

WEST DUNBARTONSHIRE COUNCIL**Report by Strategic Lead - Resources****Audit Committee: 17 June 2020**

Subject: Audit Scotland Annual Audit Plan 2019/20**1. Purpose**

- 1.1 The purpose of this report is to present Audit Scotland's Annual Audit Plan for the audit of financial year 2019/20 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 2019/20.

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.
- 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 10 and 11, including risks detailed at Exhibit 3.
- 4.4 The fee for the local audit is £269,590 (2018/19: £264,810), including the audit of the charitable trust funds. The audit fee of £2,100 for the audit of trust funds is unchanged from 2018/19 - the Council will cover these costs.
- 4.5 As stated at paragraph 29, to support their audit opinion on the financial statements, Audit Scotland will place reliance on planned internal audit reviews in relation to:
- Cash and Banking; and
 - Housing Rents – Calculation and Collection.

Other areas of internal audit work will also be considered as stated at paragraph 30, including:

- Procurement Follow Up; and
- Members Expenses.

4.6 Audit Scotland's approach to Best Value/Value for Money is detailed in paragraphs 35 to 40.

4.7 Our audit planning work was undertaken prior to the coronavirus outbreak, and the risks in exhibit 1 reflect the financial statement and wider dimension risks identified up until that point. Covid-19 is impacting on many of the Council's activities and we will reflect the impact of this as appropriate in our audit work. On 21 May 2020, the Scottish Government issued Local Government Finance Circular 10/2020, covering the format and publication timetables for the 2019/20 accounts. This extended the deadline for the certification of the 2019/20 accounts to 30 November 2020. Given the potential impact of Covid-19 on the completion of the 2019/20 audit, Audit Scotland has taken the decision to work towards sign off and publication of the Council's accounts by 30 November 2020 in line with the new deadline. Further information on the factors informing this decision are set out in the letter from the Engagement Lead for the audit included as an appendix to our plan in these papers.

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 £269,590 compares to £264,810 for 2018/19.

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: 17 June 2020

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Appendices: Audit Scotland Annual Audit Plan 2019/20 – Appendix 1
Audit Scotland Engagement Lead Letter – Appendix 2

Background Papers: None

Wards Affected: All wards