

ANNUAL STATEMENT OF ASSURANCE FOR THE AUDIT & RISK COMMITTEE 2024/25

1. Purpose of Committee

- 1.1 The purpose of the Audit & Risk Committee is to provide the Board with assurance that the activities of Fife NHS Board are within the law and regulations governing the NHS in Scotland and that an effective system of internal control is maintained.
- 1.2 The duties of the Audit & Risk Committee are in accordance with the principles and best practice outlined in the Scottish Government [Audit & Assurance Committee Handbook](#), dated February 2023.

2. Membership of Committee

- 2.1 During the financial year to 31 March 2025, membership of the Audit & Risk Committee comprised:

Alastair Grant	Chair / Non-Executive Member
Cllr Graeme Downie	Non-Executive Stakeholder Member, Fife Council (to July 2024)
Anne Haston	Non-Executive Member
Aileen Lawrie	Non-Executive Stakeholder Member, Area Clinical Forum (to February 2025)
Cllr Mary Lockhart	Non-Executive Stakeholder Member, Fife Council (from January 2025)
Kirstie MacDonald	Non-Executive Member (Whistleblowing Champion) (to December 2024)
Nicola Robertson	Non-Executive Stakeholder Member, Area Clinical Forum (from March 2025)

- 2.2 The Committee may choose to invite individuals to attend the Committee meetings for the consideration of particular agenda items, but the Chief Executive, Director of Finance & Strategy (the Executive lead for risk during 2024-25), Head of Financial Services & Procurement, Associate Director of Risk & Professional Standards, Board Secretary, Chief Internal Auditor, senior Internal Audit colleagues and statutory External Auditor are normally in routine attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting.

3. Meetings

- 3.1 The Committee met on five occasions during the year to 31 March 2025, on the undernoted dates:

- 16 May 2024
- 20 June 2024 (approval of Annual Accounts)
- 12 September 2024
- 12 December 2024
- 13 March 2025

- 3.2 The attendance schedule is attached at Appendix 1.

4. Business

- 4.1 The range of business covered at meetings held throughout the year, as further detailed below, demonstrates that the full range of matters identified in the Audit & Risk Committee's remit is being addressed. In line with its Constitution and Terms of Reference, reviewed annually (the last occasion in May 2025), the Committee has considered standing agenda items concerned with the undernoted aspects:
- Internal Control frameworks and arrangements;
 - Internal & External Audit planning and reporting;
 - Corporate Governance, including the Board's implementation of and compliance with the NHS Scotland *Blueprint for Good Governance*;
 - Regular updates to the NHS Fife Code of Corporate Governance, including within the Standing Financial Instructions and Scheme of Delegation;
 - Scrutiny of the Board's Annual Statutory Financial Statements, including the meaningfulness of the accompanying Governance Statement;
 - Risk Management arrangements and reporting, including progress with revising the risk management framework, Board's risk appetite and review of the effectiveness of the Corporate Risk Register; and
 - other relevant matters arising during the year.
- 4.2 The Audit & Risk Committee's first meeting of the 2024/25 reporting year took place in May 2024, where a number of papers related to preparations for the approval of the 2023/24 statutory accounts process were considered. The Committee scrutinised a timeline for the Board's annual accounts preparation, for members' awareness around key deadlines to be met, noting that the full set of annual accounts had been submitted to the External Auditors at that date and review was proceeding to schedule. The draft Governance Statement was reviewed, including the background to a disclosure to be made relating to an Information Governance & Security breach, and comments given prior to its final consideration as part of the July 2024 annual accounts meeting. An initial draft of the Risk Management Annual Report for 2023/24 was considered by members, with a number of comments made on the draft content and reflection on the newly introduced levels of assurance, supported also by consideration of the Risk Management Key Performance Indicators for 2023/24 (a final version was subsequently approved in September 2024, following completion of the risk appetite refresh work). An update on internal audit progress against delivery of the 2023/24 Internal Audit Plan was also discussed, with members noting the final outstanding areas of work as conclusion of the year-end process approached and arrangements made to address capacity challenges due to recent staff turnover.
- 4.3 The meeting in June 2024 scrutinised in full the governance-related year-end documentation, auditor reports and statutory financial statements for 2023/24. This included the Board's annual accounts, internal and external audit annual reports, plus the Patients' Private Funds and Service Auditor Reports on Third Party Services provided on behalf of NHS Fife by NHS National Services Scotland (NSS) and NHS Ayrshire & Arran. Each of the auditor reports gave an unqualified opinion. The Annual Internal Audit Report for 2023/24 concluded that there were adequate and effective internal controls in place and that the 2023/24 Internal Audit Plan has been delivered in line with Public Sector Internal Audit Standards. In reference to External Audit, the annual audit report from Azets on 2023/24 summarised their audit of the annual financial statements, as well as their comment on financial sustainability, governance and best value (a follow-up report on how these recommendations have been addressed in year was also considered by members in March 2025). The Committee took significant assurance from these reports as part of the portfolio of evidence provided in support of its evaluation of the internal environment and the approval of the Governance Statement. The Committee was pleased to endorse to the Board the formal signing of the 2023/24 annual accounts and the Board approved the 2023/24 financial statements at their meeting on 25 June 2024.

- 4.4 In relation to the year-end position, the late notification of an unexpected deterioration in the Integration Joint Board (IJB) financial position impacted negatively on the level of brokerage NHS Fife had to request from Scottish Government. As discussed in detail at the June 2024 meeting, it was agreed that an independent review was required for the Committee to take adequate assurance around the IJB internal systems of financial control, due to members' concerns that the IJB position had compromised the Board's financial arrangements. Further scrutiny was thought necessary to ensure that effective systems and processes were in place within the IJB. The Lessons Learned review reported formally to the Committee in December 2024. A root cause analysis was undertaken, supported by independent scrutiny, to provide an understanding of the reasons why there was significant movement between the financial projection and the actual expenditure incurred at year-end. The review identified a number of improvement actions that will further strengthen the controls that are already in place. Assurance was also provided that there is regular reporting to the IJB Finance, Performance & Scrutiny Committee and the IJB full Board, and that the frequency of meetings between the Directors of Finance, from both the IJB and NHS Fife, has been increased to consider the in-year position as it develops.
- 4.5 Drafts of the Internal Audit Strategic Plan for 2024-27 and the Operational Internal Audit Annual Plan for 2023/24 were considered at the Committee's September 2024 meeting, noting alignment to the strategic planning process, risk management developments and implementation of the Board's new Population Health & Wellbeing Strategy. A stand-alone review of the Year One performance of the Board's new Re-form, Perform, Transform (RTP) programme of work has been commissioned, this being NHS Fife's initiative to make the changes needed to maintain patient safety and quality of care, in line with the Board's values, while managing current financial challenges.
- 4.6 In relation generally to internal audit, members have reviewed and discussed in detail at meetings report summaries from the internal auditors covering a range of service areas and have considered management's progress in completing audit actions raised, through regular follow-up reporting. The interim evaluation of the internal control framework supplied at the mid-year point (December 2024) gave useful reference to any potential issues to be addressed before year-end. The largely positive findings gave a reasonable level of assurance to members. A further discussion on available resource within the Internal Audit team took place in December 2024, noting that two audit reviews (Supplementary Staffing and Digital & Information Strategy) would be deferred in consequence to 2025/26 (the Committee being assured with the risk-based approach taken to determine priority of resource), and welcoming the intention for a full-strength audit team to be in place from early 2025.
- 4.7 In relation to internal audit follow-up work, review dates have been considered for actions that have remained open longer than one year, and extensions were routinely reviewed to consider how likely it is that actions will be implemented by the revised implementation date. To provide greater assurance to the Committee, Internal Audit reports were agreed to be initially considered by the Executive Directors' Group, Chief Executive, Director of Finance and individual audit colleagues to help with oversight over outstanding action points. The Audit Follow up Protocol has been updated during the year to ensure this remains effective.
- 4.8 At the Committee's March 2025 meeting, the Committee considered a briefing on the introduction of the Global Internal Accounting Standards, applicable across public sector organisations from 1 April 2025. To ensure Internal Audit's compliance with the new Standards, an improvement plan has been developed for implementation over 2025/26. The Plan will also encompass recommendations from the recently undertaken External Quality Assessment of the internal audit service, to bring both strands of improvement work into the one plan. The Committee's Terms of Reference review has also incorporated the new Global Internal Account Standards guidance in its recent refresh.

- 4.9 The Committee has approved the planning memorandum for the 2024/25 statutory accounts cycle, as also for the Patients' Private Funds from the respective External Auditor. Members have noted the approval by the Board of Trustees of the planning memorandum for the audit of Endowment Funds held by Fife Health Charity. Regular updates on the current 2024/25 accounts approval timeline have been reported to the Committee, with input from both the internal and external auditor, noting the intention to seek Board approval for the annual accounts in late June 2025, meeting the relevant Scottish Government deadlines.
- 4.10 A summary self-assessment against the various requirements of the NHS Scotland *Blueprint for Good Governance* was carried out by Board members in late 2023, following which an action plan was approved by the full NHS Fife Board in March 2024. This is being monitored to completion by the Committee. Updates on progress with delivering the action plan has been given to meetings in September 2024 and March 2025, with two actions currently open, both of which are tied to national timeframes / work. The Committee will continue to monitor both to closure.
- 4.11 The Committee has also considered national reviews undertaken by Audit Scotland, including the findings of their report 'NHS in Scotland 2024 – Finance & Performance' at the December 2024 meeting, with consideration of its recommendations locally. Noting that the report's conclusions set out that Boards should be setting a balanced financial position over the next three years, identifying realistic recurring savings targets and reducing reliance on non-recurring savings by considering fundamental changes to service delivery, further discussion has subsequently taken place at Board Development Sessions on the proposed approach in Fife. The Committee also considers the content of Audit Scotland Technical Bulletins on a regular basis, noting the areas therein of relevance to public sector bodies and health boards specifically.
- 4.12 In year, an update to the Standing Financial Instructions was made in May 2024, to amend levels of authorisation for financial spend and authorisation of orders, as part of the Board's Grip & Control processes. The Committee was pleased to approve the changes for immediate effect, to support the annual Code of Corporate Governance review undertaken each May.
- 4.13 For assurance purposes, the Audit & Risk Committee has considered the annual assurance statements of each of the governance committees of the Board, namely: the Clinical Governance Committee; the Finance, Performance & Resources Committee; the Public Health & Wellbeing Committee; the Remuneration Committee; and the Staff Governance Committee. These detail the activity of each committee during the year, the business they have considered in discharging their respective remits and an outline of what assurance the Board can take on key matters delegated to them. No significant issues were identified from these reports for disclosure in the financial statements, as per the related content of the 2024/25 Governance Statement.
- 4.14 Appropriate assurance has been provided that each Committee has fulfilled their key remit areas on behalf of the Board during the reporting year. The Clinical Governance Committee report has provided due reflection on the assurance that can be taken around matters of clinical quality and safety, information security & governance, digital & information, resilience and Health & Safety. The Finance, Performance & Resources Committee has closely monitored the position in relation to the Board's year-end position, financial targets and delivery progress thereon, and has also considered key performance targets around waiting times and delivery of clinical services. The Public Health & Wellbeing Committee has responsibility for oversight of the Board's immunisation delivery programme and delegated community-based services such as children's mental health services, plus scrutiny of progression of the Board's organisational Population Health & Wellbeing

Strategy and related work around health inequalities. The Staff Governance Committee has received regular updates on recruitment to support key programmes and staff development activities, in addition to ongoing detail on staff well-being initiatives and work underway to reduce sickness absence and improve mandatory training and appraisal compliance. The Remuneration Committee has completed its usual business of Executive cohort performance appraisal and objective setting. Further detail on all these areas can be found within the individual Committee reports mentioned above. In addition to the Committee reports, the individual Executive Directors' Assurance letters have provided helpful detail on the internal control mechanisms and mitigation of risks within individual portfolios and Directorates.

- 4.15 In reference to the Fife Integration Joint Board, due to its own year-end accounts approval timeline, it is not possible for the NHS Fife Board to receive a final version of an assurance statement from the IJB prior to the Board's approval of its own statutory financial accounts in June 2025. The Committee has, however, taken assurance from a formal letter received from the Chief Officer of the Fife Integration Joint Board providing assurance on the adequacy of the governance and internal control environment of that body. As part of the usual information-sharing exercise, the Committee will consider the final IJB Internal Audit report at its forthcoming meeting in September 2025.
- 4.16 During the year, members of the Committee engaged in a number of training opportunities, covering best practice arrangements for Audit & Risk Committees. In April 2025, to support the onboarding of a new Committee Chair and new members, a session was held outlining the key functions of internal and external audit, with discussion also of the remit of the Committee. A training session with the Internal and External Auditors was held in May 2025 outlining the year-end processes each undertake as part of the review of the financial statements, responsibilities of the Audit & Risk Committee in reference to scrutiny of these, and details on the systems of internal control, in preparation for the review and scrutiny of the annual accounts, prior to the Committee's formal consideration of the 2024/25 financial statements. The presentation slides were usefully adapted to be used as a helpful checklist by members, when the accounts are tabled for formal approval in June 2025.
- 4.17 Progress with fraud cases and counter fraud initiatives were discussed by the Committee in private session on a regular basis throughout the year. The Committee received quarterly fraud updates, on relevant cases and investigations; initiatives undertaken to identify and address fraud; and the work carried out by Practitioner & Counter Fraud Services in relation to detecting, deterring, disabling and dealing with fraud in the NHS. These reports also detail the counter fraud training delivered to staff, including the roll-out of the NHS Fraud Awareness module. This has provided the Committee with the assurance that the risk of fraud is being proactively managed across NHS Fife. In May 2024, the Committee took reasonable assurance from the Counter Fraud Standards Assessment report for 2023/24, noting the anticipated position that NHS Fife did not assess itself as fully meeting all the Standards by the end of 2023/24, with three remaining partially met, and that the aim is for all the Standards to be met fully by the end of the three-year partnership agreement, which is line with other NHS Boards. The Committee were assured from the Fraud Annual Action Plan for 2024/25, which was developed between all NHS Scotland Health Boards and Counter Fraud Services, and in addition has been tailored locally to support the delivery of the Counter Fraud Standards. This was considered by members at the September 2024 meeting. Additionally, the bi-annual match checking via the National Fraud Initiative has been undertaken in the reporting year, with work underway to review higher risk matches and follow up internally as might be required.
- 4.18 Regular reporting on losses and special payments is factored into the Committee's workplan on a quarterly basis, to help support the annual accounts reconciliation process generally and, in support of Counter Fraud Standards, to increase the Committee's oversight. Work in-year has been undertaken to relate this audit reporting to ongoing work

around organisational learning, with an annual Legal Claims report scheduled for submission to the Clinical Governance Committee in Q3 of 2025/26. The Legal Team have now moved within the portfolio of the Office of the Medical Director and this is creating valuable linkages with the Adverse Events Team. Further work is required to ensure effective closure of the learning for all legal claims. The Committee is also provided with regular updates on the application of any Procurement Waivers of Competitive Tender to provide assurance that the process is being correctly applied and therefore the risk to the Board of non-compliance is effectively managed.

- 4.19 Minutes of Committee meetings have been approved by the Committee and presented to Fife NHS Board. The Board also receives an Assurance Report at each meeting from the Chair, highlighting any key issues discussed by the Committee at its preceding meeting. The Committee maintains a rolling action log to record and manage actions agreed from each meeting, and reviews progress against deadline dates at subsequent meetings. The format of the action log has been enhanced, to provide greater clarity on priority actions and their due dates. A rolling update on the workplan is presented to each meeting, for members to gain assurance that reports are being delivered on a timely basis and according to the overall schedule. A final version of the workplan for 2025/26 was approved at the Committee's March 2025 meeting.

5. Best Value

- 5.1 Since 2013/14 the Board has been required to provide overt assurance on Best Value. A revised Best Value Framework was considered and agreed by the NHS Board in January 2018. Appendix 2 provides evidence of where and when the Committee considered the relevant characteristics during 2024/25.

6. Risk Management

- 6.1 All NHS Boards are subject to the requirements of the Scottish Public Finance Manual (SPFM) and must operate a risk management strategy in accordance with the relevant guidance issued by Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM. In year, the Board has, via the Committee, approved a new Risk Management Strategy Framework, ensuring a streamline approach, updated to reflect key processes and controls in the Board's management of risk.
- 6.2 All of the key areas within the organisation maintain a risk register. All risk registers are held on Datix, the Risk Management digital information system. Training and support for all Datix modules, including risk registers, is provided by the risk management team according to the requirements of individuals, specialities and teams etc.
- 6.3 In line with the Board's agreed risk management arrangements, the Audit & Risk Committee has considered risk through a range of reports and scrutiny, including review of the 19 risks within the Corporate Risk Register. During 2024/25, the high-level risks identified as having the potential to impact on the delivery of NHS Fife's strategic priorities, and related operational high-level risks, were reported bi-monthly through the Corporate Risk Register to the governance committees, and subsequently to the Audit & Risk Committee and the Board.
- 6.4 The corporate risks collectively outline the organisational risks associated with the delivery of the Board's Population Health & Wellbeing Strategy. It is recognised that all risks on the corporate risk register are impacted by and are aligned to the Strategy. All corporate risks are reviewed regularly and reported bi-monthly to the governance committees and twice a year to the Board. During Financial Year 2024/25, developments of note in relation to corporate risks include the following:

Risks Closed

Optimal Clinical Outcomes: Following consideration of an updated deep dive review at the Clinical Governance Committee's meeting in March 2024, there was further discussion through the Risks and Opportunities Group on whether it was appropriate to close the risk and develop a revised risk or risks. Following this, and further discussion at the Clinical Governance Oversight Group, the recommendation was made to the Executive Directors' Group in September 2024 to close the risk and reframe a new risk.

Offsite area Sterilisation and Disinfection Unit Service: This risk was removed from the Corporate Risk Register in November 2024 and moved onto an operational risk register held by Acute Services and the Director of Property & Asset Management.

Risks Opened

Pandemic Preparedness / Biological Threats: A report and an initial deep dive review were progressed through the Public Health Assurance Committee and the Executive Directors' Group in March / April 2024. This review was agreed at the May 2024 Board and the risk now sits under the Director of Public Health and the Board's Public Health & Wellbeing Committee.

Capital Funding - Service Sustainability: The creation of a new risk in this area was approved by the Executive Directors' Group in May 2024 and this has now been included on the Corporate Risk Register, aligned to Finance, Performance & Resources Committee.

Potential Risks

A number of new potential corporate risks have been discussed for adoption:

Hospital Acquired Harm: Hospital Acquired Harm is a new risk intended to replace the closed Optimal Clinical Outcomes Risk. A draft deep dive was presented for consideration to the Clinical Governance Committee in March 2025.

Substance Related Morbidity and Mortality: Following a direction by the Public Health & Wellbeing Committee, a deep dive was assigned to a small team to ascertain the need for a specific NHS Fife risk with regards to deaths from drugs use. This aims to identify aspects of strategy, policy and delivery within the Board where there is a relevance pertaining to the prevention of drug-related deaths and to recommend actions that reduce the likelihood and consequence. The deep dive has progressed through the Risks & Opportunities Group, the Public Health Assurance Committee and the Public Health & Wellbeing Committee.

Access to General Dentistry: The Board's Public Health & Wellbeing Committee has suggested that a specific high-level corporate risk be considered regarding access to general dentistry across Fife. This risk has recently been created, is under review by the Primary Care Governance & Strategy Oversight Group and will be considered by the Public Health & Wellbeing Committee in May 2025.

- 6.5 Operationally, the Risks & Opportunities Group supports and embeds an effective risk management framework and culture across the organisation. The Group meet bi-monthly to support the continued development of an effective and consistent approach to the management of operational risk, as well as the ongoing consideration of enhancements to the Corporate risk management approach. The Group has reviewed and updated its Terms of Reference, with the most recent iteration approved in August 2024. At each meeting the Risks & Opportunities Group reviews progress against its Annual Workplan, considers issues for escalation, and receives reports on any other relevant business. The Risks & Opportunities Group has reported on its work to the Audit & Risk Committee in September 2024 and in March 2025, via a detailed progress report. An Annual Assurance Statement from the Risk & Opportunities Group was also considered by Audit & Risk in May 2025.

- 6.6 During 2024/25, the Group's work has included:
- Supporting the development and updates of the Risk Management Framework;
 - Continuing to inform and support the developments and improvements in relation to the Corporate Risk Register, recommendations on changes or additions to the corporate risks and the broader organisational risk profile, assurance levels and deep dive reviews;
 - Contributing to the development of a Risk Summary Dashboard and guidance to support and enhance our operational risk management approach and maintain alignment to the principles outlined within the Risk Management Framework;
 - Reviewing the Risk Assessment Matrix and considering the need for updates to descriptors and terminology, taking account of similar work nationally;
 - Considered the development of meaningful Key Performance Indicators that could be implemented to demonstrate active risk management.
- 6.7 The Group has undertaken a self-assessment of its own effectiveness, which has been considered at its meeting in April 2025 and thereafter reported to the Audit & Risk Committee in May 2025. The assessment covers elements including membership and group dynamics, role clarity and expectations, effectiveness of the scrutiny and challenge function, management of the agenda and impact of the Group in terms of outputs, as well as suggested actions to further improve the Group's effectiveness in respect of delivering its remit.
- 6.8 The Board began reassessing its risk appetite at a dedicated Development Session held in April 2024 and this has been completed in year, following a second Board Development Session in June 2024. This provided opportunity to discuss and reflect on the Board's appetite and consider the changes required in terms of both the risk appetite descriptors, and the levels of risk the Board is prepared to tolerate in the pursuit of its strategic priorities, especially delivery of the Population Health & Wellbeing Strategy. This was particularly relevant as the Board responded and adapted to the challenging financial outlook with new Re-form, Transform, Perform Framework. The new risk appetite statement was agreed by the Board at its meeting in November 2024, with a supporting paper considered by the Committee in December 2024..


7. Self-Assessment

- 7.1 The Committee has undertaken a self-assessment of its own effectiveness, utilising a revised questionnaire considered and approved by the Committee Chair. Attendees were also invited to participate in this exercise, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its March 2025 meeting, and action points are being taken forward at both Committee and Board level.

8. Conclusion

- 8.1 As Chair of the Audit & Risk Committee during financial year 2024/25, I am satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the year, I can confirm that adequate and effective governance arrangements were in place throughout NHS Fife during the year. Audit & Risk Committee members conclude that they have given due consideration to the effectiveness of the systems of internal control in NHS Fife, have carried out their role and discharged their responsibilities on behalf of the Board in respect of the Committee's remit as described in the Standing Orders.

- 8.2 I can confirm that that there were no significant control weaknesses or issues at the year-end which the Committee considers should be disclosed in the Governance Statement, as they may have impacted financially or otherwise in the year or thereafter.
- 8.3 I would pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I would thank all those members of staff who have prepared reports and attended meetings of the Committee.

Signed:  Date: 30 May 2025

Alastair Grant, Chair
On behalf of the Audit & Risk Committee

Appendix 1 – Attendance Schedule
Appendix 2 – Best Value

AUDIT & RISK COMMITTEE - ATTENDANCE RECORD
1 April 2024 – 31 March 2025

	16.05.24	20.06.24	12.09.24	12.12.24	13.03.25
Members					
A Grant , Non-Executive Member (Chair)	✓	✓	✓	✓	✓
Cllr G Downie , Stakeholder Member, Fife Council	x	✓			
A Haston , Non-Executive Member	✓	✓	✓	✓	✓
A Lawrie , Area Clinical Forum Representative	✓	✓	x	✓	
Cllr M Lockhart , Stakeholder Member, Fife Council					✓
K Macdonald , Non-Executive Member	✓	✓	✓		
N Robertson , Area Clinical Forum Representative					x
In attendance					
K Booth , Head of Financial Services	✓	✓	✓	✓	✓
A Brown , Principal Auditor	✓	x	✓		x
C Brown , Head of Public Sector Audit (UK), Azets	✓	✓	x	✓	✓
P Cumming , Risk Manager	x				
S Dunsmuir , Incoming Director of Finance					✓ observing
B Hudson , Regional Audit Manager	✓	✓	x	✓	✓
A Ferguson , Senior Audit Manager, Azets		✓		✓	✓
P Kilpatrick , Board Chair		✓ observing			✓ part
J Lyall , Chief Internal Auditor	✓	✓	✓	✓	✓
G MacIntosh , Head of Corporate Governance & Board Secretary	✓	✓	✓	✓	✓
C MacKenzie , Senior, Azets				✓	✓
M McGurk , Director of Finance & Strategy (Exec Lead)	✓	✓	x	✓ part	x
M Michie , Deputy Director of Finance			✓ deputising	✓ deputising	✓ deputising
A Mitchell , Thomson Cooper		✓			
C Potter , Chief Executive	✓	✓	✓	x	✓ part
SA Savage , Associate Director of Quality & Clinical Governance	✓	✓	✓	x	x
A Valente , Chief Financial Officer, HSCP				✓ deputising	

	16.05.24	20.06.24	12.09.24	12.12.24	13.03.25
A Wood , Non-Executive Member					✓ observing

BEST VALUE FRAMEWORK**Vision and Leadership**

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland's people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board has identified the risks to the achievement of its strategic and operational plans are identified together with mitigating controls.	Each strategic risk has an Assurance Framework which maps the mitigating actions/risks to help achieve the strategic and operational plans. Assurance Framework contains the overarching strategic risks related to the strategic plan.	COMMITTEES	Bi-monthly	Corporate Risk Register (to CG/FP&R/PH&W/SG Committees)
		AUDIT & RISK COMMITTEE	5 times per year	Corporate Risk Register (to A&R Committee)
		BOARD	2 times per year	Board

GOVERNANCE AND ACCOUNTABILITY

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure open-ness and transparency. Public reporting should show the impact of the organisation’s activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Outwith the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publicly available. Committee papers and minutes are publicly available	BOARD COMMITTEES	On going	Meetings publicly accessible NHS Fife website
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	BOARD COMMITTEES	Ongoing	SBAR reports EQIA forms

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife has a robust framework of corporate governance to provide assurance to relevant stakeholders that there are effective internal control systems in operation which comply with the SPFM and other relevant guidance.	Explicitly detailed in the Governance Statement.	AUDIT & RISK COMMITTEE BOARD	Annual Annual Ongoing	Code of Corporate Governance review Annual Assurance statements Compliance with NHS Scotland Blueprint for Good Governance

USE OF RESOURCES

The “Use of Resources” theme focuses on how a Best Value organisation ensures that it makes effective, risk-aware and evidence-based decisions on the use of all of its resources.

A Best Value organisation will show that it is conscious of being publicly funded in everything it does. The organisation will be able to show how its effective management of all resources (including staff, assets, information and communications technology (ICT), procurement and knowledge) is contributing to delivery of specific outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife maintains an effective system for financial stewardship and reporting in line with the SPFM.	Statutory Annual Accounts process	AUDIT & RISK COMMITTEE	Annual	Statutory Annual Accounts Assurance Statements SFIs
NHS Fife understands and exploits the value of the data and information it holds.	Annual Delivery Plan Integrated Performance & Quality Report	BOARD COMMITTEES	Annual Bi-monthly	Annual Delivery Plan Integrated Performance & Quality Report

PERFORMANCE MANAGEMENT

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Performance is systematically measured across all key areas of activity and associated reporting provides an understanding of whether the organisation is on track to achieve its short and long-term strategic, operational and quality objectives	<p>Integrated Performance & Quality Report encompassing all aspects of operational performance, Annual Delivery Plan targets / measures, and financial, clinical and staff governance metrics.</p> <p>The Board delegates to Committees the scrutiny of performance</p> <p>Board receives full Integrated Performance & Quality Report and notification of any issues for escalation from Committees.</p>	<p>COMMITTEES</p> <p>BOARD</p>	Every meeting	<p>Integrated Performance & Quality Report</p> <p>Code of Corporate Governance</p> <p>Minutes of Committees</p>

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board and its Committees approve the format and content of the performance reports they receive.	The Board / Committees review the Integrated Performance & Quality Report and agree the measures.	COMMITTEES BOARD	Annual	Integrated Performance & Quality Report
Reports are honest and balanced and subject to proportionate and appropriate scrutiny and challenge from the Board and its Committees.	Committee Minutes show scrutiny and challenge when performance is poor as well as good; with escalation of issues to the Board as required	COMMITTEES BOARD	Every meeting	Integrated Performance & Quality Report Minutes of Committees
The Board has received assurance on the accuracy of data used for performance monitoring.	Performance reporting information uses validated data.	COMMITTEES BOARD	Every meeting Annual	Integrated Performance & Quality Report Annual Accounts including External Audit report
NHS Fife's performance management system is effective in addressing areas of underperformance, identifying the scope for improvement, agreeing remedial action, sharing good practice and monitoring implementation.	Encompassed within the Integrated Performance & Quality Report	COMMITTEES BOARD	Every meeting	Integrated Performance & Quality Report Minutes of Committees

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife overtly links Performance Management with Risk Management to support prioritisation and decision-making at Executive level, support continuous improvement and provide assurance on internal control and risk.	Corporate Risk Register	AUDIT & RISK COMMITTEE BOARD	Ongoing	Corporate Risk Register Minutes of Committees

CROSS-CUTTING THEME – SUSTAINABILITY

The “Sustainability” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded a sustainable development focus in its work.

The goal of Sustainable Development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. Sustainability is integral to an overall Best Value approach and an obligation to act in a way which it considers is most sustainable is one of the three public bodies’ duties set out in section 44 of the Climate Change (Scotland) Act 2009. The duty to act sustainably placed upon Public Bodies by the Climate Change Act will require Public Bodies to routinely balance their decisions and consider the wide range of impacts of their actions, beyond reduction of greenhouse gas emissions and over both the short and the long term. The concept of sustainability is one which is still evolving. However, five broad principles of sustainability have been identified as:

- promoting good governance;
- living within environmental limits;
- achieving a sustainable economy;
- ensuring a stronger healthier society; and
- using sound science responsibly.

Individual Public Bodies may wish to consider comparisons within the wider public sector, rather than within their usual public sector “family”. This will assist them in getting an accurate gauge of their true scale and level of influence, as well as a more accurate assessment of the potential impact of any decisions they choose to make. A Best Value organisation will demonstrate an effective use of resources in the short-term and an informed prioritisation of the use of resources in the longer-term in order to bring about sustainable development. Public bodies should also prepare for future changes as a result of emissions that have already taken place. Public Bodies will need to ensure that they are resilient enough to continue to deliver the public services on which we all rely.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife can demonstrate that it is making a contribution to sustainable development by actively considering the social, economic and environmental impacts of activities and decisions both in the shorter and longer term.	Sustainability and Environmental report incorporated in the Annual Accounts process.	AUDIT & RISK COMMITTEE BOARD	Annual	Annual Accounts Climate Change Template

CROSS-CUTTING THEME – EQUALITY

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
NHS Fife meets the requirements of equality legislation.	Evidence of equality considerations in Board’s decision-making structure	BOARD COMMITTEES	Ongoing	Annual Assurance Statement from the Equality & Human Rights Steering Group EQIA completion for strategic projects and reports
The Board and senior managers understand the diversity of their customers and stakeholders.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	BOARD COMMITTEES	Ongoing	EQIA section on SBAR Community Engagement Policy approved in-year
NHS Fife’s policies, functions and service planning overtly consider the different current and future needs and access requirements of groups within the community.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments consider the current and future needs and access requirements of the groups within the community.	BOARD COMMITTEES	Ongoing	Population Health & Wellbeing Strategy has specific EQIA associated with its ambitions EQIA section on SBARs Equality & Diversity Board Champion appointed in-year

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
Wherever relevant, NHS Fife collects information and data on the impact of policies, services and functions on different equality groups to help inform future decisions.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments will collect this information to inform future decisions.	BOARD COMMITTEES	Ongoing	EQIA section on SBARs Regular reporting to Public Health & Wellbeing Committee and Staff Governance Committee on equality-related issues