

Food Standards Scotland

Independent Scrutiny of the Audit Process

Audits performed by Food Standards Scotland in accordance with the Food (Scotland) Act 2015, The Official Feed and Food Controls (Scotland) Regulations 2009 and Article 6(1) of Regulation (EU) 2017/625.

December 2019



Document Information

Version	Date	Reason for Amendment	Summary of Changes	Author
1.0	October 2018	New Procedure	N/A.	Food Standards Scotland Audit Branch
1.1	December 2019	Updating references to include regulation (EU) 2017/625	References to Regulation (EC) No 882/2004 updated	Food Standards Scotland Audit Branch

1.0 Background

1.1 Audits performed by Food Standards Scotland in accordance with the Food (Scotland) Act 2015, The Official Feed and Food Controls (Scotland) Regulations 2009 and Article 6(1) of Regulation (EU) 2017/625 are expected to follow the guidelines for the conduct of audit as detailed in Commission Decision 2006/677/EC¹.

1.2 Paragraph 5.3 of Commission Decision 2006/677/EC states for Independence:

‘Audit bodies should be free from any commercial, financial, hierarchical, political or other pressures that might affect their judgment or the outcome of the audit process. The audit system, audit body and auditors should be independent of the activity being audited and free from bias and conflicts of interest. Auditors should not audit areas or activities for which they have direct responsibility.

All relevant competent authorities should introduce safeguards to ensure that responsibility and accountability for audit and control activities, such as the management and supervision of official control systems, are kept sufficiently distinct.”

1.3 Paragraph 5.4 of Commission Decision 2006/677/EC states that for Independent Scrutiny of the Audit process: *"In order to check whether it is achieving its objectives, the audit process should be subject to scrutiny by an independent person or body. Such independent person or body should have sufficient authority, expertise and resources to carry out this task effectively. The approaches to independent scrutiny may vary, depending on the activity or the competent authority. Where a body or a committee has been established with a view to independent scrutiny of the audit process, one or more independent persons should be members of such body or committee. Such independent persons should have access to the audit process and be empowered to contribute fully to it. Action should be*

¹<https://publications.europa.eu/en/publication-detail/-/publication/e4a93d97-92a1-4227-986f-5da09f18ade3/language-en>

taken to remedy any shortcomings identified in the audit process by the independent person or body."

2.0 What is Independent Scrutiny?

National Audit Systems Network Definition: *A regular and planned process external to the audit body and the audited organisation with particular focus on the audit process to ensure that the process is capable of producing objective results and meeting its obligations under Regulation (EC) No 882/2004.*

2.1 The process will cover the whole audit process, including programming, planning and executing audits, reporting (including approval of reports), corrective action and follow-up. It should also cover the different threats to independence and mechanisms to manage them.

2.2 The objectives of independent scrutiny are to provide:

- An objective evaluation of the effectiveness and independence of the audit process and audit body.
- A critical evaluation of documentary evidence with a specific focus on objectivity of the audit body.
- Feed-back for continuous improvement.
- Confidence that the audit process is meeting the objectives of the appropriate legislation.

2.3 Outputs from the Scrutiny Process are:

- An opinion on effectiveness of the audit process.
- An opinion on independence of the audit body/auditors.
- A report identifying best practices and areas for improvement.

3.0 The Approach to Independent Scrutiny

- 3.1 Independent scrutiny of Food Standards Scotland Enforcement Authority Audit function will be carried out by The Food Standard Agency's Head of Regulatory Compliance. This individual is external to both Food Standards Scotland and to the Authorities being audited.
- 3.2 By the nature of this role, this individual has extensive knowledge of both the Local Authority landscape and the official controls delivered by them and has a full understanding of the requirements of Article 6(1) of Regulation (EU) 2017/625.
- 3.3 Scrutiny of the audit function will take place at least annually and will include:
- Scrutiny of the design and development of the audit programme, i.e. has it been developed on a risk basis;
 - A review of the previous year's Audit activity
 - Any other area as appropriate.
- 3.4 The scrutiny process should follow the guidance as detailed in the National Audit Systems document on Independence and Independent Scrutiny
- 3.5 Full access will be given to the audit process. A report will be provided to the Accountable Officer detailing the scrutiny and will identify any shortcomings. All actions identified will be addressed by means of an agreed action plan.
- 3.6 The scrutiny report detailing the action to be taken to address any identified shortcomings will then be presented to the FSS Audit and Risk Committee and published on the FSS website.
- 3.7 Secretariat function will be provided by FSS as required.

Independent Scrutiny of the Local Authority Audit Process

