

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead - Resources

Audit Committee: 20 March 2019

Subject: Audit Scotland Annual Audit Plan 2018/19

1. Purpose

- 1.1** The purpose of this report is to present Audit Scotland's Annual Audit Plan for the audit of financial year 2018/19 to Committee for information.

2. Recommendations

- 2.1** Members are asked to note Audit Scotland's audit plan for their audit of West Dunbartonshire Council for financial year 2018/19.

3. Background

- 3.1** Audit Scotland have produced their Annual Audit Plan which provides an overview of the audit approach to be adopted and describes the outputs the Council can expect to receive. The plan is appended to this report for noting.

4. Main Issues

- 4.1** The key audit risks, which require specific audit testing, are detailed in Exhibit 1 of the appended plan. Members should note that items 1 to 4, 10, and 12 are risk areas which for Audit Scotland are common subjects across Councils in Scotland and items 5 to 9 and 13 relate to issues raised in Audit Scotland's Annual Report for 2017/18 which was reported to Council in September 2018 and subsequently to Audit Committee. In addition, items 11 and 14 are risk areas which have been identified in 2018/19 specific to WDC.
- 4.2** Audit outputs are detailed within Exhibit 2 and the financial statement timetable is shown at Exhibit 5.
- 4.3** Details of the audit of trusts registered as Scottish charities are provided at paragraphs 8 to 11, including risks detailed at Exhibit 3.
- 4.4** The fee for the local audit is £264,810 (2017/18: £257,760), including the audit of the charitable trust funds. The audit fee of £2,100 for the audit of trust funds is unchanged from 2017/18 - the Council will cover these costs.
- 4.5** As stated at paragraph 30, to support their audit opinion on the financial statements, Audit Scotland will place reliance on one planned internal audit review in relation to the planned audit of the Main Accounting System.

Other areas of internal audit work will also be considered as stated at paragraph 31, including:

- Investigation: Roads and Greenspace – Allegation of Hospitality and Tendering & Contracting Arrangements; and
- Balance Sheet Reconciliations (suspense accounts).

4.6 Audit Scotland's approach to Best Value / Value for Money is detailed in paragraphs 37 to 40.

5. Personnel Implications

5.1 There are no people implications.

6. Financial and Procurement Implications

6.1 The total fee quoted at paragraph 12 of £264,810 compares to £257,760 for 2017/18.

6.2 There are no procurement implications.

7. Risk Analysis

7.1 Audit Scotland's assessment of the risks facing the Council is detailed in their plan. An additional internal risk assessment was not required.

8. Equalities Impact Assessment (EIA)

8.1 There are no issues.

9. Consultation

9.1 This report has been subject to consultation with appropriate Strategic Leads.

10. Strategic Assessment

10.1 This report relates to all five of the Council's Strategic Priorities.

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Date: 12 March 2019

Person to contact

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Appendix 1: Audit Scotland Annual Audit Plan 2018/19

Background Papers: None

Wards Affected: All wards