

West Dunbartonshire Council
Audit Committee
Annual Report 2019/20 from the Chair

Introduction

This annual report has been prepared to inform West Dunbartonshire Council of the work carried out by the Council's Audit Committee during the financial year 2019/20.

Meetings

The Audit Committee met three times during the financial year comprising meetings on 12 June 2019, 25 September 2019 and 20 November 2019 to consider reports relevant to the Audit cycle and other matters as deemed appropriate. Pre-Agenda meetings were also held ahead of Committee involving the Chair and appropriate officers. The scheduled meeting of the Committee on 18 March 2020 was cancelled as a result of the Coronavirus impact.

The purpose and remit of Audit Committee as detailed in the Council's Standing Orders is to:

- Monitor, and make recommendations on the development of, the Audit activity of the Council; and
- Scrutinise the monitoring and review activity of the thematic and regulatory committees.

To fulfil this remit, the Audit Committee sought assurance on the adequacy and effectiveness of the Council's systems of corporate governance and internal control for efficient operations and for the highest standards of probity and accountability. This was achieved through reports received from internal audit, other Council functions and external audit with focus in particular on internal control and governance.

At each meeting of the Audit Committee, it considered Internal Audit's action plans from recently issued reports, together with monitoring progress on the completion of previously issued reports. It also considered the annual audit plan and reports from Audit Scotland, the Council's External Auditors. In addition, a number of national reports prepared by Audit Scotland on behalf of the Accounts Commission were also considered.

The Audit Committee also received reports on:

- Prudential Indicators and Treasury Management;
- Risk Management;
- Update on West Dunbartonshire Best Value Assurance Report; and
- Scottish Public Services Ombudsman Complaints Report 2018/19.

The minutes of Audit Committee meetings are first confirmed as a correct record at the next Audit Committee before being remitted to Council for approval.

Membership of the Audit Committee

In accordance with West Dunbartonshire Council's Standing Orders membership of the Audit Committee comprises 8 Elected Members and 2 Lay Members with Lay Members not being members of any political party. The quorum of the Audit Committee is 3 Elected Members.

The Chair of the Audit Committee is from the Opposition (as is the Vice Chair). The committee has two Lay Members, with there being a vacancy during the year. The Administration has a minority of members on the Audit Committee.

Attendance by members of the Committee at Audit Committee meetings in 2019/20 was:

Member	Date of Meeting			
	12/06/19	25/09/19	11/12/19	18/03/20
Cllr John Mooney (Chair)	Present	Present	Present	The scheduled March meeting of the Audit Committee was cancelled. Business was carried forward and considered at the June 2020 meeting of the Audit Committee.
Cllr Jim Brown	Present	Present	Present	
Cllr Karen Conaghan	Apologies	Present	Present	
Cllr Daniel Lennie	Apologies	Present	Apologies	
Cllr Jonathan McColl	Present	Present	Apologies	
Cllr John Millar	Apologies	Apologies	Absent	
Cllr Martin Rooney	Present	Present	Present	
Cllr Brian Walker	Present	Apologies	Apologies	
Lay Member Chris Johnstone (from 12/12/18)	Present	Present	Present	
Lay Member (Vacancy)	N/A	N/A	N/A	

Every meeting of the Audit Committee during 2019/20 was quorate.

Attendance by Officers

All meetings were attended by the Chief Executive, The Strategic Director – Transformation & Public Service Reform (T&PSR), the Strategic Lead – Resources and the Audit Manager.

Other senior officers also attended meetings as appropriate for items on the Agenda for which their presence was relevant. Representatives from the Council's external auditors - Audit Scotland - were present at every meeting.

On 1 January 2020, the Council entered into a shared management arrangement with Inverclyde Council in relation to the Shared Service Manager – Audit & Fraud role. This shared arrangement allows for the sharing of best practice, knowledge and experience for the Audit and Fraud teams across both Councils.

Assurance Statement to the Council

The Audit Committee provides the following assurance to the Council:

- The Council has received the Minutes of the Audit Committee meetings throughout the year;
- The Audit Committee has operated in accordance with its agreed terms of reference, and accordingly with the audit committee principles in the CIPFA Position Statement relating to its Audit functions;
- It did this through material it received from Internal Audit, External Audit, and assurances from Management. It focussed on matters of internal control and governance, giving advice to the Council on the value of the audit process, on the integrity of financial reporting and on governance arrangements, and acted as a bridge between the Council and its stakeholders;
- For all audit reports, the Audit Committee considered whether it was satisfied that an adequate management response was in place to ensure action would be taken to manage risk and address concerns on internal controls and governance arrangements. The Committee acknowledges that all the audit recommendations are input to Pentana, the Council's performance management system, and that there is a system in place of on-going follow-up by Internal Audit and reporting thereon;
- The Audit Committee has received and considered material to fulfil its scrutiny role on treasury management activity; and
- The Audit Committee reviewed the audited Annual Accounts for 2018/19 alongside External Audit's report on their annual audits 2018/19.

Conclusion

Based on the reports received and reviewed by the Committee they are in agreement with the Chief Internal Auditor's annual audit report which confirms that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's internal control system in 2019/20. I am satisfied that active monitoring and follow up of recommendations is in place in respect of agreed management action.

Councillor John Mooney
Chair of the Audit Committee
21 October 2020