



## **REPORT TO AUDIT COMMITTEE – 19 SEPTEMBER 2019**

### **EXTERNAL AUDIT – PROGRESS REPORT AT 30 SEPTEMBER 2019**

#### **1 Recommendation**

**1.1 The Committee is recommended to comment on this paper.**

#### **2 Background / Discussion**

2.1 This report provides an update on progress against the 2018/19 audit plan.

2.2 The Committee is asked to discuss and note the progress report, attached as appendix 1.

2.3 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

#### **3 Scheme of Governance**

3.1 The Committee is able to consider/comment on this item in terms of Section G.1.5 of the List of Committee Powers in Part 2A of the Scheme of Governance as the report relates to the Council's relationship with its external auditors.

#### **4 Equalities, Staffing and Financial Implications**

4.1 An equality impact assessment is not required because this report informs the Committee on progress with planned audit activity and does not have a differential impact on any of the protected groups.

4.2 There are no staffing and financial implications as a direct result of this report.

4.3 The external audit process identifies risks and reports risks in the areas subject to review.

**Ritchie Johnson**  
**Director of Business Services**



# Aberdeenshire Council

Progress Report 2018/19



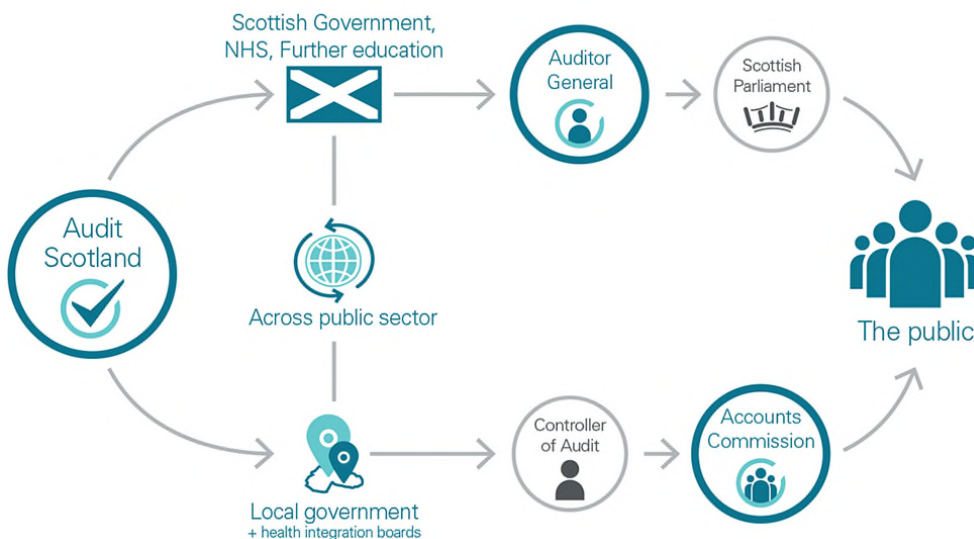
 AUDIT SCOTLAND

Prepared for Aberdeenshire Council  
September 2019

## Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non – executive board chair, and two non – executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



## About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

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# Planned work and other matters

1. This report aims to provide an update of progress with the 2018/19 audit. Our roles and responsibilities were set out in our 2018/19 Annual Audit Plan which was considered by the Audit Committee in March 2019. A significant element of our work relates to gathering the assurances required to support our opinion on the council's financial statements.

## Progress against 2018/19 audit plan

2. In agreeing our fee for the audit, we agreed to deliver the outputs set out in [Exhibit 1](#) in relation to the 2018/19 audit.

### Exhibit 1 2018/19 Audit outputs

Audit Output	Target date for Audit Committee	Actual date	Complete	Comments
<b>Governance</b>				
Interim Report	4 July 2019	4 July 2019		Considered by the Audit Committee in July 2019. Action Plan agreed in principle at that time. Detailed action plan with management responses on September agenda.
<b>Financial statements</b>				
Communication of audit matters to those charged with governance - Annual Report on the 2018/19 audit	19 September 2019			Separate agenda item
Independent auditor's report on the financial statements	19 September 2019			Separate agenda item
Audit opinion on charitable trusts accounts	19 September 2019			Separate agenda item

3. [Exhibit 2](#) sets out the returns we are required to certify and submit to Audit Scotland and /or the Scottish Government. While we do not routinely bring these

documents to committee, we use our discretion when concluding these pieces of work to highlight areas of interest and/or concern for the committee's attention. Such matters would be reported either through this regular progress report or our Annual Audit Report.

## Exhibit 2

### 2018/19 Audit outputs

Audit Output	Submission date	Actual date	Complete	Comments
<b>Performance Audit</b>				
Equal pay in Scottish councils – impact assessment	Spring 2019	24 April 2019	Yes	Data submitted to the study team in respect of the number and cost of arrears of pay cases and/or compensation cases paid by the council since 1 April 2015. Arrears of pay cases are pensionable payments while compensation payments are not.
Educational Outcomes – Data Return	31 August 2019	N/A		Data to be gathered by the Audit Scotland study team direct. No local audit input expected.
National Fraud Initiative – Data Return	30 June 2019	28 June 2019		Initial return to the NFI study team covering the council's progress on reviewing matches received in 2019.
Fraud Returns	Quarterly (if applicable)	N/A		No returns submitted during 2018/19 audit
Overview Report – Data Return	1 October 2019			
<b>Grants</b>				
Education Maintenance Allowance	31 July 2019	30/07/2019		Audited return submitted – no matters to report.
Audit opinion on Whole of Government Accounts	30 September 2019			On schedule for submission by 30/09/2019
Non-Domestic Rates Income return	4 October 2019			On schedule for submission by 04/10/2019
Housing Benefit Subsidy	30 November 2019			