

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Corporate Services

Audit and Performance Review Committee: 25 September 2013

**Subject: Scotland's Public Finances: Addressing the challenges
A targeted follow-up report – August 2013**

1. Purpose

- 1.1** This report provides Committee with a report which has been received from our external auditors – Audit Scotland – and to provide information to Members as to management actions implemented following receipt of this report.

2. Recommendations

- 2.1** The Committee is invited to note the report and the agreed management improvement actions.

3. Background

- 3.1** The Audit Scotland report: 'Scotland's public finances: Addressing the challenges' published in August 2011 is the only performance audit report to be selected for targeted follow-up in 2012/13. This report provided an overview of the scale of budget cuts expected to be faced by the Scottish public sector in the period 2010/11 to 2014/15, and how public bodies were beginning to respond to the challenges of reducing expenditure.
- 3.2** The aim of the local follow-up work is to assess how West Dunbartonshire Council (the Council) is responding to the challenges of public sector budget constraints and its efforts to achieve financial sustainability. This report summarises the key findings arising from our local follow-up work.

4. Main Issues

- 4.1** Representation from the Audit Scotland team will be in attendance at the Committee to present the report and to answer questions.
- 4.2** The report's key findings identify a number of areas of good practice and a number of areas where the auditors have identified scope for improvement. As a result of the areas which have been identified as having scope for improvement the auditors have produced an action plan to which identifies 5 risk areas and to which management have agreed with the auditors a number of action points.
- 4.3** The areas of good practice identified at paragraphs 4 to 7 of the attached report and the areas with scope for improvement are identified at paragraph 8 of the report and in the appended action plan to the report.

5. People Implications

- 5.1** The people issues arising from this report are in relation to implementing improved processes in a number of systems and can be implemented from within existing resources.

6. Financial Implications

- 6.1** There are no direct financial implications arising from this report.

7. Risk Analysis

- 7.1** Failure to address the recommendations outlined in the report could impact on the final audit opinion awarded to the Council in respect of the audit in future financial years.

8. Equalities Impact Assessment

- 8.1** There are no equalities issues arising from this report.

9. Consultation

- 9.1** The views of Legal Services have been requested on this report and no issues or concerns have been identified.

10. Strategic Assessment

- 10.1** The report is for noting and, therefore, does not directly affect any of the strategic priorities.

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Date: 6 September 2013

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Appendix: Audit Scotland report: *Scotland's Public Finances: Addressing the Challenges, A targeted follow-up report*

Background Papers: None

Wards Affected: All Page 2 of 2