government Benchmarking Framework”, where the information had not been circulated to Members of the Audit Committee, as had been agreed at the meeting. The Executive Manager – Audit, Risk and Improvement and the Team Leader – Accountancy confirmed they would follow up on the outstanding actions.

**Risk Management Strategy - Implementation Update Report**

The Committee considered a report by the Executive Manager – Audit, Risk and Improvement (IA-23-18-F) that set out progress towards delivering the aims of the Risk Management Strategy. Copies of the ALARM Matrix and the Audit Scotland Best Value Toolkit were tabled at the meeting (attached as Appendix A and B respectively).

In introducing the report, the Executive Manager – Audit, Risk and Improvement referred to the improvements in areas of risk management throughout the Council, which he said were partly attributable to the Risk Management Team and the evolution of the Risk Board where more focused reports are being presented on a quarterly basis. He also highlighted the improvement in the benchmarking as set out in Section 4.6.1 of the report, and said he was confident further progress can be made going forward.

During the discussion, a request was made for further information on the proposal to create an Opportunity Register as referred to in Section 4.4.2 of the report. The Senior Risk Management Officer advised from the discussion at the February Risk Board, that an Opportunity Register should link with elements of the Business Transformation Programme and Service Redesign. Taking advantage of opportunities is set out in the Audit Scotland Best Value Toolkit. She added that the exact form and mechanisms of the Opportunity Register were still to be developed, however it will be a priority project for the management of risk.

In referring to the statement in Section 4.6.3 of the report, the Chair questioned why the Council had not achieved the “better and advanced practice” rating throughout the Council in terms of regular updating of risk registers. The Executive Manager – Audit, Risk and Improvement confirmed that work was in progress, with Risk Management staff supporting some Managers to improve their management of risks.

In response to a question regarding progress with the Risk Check Programme 2017/18, the Executive Manager – Audit, Risk and Improvement advised that the focus was currently on Adult Services, which would be followed by work within Community Care Resources.

During debate, reference was made to past criticism relating to risk management within the Council. However, the progress made as set out in the report was very much welcomed, and the hard work of all the officers involved was acknowledged and comment made on the need for resources to allow the improvements to continue in areas of risk management. Mr C Smith moved that the Committee approve the recommendation in the report, and Mr Duncan seconded.

**Decision:**

The Committee:

- CONSIDERED the information presented in the report and the outcome of the discussion at Policy and Resources Committee; and
- ADVISED accordingly of their views and any further action required including reporting requirements to the Council and its Committee.

**In order to avoid the disclosure of exempt information, Mr Duncan moved, Mr C Smith seconded, and the Committee RESOLVED to exclude the public in terms of the relevant legislation during consideration of the following item of business.**

14/18      **Corporate Services Restructure**

The Committee considered a report by the Director of Corporate Services, presenting proposals to restructure the Corporate Services Department to reflect changes in the business needs of the Council.

In introducing the report, the Director of Corporate Services advised from the discussion on the proposals in the report at the Employees JCC, Policy and Resources Committee and Council, and she confirmed that the Council had approved the restructure proposals as presented. The Director of Corporate Services advised that as the Council currently provides the Internal Audit service for the IJB, the shared arrangement proposals will be presented to the IJB, where it is hoped they will be supported.

During debate, comment was made on the amount of work undertaken to develop the proposals, and on the confidence that the arrangements will be monitored going forward. Mr C Smith moved that the Committee approve the recommendation in the report. Ms Manson seconded.

On behalf of the Committee, the Chair commended the Director of Corporate Services and the other officers involved in developing the proposals to restructure services within Corporate Services. The assistance and support from the former Executive Manager – Finance was also acknowledged in that regard.

**Decision:**

The Committee:

- CONSIDERED the information presented in the report and appendices, and the decisions of Policy and Resources Committee and of the Council in that regard; and

- ADVISED the Director of Corporate Services of their views and any further information they required going forward.

The meeting concluded at 10.35am.

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Chair



## **MINUTES**

## **A & B**

**Special Audit Committee  
Council Chamber, Town Hall, Lerwick  
Wednesday 19 September 2018 at 10.00am**

**Present:**

A Duncan	J Fraser
C Hughson	S Leask
A Manson	I Scott
C Smith	R Thomson

**Apologies:**

R McGregor

**In attendance (Officers):**

M Sandison, Chief Executive  
S Bokor-Ingram, Director – Community Health and Social Care Services  
C Ferguson, Director – Corporate Services  
N Grant, Director – Development Services  
J Smith, Director – Infrastructure Services  
C McIntyre, Executive Manager – Audit, Risk and Improvement  
J Riise, Executive Manager – Governance and Law  
K Adam, Solicitor  
C McCourt, Financial Accountant  
H Tait, Team Leader – Accountancy  
L Geddes, Committee Officer

Also:

J Corrigan, Deloitte LLP  
C Healy, Deloitte LLP  
P Kenny, Deloitte LLP  
D Peters, Deloitte LLP (*by telephone*)

**Chairperson**

Mr Duncan, Chair of the Committee, presided.

**Circular**

The circular calling the meeting was held as read.

The Chair extended a welcome to Deloitte LLP staff present at the meeting, and to Ms Peters who was attending via telephone.

## **Declarations of Interest**

None

### **15/18      Annual Audit Report on the 2017/18 Audit for Shetland Islands Council and the Zetland Educational Trust**

The Committee considered a report by the Executive Manager – Finance (F-079-F) which presented the Annual Audit Report on the 2017/18 Audit for Shetland Islands Council and the Zetland Educational Trust.

The Team Leader – Accountancy advised that there were no material changes since the unaudited accounts had been presented in June. Deloitte LLP had confirmed their unmodified opinion, which meant that the annual accounts were free from material misstatement and presented a true and fair view of the Council's financial position at 31 March 2018.

Mr Kenny then outlined the key messages in Deloitte LLP's report, advising that the report summarised the findings and conclusions in relation to the audit of financial statements and consideration of the four audit dimensions framing the wider scope of public sector audit. There were three significant risks identified in the audit plan - recognition of grant income, value of property assets, and management override of controls - but Deloitte LLP were satisfied that there were no major issues to report, and had issued an unmodified audit opinion. The Council had achieved significant savings over the last five years, but it was recognised that continuation of current service levels and delivery models would result in a funding gap in the next five years. Therefore, the Business Transformation Strategy would require the Council to make major changes to the provision of services to achieve the required savings. The programme was not at a sufficiently advanced and robust stage to deliver these savings, and the Council would require to redouble its efforts in the coming year.

He went on to say that the Council had effective internal control systems and financial planning and management arrangements in place, but improvements to the reporting calendar could be made to reduce the gap between the preparation of monitoring reports and their presentation to Committees. Both medium and long-term financial plans which linked to priorities were in place, but more could be done to show how spending made a difference to key priority outcomes. The Council and its partners had a clear and shared vision set out in the Shetland Partnership Plan, but there were a number of issues to resolve regarding the integration of health and social care and more would have to be done to align to one joint budget. Compared to other councils, the Council's overall performance had improved in recent years and the majority of residents were satisfied with Council services. However, the Council and its partners would need to do more to demonstrate how their actions were leading to improved outcomes, and challenges remained in some areas.



Mr Corrigan then went on to speak about the financial statements audit, highlighting the significant risks. It had been concluded that grant income had been correctly recognised in accordance with the relevant requirements, no significant bias in key judgements made by management had been identified, and a number of recommendations had been raised with regard to the valuation of property assets. Overall, it had been concluded that the net book value of property assets had not been materially misstated, and the Council's valuation assumptions were generally reasonable. He also advised that no issues had been noted from the testing of the Zetland Educational Trust accounts. A number of internal control and risk management findings had been identified, and the Council would be looking at these going forward.

Mr Healy then spoke about the audit dimensions, and advised it had been identified that the Council was currently in a healthy position and the use of reserves was sustainable in the short-term, but there was a need for caution in the medium-term. The Council would need to consider the feasibility of the savings target that had been set. The transformation programmes were not considered sufficiently robust to generate the required savings, so there was a need for the Council to be radical in this area. It was estimated that the funding gap would be £15.61million by 2023/24, requiring savings of around 12% of the Council's departmental budget. In terms of the long-term financial plan, there was a need for more clarity on how current and medium-term decisions would affect the ability of the Council to achieve its vision and priorities in the longer term. Deloitte was of the view that improvement was needed in reporting performance against savings targets, the reporting calendar, the presentation of performance monitoring reports to Committees, and rationalisation of the Committee structure. Performance information was monitored and reported, but the presentation of this information could be improved and more work could be done to evidence the link between spend and outcomes. A number of specific risks had been identified and considered, and the action plan outlined a number of recommendations for improvement.

Responding to a question regarding the recommendation to make up a project team to drive forward savings, the Chief Executive said that this was an area that the Council would need to pay attention to. Since March, there had been a review of key projects that it was believed would be critical in delivering service change. For example, Council staff had been working in a specific team looking at the review of tertiary education, and consultants had been taken in to look at the transport reviews. Being a small Council, there were challenges for staff in continuing to deliver services while carrying out reviews. There was a balance to be achieved in responding to demand while resourcing for change, and a need to be realistic about what could be delivered by a small Council.

It was noted that in relation to demonstrating how actions would lead to improved outcomes for residents, it had been identified that challenges remained in some currently topical areas such as social care, gender

balance and recycling. It was explained that when measured against the statutory local government benchmarking framework, these had been identified as areas where the Council had performed poorly. The Chief Executive confirmed that this was a priority for the Council, though they tended to relate to the uniqueness of the local area. For example, the social care environment locally was different to that on the mainland, where there were private providers and few local authorities that delivered care directly via care. Where there was no market, people's sense of choice may be impacted. Gender balance was also a reflection of the Council's uniqueness. Locally the Council delivered ferry and ports/harbours services which were gender segregated nationally, and elsewhere some services which tended to be gender-segregated may be outsourced.

In response to a comment regarding the costs of delivering services locally to looked-after children, Mr Healy advised that it was accepted that the Council had to deliver these services. However there would be a risk to services going forward if they were not sustainable. Mr Kenny pointed out that there was evidence in other areas that the radical redesign of services had reduced costs, while demonstrating improved outcomes.

The Chief Executive added that looked after children were a priority, and the cost of care placements was currently being looked at. This had driven the business case to look at the potential construction of a new facility that would allow the Council to reconfigure how it provided solutions. Work was also being carried out with the Shetland Partnership to see if things could be done differently, and there were a number of early intervention projects that should help reduce demand and take pressure out of the system in future.

It was questioned if the Council was doing enough with regard to EU withdrawal, and Mr Kenny advised that it had been identified that the Council was doing everything reasonable given the uncertainty. The Chief Executive added that the impact of EU withdrawal was recognised as a priority. It was a very live issue, and there had been engagement at a political level and with partners about the consequences.

In response to a question about the Council's committee structure, Mr Corrigan said that it had been felt that many of the Council's committees overlapped and that there was scope to reduce them while still having the same governance framework. This would save time for members and staff. The Chief Executive added that she would take this forward in terms of looking at Committee business, and pointed out that efforts had been made to ensure that business coming forward to Committees was for decision.

It was noted that in some other areas, councils and their partners had just one unified plan for all key priorities and outcomes. The East Ayrshire plan was an example of good practice, and something the Council should consider.

The Chief Executive advised that the Council's Corporate Plan was at its midway point for review, and there was a need for more alignment between the Corporate Plan, the Partnership Plan, and directorate plans. It was important that any delivery plans supported delivery, but there would always be business of the Council that would exist regardless of partnership activity. Therefore, it was important to ensure that all priorities were linked and mapped.

It was questioned if it was felt that education costs were high locally in relation to outcomes, and Mr Kenny said this was not something that had been looked at in sufficient detail. However, it had been demonstrated in other areas that councils that had fundamentally changed delivery could demonstrate improved outcomes. He went on to speak about integration joint boards (IJBs), and advised that no other local authority had made significant progress in bringing both budgets together. In due course, it was expected that money would be taken from acute services and moved to community services and used for early intervention. This remained a challenge for all local authorities, but it would make a big difference in terms of outcomes. In response to a question, he said that he could see no reason in principle why the Scottish Government could not just make one direct payment to local authorities and health boards, but this was something that was outwith the control of both.

The Director – Community Health and Social Care Services advised that there were some local issues with the IJB, and that the financial pressures in Shetland were acute. The health and care system in Shetland was a small system that was very intertwined, and the budgetary pressures mirrored what was going on in the Council and the NHS. Apart from the financial pressures, the performance of the IJB locally was good, but it was anticipated that the NHS would run out of money this year, putting the IJB in a precarious position.

The Chief Executive added that the IJB's outcomes had been excellent, and integration was working well with frontline services. However, it had to be acknowledged that the delivery of health and care services in Shetland did cost more. This raised the question of whether public services were being adequately funded, and if resources were going to the right places like early intervention and prevention.

In response to a question, Mr Horrigan confirmed that a review of Council minutes of meetings had identified that there was duplication in certain areas. This took up a lot of management and Members' time, and did not necessarily lead to better governance. It had been suggested that a review be carried out, and this had been accepted.

The Director of Corporate Services advised that the Council's standing orders and its framework were routinely reviewed, and a commitment had been made to ensure that reports presented were for decision. There was a need to tidy up on ensuring that reports were presented

only once, and performance management and reporting would also be looked at.

In response to a question, Mr Kenny advised that auditors were required to be mindful of specific local characteristics, but that full cognisance of this was something that was taken account of in the best value review reports.

Concern was expressed that the increased costs of island allowance and pay settlements would add to the wage bill, meaning that there would be an effect on services.

Members commented positively on the report, and welcomed that officers would be considering the points that had been raised.

The Chair thanked staff for their work over the last year and all those involved in the production of the report, and commented positively on the improvements that had been made over recent years. He went on to say he would welcome input from Deloitte LLP at Audit Committee meetings. While he accepted it would be a costly exercise for staff to attend in person, it would be useful if there could be a video link for Committee meetings. Mr Kenny said that he would take this request on board.

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**Decision:**

The Committee:

- NOTED the findings of the 2017/18 audit as contained in the external auditor's annual report at Appendix 1
- NOTED the agreed Action Plan as outlined in the Annual Report
- CONSIDERED a verbal report by the external auditor
- CONSIDERED the audited Annual Accounts for 2017/18 (Appendix 2) for Shetland Islands Council
- CONSIDERED the audited Annual Accounts for 2017/18 (Appendix 3) for Zetland Educational Trust

16/18

**Annual Audit Report on the 2017/18 Audit - Shetland Islands Council Pension Fund**

The Committee considered a report by the Executive Manager – Finance (F-073-18-F) which set out the findings of the 2017/18 audit as contained in the external auditor's Annual Report.

The Team Leader – Accountancy advised that an unmodified opinion had been received.

Ms Peters outlined the key messages in the report, advising that one significant area of risk – management override of controls - and two

areas of audit focus – accuracy of contributions paid to the Fund and valuation of investments – had been considered. The result of the audit control testing had been satisfactory and no material misstatements had been identified. Three instances of late payment had been noted, but there were no other issues. There was a disclosure deficiency in note 11a of the financial statements, whereby the Schroder Liquidity Fund should be disclosed under “Pooled Investment Vehicle” rather than “Cash Income”, but this was not material and had no effect on the audit opinion.

The Chair again passed on his thanks to all staff involved.

**Decision:**

The Committee:

- NOTED the findings of the 2017/18 audit as contained in the external auditor's Annual Report
- APPROVED the audited Annual Accounts for 2017/18 for Shetland Islands Council Pension Fund for signature

The meeting concluded at 11.45am.

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Chair





# Shetland Islands Council

Agenda Item

# 1

<b>Meeting(s):</b>	<b>Audit Committee</b>	<b>13 December 2018</b>
<b>Report Title:</b>	<b>Six - monthly Internal Audit Progress Report 2018/19</b>	
<b>Reference Number:</b>	<b>IA-26-18-F</b>	
<b>Author / Job Title:</b>	<b>Crawford McIntyre – Executive Manager – Audit, Risk &amp; Improvement</b>	

## 1.0 Decisions / Action required:

- 1.1 That the Audit Committee NOTE the contents of the six monthly report and COMMENT accordingly.

## 2.0 High Level Summary:

- 2.1 The report presents the Audit Committee with details of progress made to date against the Audit Plan approved for 2018/19. It also highlights the main issues identified during Internal Audit assignments.

## 3.0 Corporate Priorities and Joint Working:

- 3.1 This report, which provides an update on audit activity, contributes to improving the arrangements for Member engagement in monitoring Council performance and contributes to high standards of governance, excellent financial management arrangements and working in a more effective way.

## 4.0 Key Issues:

- 4.1 Satisfactory progress is being made against the 2018/19 Internal Audit Plan. It is anticipated that 90% of the plan will be completed by the financial year end.
- 4.2 Main issues identified are referred to in Appendix 1.
- 4.3 Quarterly reports are provided to Directors highlighting if agreed actions have passed their agreed implementation date. These then become the Director's responsibility to progress. Any ongoing lack of progress is reported to the Chief Executive and if necessary would then be reported to Audit Committee.
- 4.4 Directors have also been advised of actions recorded as completed and should ensure they are content these have been resolved and no further action is required.
- 4.5 At June's Audit Committee, Members requested confirmation in relation to progress for issues identified at Train Shetland – Short Courses, a Grants review and outstanding follow up issues in relation to adoption allowances and recruitment. I requested an update on progress from responsible officers and have received confirmation these matters are substantially complete. The one

outstanding matter is the Adoption Allowance Policy which has now been reviewed and will be reported in the next cycle.

## **5.0 Exempt and/or confidential information:**

5.1 None

## **6.0 Implications :**

<b>6.1 Service Users, Patients and Communities:</b>	The Council must ensure best value in the delivery of services. The work of Internal Audit and the Audit Committee can provide assurance in this regard.	
<b>6.2 Human Resources and Organisational Development:</b>	Some of the work undertaken in 2018/19 has related to HR matters with any key issues highlighted in Appendix 1	
<b>6.3 Equality, Diversity and Human Rights:</b>	None arising directly from this report.	
<b>6.4 Legal:</b>	The Local Authority Accounts (Scotland) Regulations 2014 make it a statutory requirement for a local authority to operate a professional objective internal auditing service. Section 95 of the Local Government (Scotland) Act 1973 specifies that all Scottish Councils are required to have in place arrangements for ensuring propriety, regularity and best value in their stewardship of public funds.	
<b>6.5 Finance:</b>	The work of internal audit contributes towards effective financial stewardship within Shetland Islands Council.	
<b>6.6 Assets and Property:</b>	None arising directly from this report.	
<b>6.7 ICT and new technologies:</b>	There is provision within the audit plan to undertake IT audit work.	
<b>6.8 Environmental:</b>	None arising directly from this report.	
<b>6.9 Risk Management:</b>	Whilst no specific risk can be attributed to this report, Internal Audit facilitates reduction of risks identified as a result of work undertaken. This can only be the case if management act as per agreed actions plans to deal with issues identified by Internal Audit.	
<b>6.10 Policy and Delegated Authority:</b>	The Audit Committee remit includes consideration of audit matters and to oversee and review action taken on audit activity.	
<b>6.11 Previously considered by:</b>	None.	N/A



**Contact Details:**

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*27 November 2018*

**Appendices:**

*Appendix 1 – Six monthly progress report 2018/19*

**Background Documents:** *None*



<b>Audit</b>	<b>Auditee</b>	<b>Progress Report / Key Audit Issues</b>
Roads including Scord Quarry	Executive Manager - Roads	Scheduled for 4 <sup>th</sup> quarter.
Hostel	Team Leader – Halls of Residence	Report is drafted and with the auditee for comment prior to release. No significant issues identified.
HR / Health & Safety		Whilst no findings were considered key during the course of the audit there was a number of issues raised. The issues identified relate to: personal files and the incorrect saving, archiving and retention of information; the administration of the Childcare Voucher and Cycle2work Scheme; the Learning Plan & Commitment Form and some of the application requests to complete a qualification have been processed without appropriate completion. In addition, there are several Human Resources policies on the Intranet that have passed the review date stated on the policy and one observation was raised in relation to the monitoring of trends by the Health & Safety section.
Self Directed Support – Equivalency Model	tbc	Delayed due to external work being undertaken. Scheduled for 4 <sup>th</sup> quarter.
Rents / Recovery / Local Taxation	Team Leader - Revenues	There were no significant areas of concern found during this audit. However, a few of the policies and procedures in use by the section continue to require revision. This issue was identified during two previous audits.
Insurance	Team Leader - Legal	Scheduled for 4 <sup>th</sup> quarter.



<b>Investigations / Reviews</b>	<b>Reported to:</b>	
Credits - Shetland College	Acting College Principal – Shetland College	Report issued.
Hardship Fund – Shetland College	Acting College Principal – Shetland College	Report issued.
LEADER Funding	Executive Manager – Economic Development	Report issued.
Performance Indicators	Internal	Work undertaken. Some minor issues identified and being resolved.
Data Protection & Retention & Destruction	tbc	Work in conjunction with Team Leader – Administration.
Flexitime / Annual Leave / TOIL	Executive Manager – Human Resources	Draft report currently with Executive Manager – Human Resources. It is however evident that there is non-compliance with policy requirements.
i-phones / i-pads	Director - Corporate Services	<p>The following audit issues were identified during the course of this review:</p> <ul style="list-style-type: none"> <li>• there is no policy in place covering the allocation of mobile devices, approved handsets and renewal requirements leading to a less than transparent device allocation process.</li> <li>• two devices allocated to a former employee cannot be located</li> <li>• the asset disposal procedure is not being followed as service areas are apparently disposing of their own equipment</li> <li>• there is a lack of procedural documentation as to how the Vodafone Technology Fund should be used</li> <li>• it is possible personal data usage is unnecessarily increasing costs to the Council.</li> </ul> <p>The Director – Corporate Services has advised this has been discussed at CMT and it was recognised that it is a wider issue and applies equally to a range of equipment and other commodities across</p>



		the Council. CMT agreed to develop a process whereby the relevant service area identifies a standard product that is then procured routinely to meet identified business needs and that any exceptions to this would be justified through a Business Case. This will be taken forward as part of the Commissioning and Procurement Work Stream in the Business Transformation Programme.
Disaster Recovery & Business Continuity (joint piece of work with risk management)	Resilience Advisor	Work being finalised and report to be drafted. Anticipated issue date of January 2019.
Personal development plans	Executive Manager – Human Resources	Work being finalised and report to be drafted. Anticipated issue date of January 2019.
Travel policy	CMT or Executive Manager - Executive	Work commenced November 2018.
IR35 Tax legislation	CMT	Scheduled for 4 <sup>th</sup> quarter.
Surprise cash checks	Executive Manager - Finance	Ongoing throughout financial year. No significant issues to date.
Telematics	Executive Manager – Estate Operations	Scheduled for 4 <sup>th</sup> quarter.
Change management	Executive Manager - ICT	Scheduled for 4 <sup>th</sup> quarter.
SLAs with 3 <sup>rd</sup> parties	Executive Manager - ICT	Scheduled for 4 <sup>th</sup> quarter.
Dundee Council fraud controls review. BACS and user access levels	Executive Manager - Finance	Work being finalised and report drafted for issue in December 2018. Some control issues identified.
Systems access	Various	Ongoing within service audits. No issues identified to date.



Follow up Audit monitoring	CMT	Ongoing commenced 3 <sup>rd</sup> quarter.
Integration Joint Board	Integration Joint Board	Scheduled for 4 <sup>th</sup> quarter.





<b>Meeting(s):</b>	Audit Committee Policy & Resources Committee Shetland Islands Council	13 December 2018 19 December 2018 19 December 2018
<b>Report Title:</b>	External Audit Annual Report 2017/18 Update on Recommendations	
<b>Reference Number:</b>	CRP-21-18-F	
<b>Author / Job Title:</b>	Christine Ferguson, Director of Corporate Services	

## 1.0 Decisions / Action required:

### 1.1 That the **Council's Audit Committee:**

1. CONSIDERS the information presented in this report and in the appendices attached below;
2. ADVISES the Director of Corporate Services of any additional information required in order for the Committee to be able to provide assurance to the Council regarding the issues covered in this report; and
3. ADVISES Policy and Resources Committee and the Council of the Committee's views in this regard

### 1.2 That the **Policy & Resources Committee**

1. CONSIDERS the information presented in this report, in the appendices attached below and the views of the Council's Audit Committee in this regard; and
2. ADVISES the Council accordingly.

### 1.3 That the **Council**

1. CONSIDERS the information presented in this report, in the appendices attached and the views of the Committees in this regard.

## 2.0 High Level Summary:

- 2.1 The audited Annual Accounts 2017/18 for Shetland Islands Council were approved by the Council on 19 September 2018. The Council's external auditor, Deloitte LLP, also presented their Annual Audit Report 2017/18 to the Council on 19 September 2018 confirming their unmodified opinion on the accounts. (Min Ref SIC 57/18).

- 2.2 The Annual Audit Report included an Action Plan containing a number of recommendations for improvement and a copy of the Action Plan is attached at Appendix 1. The Council approved the Action Plan noting the management responses to the recommendations (Min Ref SIC 57/18).
- 2.3 An update on progress made to address each recommendation is included in Appendix 2.
- 2.4 Many of the recommendations are being addressed by the planned activities in the Council's Business Transformation Programme (BTP), which is the subject of a separate report on the Policy and Resources Committee agenda.

### **3.0 Corporate Priorities and Joint Working:**

- 3.1 The preparation and presentation of the Audited Annual Accounts is a key element of the Council's overall governance and reporting arrangements.
- 3.2 The Council has a duty to ensure Best Value across all its activities. The Annual Audit Report makes a number of recommendations in this regard.

### **4.0 Key Issues:**

- 4.1 The Annual Audit Report summarises Deloitte's findings and conclusions in relation to:
  - The audit of the financial statements;
  - Consideration of the four audit dimensions -
    - Financial sustainability
    - Financial Management
    - Governance and transparency
    - Value for money; and
  - Best Value.
- 4.2 Deloitte LLP's findings confirm their unmodified opinion of the Council's annual accounts.
- 4.3 Deloitte's detailed findings are presented in their Annual Audit Report, which was presented to the Council on 19 September 2018. The Annual Audit Report includes an Action Plan comprising a number of recommendations for improvement categorised using the four audit dimensions listed in paragraph 4.1 above.
- 4.4 The recommendations reflect actions from the 2016/17 Action Plan where the recommendations have not been fully implemented, for example with regard to aligning the Council's corporate and strategic plans with the Shetland Partnership Plan.
- 4.5 The Action Plan is included below at Appendix 1. Following discussions with the Chief Executive and senior managers, the updates on the recommendations at Appendix 2 show:
  - Changes in the named responsible officer reflecting the delegation and / or reassignment of responsibility;
  - Links to the relevant work streams in the Business Transformation Programme; and
  - Progress in completing the management responses.



<b>5.0 Exempt and/or confidential information:</b>	
None	
<b>6.0 Implications :</b>	
<b>6.1 Service Users, Patients and Communities:</b>	Service users and their communities have an expectation that the Council will make best use of resources while continuing to deliver high quality services. The proposals in this report will support the work of the Council and maintain a focus on Best Value.
<b>6.2 Human Resources and Organisational Development:</b>	None arising directly from this report.
<b>6.3 Equality, Diversity and Human Rights:</b>	None arising directly from this report.
<b>6.4 Legal:</b>	The Council has a duty of Best Value. The Annual Audit Report and Action Plan provide important information and recommendations in this regard.
<b>6.5 Finance:</b>	The pressure on public sector finance is increasing. The Council's Medium Term Financial Plan has challenging targets for a reduction in spend over the lifetime of this Council The level of change required to meet the Council's targets is significant and Deloitte's report and Action Plan reflect this and the need for the pace of change to increase in order to secure a sustainable future for the level of services that the community require.
<b>6.6 Assets and Property:</b>	There are no assets and property implications arising directly from this report. The specific recommendation in the Action Plan with regard to valuations is being addressed following the successful recruitment to vacant posts in Corporate Services.
<b>6.7 ICT and new technologies:</b>	There are no ICT implications arising directly from this report.
<b>6.8 Environmental:</b>	There are no environmental implications arising directly from this report.
<b>6.9 Risk Management:</b>	There is a risk that the recommendations in the Action Plan will not be followed through, however, there will be regular updates to CMT so that progress can be monitored.

<b>6.10 Policy and Delegated Authority:</b>	<p>The remit of the Council's Audit Committee includes consideration of audit matters; overseeing and reviewing any actions taken in relation to audit activity and providing assurance to the Council in this regard.</p> <p>Policy and Resources Committee</p> <p>Shetland Islands Council</p>	
<b>Previously considered by:</b>	N/A	

**Contact Details:**

Christine Ferguson, Director of Corporate Services, [christine.ferguson@shetland.gov.uk](mailto:christine.ferguson@shetland.gov.uk)  
6 December 2018

**Appendices**

Appendix 1: Deloitte's Annual Audit Action Plan 2017/18

Appendix 2 Annual Audit 2017/18 Action Plan – progress update

# Action plan

## Recommendations for improvement

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
Valuation of property assets	The Council should ensure that the post of Valuer, independent of the Team Leader of Estates and Assets, is filled for 2018/19 and that sufficient segregation of duties exist between the person carrying out the valuation of property assets and the person carrying out the technical review of that work.  (Refer to page 15 for details)	Management have confirmed that the post has been filled for 2018/19.	Executive Manager – Capital Programmes	31 December 2018	High
<i>Financial Sustainability:</i> Workforce planning	The Council should develop a Council-wide workforce plan. This should include details on succession planning, recruitment and retentions.  (Refer to page 30 for details)	The Council has confirmed that a facilitated session on workforce planning is to be held with the senior management team in September 2018.	Executive Manager – HR	31 December 2019	High
<i>Financial Sustainability:</i> Savings target	Additional work needs to be done to determine the feasibility of the Council savings target of 3.4% across the board and how these savings will be delivered.  Business Transformation and Service Redesign projects need to include clear targets and milestones against which to measure performance.  In addition, progress on these projects and against savings targets in general should be clearly reported to Members as part of the quarterly monitoring reports.  (Refer to page 26 for details)	Management has confirmed the Business Transformation and Service Redesign projects are to continue to be reported regularly to monitor and measure performance. Members had been asked where focus and priorities should be in the medium term and management will continue to work with members to deliver these projects.	Executive Manager – Finance	31 March 2019	High

# Action plan

## Recommendations for improvement (continued)

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
<i>Financial Sustainability:</i> Transformation programme	<p>The Council needs to consider how it delivers services as a whole through a single, unified transformation programme which includes a medium-term plan for addressing the funding gap, rather than taking an ad-hoc approach to transformation. This must involve a high level of community and Member engagement given the nature of services in Shetland.</p> <p>The Council is in the fortunate position of having a high level of reserves and should use the existence of this 'buffer' to take the necessary steps to change its service delivery model so that it is fit for the future given anticipated demographic and financial changes.</p> <p>The Council must further consider the infrastructure in place to deliver such a programme, including significant Member involvement, a PMO, its change management approach and access to relevant tools and templates to assess performance.</p> <p>(Refer to page 26 for details)</p>	<p>The Policy and Resources Committee receives updates on the Business Transformation and Service Redesign Programmes quarterly. The programmes are linked and seen as inter-dependent rather than as one programme. The programmes and individual projects are managed using PRINCE2 methodologies. There are Sounding Boards for each programme with elected members as core members. The Corporate Management Team regularly reviews performance and savings targets. The Council is currently exploring ways of providing additional staffing resources to take forward projects using Spend to Save and Service Change budgets established for this purpose.</p>	Director – Corporate Services	31 March 2019	High
<i>Value for Money:</i> Local government benchmarking	<p>The Council should consider its priority areas compared with its areas of poor performance in the LGBF and compare what is being carried out locally with what is being done at other Councils which sit at the higher end of the scale. The Council has far greater resources available to it than other Councils nationally, and should have the ability to carry out the necessary changes to improve performance in the areas which are historically poor performing.</p> <p>(Refer to page 42 for details)</p>	<p>LGBF data is reported to the Council and functional Committees. One of the priority areas in the Service Redesign Programme is the consideration of "outliers" where the Council's LGBF data is at odds with similar Council's data this includes fully understanding the data and whether the service outcomes being delivered explain the difference in Shetland's data.</p>	Chief Executive	31 March 2019	High

# Action plan

## Recommendations for improvement (continued)

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
<i>Financial Sustainability:</i> Long-term financial planning	In line with best practice, the Long-Term Financial Plan should include additional detail on how the Council can continue to provide services and deliver outcomes in line with its current and anticipated objectives, given anticipated longer-term demographic and technological changes. This should include a long-term capital plan (with this clearly linked to the Business Transformation Programme).	The current LTFP covers a 35-year period to 2050. Work on the next iteration of the LTFP is expected to commence in 2019/20 and community engagement will be considered as part of this process.	Executive Manager - Finance	31 August 2019	High
	The Council should also consider at the next revision of the LTFP whether community engagement would result in better information for Members on the longer-term aspirations and expectations of the community (in line with best practice), as we have noted that there was no community engagement in the development of the current LTFP.  (Refer to page 28 and 29 for details)				
<i>Governance &amp; Transparency:</i> Health and social care integration	There is a need to improve integration of the IJB budget, rather than viewing it as two separate budgets from the Council and NHS. Steps also need to be taken to close the funding gap at the IJB.  Given the lessons learned in the previous number of years, the Council (in conjunction with the NHS) should consider reviewing the Integration Scheme to ensure it is fit for purpose. Separately, the Council also needs to consider whether its internal mechanisms for identifying disputes at an early stage and implementing appropriate remedies are sufficient. We have also found that there is scope for the governance arrangements between the Council and IJB to be improved to ensure that the respective roles and responsibilities are clear.  (Refer to page 38 for details)	Work has commenced on a self-evaluation of the IJB's governance framework and production of a Code of Corporate Governance. This evaluation will consider the recommendations made, including the need for a review of the Integration Scheme and its supporting governance and reporting arrangements.	Executive Manager – Governance & Law	31 March 2019	High

# Action plan

## Recommendations for improvement (continued)

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
Financial Management: Budget setting	The Council should adopt a priority-based approach to budget setting, whereby resources are focused on the Council's priority areas. Applying a 4.5% savings target across the board (a 'salami slice' approach) is difficult to put into practice and not achievable in the long term, is vague in how savings will actually be achieved and does not protect priority areas.				
	The Council should carry out self-evaluation on completion of projects, to confirm whether the project achieved its stated aims, delivered value for money, and how it performed against budget (in terms of cost and time).	Management recognise the difficulty with this approach and promotes that a more selective approach in line with Council priorities is the way forward.	Executive Manager – Finance	31 March 2019	High
	As highlighted in 'Best Value' audits conducted at other councils, the Council needs to demonstrate how its actions actually make a difference to the lives of residents - the Council should ensure such a section is included on any post-completion evaluation of projects.  (Refer to page 29 and 32 for details)				
Value for Money: Performance reporting	The Annual Performance Report should be clearly linked to the Council's strategic priorities and the Partnership Plan, with appropriate analysis given - especially in areas of poor performance (including the impact this has on achievability of the objective and remedial work taken).  The Council also needs to reconsider how the report is presented in future years to ensure that the message presented to the public is fair and balanced.  (Refer to page 41 for details)	A recent Council Customer First survey asked the public for views on how the Council provides performance information. Executive Services will ensure that feedback from that exercise, together with the recommendations in this Action Plan, is taken into account in producing the next annual public performance report.	Executive Manager – Executive Services	31 March 2019	High

# Action plan

## Recommendations for improvement (continued)

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
<i>Financial Management:</i> Reporting calendar	<p>The Council should reconsider its reporting calendar for reporting to Committee and Council, narrowing the gap between the time the monitoring reports are prepared and when they are presented to Members.</p> <p>We also recommend that the Council consider reporting on a more risk-based approach, with higher risk areas being reported more regularly and lower risk areas less frequently.</p> <p>(Refer to page 32 for details)</p>	<p>Work is due to commence on the reporting calendar for 2019/20. This will take account of the recommendations made in relation to performance and financial reporting timescales, alongside the needs of other business and reporting requirements and timescales.</p>	Executive Manager – Governance & Law	31 March 2019	Medium
<i>Governance &amp; Transparency:</i> Partnership planning	<p>The Shetland Partnership is currently refreshing the Council Plan, we recommend that it is made clear within the Council Plan how the strategic priorities and plans of the Council align with and help achieve the priorities in the Partnership Plan.</p> <p>Further, it is important that comprehensive delivery plans are developed in the near future to ensure that the aims of the Partnership Plan are achieved. These delivery plans need to include measurable milestones to allow monitoring of performance.</p> <p>(Refer to page 36 for details)</p>	<p>The Shetland Partnership is commencing the development of delivery plans. The Partnership is also developing the governance structure to ensure the plans are monitored against the milestones for changing individual and community outcomes. The Council's Corporate Plan halfway review is being reported to the Council in September. Directorate Performance reports now refer to both the Corporate Plan performance and the Directorate's links to the partnership plan. This will be made clearer in the revised Directorate plans developed as part of the budget preparation process between September 2018- February 2019.</p>	Chief Executive	31 March 2019	Medium

# Action plan

## Recommendations for improvement (continued)

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
<i>Governance &amp; Transparency:</i> Committee framework	<p>The Council should consider rationalising its Committee structure to ensure that there are enough Committees to provide effective governance and scrutiny, but no more than that as additional Committees require additional Member and management time and detract from time which can be spent elsewhere.</p> <p>As part of this rationalisation, the Council should consider if the responsibilities of any Committees can be merged to reduce the number of Committees whilst maintaining the overall responsibilities, given that this will reduce the administrative time in preparing papers for and attending differing Committees without the loss of any scrutiny.</p> <p>(Refer to page 36 for details)</p>	<p>Work has commenced on a self-evaluation of the Council's governance framework. This evaluation will consider the recommendations made, recognising the need to reduce Member and management time at meetings, but will balance this with the overall need to ensure the decision-making framework supports sound and effective corporate governance.</p>	Executive Manager – Governance & Law	31 March 2019	Medium
<i>Governance &amp; Transparency:</i> Performance monitoring	<p>Performance monitoring reports should give more qualitative descriptions, which highlight and draw out what the challenges are.</p> <p>Further, although performance reports are generally sufficiently detailed, they should include comparative information by benchmarking to other Councils.</p> <p>(Refer to page 37 for details)</p>	<p>Benchmarking data is already reported as part of Performance reports- APSE reports, LGBF, audit reports. Performance Management is a key strand in the Business Transformation Programme and this issues will be picked up by targeted work during the next 6 months.</p>	Chief Executive	31 March 2019	Medium



# Action plan

## Recommendations for improvement (continued)


Area	Recommendation	Management Response	Responsible person	Target Date	Priority
<i>Value for Money:</i> Participatory budgeting	The Council is not currently on track to meet the 1% target for 2020 set by the Scottish Government. More emphasis needs to be placed on this area in 2018/19 to identify areas where participatory budgeting can be improved in order to achieve, or exceed, the national target by 2020.  (Refer to page 39 for details)	Management note that there is a Council desire to improve engagement with the community, with Members considered to be on board, however there are currently capacity issues in making this the highest priority. As and when services are reviewed, the relevance of community consultation will be considered.	Executive Manager – Finance	31 March 2019	Medium
<i>Governance &amp; Transparency:</i> Community engagement	Given the findings in the Partnership Plan - that 41% of residents want to be more involved in decision making, while only 27% feel they can currently influence local decisions - there is scope for improvement in community engagement.  This is a new way of delivering local government and will require a change in mindset from Members and management to allow the community to drive decisions, rather than the Council.  (Refer to page 39 for details)	Participation is a key strand in in the Partnership Plan and the Corporate Plan which are focused on Community Empowerment. A number of initiatives have been developed to enhance participation, including the "Voices for Equity" mentoring scheme and promotion of Community Council roles through a film and publicity programme. The Council supports Participatory Budgeting. Opportunities for community engagement are built into the Service redesign projects. The Council continues to explore the appropriate balance between participatory and representative democracy in its decision making processes.	Chief Executive	31 March 2019	Medium

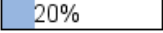


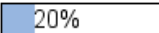
## External Audit - List of Audit Actions


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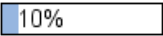
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP01 Valuation of property assets	The Council should ensure that the post of Valuer, independent of the Team Leader of Estate and Assets, is filled for 2018/19 and that sufficient segregation of duties exist between the person carrying out the valuation of property assets and the person carrying out the technical review of that work.	Management have confirmed the post has been filled for 2018/19.	30-Dec-2018	High	29-Nov-2018
Lead				Progress	Latest Update
Robert Sinclair				<div><div>0%</div></div>	Posts filled and work is in hand
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP02 Financial sustainability: Workforce Planning	The Council should develop a Council-wide workforce plan. This should include details on succession planning, recruitment and retentions.	The Council confirmed that a facilitated session on workforce planning is to be held with the senior management team in September 2018.	31-Dec-2019	High	03-Dec-2018
Lead				Progress	Latest Update
Denise Bell				<div><div>25%</div></div>	Following the facilitated session in September, HR staff are working with management teams across the Council to develop service specific and strategic plans to meet workforce needs into the future.

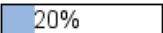
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP03 Financial sustainability: Savings Target	Additional work needs to be done to determine the feasibility of the Council savings target of 3.4% across the board and how these savings will be delivered. Business transformation and Service Redesign projects need to include clear targets and milestones against which to measure performance. In addition, progress on these projects and against savings targets in general should be clearly reported to Members as part of the quarterly monitoring reports.	Management has confirmed the business transformation and service Redesign programmes will continue to be reported regularly to monitor and measure performance. Members had been asked where focus and priorities should be in the medium term and management will continue to work with Members to deliver these projects.	31-Mar-2019	High	03-Dec-2018
Lead				Progress	Latest Update
Jamie Manson				 25%	On-going  The BTP and SRP have been refreshed and used as part of the background to seminars with Members on budget setting and sustainability. BTP and SRP updates will be reported to Policy and Resources Committee in December 2018.

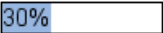
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP04 Financial Sustainability: Transformation programme	The Council needs to consider how it delivers services as a whole through a single, unified transformation programme which includes a medium-term plan for addressing the funding gap, rather than taking an ad-hoc approach to transformation. This must involve a high level of community and Member engagement given the nature of services in Shetland. The Council is in the fortunate position of having a high level of reserves and should use the existence of this "buffer" to take the necessary steps to change its service delivery model so that it is fit for the future given anticipated demographic and financial changes. The Council must further consider the infrastructure in place to deliver such a programme, including significant Member, a PMO, its change management approach and access to relevant tools and templates to assess performance.	The Policy and Resources Committee receives updates on the Business Transformation and Service Redesign programmes quarterly. The programmes are linked and seen as inter-dependent rather than as one programme. The programmes and individual projects are managed using PRINCE2 methodologies. There are Sounding Boards for each programme with elected Members as core members. The Corporate Management Team regularly reviews performance and savings targets. The Council is currently exploring ways of providing additional staffing resources to take forward projects using Spend to Save and Service Change budgets established for this purpose.	31-Mar-2019	High	29-Nov-2018
Lead				Progress	Latest Update
Christine Ferguson				 20%	PMO established in Corporate Services through the Director's office. Graduate Placement Scheme due to go live in January 2019 together with secondments and backfill to resource the programme using Spend to Save and Service Change budgets.

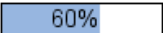
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP05 Value for Money: Local Government Benchmarking	The Council should consider its priority areas compared with its areas of poor performance in the LGBF and compare what is being carried out locally with what is being done at other Councils which sit at the higher end of the scale. The Council has far greater resources available to it than other Councils nationally, and should have the ability to carry out the necessary changes to improve performance in the areas which are historically poor performing.	LGBF data is reported to the Council and functional Committees. One of the priority areas in the Service Redesign Programme is the consideration of "outliers" where the Council's LGBF data is at odds with similar Council's data this includes fully understanding the data and whether the service outcomes being delivered explain the difference in Shetland's data.	31-Mar-2019	High	29-Nov-2018
Lead				Progress	Latest Update
Christine Ferguson				 20%	Comparisons for high level outcomes are in the new Shetland Partnership Plan and will feature in SIC plans and strategies. The BTP workstreams on Commissioning & Procurement, Performance Management & Reporting and Information Governance will establish systems and practices that use comparative data to inform decisions ensuring best value outcomes delivery.

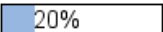
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP06 Financial Sustainability: Long-term financial planning	In line with best practice, the Long-Term Financial Plan should include additional detail on how the Council can continue to provide services and deliver outcomes in line with its current and anticipated objectives, given anticipated longer-term demographic and technological changes. This should include a long-term capital plan (with this clearly linked to the Business Transformation Programme). The Council should also consider at the next revision of the LTFP whether community engagement would result in better information for Members on the longer-term aspirations and expectations of the community (in line with best practice), as we have noted that there was no community engagement in the development of the current LTFP.	The current LTFP covers a 35-year period to 2050. Work on the next iteration of the LTFP is expected to commence over the next 12-18 months and community engagement will be considered as part of this process.	31-Aug-2019	High	29-Nov-2018
Lead				Progress	Latest Update
Jamie Manson				 10%	Participation is a priority in community planning. Community Choices project is established, looking at including the scope of participatory budgeting beyond the Scottish Government target looking to the long term and Shetland Partnership outcomes and targets.

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP07 Governance and Transparency: Health and social care integration	There is a need to improve integration of the IJB budget, rather than viewing it as two separate budgets from the Council and NHS. Steps also need to be taken to close the funding gap at the IJB. Given the lessons learned in the previous number of years, the Council (in conjunction with the NHS) should consider reviewing the Integration Scheme to ensure it is fit for purpose. Separately, the Council also needs to consider whether its internal mechanisms for identifying disputes at an early stage and implementing appropriate remedies are sufficient. We have also found that there is scope for the governance arrangements between the Council and IJB to be improved to ensure that the respective roles and responsibilities are clear.	Work has commenced on a self-evaluation of the IJB's governance framework and production of a Code of Corporate Governance. This evaluation will consider the recommendations made, including the need for a review of the Integration Scheme and its supporting governance and reporting arrangements.	31-Mar-2019	High	03-Dec-2018
Lead				Progress	Latest Update
Jan-Robert Riise				 10%	The Council is contributing to the RoLG at national level. Development session for the IJB and meetings of Liaison Group will discuss the challenges and opportunities. The Local Partnership Finance Team will continue to work on simplifying joint budget management.

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP08 Financial management: Budget setting	The Council should adopt a priority-based approach to budget setting, whereby resources are focused on the Council's priority areas. Applying a 4.5% savings target across the board (a 'salami slice' approach) is difficult to put into practice and not achievable in the long term, is vague in how savings will actually be achieved and does not protect priority areas. The Council should carry out self-evaluation on completion of projects, to confirm whether the project achieved its stated aims, delivered value for money, and how it performed against budget (in terms of cost and time). As highlighted in 'Best Value' audits conducted at other councils, the Council needs to demonstrate how its actions actually make a difference to the lives of residents -the Council should ensure such a section is included on any post-completion evaluation of projects.	Management recognise the difficulty with the 'salami slice' approach and promotes that a more selective approach in line with Council priorities is the way forward. Evaluation on completion of projects is an integral part of the Building Better Business Cases methodology being applied to the Service Redesign programme.	31-Mar-2019	High	03-Dec-2018
Lead				Progress	Latest Update
Christine Ferguson				 20%	Evaluation of performance on outcomes is a key area of work for the Shetland Partnership. Review and monitoring are key elements in the Commissioning and Procurement cycle. This work will be taken forward by Workstreams 2 and 9 in the BTP; Commissioning & Procurement Framework and Performance Management Reporting respectively.

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP09 Value for Money: Performance reporting	The Annual Performance Report should be clearly linked to the Council's strategic priorities and the Partnership Plan, with appropriate analysis given - especially in areas of poor performance (including the impact this has on achievability of the objective and remedial work taken). The Council also needs to reconsider how the report is presented in future years to ensure that the message presented to the public is fair and balanced.	A recent Council Customer First survey asked the public for views on how the Council provides performance information. Executive Services will ensure that feedback from that exercise, together with the recommendations in this Action Plan, is taken into account in producing the next annual public performance report.	31-Mar-2019	High	29-Nov-2018
Lead				Progress	Latest Update
Christine Ferguson				 30%	Performance Management and Reporting is the theme of BTP workstream 9. The Review report being prepared by Executive Services is one aspect of performance reporting and will inform work in this area.

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP10 Financial Management: Reporting calendar	The Council should reconsider its reporting calendar for reporting to Committee and Council, narrowing the gap between the time the monitoring reports are prepared and when they are presented to Members. We also recommend that the Council consider reporting on a more risk-based approach, with higher risk areas being reported more regularly and lower risk areas less frequently.	Work is due to commence on the reporting calendar for 2019/20. This will take account of the recommendations made in relation to performance and financial reporting timescales, alongside the needs of other business and reporting requirements and timescales.	31-Mar-2019	Medium	03-Dec-2018
Lead				Progress	Latest Update
Jan-Robert Riise				 60%	The reporting calendar for 2019/20 has been drafted taking account of this recommendation. Risk Management reports are exception based and show priority risk in areas for discussion at Risk Board and are included in the PPMF review.

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP11 Governance and Transparency: Partnership planning	As the Council is currently refreshing the Council Plan, we recommend that it is made clear within the Council Plan how the strategic priorities and plans of the Council align with and help achieve the priorities in the Partnership Plan. Further, it is important that comprehensive delivery plans are developed in the near future to ensure that the aims of the Partnership Plan are achieved. These delivery plans need to include measurable milestones to allow monitoring of performance.	The Shetland Partnership is commencing the development of delivery plans. The Partnership is also developing the governance structure to ensure the plans are monitored against the milestones for changing individual and community outcomes. The Council's Corporate Plan halfway review is being reported to the Council in September. Directorate Performance reports now refer to both the Corporate Plan performance and the Directorate's links to the partnership plan. This will be made clearer in the revised Directorate plans developed as part of the budget preparation process between September 2018-February 2019.	31-Mar-2019	Medium	03-Dec-2018
Lead				Progress	Latest Update
Christine Ferguson				 20%	<p>PPMF &amp; PPR are features of BTP Workstream 9.</p> <p>This is a shared priority with the other four statutory partners. Work is being taken forward through four shared project teams each taking one of the Shetland Partnership Plan priorities: participation, people, money and place.</p> <p>Work in progress.</p>



Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP12 Governance and Transparency: Committee framework	The Council should consider rationalising its Committee structure to ensure that there are enough Committees to provide effective governance and scrutiny, but no more than that as additional Committees require additional Member and management time and detract from time which can be spent elsewhere. As part of this rationalisation, the Council should consider if the responsibilities of any Committees can be merged to reduce the number of Committees whilst maintaining the overall responsibilities, given that this will reduce the administrative time in preparing papers for and attending differing Committees without the loss of any scrutiny.	Work has commenced on a self-evaluation of the Council's governance framework. This evaluation will consider the recommendations made, recognising the need to reduce Member and management time at meetings, but will balance this with the overall need to ensure the decision-making framework supports sound and effective corporate governance.	31-Mar-2019	Medium	29-Nov-2018
Lead				Progress	Latest Update
Jan-Robert Riise				<div><div>20%</div></div>	Review of committees planned.  Audit Committee self-assessment completed.
Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP13 Governance & Transparency: Performance monitoring	Performance monitoring reports should give more qualitative descriptions, which highlight and draw out what the challenges are. Further, although performance reports are generally sufficiently detailed, they should include comparative information by benchmarking to other Councils.	Benchmarking data is already reported as part of Performance reports-APSE reports, LGBF, audit reports. Performance Management is a key strand in the Business Transformation Programme and this issues will be picked up by targeted work during the next 6 months.	31-Mar-2019	Medium	29-Nov-2018
Lead				Progress	Latest Update
Christine Ferguson				<div><div>40%</div></div>	PPMF being reviewed as part of BTP workstream 9.  Draft frameworks currently being evaluated.

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP14 Value for Money: Participatory budgeting	The Council is not currently on track to meet the 1% target for 2020 set by the Scottish Government. More emphasis needs to be placed on this area in 2018/19 to identify areas where participatory budgeting can be improved in order to achieve, or exceed, the national target by 2020.	Management note that there is a Council desire to improve engagement with the community, with Members considered to be on board, however there are currently capacity issues in making this the highest priority. As and when services are reviewed, the relevance of community consultation will be considered.	31-Mar-2019	Medium	03-Dec-2018
Lead				Progress	Latest Update
Jamie Manson				<div><div></div></div> 0%	In hand through change programmes, seeking to involve communities in more than 1% e.g. SRP projects on transport

Code & Area	Recommendation	Management Response	Target Date	Priority	Update Date
AAAP15 Governance & Transparency: Community Engagement	Given the findings in the Partnership Plan -that 41% of residents want to be more involved in decision making, while only 27% feel they can currently influence local decisions -there is scope for improvement in community engagement. This is a new way of delivering local government and will require a change in mindset from Members and management to allow the community to drive decisions, rather than the Council.	Participation is a key strand in in the Partnership Plan and the Corporate Plan which are focused on Community Empowerment. A number of initiatives have been developed to enhance participation, including the "Voices for Equity" mentoring scheme and promotion of Community Council roles through a film and publicity programme. The Council supports Participatory Budgeting. Opportunities for community engagement are built into the Service redesign projects. The Council continues to explore the appropriate balance between participatory and representative democracy in its decision making processes.	31-Mar-2019	Medium	29-Nov-2018
Lead				Progress	Latest Update
Christine Ferguson				<div><div></div></div> 10%	Participation Priority Delivery Plan is being developed. The Council's Director of Corporate Services is the lead officer for the Shetland Partnership.



<b>Meeting(s):</b>	<b>Audit Committee</b>	<b>13 December 2018</b>
<b>Report Title:</b>	<b>Audit Scotland and other External Audit Reports</b>	
<b>Reference Number:</b>	<b>IA-28-18-F</b>	
<b>Author / Job Title:</b>	Crawford McIntyre - Executive Manager, Audit, Risk and Improvement	

### **1.0 Decisions / Action required:**

- 1.1 That the Audit Committee considers the progress statements provided by Lead Officers in Appendix 1, and make any relevant comments and/or recommendations on the reports / action plans.

### **2.0 High Level Summary:**

- 2.1 This report, presented every second cycle, provides an opportunity for the Audit Committee to consider and monitor progress on any recommended actions resulting from Audit Scotland and External Audit body reports which have been or will be presented to the functional Committees. It also provides an opportunity for the Audit Committee to monitor compliance with the external advisors reports reporting policy and procedures.
- 2.2 The reports produced by the Council's External Auditors and Advisers provide valuable information for Committees and officers throughout the Council.
- 2.3 This report promotes good governance by helping to ensure all external advisers reports are considered by relevant officers and reported to the correct Committee.
- 2.4 It is expected that each report will result in a Council action plan that deals with all the report's recommendations. In the event that no action plan is required, that decision and the report should be reported to the relevant Committee.
- 2.5 Progress against the agreed action plan should be monitored by the relevant Service Committee and the Audit Committee.
- 2.6 It is for the Audit Committee to be satisfied that appropriate and timely action is being taken in relation to Audit Scotland and other external audit reports together with relevant action plans, in accordance with Council Policy.

### **3.0 Corporate Priorities and Joint Working:**

- 3.1 Our Plan 2016 to 2020 states that, *"People who use our services will experience excellent standards of customer care."* and

*“Our performance as an organisation will be managed effectively, with high standards being applied to the performance of staff and services. Poor performance will be dealt with, and good service performance will be highlighted and shared.”*

- 3.2 This report helps to improve the arrangements for Member engagement in monitoring Council performance and contributes to a high standard of governance.

#### **4.0 Key Issues:**

- 4.1 Appendix 1 contains a list of the current reports. The lead officer for each report is responsible for the Progress Statement and ensuring that policy deadlines are adhered to. Lead Officers are expected to provide more detail in the progress statements following discussion at Audit Committee on 14 December 2017 (Min. Ref. 13/17).
- 4.2 The Audit Committee is required to monitor the consideration of external audit reports by Committees. The role of the Joint Governance Group includes the provision of advice and support to staff, promotion of best practice in relation to clinical audit activity whilst monitoring, promoting and reporting on clinical audit, patient survey and service improvement for Shetland Health Board and Shetland islands Council.
- 4.3 Some actions are now overdue for completion, but are scheduled to be reported in the new year, these are:
- Audit Scotland - The National Fraud Initiative in Scotland 2016/17
- Care Inspectorate - Mental Health Community Support Service - Annsbrae House
- Audit Scotland - Scotland's Colleges 2018

#### **5.0 Exempt and/or confidential information:**

- 5.1 None.

#### **6.0 Implications :**

<b>6.1 Service Users, Patients and Communities:</b>	This report helps to highlight and monitor that recommended actions advised by the external body are completed. This ensures that our customers are getting the best possible service and that we are committed to improving our services across Shetland.
<b>6.2 Human Resources and Organisational Development:</b>	None arising directly from this report.
<b>6.3 Equality, Diversity and Human Rights:</b>	None.
<b>6.4 Legal:</b>	None arising directly from this report.

<b>6.5 Finance:</b>	None arising directly from this report.	
<b>6.6 Assets and Property:</b>	None arising directly from this report.	
<b>6.7 ICT and new technologies:</b>	None arising directly from this report.	
<b>6.8 Environmental:</b>	None arising directly from this report.	
<b>6.9 Risk Management:</b>	External advisors reports provide useful information on best practice. A failure to deliver effective external engagement, comply with directions or to learn from best practice elsewhere increases the risk of the Council working inefficiently.	
<b>6.10 Policy and Delegated Authority:</b>	As outlined in Section 2.6 of the Council's Scheme of Administration and Delegations, the remit includes "... to consider a selection of performance and inspection reports from internal audit, external audit and other relevant agencies". This delegation supports the policy requirement and procedure for presenting External Adviser reports as set out above. It is a matter for the Audit Committee to monitor and ensure compliance with this policy.	
<b>6.11 Previously considered by:</b>	None	

**Contact Details:**

Melissa Mullay

Performance & Improvement Officer – Audit, Risk & Improvement

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05 December 2018

**Appendices:** Appendix 1 – External Advisers Reports - Progress



# Audit Committee - All External Adviser's Reports - Progress

Generated on: 05 December 2018 12:30

Report Layout: External Advisers to Audit Committee

Rows are sorted by Original Due Date

## Audit Committee

Code & Report Title	Description	Dates		Progress Statement		Lead
EA172 Audit Scotland - Improving Quality of Local Authority Annual Accounts - Expenditure and Funding Analysis	Present report to Policy & Resources Committee and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/uploads/docs/um/gp_improving_quality_local_authority_expenditure.pdf">http://www.audit-scotland.gov.uk/uploads/docs/um/gp_improving_quality_local_authority_expenditure.pdf</a>	Report Published	16-May-2018	Report was presented to Policy and Resources on 28th August 2018. No action plan required.		Jamie Manson
		Progress Bar	<div><div>100%</div></div>			
	Present report	Due Dates	28-Aug-2018	Complete	28-Aug-2018	
Code & Report Title	Description	Dates		Progress Statement		Lead
EA174 Audit Scotland - Councils' use of arm's-length organisations	Present report to Policy & Resources Committee and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/report/councils-use-of-arms-length-organisations">http://www.audit-scotland.gov.uk/report/councils-use-of-arms-length-organisations</a>	Report Published	22-May-2018	Shetland Islands Council currently has no arm's-length organisations. A link was provided in Corporate Services Performance report.		Crawford McIntyre
		Progress Bar	<div><div>100%</div></div>			
	Present report	Due Dates	28-Aug-2018	Complete	28-Aug-2018	
Code & Report Title	Description	Dates		Progress Statement		Lead
EA179 Audit Scotland - The National Fraud Initiative in Scotland 2016/17	Present report to Audit Committee and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180705_national_fraud_initiative.pdf">http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180705_national_fraud_initiative.pdf</a>	Report Published	05-Jul-2018	Report due to be presented to Audit Committee in March 2019.		Jamie Manson
		Progress Bar	<div><div>0%</div></div>			
	Present report	Due Dates	02-Oct-2018	Complete		
	Complete action Plan		02-Apr-2019			



## Development Committee

Code & Report Title	Description	Dates		Progress Statement		Lead
EA178 Audit Scotland - Scotland's Colleges 2018	Present Audit Scotland - Scotland's Colleges 2018 report to Development Committee, and where applicable implement action plan. Link to report: <a href="http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180621_scotlands_colleges.pdf">http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180621_scotlands_colleges.pdf</a>	Report Published	21-Jun-2018	Report will be presented to Shetland College Board on 6th February 2019.		Willie Shannon
		Progress Bar	<div><div></div></div> 0%			
	Present report to Shetland College Board	Due Dates	01-Oct-2018	Complete		
	Complete Action Plan (if reqd)		01-Apr-2019			

## Education & Families Committee

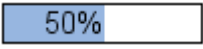
Code & Report Title	Description	Dates		Progress Statement		Lead
EA0138 Education Scotland - North Roe Primary School	Present report to Education and Families Committee + action plan (if reqd) <a href="https://education.gov.scot/assets/inspectionreports/northroepsins290817.pdf">https://education.gov.scot/assets/inspectionreports/northroepsins290817.pdf</a>	Report Published	29-Aug-2017	The Local Authority Team Improvement Visit took place on the 11 and 12 June 2018 and involved a team consisting of link QIO and two peer Head Teachers engaging with staff, children and parents. The visit was very positive, particularly the quality of teaching observed and the focus on developing each child's literacy and numeracy. A report was shared with the Head Teacher and wider school community in August 2018. The Team Improvement Visit demonstrated the school's capacity for improvement, which has been accelerated during this academic session. Given the progress that has been made, and the strong sense of team work that exists within the school and the wider community, North Roe Primary School is well placed to embrace further change and improvement over the coming years. The school is continuing to take forward the action points identified within the 2017 Education Scotland inspection in its school improvement plan. Progress in respect of improvement priorities have been monitored carefully by the Head Teacher in discussion with the school's stakeholders and link QIO.		Audrey Edwards
		Progress Bar	<div><div></div></div> 100%			
	Present report	Due Dates	05-Feb-2018	Complete	02-Oct-2017	
	Action plan		29-Jun-2018		04-Dec-2018	





Code & Report Title	Description	Dates		Progress Statement		Lead
EA0146 Care Inspectorate - Children's Residential Services Care Home Service	Present report to Education and Families Committee + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=294040">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=294040</a>	Report Published	19-Dec-2017	Action plan submitted to the Care Inspectorate on 2nd February 2018, detailing how recommendations will be take forward by the service.  Exernal Audit report presented to Education and Families Committee on 5th March 2018.  Action plan on track to be completed on target.		Jordan Sutherland
		Progress Bar				
	Present report	Due Dates	05-Mar-2018	Complete	05-Mar-2018	
	Action plan		05-Sep-2018		20-Nov-2018	
Code & Report Title	Description	Dates		Progress Statement		Lead
EA177 Education Scotland - Self Evaluation Psychology Services	Present report to Education & Families Committee + action plan (if reqd) <a href="https://education.gov.scot/assets/contactorganisationinspectionreports/shetlandislandsepsvse040518.pdf">https://education.gov.scot/assets/contactorganisationinspectionreports/shetlandislandsepsvse040518.pdf</a>	Report Published	01-Oct-2018	Report was presented to Education & Families Committee on 04 October 2018. No action plan required.		Rhonda Simpson
		Progress Bar				
	Present Report	Due Dates	01-Oct-2018	Complete	04-Oct-2018	

Code & Report Title	Description		Dates		Progress Statement		Lead
EA156 Audit Scotland - Early learning and childcare	Present report to Education & Families committee and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr-180215_early_learning.pdf">http://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr-180215_early_learning.pdf</a>		Report Published	15-Feb-2018	Report presented to Education and Families Committee on 11th June 2018.		Audrey Edwards
			Progress Bar	<div>100%</div>	Phased implementation of 1140 hours of ELC in progress.  • 5 settings now delivering the entitlement – 4 local authority and 1 funded provider  • 141 children have access to 1140 hours across these settings (25%)  • 52% of these children are using more than 600 hours  • 2 childminders working in partnership to deliver blended models  • 2 more settings come on board in April 2019  • 6 further settings in between August and October 2019  This is an ongoing piece of work – one of the Scottish Government’s flagship policies, to be in place by 2020.		
		Present report	Due Dates	01-Jun-2018	Complete	11-Jun-2018	
	Complete action plan	01-Dec-2018		04-Dec-2018			

Code & Report Title	Description		Dates		Progress Statement		Lead
EA166 Care Inspectorate - Isles Haven Nursery Day Care of Children	Present report to Education & Families Committee + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=296519">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=296519</a>		Report Published	14-May-2018	Quality of care and support 5 - Very Good Quality of environment 5 - Very Good Quality of staffing 5 - Very Good Quality of management and leadership 5 - Very Good Presented to Education & Families Committee on 27 August 2018. No Action plan required.		Jordan Sutherland
			Progress Bar	<div>100%</div>			
		Present report	Due Dates	27-Aug-2018	Complete	20-Nov-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA169 Care Inspectorate - Fetlar Nursery	Present report to Education & Families Committee + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=296289">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=296289</a>	Report Published	02-May-2018	Quality of care and support 5 - Very Good Quality of environment 5 - Very Good Quality of staffing 5 - Very Good Quality of management and leadership 3 - Adequate Report presented to Education and Families Committee on 21 May 2018. Two recommendations are being progressed, and one is complete		Audrey Edwards
		Progress Bar				
	Present report Complete action plan (if reqd)	Due Dates	27-Aug-2018 27-Feb-2019	Complete	21-May-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA182 Education Scotland - Sandness Primary School	Present report to Education & Families Committee + action plan (if reqd) <a href="https://education.gov.scot/assets/inspectionreports/sandnesspsif040918.pdf">https://education.gov.scot/assets/inspectionreports/sandnesspsif040918.pdf</a>	Report Published	04-Oct-2018	Leadership of Change - Good Learning, teaching and assessment - Good Raising attainment and achievement - Satisfactory Ensuring wellbeing, equality and inclusion - Good  The areas for development identified by HMIE are being taken forward within the school's normal improvement processes. Presented to Education & Families Committee on 04 October 2018.		Helen Budge; Shona Thompson
		Progress Bar				
	Present Report	Due Dates	04-Oct-2018	Complete	04-Oct-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA183 Education Scotland - Cunningsburgh Primary and Nursery Class	Present report to Education & Families Committee + action plan <a href="https://education.gov.scot/assets/inspectionreports/cunningsburghpsncins040918.pdf">https://education.gov.scot/assets/inspectionreports/cunningsburghpsncins040918.pdf</a>	Report Published	04-Oct-2018	Presented to Education & Families Committee on 04 October 2018. <b>Primary Stages</b> Leadership of change - satisfactory Learning, teaching and assessment - good Raising attainment and achievement - good Ensuring wellbeing, equality and inclusion - good  <b>Early Learning and Childcare</b> Leadership of change - weak Learning, teaching and assessment - satisfactory Securing children's progress - satisfactory Ensuring wellbeing, equality and inclusion - good  The areas for development identified by HMIE will be taken forward within the school's normal improvement processes.		Helen Budge; Shona Thompson
		Progress Bar				
	Present Report	Due Dates	04-Oct-2018	Complete	04-Oct-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA184 Care Inspectorate - Happyhansel Primary School Nursery	Present report to Education & Families Committee + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=299680">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=299680</a>	Report Published	16-Nov-2018	Report under consideration		Audrey Edwards
		Progress Bar	<div><div></div></div> 0%			
	Present report	Due Dates	04-Mar-2019	Complete		
	Complete action plan (if reqd)		04-May-2019			


## Environment & Transport Committee


Code & Report Title	Description	Dates		Progress Statement		Lead
EA158 Food Standards Scotland - Capacity & Capability Audit Report	Present report to Environment & Transport committee and complete action plan.	Report Published	13-Nov-2017	Action plan complete. Meeting planned with Food Standards Scotland on the 13th Dec 18 to discuss audit follow up feedback. To be reported to subsequent performance report cycle.		Patti Hammond-Dinsdale
		Progress Bar	<div><div></div></div> 100%			
	Present report	Due Dates	24-Apr-2018	Complete	05-Mar-2018	
	Complete action plan		31-Jul-2018		11-Oct-2018	


## Joint Governance Group (JGG)

Code & Report Title	Description	Dates		Progress Statement		Lead
EA0090 Care Inspectorate - North Haven (Support Service)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=283485">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=283485</a>	Report Published	15-Jun-2016	Outcome of Action Plan changed the focus to service delivery and improving quality auditing. Concurrent work on audit and QA scheduling will take place with 12 to 24 weeks review periods.		Simon Bokor-Ingram
		Progress Bar	<div><div></div></div> 100%			
	Present report	Due Dates	24-Jan-2017	Complete	07-Jun-2017	
	Action plan complete		31-Mar-2017		16-Feb-2018	

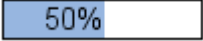
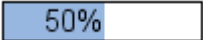


Code & Report Title	Description	Dates		Progress Statement		Lead
EA0128 Care Inspectorate - Walter & Joan Gray (Support Service)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=290423">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=290423</a>	Report Published	12-Apr-2017	There has been a new inspection of the service on 28th August 2018. Care Inspectorate report has been reported to JGG on 6th November 2018. A continuous improvement plan has been developed to provide a framework for the Team. Increased monitoring has been initiated through Executive Manager. A new action has been initiated with a new report.		Jaine Best
		Progress Bar	<div><div></div></div> 100%			
	Presented report	Due Dates	30-Aug-2017	Complete	30-Aug-2017	
	Action plan in place and being worked through		29-Dec-2017		05-Dec-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA0142 Care Inspectorate - North Haven (Care Home)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=292704">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=292704</a>	Report Published	28-Jul-2017	An action plan was developed and implemented to address admission procedures and audits Improvements have been implemented and maintained and that this is monitored regularly through supervision.		Jaine Best
		Progress Bar				
	Present report	Due Dates	06-Feb-2018	Complete	16-Feb-2018	
	Action plan		29-Jun-2018		27-Nov-2018	


Code & Report Title	Description	Dates		Progress Statement		Lead
EA0140 Care Inspectorate - Walter & Joan Gray (Care Home)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=292684">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=292684</a>	Report Published	27-Jul-2017	There has been a new inspection of the service on 28th August 2018. Care Inspectorate report has been reported to JGG on 6th November 2018. A continuous improvement plan has been developed to provide a framework for the Team. Increased monitoring has been initiated through Executive Manager. A new action has been initiated with a new report.		Jaine Best
		Progress Bar				
	Present report	Due Dates	06-Feb-2018	Complete	06-Nov-2018	
	Action plan		29-Jun-2018		05-Dec-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA0145 Care Inspectorate - Newcraigielea Care Home Service	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=293447">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=293447</a>	Report Published	13-Nov-2017	Quality of care and support 5 - Very Good Quality of environment not assessed Quality of staffing not assessed Quality of management and leadership 5 - Very Good The Care Inspectorate Report following the unannounced visits to Newcraigielea Care Home Service in October 2017 was presented to Shetland Islands Health and Social Care Partnership, Joint Governance Group Meeting on 15th May 2018.		Clare Scott
		Progress Bar				
	Action plan complete	Due Dates	31-Mar-2018	Complete	15-May-2018	
	Present report		15-May-2018		15-May-2018	


Code & Report Title	Description	Dates		Progress Statement		Lead
EA170 Audit Scotland - What is integration? A short guide to the integration of health and social care services in Scotland	Present report to Integration Joint Board and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/uploads/docs/report/2018/briefing_180412_integration.pdf">http://www.audit-scotland.gov.uk/uploads/docs/report/2018/briefing_180412_integration.pdf</a>	Report Published	12-Apr-2018	Report presented to IJB on 20th June 2018.		Simon Bokor-Ingram
		Progress Bar	<div><div>100%</div></div>			
	Present report	Due Dates	12-Jun-2018	Complete	20-Jun-2018	
Code & Report Title	Description	Dates		Progress Statement		Lead
EA176 Care Inspectorate - Mental Health Community Support Service - Annsbrae House	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCareServices/html/reports/getPdfBlob.php?id=298155">http://www.careinspectorate.com/berengCareServices/html/reports/getPdfBlob.php?id=298155</a>	Report Published	24-Sep-2018	Following recent inspection a report will be submitted to JGG in January 2019.		Jaine Best
		Progress Bar	<div><div>0%</div></div>			
	Present report	Due Dates	24-Sep-2018	Complete		
	Complete action plan (if reqd)		24-Jan-2019			
Code & Report Title	Description	Dates		Progress Statement		Lead
EA167 Care Inspectorate - Support @ Home (Shetland) Housing Support Service	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCareServices/html/reports/getPdfBlob.php?id=296397">http://www.careinspectorate.com/berengCareServices/html/reports/getPdfBlob.php?id=296397</a>	Report Published	14-May-2018	The service was inspected on 12th and 13th March 2018. The Care Inspectorate report was reported to the JGG on 14th August. There were no requirements or recommendations in the report so no further action required.		Jaine Best
		Progress Bar	<div><div>100%</div></div>			
	Present report	Due Dates	14-Aug-2018	Complete	14-Aug-2018	
Code & Report Title	Description	Dates		Progress Statement		Lead
EA168 Care Inspectorate - Taing House (Support Service)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCareServices/html/reports/getPdfBlob.php?id=296396">http://www.careinspectorate.com/berengCareServices/html/reports/getPdfBlob.php?id=296396</a>	Report Published	14-May-2018	Quality of care and support 5 - Very Good Quality of environment not assessed Quality of staffing not assessed Quality of management and leadership 4 - Good Was presented to Joint Governance Group on 14th August 2018.		Jaine Best
		Progress Bar	<div><div>100%</div></div>			
	Present report	Due Dates	14-Aug-2018	Complete	14-Aug-2018	


Code & Report Title	Description	Dates		Progress Statement		Lead
EA186 Walter & Joan Gray (Care Home)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298937">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298937</a>	Report Published	28-Aug-2018	Care Inspectorate report has been reported to JGG on 6th November 2018. A continuous improvement plan has been developed to provide a framework for the Team. Increased monitoring has been initiated through Executive Manager.		Jaine Best
		Progress Bar				
	Present Report	Due Dates	28-Oct-2018	Complete	06-Nov-2018	
	Complete Action Plan		28-Mar-2019			
Code & Report Title	Description	Dates		Progress Statement		Lead
EA187 Walter & Joan Gray (Support Service)	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298966">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298966</a>	Report Published	28-Aug-2018	Care Inspectorate report has been reported to JGG on 6th November 2018. A continuous improvement plan has been developed to provide a framework for the Team. Increased monitoring has been initiated through Executive Manager.		Jaine Best
		Progress Bar				
	Present Report	Due Dates	28-Oct-2018	Complete	06-Nov-2018	
	Complete Action Plan		28-Mar-2019			
Code & Report Title	Description	Dates		Progress Statement		Lead
EA180 Care Inspectorate - Newcraigielea Care homes for people with learning disabilities	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298445">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298445</a>	Report Published	03-Sep-2018	Quality of care and support 5 - Very Good Quality of environment - not assessed Quality of staffing 5 - Very Good Quality of management and leadership - not assessed This report was presented to the Joint Governance Group (JGG) on 6th November 2018. There were no requirements or recommendations in the report so no further action required.		Clare Scott
		Progress Bar				
	Present report	Due Dates	01-Nov-2018	Complete	06-Nov-2018	
Code & Report Title	Description	Dates		Progress Statement		Lead
EA181 Care Inspectorate - Montfield Support Services	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298444">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=298444</a>	Report Published	03-Sep-2018	Service was inspected by the Care Inspectorate on 25th July 2018, A report was submitted to JGG on 6th November 2018. There were no requirements or recommendations in the report so no further action required.		Jaine Best
		Progress Bar				
	Present report	Due Dates	01-Nov-2018	Complete	06-Nov-2018	




Code & Report Title	Description	Dates		Progress Statement		Lead
EA185 Care Inspectorate - Isleshavn Care Home	Present report to Joint Governance Group + action plan (if reqd) <a href="http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=299620">http://www.careinspectorate.com/berengCare/services/html/reports/getPdfBlob.php?id=299620</a>	Report Published	13-Nov-2018	The service was inspected by the Care Inspectorate on 4th August 2018. The inspection results were reported to JGG on 6th November 2018. There were no requirements or recommendations in the report so no further action required.		Jaine Best
		Progress Bar				
	Present report	Due Dates	01-Mar-2019	Complete	06-Nov-2018	

## Policy & Resources Committee

Code & Report Title	Description	Dates		Progress Statement		Lead
EA0131 Audit Scotland - Best Value Assurance Reports	Present report to Policy & Resources + action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/report/best-value-assurance-report-inverclyde-council">http://www.audit-scotland.gov.uk/report/best-value-assurance-report-inverclyde-council</a>	Report Published	01-Jun-2017	A report was presented to P&R . This reflected on the first 6 Best Value reports for Inverclyde, Renfrewshire, East Renfrewshire, West Lothian, Orkney and Clackmannanshire. Proposals approved to establish a set of outcome indicators and review PPMF layouts will be progressed. P&R agreed that the information from the BV audits would be examined to see if there were improvement actions required in addition to actions already set out in the Council's plans i.e. Corporate Plan, Directorate Plans, Service Plans, Business Transformation and Service Redesign Programmes and that any additional actions would be included in those plans rather than creating a separate action plan with regard to BV.		Christine Ferguson; Crawford McIntyre
		Progress Bar				
	Present report	Due Dates	07-Mar-2018	Complete	07-Mar-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA163 Audit Scotland - 2016/17 audit of The City of Edinburgh Council: Report on Edinburgh schools	Present report to Policy & Resources committee and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/uploads/docs/report/2018/sr_180403_edinburgh.pdf">http://www.audit-scotland.gov.uk/uploads/docs/report/2018/sr_180403_edinburgh.pdf</a>	Report Published	03-Apr-2018	Presented to Policy & Resources Committee on 18 June 2018. No action plan required.		Robert Sinclair
		Progress Bar				
	Present report	Due Dates	18-Jun-2018	Complete	18-Jun-2018	

Code & Report Title	Description	Dates		Progress Statement		Lead
EA171 Audit Scotland - Gender Pay Gap	Present report to Policy & Resources committee and complete action plan (if reqd) <a href="http://www.audit-scotland.gov.uk/report/audit-scotland-gender-pay-gap">http://www.audit-scotland.gov.uk/report/audit-scotland-gender-pay-gap</a>	Report Published	30-Mar-2018	This Audit Scotland report was not reported to Policy & Resources committee as the council had completed its own Equal Pay Audit that resulted in an Action Plan and both were reported to the various consultative committees in January 2017. The Council is required to repeat this Audit early in 2019. P&R will be given a link to this Audit Scotland report in the next PPMF report.		Denise Bell
		Progress Bar				
	Present report	Due Dates	18-Jun-2018	Complete	18-Jun-2018	









<b>Meeting:</b>	<b>Audit Committee</b>	<b>13 December 2018</b>
<b>Report Title:</b>	<b>Audit Committee Self-Assessment</b>	
<b>Reference Number:</b>	<b>IA-27-18-F</b>	
<b>Author / Job Title:</b>	<b>Crawford McIntyre – Executive Manager – Audit, Risk &amp; Improvement</b>	

## 1.0 Decisions / Action required:

That the Audit Committee:

- 1.1 NOTES the contents of this report and the results of the recent Audit Committee Self-assessment at Appendix 1;
- 1.2 COMMENTS on the findings;  
and
- 1.3 NOTE that the information from the Self-assessment will inform the review of Council Committees. This will be undertaken in response to the recommendation in the External Auditor's Annual Audit Report and will be the subject of a further report to the Audit Committee in due course.

## 2.0 High Level Summary:

- 2.1 A report was presented to the Audit Committee on 12 June 2018 with a proposal that a self-assessment of the Audit Committee be carried out using Smart Survey identifying suggested participants.
- 2.2 This was approved and the survey was developed, based on CIPFA guidance, and circulated to the agreed participants on 4 July 2018.
- 2.3 Seven out of twelve Members and five out of twelve Officers requested to complete the survey did so.
- 2.3 Self-Assessment has been a regular point of observation in recent Best Value Audit reports by Audit Scotland
- 2.3 Appendix 1 provides a summary of the questions and answers received from those who participated.

## 3.0 Corporate Priorities and Joint Working:

- 3.1 The Audit Committee is an integral part of the formal governance arrangements making a significant contribution to the 20 by '20 commitments in Our Plan 2016-2020, which aims to "set the tone for standards the organisation expects everyone to achieve over the next four years".

Addressing the issues raised in this Audit Committee self-assessment will help to improve the arrangements for Member engagement in monitoring Council performance and contribute to high standards of governance.

#### **4.0 Key Issues:**

- 4.1 The responses received would indicate that the Audit Committee substantially discharges its role, in accordance with CIPFA standards. However, 6 of the 35 questions have 2 or more individuals out of a total of 12 disagreeing with the statement made, i.e. > 16%. These are noted below and will be examined further in discussion with elected members and managers as part of the review of committees due to be undertaken in response to the External Auditor's Annual Audit Report.
- 4.2 Four out of nine respondents disagreed with the following statement:
- There is adequate communication between the Audit Committee and Full Council / other Committees to ensure there are neither gaps nor duplication of effort
- 4.3 Two respondents disagreed the following statements:
- The Committee is highly regarded by other Elected Members
  - The Audit Committee has sufficient access to external audit (including both formally and in private)
  - The Audit Committee has open channels of communication with officers and other Committees / Elected Members to keep them aware of topical / regulatory issues
  - The Chair of Audit Committee ensures appropriately balanced input to meetings from all members
  - The Committee ensures it gets best value from the internal and external auditors and, where relevant, other assurance providers

#### **5.0 Exempt and/or confidential information:**

5.1 None.

#### **6.0 Implications:**

<b>6.1 Service Users, Patients and Communities:</b>	The Council must ensure Best Value in the delivery of services. The Audit Committee provides assurance to the Council in this regard, and this self-assessment ensures the Committee reviews the effectiveness of this aspect of their role.
<b>6.2 Human Resources and Organisational Development:</b>	None directly arising from this report.

<b>6.3 Equality, Diversity and Human Rights:</b>	None directly arising from this report.	
<b>6.4 Legal:</b>	The Local Authority Accounts (Scotland) Regulations 2014 make it a statutory requirement for a local authority to operate a professional, objective, internal auditing service. Section 95 of the Local Government (Scotland) Act 1973 specifies that all Scottish Councils are required to have in place arrangements for ensuring propriety, regularity and Best Value in their stewardship of public funds. Addressing the issues identified in the self-assessment will help enhance these arrangements.	
<b>6.5 Finance:</b>	The work of the Audit Committee contributes towards effective financial stewardship within Shetland Islands Council.	
<b>6.6 Assets and Property:</b>	None arising directly from this report.	
<b>6.7 ICT and new technologies:</b>	None directly arising from this report.	
<b>6.8 Environmental:</b>	None directly arising from this report.	
<b>6.9 Risk Management:</b>	The self-assessment has identified aspects of the work of the Audit Committee, including with regard to communication with other areas of the Council, where there is room for improvement. Failure to address these issues would pose a risk to the effective functioning of the Audit Committee.	
<b>6.10 Policy and Delegated Authority:</b>	The Audit Committee remit includes promoting good internal control, financial management, risk, governance and performance management a self-assessment helps identify to what extent the Committee is able to fulfil this remit.	
<b>6.11 Previously considered by:</b>	None	N/A

#### **Contact Details:**

Crawford McIntyre, Executive Manager – Audit, Risk & Improvement

[Crawford.mcintyre@shetland.gov.uk](mailto:Crawford.mcintyre@shetland.gov.uk)

23 November 2018

#### **Appendices:**



Appendix 1 – Self Assessment questionnaire results.

END










# Shetland Islands Council Audit Committee Self Assessment Questionnaire

## 1. Shetland Islands Council Audit Committee Self Assessment Questionnaire




1. Are you:					
			Response Percent	Response Total	
1	Member		58.33%	7	
2	Officer		41.67%	5	
			answered	12	
			skipped	0	

## 2. Audit Committee Purpose and Status




2. There is sufficient clarity over the role of the Audit Committee within the Council's governance arrangements.					
			Response Percent	Response Total	
1	Strongly Disagree		0.00%	0	
2	Disagree		10.00%	1	
3	Neutral		10.00%	1	
4	Agree		60.00%	6	
5	Strongly Agree		20.00%	2	
			answered	10	
			skipped	2	

3. The role and purpose of the Committee is understood and accepted across the Council.					
			Response Percent	Response Total	
1	Strongly Disagree		0.00%	0	
2	Disagree		11.11%	1	
3	Neutral		22.22%	2	
4	Agree		66.67%	6	
5	Strongly Agree		0.00%	0	
			answered	9	
			skipped	3	




#### 4. The Committee is highly regarded by other Elected Members.

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		22.22%	2
3	Neutral		44.44%	4
4	Agree		33.33%	3
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3

#### 5. The Council acts upon the Committee's recommendations.




			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		22.22%	2
4	Agree		66.67%	6
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3




#### 6. There is adequate communication between the Audit Committee and Full Council/ other Committees to ensure there are neither gaps nor duplication of effort.




			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		44.44%	4
3	Neutral		33.33%	3
4	Agree		22.22%	2
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3





### 3. Committee Arrangements & Support

7. The Committee is of an appropriate size.				
			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		10.00%	1
4	Agree		80.00%	8
5	Strongly Agree		10.00%	1
			answered	10
			skipped	2




8. The composition of the Committee is appropriate.				
			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		33.33%	3
4	Agree		55.56%	5
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3

9. Audit Committee meetings are sufficiently frequent.				
			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		33.33%	3
4	Agree		55.56%	5
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3




**10. The Committee is provided with adequate secretariat and administrative support.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		0.00%	0
4	Agree		66.67%	6
5	Strongly Agree		33.33%	3
			answered	9
			skipped	3

**11. Agendas, papers and minutes are distributed appropriately (timeliness, format) to enable proper consideration prior to the meeting.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		20.00%	2
4	Agree		40.00%	4
5	Strongly Agree		40.00%	4
			answered	10
			skipped	2



**12. Audit Committee meetings provide sufficient time for items of business to be considered to the appropriate level of detail.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		10.00%	1
4	Agree		60.00%	6
5	Strongly Agree		30.00%	3
			answered	10
			skipped	2




**13. Appropriate minutes are prepared and circulated, reporting on matters arising and utilising allocated action points.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0




**13. Appropriate minutes are prepared and circulated, reporting on matters arising and utilising allocated action points.**

			Response Percent	Response Total
3	Neutral		0.00%	0
4	Agree		88.89%	8
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3




**14. The Audit Committee is easily able to secure the attendance of Council Officers of appropriate standing and expertise when required.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		22.22%	2
4	Agree		66.67%	6
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3


**15. The Audit Committee has sufficient access to Internal Audit (including both formally and in private).**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		22.22%	2
4	Agree		55.56%	5
5	Strongly Agree		22.22%	2
			answered	9
			skipped	3





**16. The Audit Committee has sufficient access to external audit, (including both formally and in private).**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		22.22%	2
3	Neutral		11.11%	1
4	Agree		55.56%	5





**16. The Audit Committee has sufficient access to external audit, (including both formally and in private).**

			Response Percent	Response Total
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3

**17. The Audit Committee has open channels of communication with officers and other Committees/Elected Members to keep them aware of topical/regulatory issues.**



			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		22.22%	2
3	Neutral		11.11%	1
4	Agree		55.56%	5
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3

**18. Committee members receive sufficient and appropriate training and briefings on key issues relevant to their responsibilities.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		10.00%	1
3	Neutral		30.00%	3
4	Agree		40.00%	4
5	Strongly Agree		20.00%	2
			answered	10
			skipped	2

#### 4. Members




**19. Audit Committee members have a clear understanding of their role.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		44.44%	4
4	Agree		55.56%	5





**19. Audit Committee members have a clear understanding of their role.**

			Response Percent	Response Total
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3



**20. The Committee has the appropriate mix of knowledge, expertise and skills among its membership to fulfil its role effectively.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		11.11%	1
3	Neutral		66.67%	6
4	Agree		22.22%	2
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3

**21. The Chair of Audit Committee ensures appropriately balanced input to meetings from all members.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		22.22%	2
3	Neutral		11.11%	1
4	Agree		55.56%	5
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3

**22. Members attach the appropriate level of seriousness to preparing for and attending meetings.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		33.33%	3
4	Agree		66.67%	6
5	Strongly Agree		0.00%	0
			answered	9

**22. Members attach the appropriate level of seriousness to preparing for and attending meetings.**

	Response Percent	Response Total
	skipped	3

**23. The Committee has good working relations with key people and organisations, including External Audit, Internal Audit and the Chief Financial Officer.**

	Response Percent	Response Total
1 Strongly Disagree	0.00%	0
2 Disagree	0.00%	0
3 Neutral	33.33%	3
4 Agree	55.56%	5
5 Strongly Agree	11.11%	1
	answered	9
	skipped	3

**5. Effectiveness**

**24. The Committee functions in a positive and constructive manner, including interaction between Members and with officers during Committee meetings.**

	Response Percent	Response Total
1 Strongly Disagree	0.00%	0
2 Disagree	11.11%	1
3 Neutral	11.11%	1
4 Agree	55.56%	5
5 Strongly Agree	22.22%	2
	answered	9
	skipped	3

**25. Committee members feel comfortable asking candid questions.**

	Response Percent	Response Total
1 Strongly Disagree	0.00%	0
2 Disagree	0.00%	0
3 Neutral	11.11%	1
4 Agree	66.67%	6
5 Strongly Agree	22.22%	2
	answered	9

**25. Committee members feel comfortable asking candid questions.**

	Response Percent	Response Total
	skipped	3

**26. The Committee provides constructive challenge to Council management and other officers.**

	Response Percent	Response Total
1 Strongly Disagree	0.00%	0
2 Disagree	11.11%	1
3 Neutral	44.44%	4
4 Agree	44.44%	4
5 Strongly Agree	0.00%	0
	answered	9
	skipped	3




**27. The Committee receives adequate responses from officers to their questions.**

	Response Percent	Response Total
1 Strongly Disagree	0.00%	0
2 Disagree	11.11%	1
3 Neutral	11.11%	1
4 Agree	77.78%	7
5 Strongly Agree	0.00%	0
	answered	9
	skipped	3




**28. Committee decisions are executed properly and in a timely manner.**

	Response Percent	Response Total
1 Strongly Disagree	0.00%	0
2 Disagree	0.00%	0
3 Neutral	33.33%	3
4 Agree	55.56%	5
5 Strongly Agree	11.11%	1
	answered	9
	skipped	3




**29. Members review the annual accounts and satisfy themselves that appropriate steps have been taken to meet statutory and recommended professional practices.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		10.00%	1
4	Agree		80.00%	8
5	Strongly Agree		10.00%	1
			answered	10
			skipped	2

**30. Members consider the contents and conclusion(s) of the Annual Governance Statement before deciding whether to approve the annual accounts for signature.**

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		22.22%	2
4	Agree		55.56%	5
5	Strongly Agree		22.22%	2
			answered	9
			skipped	3

**31. The Committee provides effective review and challenge of risk management, including the application of risk management policy and procedures and the mitigation of key areas of risk.**



			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		11.11%	1
3	Neutral		11.11%	1
4	Agree		77.78%	7
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3

**32. The Committee is effective in following-up outstanding actions or improvement plans**



			Response Percent	Response Total
1	Strongly Disagree		0.00%	0






### 32. The Committee is effective in following-up outstanding actions or improvement plans

			Response Percent	Response Total
2	Disagree		0.00%	0
3	Neutral		33.33%	3
4	Agree		66.67%	6
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3


### 33. The Committee provides effective support to the internal audit process.

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		55.56%	5
4	Agree		44.44%	4
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3


### 34. The Committee ensures it gets best value from the internal and external auditors and, where relevant, other assurance providers.

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		22.22%	2
3	Neutral		22.22%	2
4	Agree		55.56%	5
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3




### 35. The Committee fulfils its role as stated in the Scheme of Delegation.

			Response Percent	Response Total
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		11.11%	1

**35. The Committee fulfils its role as stated in the Scheme of Delegation.**

			<b>Response Percent</b>	<b>Response Total</b>
4	Agree		88.89%	8
5	Strongly Agree		0.00%	0
			answered	9
			skipped	3

**36. Overall, the Audit Committee provides effective accountability to the public through effective challenge of governance, risk and control matters.**

			<b>Response Percent</b>	<b>Response Total</b>
1	Strongly Disagree		0.00%	0
2	Disagree		0.00%	0
3	Neutral		22.22%	2
4	Agree		66.67%	6
5	Strongly Agree		11.11%	1
			answered	9
			skipped	3



<b>Meeting(s):</b>	Audit Committee Policy & resources Committee Shetland Islands Council	December 13 <sup>th</sup> 2018 December 19 <sup>th</sup> 2018 19 <sup>th</sup> December 2018
<b>Report Title:</b>	Risk Assessments Update	
<b>Reference Number:</b>	HR-20-18 F	
<b>Author / Job Title:</b>	Denise Bell, Executive Manager Human Resources	

## 1.0 Decisions / Action required:

That the Audit Committee:

- 1.1 NOTES the information set out in this report and the Appendices;
- 1.2 ADVISES the Director of Corporate Services of any additional information required in order for the Committee to be able to provide assurance to the Council regarding the issues covered in the report; and
- 1.3 ADVISES Policy and Resources Committee and the Council of the Committee's views in this regard.

## 2.0 High Level Summary:

- 2.1 During the discussions at the Audit Committee meeting held on 12<sup>th</sup> June 2018 (min. ref. 08/18) Members asked for an update on Risk Assessments including Fire Risk Assessments across the Council.
- 2.2 There are a range of formal arrangements in place across the Council to ensure that risks are identified at all levels of the Council's activities in order to protect services, service users, staff and assets. The Corporate Management Team carries out the role of a Risk Management Board to ensure that risk management activity within the organisation is carried out in an effective, consistent and cooperative manner.
- 2.3 A risk assessment is about identifying sensible measures to control the risks in the workplace to protect our employees and customers and to comply with health and safety law. This work is informed by the Council's Risk Management Strategy, Risk Management Policy, Premises Management Guide and Building Managers Guide. These activities are supported and monitored by programmes of risk and health and safety checks carried out by both Risk Management and Health and Safety.
- 2.4 A revised automated system of recording and monitoring Fire Risk Assessments is now in place. That system is managed and administered by Building Services in partnership with Health and Safety to ensure that all relevant council owned premises have an up to date Fire Risk Assessment in place.

2.5	Following the work carried out by the external service provider to review and update all fire risk assessments where required, all Council premises have in place an up to date and suitable fire risk assessment (Appendix 1).
<b>3.0 Corporate Priorities and Joint Working:</b>	
3.1	The Council's Corporate Plan 2016-2020 includes as one of its key corporate priorities that "Our approach to managing the risks we face will have resulted in a more risk aware organisation that avoids high-risk activities".
3.2	The Council's Corporate Risk Register includes a risk that reflects the significance of partnership working to the council and the controls in place to avoid partnership failure.
3.3	The Joint Safety Forum in place across services within Health and Care provides an opportunity to share information and discuss issues and concerns relating to the management of health, safety and risk within the department.
<b>4.0 Key Issues:</b>	
4.1	There are a number of strategies and policies in place in the Council that describe the framework of statutory and management responsibilities that exist. The Council's Risk Management Strategy and Policy describes the processes in place to ensure that risk management is "an integral part of all organisational processes". Directors are responsible for ensuring that these are fully implemented and complied with.
4.2	The Strategy for Effective Health and Safety Management and Health, Safety and Welfare Policy describes how risks relating to health and safety will be managed with a view to creating a positive safety culture amongst the workforce. To support this there is a system of health and safety consultation forums across the Council attended by staff and trades union representatives that is overseen by the Central Safety Consultative Committee which is chaired by the Director of Corporate Services.
4.3	The Premises Management Guide has been in place since 2015 and provides a comprehensive guide to the range of tasks involved in ensuring that a workplace premises is a safe environment for employees and others. This guidance includes information on premises risk assessments, health and safety inspections, fire safety management, premises, plant and equipment and shared use of premises. The Executive Manager, HR is currently leading work to update and refresh this Handbook which will then be promoted across the Council as well as forming part of a new Induction Training Programme for all Council managers.
4.4	All Executive Managers and/or Team Leaders are responsible for identifying and assessing risks to health and safety associated with all Council activities with the aim of eliminating or controlling those risks, so far as is reasonably practicable. They do this by completing a Health and Safety Risk Assessment for all work related activities which must be reviewed at least annually.
4.5	In common with many other Councils, this is a manual process with paper or electronic copies held in service areas and work locations. This means that monitoring services compliance with the need to have a suitable risk assessment in

place can only be carried out manually. A recent improvement has been the creation of a SharePoint site on the Council's intranet where these forms can be stored electronically and therefore accessible across the council.

- 4.6 However, work is now underway locally to explore and develop the possibility of using the Council's JCAD CORE system (which is currently used for risk registers) to automate the preparation and review of health and safety risk assessments. This will enable regular, remote digital monitoring of and reporting on risk assessments which will make a huge difference to the Council's ability to assure itself of the control measures in place to effectively manage health and safety risks.

- 4.7 Improving the Council's system of recording and monitoring Fire Risk Assessments has been a priority for Building Services and Health and Safety this year. The Fire Risk Assessment template ensures a comprehensive review of fire safety is carried out and is attached at Appendix 2. Building Services facilities and maintenance system, called Technology Forge (TF) stores information for all council owned property excluding council houses which is managed by the Housing Service. TF is used to record and monitor Fire Risk Assessments and Action Plans. The Council has 116 buildings that require Fire Risk Assessments. Each building is assigned one of four Building Maintenance Officers who acts as the key contact person for all building related matters and who is responsible for carrying out the Fire Risk Assessment accompanied by either the Health and Safety Manager or the Health and Safety Officer.

- 4.8 Fire Risk Assessments can only be completed by a trained and competent person and the training to achieve the legally acceptable level requires several days classroom attendance and successful completion of exams. As a result there are approximately 12 people in the Council who are accredited Fire Risk Assessors.

Each building is now categorised as 1, 2 or 3 depending on the level of risk associated with its use.

Category 1 = All residential properties including care homes and the AHS Hostel  
Reviewed annually

Category 2 = All schools, nurseries and ASN workplaces  
Reviewed every 2 years

Category 3 = All office locations  
Reviewed every 3 years

- 4.9 In setting up this new system, work was commissioned from an external service provider to review and update all fire risk assessments where required. This means that all Council premises have in place an up to date and suitable fire risk assessment (Appendix 1). The Council has been congratulated on the quality of its fire risk assessment and health and safety management during an annual audit visit of Edward Thomason and Taing House by Scottish Fire and Rescue.

- 4.10 There have been some concerns raised in the past regarding the lack of automatic life safety fire suppression systems, such as sprinkler systems, in our residential care homes. Since May 2005, new or altered residential care buildings are provided with one of these systems to comply with Building Regulations. The Scottish Government document *Practical Fire Safety Guidance for Care Homes 2014* advises that retrofitting such systems in existing buildings may be an appropriate solution where other fire safety measures cannot be improved. In the case of the Council's residential care homes, all have adequate fire safety

	measures already in place, such as limitation of surface spread of fire, appropriate structural protection and sufficient compartmentation (separation of rooms within each building). This enables staff to achieve an effective evacuation if required and as such, automatic life safety fire suppression systems are not necessary. These measures enable staff to carry out a progressive evacuation of residents, where vulnerable clients are moved to places of safety within the building rather than an immediate evacuation of the premises. In addition, all staff in residential care homes receive comprehensive training, including all being trained as fire wardens.
4.11	Other control measures in place include the requirement for all residents to have a Personal Emergency Evacuation Plan (PEEP) which is reviewed at least annually, or following any change in circumstances regarding the individuals' condition or change in the building that might affect the PEEP.
4.12	In addition to the council led risk checks and health and safety inspections, Scottish Fire and rescue carry out regular liaison visits and complete annual fire safety audits of residential care homes.
<b>5.0 Exempt and/or Confidential Information</b>	
5.1	None

<b>6.0 Implications :</b>	
<b>6.1 Service Users, Patients and Communities:</b>	Identifying and controlling the risks in the Council's workplaces enables us to identify what might harm our service users and to take reasonable steps to prevent that harm.
<b>6.2 Human Resources and Organisational Development:</b>	The Council provides a wide range of health and safety courses and risk assessment training to enable and ensure managers and staff understand their responsibilities, managed and supported through the Council's Workforce Development service. Risk management staff and health and safety staff also carry out workplace visits throughout the year to provide face to face coaching and support as well as reviewing and monitoring the risk assessments in place across service areas and work locations.
<b>6.3 Equality, Diversity and Human Rights:</b>	None arising from this report.
<b>6.4 Legal:</b>	The Management of Health and Safety at Work Act places a duty on the Council to provide a safe environment for all employees and members of the public who interact with our services and activities or have cause to access our premises.
<b>6.5 Finance:</b>	There are no financial implications arising directly from this report.

<b>6.6 Assets and Property:</b>	Risk Registers and Risk Assessments are completed to ensure that the Council's workplaces and premises are safe and that any potential risks are identified and measures taken to remove or reduce and control those risks.	
<b>6.7 ICT and new technologies:</b>	Digital solutions are being actively sought to improve the ways in which the Council manage and administer its risk management processes.	
<b>6.8 Environmental:</b>	None arising from this report	
<b>6.9 Risk Management:</b>	Risks are identified and recorded on the Council's dedicated risk register system with the agreed risk matrix used to rate those risks, in line with the Risk management Policy and Risk management Strategy. A comprehensive range of control measures are in place in order as part of the Risk Assessment process.	
<b>6.10 Policy and Delegated Authority:</b>	<p>The SIC Constitution Part C, Scheme of Administration and Delegations parts 1 &amp; 2 sets out the remit of the Audit Committee. The remit comprises, "<i>To promote good internal control, financial management, risk, governance and performance management, in order to provide reasonable assurance of effective and efficient operation, and compliance with laws and regulations, including the Council's Code of Corporate Governance, Financial Regulations, Contract Standing Orders and accounting codes of practice</i>" and includes specifically, "<i>To monitor the effective development and operation of risk management and corporate governance in the Council....</i>".</p> <p>Policy and Resources Committee has delegated authority and responsibility for health and safety matters.</p> <p>As part of the Planning and Performance Management Framework (PPMF) cycle, this report is presented to Council to ensure all Members are informed and involved in discussing the high level and strategic risks facing the Council alongside other performance information.</p>	
<b>6.11 Previously considered by:</b>	NONE	

#### **Contact Details:**

Denise Bell, Executive Manager, Human Resources (includes Health and Safety & Risk Management) 30.11.2018

#### **Appendices:**

Appendix 1: Fire Risk Assessment Register

Appendix 2: Fire Risk Assessment

**Background Documents:**

Risk management Strategy – <http://intranet2.shetland.gov.uk/Policy/Shared Documents/Risk Management Strategy July 2015.doc>

Risk Management Policy - <http://intranet2.shetland.gov.uk/Policy/Shared Documents/Risk Management Policy.doc>

Premises Management Guide - <http://intranet2.shetland.gov.uk/Policy/Shared Documents/PremisesManagersHandbook.pdf>

Building Managers Guide - <http://intranet2.shetland.gov.uk/Policy/Shared Documents/Building Manager guide Dec13.doc>

Corporate Management Team Risk Board Terms of reference -

<http://intranet2.shetland.gov.uk/Policy/Shared Documents/Risk Board Terms of Reference 1.1 2017.docx>





## **FIRE (SCOTLAND) ACT 2005 FIRE SAFETY (SCOTLAND) REGULATIONS 2006**

### **FIRE RISK ASSESSMENT**

---

Employer or Person having control of the premises:

Address of Premises:

Person(s) Consulted:

Assessor(s):

Date of Fire Risk Assessment:

Date of Previous Fire Risk Assessment:

Suggested Date for Review<sup>1</sup>:

---

The purpose of this report is to provide an assessment of the risk to life from fire, and, where appropriate, to make recommendations to ensure compliance with fire safety legislation. The report does not address the risk to property or business continuity from fire.

<sup>1</sup> This fire risk assessment should be reviewed by a competent person by the date indicated above or at such earlier time as there is reason to suspect that it is no longer valid, or if there has been a significant change in the matters to which it relates, or if a fire occurs.

## **GENERAL INFORMATION**

### **1. THE PREMISES**

- 1.1 Number of floors:
- 1.2 Approximate floor area:
- 1.3 Brief details of construction:
- 1.4 Level of Fire Detection System:
- 1.5 Occupancy:

### **2. THE OCCUPANTS**

- 2.1 Approximate maximum number:
- 2.2 Approximate number of employees at any one time:
- 2.3 Maximum number of members of public at any one time:

### **3. OCCUPANTS ESPECIALLY AT RISK FROM FIRE**

- 3.1 Sleeping occupants:
- 3.2 Disabled occupants:
- 3.3 Occupants in remote areas:
- 3.4 Young persons:
- 3.5 Others:

### **4. FIRE LOSS EXPERIENCE**

## **5. OTHER RELEVANT INFORMATION**

**6. RELEVANT FIRE SAFETY LEGISLATION**

6.1 The following fire safety legislation applies to these premises:

6.2 The above legislation is enforced by:

6.3 Other legislation that makes significant requirements for fire precautions in these premises (other than the Building (Scotland) Regulations 2004):

6.4 The legislation to which 6.3 makes reference is enforced by:

6.5 Comments:

## FIRE HAZARDS AND THEIR ELIMINATION OR CONTROL

### 7. ELECTRICAL SOURCES OF IGNITION

7.1 Reasonable measures taken to prevent fires of electrical origin? Yes ☐ No ☐

7.2 More specifically:

Fixed installation periodically inspected and tested? Yes ☐ No ☐

Portable appliance testing carried out? Yes ☐ No ☐

Suitable policy regarding the use of personal electrical appliances? N/A ☐ Yes ☐ No ☐

Suitable limitation of trailing leads and adapters? Yes ☐ No ☐

7.3 Comments and hazards observed:

- Staff and pupils are discouraged from taking personal electrical equipment into the school

### 8. SMOKING

8.1 Reasonable measures taken to prevent fires as a result of smoking? Yes ☐ No ☐

8.2 More specifically:

Smoking prohibited in the building? Yes ☐ No ☐

Smoking prohibited in appropriate areas? N/A ☐ Yes ☐ No ☐

Suitable arrangements for those who wish to smoke? Yes ☐ No ☐

This policy appeared to be observed at time of inspection? Yes ☐ No ☐

8.3 Comments and hazards observed:

- Smoking is banned within the school grounds

**9. WILFUL FIRE RAISING**

- 9.1 Does basic security against wilful fire raising by outsiders appear Reasonable? <sup>2</sup> Yes ☐ No ☐
- 9.2 Is there an absence of unnecessary fire load in close proximity to the premises or available for ignition by outsiders? Yes ☐ No ☐
- 9.3 Comments and hazards observed:

<sup>2</sup> Note: Reasonable only in the context of this fire risk assessment. If specific advice on security (including security against wilful fire raising) is required, the advice of a security specialist should be obtained.

**10. PORTABLE HEATERS AND HEATING INSTALLATIONS**

- 10.1 Is the use of portable heaters avoided as far as practicable? Yes ☐ No ☐
- 10.2 If portable heaters are used,
- is the use of the more hazardous type (e.g. radiant bar fires or lpg appliances) avoided? N/A ☐ Yes ☐ No ☐
- are suitable measures taken to minimize the hazard of ignition of combustible materials? N/A ☐ Yes ☐ No ☐
- 10.3 Are fixed heating installations subject to regular maintenance? N/A ☐ Yes ☐ No ☐
- 10.4 Comments and hazards observed:

**11. COOKING**

- 11.1 Are reasonable measures taken to prevent fires as a result of cooking? N/A ☐ Yes ☐ No ☐
- 11.2 More specifically:
- Filters changed and ductwork cleaned regularly? N/A ☐ Yes ☐ No ☐
- Suitable extinguishing appliances available? Yes ☐ No ☐
- 11.3 Comments and hazards observed:

**12. LIGHTNING**

12.1 Does the building have a lightning protection system? Yes ☐ No ☐

12.2 Comments and deficiencies observed:

**13. HOUSEKEEPING**

13.1 Is the standard of housekeeping adequate? Yes ☐ No ☐

13.2 More specifically:

Combustible materials appear to be separated from ignition sources? Yes ☐ No ☐

Avoidance of unnecessary accumulation of combustible materials or waste? Yes ☐ No ☐

Appropriate storage of hazardous materials? N/A ☐ Yes ☐ No ☐

Avoidance of inappropriate storage of combustible materials? Yes ☐ No ☐

13.3 Comments and hazards observed:

**14. HAZARDS INTRODUCED BY OUTSIDE CONTRACTORS AND BUILDING WORKS**

14.1 Are fire safety conditions imposed on outside contractors? Yes ☐ No ☐

14.2 Is there satisfactory control over works carried out in the building by outside contractors (including "hot work" permits)? Yes ☐ No ☐

14.3 If there are in-house maintenance personnel, are suitable precautions taken during "hot work", including use of hot work permits? N/A ☐ Yes ☐ No ☐

14.4 Comments:

**15. DANGEROUS SUBSTANCES**

- 15.1 If dangerous substances are, or could be, used, has a risk assessment been carried out, as required by the Dangerous Substances and Explosive Atmospheres Regulations 2002? N/A ☐ Yes ☐ No ☐
- 15.2 Comments:

**16. OTHER SIGNIFICANT FIRE HAZARDS THAT WARRANT CONSIDERATION**

- 16.1 Hazards:
- 16.2 Comments and deficiencies observed:



## FIRE PROTECTION MEASURES

### 17. MEANS OF ESCAPE FROM FIRE

- 17.1 It is considered that the building is provided with reasonable means of escape in case of fire. Yes ☐ No ☐
- 17.2 More specifically:
- Adequate design of escape routes? Yes ☐ No ☐
- Adequate provision of exits? Yes ☐ No ☐
- Exits easily and immediately openable where necessary? Yes ☐ No ☐
- Fire exits open in direction of escape where necessary? Yes ☐ No ☐
- Avoidance of sliding or revolving doors as fire exits where necessary? Yes ☐ No ☐
- Satisfactory means for securing exits? Yes ☐ No ☐
- Reasonable distances of travel:
- Where there is a single direction of travel? Yes ☐ No ☐
  - Where there are alternative means of escape? Yes ☐ No ☐
- Suitable protection of escape routes? Yes ☐ No ☐
- Suitable fire precautions for all inner rooms? Yes ☐ No ☐
- Escape routes unobstructed? Yes ☐ No ☐
- 17.3 It is considered that the building is provided with reasonable arrangements for means of escape for disabled people. Yes ☐ No ☐
- 17.4 Comments and deficiencies observed:

**18. MEASURES TO LIMIT FIRE SPREAD AND DEVELOPMENT**

18.1 It is considered that there is:

compartmentation of a reasonable standard.<sup>3</sup>

Yes ☐ No ☐

reasonable limitation of linings that may promote fire spread.

Yes ☐ No ☐

18.2 As far as can reasonably be ascertained, fire dampers are provided as necessary to protect critical means of escape against passage of fire, smoke and combustion products in the early stages of a fire?<sup>4,5</sup>

N/A ☐ Yes ☐ No ☐

18.3 Comments and deficiencies observed:

**19. EMERGENCY ESCAPE LIGHTING**

19.1 Reasonable standard of emergency escape lighting system provided?<sup>6</sup>

Yes ☐ No ☐

19.2 Comments and deficiencies observed:

**20. FIRE SAFETY SIGNS AND NOTICES**

20.1 Reasonable standard of fire safety signs and notices?

Yes ☐ No ☐

20.2 Comments and deficiencies observed:

<sup>3</sup> Based on visual inspection of readily accessible areas, with a degree of sampling where appropriate.

<sup>4</sup> Based on visual inspection of readily accessible areas, with a degree of sampling where appropriate.

<sup>5</sup> A full investigation of the design of HVAC systems is outside the scope of this fire risk assessment.

<sup>6</sup> Based on visual inspection, but no test of illuminance levels or verification of full compliance with relevant British Standards carried out.

**21. MEANS OF GIVING WARNING IN CASE OF FIRE**

- 21.1 Reasonable manually operated electrical fire alarm system Provided? <sup>6</sup> Yes ☐ No ☐
- 21.2 Automatic fire detection provided? Yes ☐ (throughout building) Yes ☐ (part of building only) No ☐
- 21.3 Extent of automatic fire detection generally appropriate for the occupancy and fire risk? N/A ☐ Yes ☐ No ☐
- 21.4 Remote transmission of alarm signals? Yes ☐ No ☐
- 21.5 Comments and deficiencies observed?

**22. MANUAL FIRE EXTINGUISHING APPLIANCES**

- 22.1 Reasonable provision of portable fire extinguishers? Yes ☐ No ☐
- 22.2 Hose reels provided? Yes ☐ No ☐
- 22.3 Are all fire extinguishing appliances readily accessible? Yes ☐ No ☐
- 22.4 Comments and deficiencies observed:

<sup>6</sup> Based on visual inspection, but no audibility tests or verification of full compliance with relevant British Standard carried out.

**23. RELEVANT<sup>8</sup> AUTOMATIC FIRE EXTINGUISHING SYSTEMS**

23.1 Type of system:

23.2 Comments:

**24. OTHER RELEVANT<sup>8</sup> FIXED SYSTEMS AND EQUIPMENT**

24.1 Type of fixed system:

24.2 Comments:

24.3 Suitable provision of fire-fighters switch(es) for high voltage luminous tube signs, etc      N/A ☐      Yes ☐      No ☐

24.4 Comments:

<sup>8</sup> Relevant to life safety and this risk assessment (as opposed purely to property protection).

## MANAGEMENT OF FIRE SAFETY

### 25. PROCEDURES AND ARRANGEMENTS

25.1 Fire safety is managed by: <sup>9</sup>

25.2 Competent person(s) appointed under Regulation 17 of the Fire Safety (Scotland) Regulations 2006 to assist the duty holder to implement fire safety measures is:  
Comments:

Yes ☐ No ☐

Mrs F. Johnson, Health & Safety Manager, Shetland Islands Council  
Jane Evans, Health & Safety Officer, Shetland Islands Council

25.3 Is there a suitable record of the fire safety arrangements?

Yes ☐ No ☐

Comments:

25.4 Appropriate fire procedures in place?

Yes ☐ No ☐

More specifically:

Are procedures in the event of fire appropriate and properly documented?

N/A ☐ Yes ☐ No ☐

Are there suitable arrangements for summoning the fire and rescue service?

Yes ☐ No ☐

Are there suitable arrangements to meet the fire and rescue service on arrival and provide relevant information, including that relating to hazards to fire-fighters?

N/A ☐ Yes ☐ No ☐

Are there suitable arrangements for ensuring that the premises have been evacuated?

N/A ☐ Yes ☐ No ☐

Is there a suitable fire assembly point(s)?

N/A ☐ Yes ☐ No ☐

Are there adequate procedures for evacuation of any disabled people who are likely to be present?

N/A ☐ Yes ☐ No ☐

<sup>9</sup> This is not intended to represent a legal interpretation of responsibility, but merely reflects the managerial arrangement in place at the time of this risk assessment.

Comments:

25.5 Persons nominated and trained to use fire extinguishing appliances? N/A ☐ Yes ☐ No ☐

Comments:

25.6 Persons nominated and trained to assist with evacuation, including evacuation of disabled people? N/A ☐ Yes ☐ No ☐

Comments:.

25.7 Appropriate liaison with fire and rescue service (e.g. by fire and rescue service crews visiting for familiarization visits)? N/A ☐ Yes ☐ No ☐

Comments:

25.8 Routine in-house inspections of fire precautions (e.g. in the course of health and safety inspections)? N/A ☐ Yes ☐ No ☐

Comments:

## 26. TRAINING AND DRILLS

26.1 Are all staff given adequate fire safety instruction and training on induction? Yes ☐ No ☐

Comments:

•

26.2 Are all staff given adequate periodic "refresher training" at suitable intervals? Yes ☐ No ☐

Comments:

26.3 Does the above training and instruction provide information, instruction or training on the following

Fire risks in the premises?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
The fire safety measures in the building?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Action in the event of a fire?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Action on hearing the fire alarm?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Method of operation of manual call points?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Location and use of fire extinguishers?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Meaning of fire safety signs?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Means of summoning the fire and rescue service?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Identity of persons nominated to assist with evacuation?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Identity of persons nominated to use fire extinguishing appliances?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

26.4 Are staff with special responsibilities (e.g. fire wardens) given additional training? N/A ☐ Yes ☐ No ☐

Comments:

26.5 Are fire drills carried out at appropriate intervals? Yes ☐ No ☐

Comments:

26.6 When the employees of another employer work in the premises:

Is their employer given appropriate information (e.g. on fire risks and fire safety measures)? N/A ☐ Yes ☐ No ☐

Is it ensured that the employees are provided with adequate instructions and information? N/A ☐ Yes ☐ No ☐

Comments:

**27. TESTING AND MAINTENANCE**

27.1 Adequate maintenance of relevant premises? Yes ☐ No ☐

Comments and deficiencies observed:

27.2 Weekly testing and periodic servicing of fire detection and alarm system? Yes ☐ No ☐

Comments and deficiencies observed:

27.3 Monthly and annual testing routines for emergency escape lighting? Yes ☐ No ☐

Comments and deficiencies observed:

27.4 Annual maintenance of fire extinguishing appliances? Yes ☐ No ☐

Comments and deficiencies observed:

27.5 Periodic inspection of external escape staircases and gangways? N/A ☐ Yes ☐ No ☐

Comments and deficiencies observed:

27.6 Six-monthly inspection and annual testing of rising mains? N/A ☐ Yes ☐ No ☐

Comments and deficiencies observed:

27.7 Weekly and monthly testing, six monthly inspection and annual testing of fire-fighting lifts? N/A ☐ Yes ☐ No ☐



Comments and deficiencies observed:

27.8 Weekly testing and periodic inspection of sprinkler installations? N/A ☐ Yes ☐ No ☐

Comments:

27.9 Routine checks of final exit doors and/or security fastenings? N/A ☐ Yes ☐ No ☐

Comments:

27.10 Annual inspection and test of lightning protection system? N/A ☐ Yes ☐ No ☐

Comments:

27.11 Other relevant inspections or tests:

Comments:

**28. RECORDS**

## 28.1 Appropriate records of:

Fire drills?

N/A ☐ Yes ☐ No ☐

Fire training?

Yes ☐ No ☐

Fire alarm tests?

N/A ☐ Yes ☐ No ☐

Emergency escape lighting tests?

N/A ☐ Yes ☐ No ☐

Maintenance and testing of other fire protection systems?

N/A ☐ Yes ☐ No ☐

## 28.2 Comments:

## FIRE RISK ASSESSMENT

The following simple risk level estimator is based on a more general health and safety risk level estimator of the type contained in BS 45001:2018

Potential consequences of fire ⇒  Likelihood of fire ↓	Slight harm	Moderate harm	Extreme harm
<b>Low</b>	Trivial risk	Tolerable risk	Moderate risk
<b>Medium</b>	Tolerable risk	Moderate risk	Substantial risk
<b>High</b>	Moderate risk	Substantial risk	Intolerable risk

Taking into account the fire prevention measures observed at the time of this risk assessment, it is considered that the hazard from fire (likelihood of fire) at these premises is:

**Low** ☐

**Medium** ☐

**High** ☐

In this context, a definition of the above terms is as follows:

**Low:** Unusually low likelihood of fire as a result of negligible potential sources of ignition.

**Medium:** Normal fire hazards (e.g. potential ignition sources) for this type of occupancy, with fire hazards generally subject to proper controls (other than minor shortcomings).

**High:** Lack of adequate controls applied to one or more significant fire hazards, such as to result in significant increase in likelihood of fire.

Taking into account the nature of the building and the occupants, as well as the fire protection and procedural arrangements observed at the time of this fire risk assessment, it is considered that the consequences for life safety in the event of fire would be:

**Slight harm** ☐

**Moderate harm** ☐

**Extreme harm** ☐

In this context, a definition of the above terms is as follows:

**Slight harm:** Outbreak of fire unlikely to result in serious injury or death of any occupant (other than an occupant sleeping in a room in which a fire occurs).

**Moderate harm:** Outbreak of fire could foreseeably result in injury (including serious injury) of one or more occupants, but it is unlikely to involve multiple fatalities.

**Extreme harm:** Significant potential for serious injury or death of one or more occupants.

Accordingly, it is considered that the risk to life from fire at these premises is:

Trivial ☐ Tolerable ☐ Moderate ☐ Substantial ☐ Intolerable ☐

Comments:

A suitable risk-based control plan should involve effort and urgency that is proportional to risk. The following risk-based control plan is based on one advocated by BS 8800 for general health and safety risks:

Risk Level	Action and timescale
<b>Trivial</b>	No action is required and no detailed records need be kept.
<b>Tolerable</b>	No major additional controls required. However, there might be a need for improvements that involve minor or limited cost.
<b>Moderate</b>	It is essential that efforts are made to reduce the risk. Risk reduction measures should be implemented within a defined time period.  Where moderate risk is associated with consequences that constitute extreme harm, further assessment might be required to establish more precisely the likelihood of harm as a basis for determining the priority for improved control measures.
<b>Substantial</b>	Considerable resources might have to be allocated to reduce the risk. If the building is unoccupied, it should not be occupied until the risk has been reduced. If the building is occupied, urgent action should be taken.
<b>Intolerable</b>	Building (or relevant area) should not be occupied until the risk is reduced.

**(Note that, although the purpose of this section is to place the fire risk in context, the above approach to fire risk assessment is subjective and for guidance only. All hazards and deficiencies identified in this report should be addressed by implementing all recommendations contained in the following action plan. The fire risk assessment should be reviewed regularly.)**

## ACTION PLAN

It is considered that the following recommendations should be implemented in order to reduce fire risk to, or maintain it at, the following level:

Trivial ☐

Tolerable ☐

† Priorities:

1. Breach of legislation, having the potential for serious injury to relevant persons.
2. Breach of legislation, but not considered to constitute a serious threat to relevant persons.
3. Bad practice, but unlikely to constitute a serious threat to relevant persons.

†† Suggested Timescale:

- A. Immediately or as soon as reasonably practicable. In the case of items that require capital work, steps should be taken as soon as reasonably practicable to progress the work.
- B. Short term. In the case of items that require capital expenditure, steps should be taken in the short term to progress the work.
- C. Medium term.
- D. Long term (e.g. at time of upgrading or refurbishment).

	Action Required	†Priority	†† Timescale	Responsible Person	Date Completed
1.					
2.					
3.					
4.					
5.					

## REFERENCES

### Fire Detection and Fire Alarm Systems

BS 5839-1: 2002. *Fire detection and fire alarm systems for buildings - Code of practice for system design, installation, commissioning and maintenance.*

BS 5839-8: 1998. *Fire detection and alarm systems for buildings - Code of practice for the design, installation and servicing of voice alarm systems.*

BS 5839-9: 2003. *Fire detection and fire alarm systems for buildings - Code of practice for the design, installation, commissioning and maintenance of emergency voice communication systems.*

### Fire Extinguishing Appliances

BS 5306-1: 2006. *Code of practice for fire extinguishing installations and equipment on premises - hose reels and foam inlets.*

BS 5306-3: 2003. *Fire extinguishing installations and equipment on premises - Code of practice for the inspection and maintenance of portable fire extinguishers.*

BS 5306-8: 2000. *Fire extinguishing installations and equipment on premises - Selection and installation of portable fire extinguishers - Code of practice.*

BS EN 3. *Portable fire extinguishers.*

### Emergency Escape Lighting

BS 5266-1: 2005. *Emergency lighting - Code of practice for the emergency lighting of premises.*

BS 5266-7: 1999 (BS EN 1838: 1999). *Lighting applications - Emergency lighting.*

BS 5266-8: 2004 (BS EN 50172: 2004). *Emergency escape lighting systems.*

### Fire Safety Signs

BS 5499-1: 2002. *Graphical symbols and signs - Safety signs, including fire safety signs. Specification for geometric shapes, colours and layout.*

BS 5499-4: 2000. *Safety signs, including fire safety signs. Code of practice for escape route signing.*

BS 5499-5: 2002. *Graphical symbols and signs - Safety signs, including fire safety signs. Signs with specific safety meanings.*  
BS 5499-10: 2006. *Safety signs, including fire safety signs. Code of practice for the use of safety signs, including fire safety signs.*

### **Lightning**

BS 6651: 1999. *Code of practice for protection of structures against lightning.* (Being withdrawn August 2008.)  
BS EN 62305-1: 2006. *Protection against lightning. General principles.*  
BS EN 62305-2: 2006. *Protection against lightning. Risk management.*  
BS EN 62305-3: 2006. *Protection against lightning. Physical damage to structures and life hazard.*  
BS EN 62305-4: 2006. *Protection against lightning. Electrical and electronic systems within structures.*

### **Fixed Fire Extinguishing Systems and Equipment**

BS 5306-2: 1990. *Fire extinguishing installations and equipment on premises - Specification for sprinkler systems.*  
BS 9990: 2006. *Code of practice for non-automatic fire fighting systems in buildings.*  
BS EN 12845: 2004. *Fixed firefighting systems - Automatic sprinkler systems - Design, installation and maintenance.*

### **Fire Safety Management**

BS 5588-12: 2004. *Fire precautions in the design, construction and use of buildings - Managing fire safety.*

### **Miscellaneous**

BS 476-7: 1997. *Fire tests on building materials and structures - Method of test to determine the classification of the surface spread of flame of products.*  
BS 5588-8: 1999. *Fire precautions in the design, construction and use of buildings - Code of practice for means of escape for disabled people.*  
BS 7176: 1995. *Specification for resistance to ignition of upholstered furniture for non-domestic seating by testing composites.*  
BS 7273-4: 2007. *Code of practice for the operation of fire protection measures - Actuation of release mechanisms for doors.*  
BS 7671: 2001. *Requirements for electrical installations. IEE Wiring Regulations. Sixteenth edition.*  
PAS 79: 2007. *Fire risk assessment - Guidance and a recommended methodology.*

Instruction ID	Location	Description	Status	Print Date	Due Date	Target Date
PM23573	Wastview Care Centre (Walls) - 1106028950	Fire Risk Assessment (yearly)	Carry out and Closed	09/08/2018	31/07/2018	20/08/2018 00:00
PM23572	Seaview - 11080027920 - Seaview	Fire Risk Assessment (yearly)	Carry out and Printed	11/07/2018	05/12/2018	25/12/2018 00:00
PM23571	Nordalea Rural Care Centre - 11010245002 -	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	29/06/2018	19/07/2018 00:00
PM23570	New Craigielea - 11207360305 - New Craigie	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	21/05/2018	08/06/2018 00:00
PM23569	Isleshavn Rural Care Home (Yell) - 11020319	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	29/06/2018	19/07/2018 00:00
PM23565	Laburnum House - 11201150573 - Laburnum	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	19/07/2018	08/08/2018 00:00
PM23564	37 Haldane Burgess Crescent - 11203730575	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	25/07/2018	14/08/2018 00:00
PM23563	30 St Sunniva Street (SL&O) - 11207300270	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	02/08/2018	22/08/2018 00:00
PM23562	Anderson High School Campus - 1120785096	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	08/02/2019	28/02/2019 00:00
PM23561	Whiteness Primary School - 11100235001 -	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	18/01/2019	07/02/2019 00:00
PM23560	Whalsay Secondary School - 11090193002 -	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	08/02/2019	28/02/2019 00:00
PM23559	Whalsay Primary & Nursery School - 110901	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	08/02/2019	28/02/2019 00:00
PM23558	Urafirth Primary School - 11040282509 - Ura	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	25/01/2019	14/02/2019 00:00
PM23557	Tingwall Primary School - 11100100002 - Tin	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	30/11/2018	20/12/2018 00:00
PM23556	Scalloway Primary School - 11100680006 - S	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	17/01/2019	06/02/2019 00:00
PM23555	Sandwick Junior High School - 11140605914	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	22/02/2019	14/03/2019 00:00
PM23554	Ollaberry Primary School - 11040151001 - O	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	25/01/2019	14/02/2019 00:00
PM23553	North Roe Primary School - 11040038007 - N	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	25/01/2019	14/02/2019 00:00
PM23552	Mid Yell School (New) - 11020319351 - Mid	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	23/01/2019	12/02/2019 00:00
PM23551	Lunnasting Primary School - 11080198000 -	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	08/02/2019	28/02/2019 00:00
PM23550	Dunrossness Primary School - 11140150201	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	18/01/2019	07/02/2019 00:00
PM23549	Brae Secondary School - 11050184082 - Brae	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	25/01/2019	14/02/2019 00:00
PM23548	Brae Primary School - 11050184082_A - Brae	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	25/01/2019	14/02/2019 00:00
PM23547	Bells Brae Primary School - 11203452884 - B	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	10/01/2019	30/01/2019 00:00
PM23546	Baltasound School - 11010229004 - Baltasou	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	18/01/2019	07/02/2019 00:00
PM23545	Aith Junior High School - 11070134201 - Aith	Fire Risk Assessment (2 yearly)	Carry out and Printed	11/07/2018	30/01/2019	19/02/2019 00:00
PM23544	Anderson High School Campus - 1120785096	Fire Risk Assessment (yearly)	Carry out and Printed	11/07/2018	01/11/2018	21/11/2018 00:00
PM23543	Windybrae - 11140129740 - Windybrae	Fire Risk Assessment (yearly)	Carry out and Printed	11/07/2018	23/11/2018	13/12/2018 00:00
PM23542	Taing House - 11207363003 - Taing House	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	11/07/2018	31/07/2018 00:00
PM23541	Rudda Park (SL&O) - 11207120112 - Rudda P	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	22/06/2018	12/07/2018 00:00
PM23540	Overtonlea Rural Care Home (Levenwick) - 1	Fire Risk Assessment (yearly)	Carry out and Printed	11/07/2018	15/11/2018	05/12/2018 00:00
PM23539	Edward Thomason House - 11207362004 - E	Fire Risk Assessment (yearly)	Carry out and Closed	11/07/2018	11/07/2018	31/07/2018 00:00
PM23538	Banksbroo (ILP) - 11207850853 - Banksbroo	Fire Risk Assessment (yearly)	Carry out and Printed	11/07/2018	07/11/2018	27/11/2018 00:00
PM23537	78 North Lochside - 11205862104 - 78 North	Fire Risk Assessment (yearly)	Carry out and Printed	11/07/2018	24/07/2018	13/08/2018 00:00
PM23536	North Haven Rural Care Centre (Brae) - 1105	Fire Risk Assessment (yearly)	Carry out and Closed	13/06/2018	25/05/2018	14/06/2018 00:00
PM23535	Fernlea Rural Care Centre (Whalsay) - 11090	Fire Risk Assessment (yearly)	Carry out and Closed	13/06/2018	24/05/2018	13/06/2018 00:00







<b>Meeting(s):</b>	<b>Audit Committee</b>	<b>13 December 2018</b>
<b>Report Title:</b>	<b>Audit Committee Business Programme – 2018/19</b>	
<b>Reference Number:</b>	<b>CRP-22-18-F</b>	
<b>Author / Job Title:</b>	<b>Christine Ferguson, Director Corporate Services</b>	

### 1.0 Decisions / Action required:

That the Audit Committee:

- 1.1 CONSIDERS the business planned for Audit Committee in the financial year 2018/19:
- 1.2 ADVISES the Director of Corporate Services of any changes required including new items where the timescale will be confirmed at a later date.

### 2.0 High Level Summary:

- 2.1 The purpose of this report is to facilitate discussion of the Business Programme of the Committee for the remainder of 2018/19.
- 2.2 The Business Programme hereafter will be presented to Audit Committee quarterly to ensure it is kept up to date incorporating new items as required.

### 3.0 Corporate Priorities and Joint Working:

- 3.1 Our plan 2016, in its 20 by 20 states that:-  
*“High standards of governance, that is, the rules on how we are governed, will mean that the council is operating effectively and the decisions we take are based on evidence and supported by effective assessments of options and potential effects”.*  
 Maintaining a Business Programme for each Committee/Board of the Council contributes to an effective governance framework for the Council.

### 4.0 Key Issues:

- 4.1 The Council approved the schedule of meetings for 2018/19 at its meeting on 13 December 2017 (Min ref: 85/17) and it was agreed that the Business Programmes for each Committee/Board would normally be presented to the Planning and Performance Management Framework (PPMF) meetings for discussion and approval.

4.2	Meetings are scheduled and where there is no scheduled business within 2 weeks of the meeting, the meeting will be cancelled in consultation with the Chair of Audit Committee.
4.3	The date, time, venue and location of any meeting may be changed, or special meetings added if required through consultation with the Chair and the Lead Officer for the Committee.
<b>5.0 Exempt and/or confidential information:</b>	
5.1	"None".
<b>6.0 Implications:</b>	
<b>6.1 Service Users, Patients and Communities:</b>	The Business Programme provides the community and other stakeholders with important information regarding the planned business for the coming year. The Business Programme complements the Council's Corporate and Directorate Plans and the Shetland Partnership Plan.
<b>6.2 Human Resources and Organisational Development:</b>	None arising directly from this report. Any implications for staff arising from individual reports in the Business Programme will be addressed through the work on those reports.
<b>6.3 Equality, Diversity and Human Rights:</b>	None directly arising from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports
<b>6.4 Legal:</b>	The Business Programme supports the governance framework of the Council which is underpinned by statute.
<b>6.5 Finance:</b>	None arising directly from this report. Any financial implications arising from individual reports in the Business Programme will be addressed through the work on those reports.
<b>6.6 Assets and Property:</b>	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.
<b>6.7 ICT and new technologies:</b>	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.
<b>6.8 Environmental:</b>	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.

<b>6.9 Risk Management:</b>	The risks associated with setting the Business Programme are around the challenges for officers meeting the timescales required, and any part of the business programme slipping and causing reputational damage to the Council. Equally, not applying the Business Programme would result in decision making being unplanned and haphazard; aligning the Council's Business Programmes with the objectives and actions contained in its corporate plans could mitigate against those risks.	
<b>6.10 Policy and Delegated Authority:</b>	Maintaining a Business Programme ensures the effectiveness of the Council's PPMF. The business Programme supports each Committee's role, as set out in paragraph 2.3 on the Council's Scheme of Administration and Delegations	
<b>6.11 Previously considered by:</b>	None	N/A

**Contact Details:**

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 27 November 2018

**Appendices:**

Appendix 1 – Audit Committee Meeting Dates and Business Programme 2018/19

**Background Documents:**

None.





**Audit Committee - Meeting Dates and Business Programme 2018/19  
as at Thursday, 06 December 2018**

Quarter	Date / Type of Meeting	Agenda Item	Notes
Quarter 1 1 April 2018 To 30 June 2018	26 April 2018 Ordinary 2pm	Internal Audit Operational Plan 2018/19	
		Audit Scotland and other External Audit Reports	
		Local Scrutiny Plan 2018/19	
	24 May 2018 PPMF 2017/18 Q4 10am	Meeting cancelled	
Quarter 1 1 April 2018 to 30 June 2018	12 June 2018 Ordinary 2pm	Internal Audit Annual Report 2017/18	
		Shetland Islands Council Annual Governance Statement 2017/18	
		Audit Scotland and other External Audit Reports	
		Local Government Benchmarking Framework (LGBF)	
		Audit Committee Self-assessment proposal	
		2016/17 Audit of Dundee City Council: Report on a significant fraud	
Quarter 2 1 July 2018 to 30 Sept 2018	30 August 2018 PPMF 2018/19 Q1 10am		
		Risk Management Strategy Progress Report – 2018/19	
		Corporate Services Restructure (Exempt)	
Quarter 2 1 July 2018 to 30 Sept 2018	19 September 2018 Ordinary 10am	Shetland Islands Council & Zetland Educational Trust – Annual Audit Report on the 2017/18 Audit	
		Shetland Islands Council Pension Fund – Annual Audit Report on the 2017/18 Audit	



**Audit Committee - Meeting Dates and Business Programme 2018/19  
as at Thursday, 06 December 2018**

Quarter	Date / Type of Meeting	Agenda Item	Notes
<b>Quarter 3 1 Oct 2018 To 31 Dec 2018</b>	<b>13 December 2018 PPMF 2018/19 Q2 10am</b>	Update on 2017/18 External Audit Recommendations	
		6 Monthly Internal Audit Progress Report	
		Audit Scotland and other External Audit Reports	
		Audit Committee Self-assessment - Findings	
		Risk Assessment Progress Report	
		Audit Committee Business Programme – 2018/19	
<b>Quarter 4 1 Jan 2019 to 31 March 2019</b>	<b>7 March 2019 PPMF 2018/19 Q3 10am</b>	Annual Fraud Report – 2017/18	
		Audit Plans for Shetland Islands Council and Shetland Islands Council Pension Fund	
		Scottish Household Survey	
		Audit Scotland and other External Audit Reports	



**Audit Committee - Meeting Dates and Business Programme 2018/19  
as at Thursday, 06 December 2018**

Quarter	Date / Type of Meeting	Agenda Item	Notes
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**Planned Committee business still to be scheduled - as at Thursday, 06 December 2018**

tbc = to be confirmed

PPMF = Planning and Performance Management Framework meetings – no other business to be added

Budget = Budget setting meetings – other items can be added if time permits

Ordinary = Ordinary meetings – other items can be added

Special = Special meetings arranged for particular item(s) – other items can be added if time permits

END OF BUSINESS PROGRAMME as at Thursday, 06 December 2018

DRAFT