

South Ayrshire Council

**Report by Head of Finance and ICT
to Audit and Governance Panel
of 29 May 2019**

Subject: External Audit Reports – Progress to 31 March 2019

1. Purpose

1.1 The purpose of this report is to provide Members with an update on the progress that the Council is making in relation to external audit improvement actions.

2. Recommendation

2.1 It is recommended that the Panel:

2.1.1 scrutinises the progress against the Council’s external audit improvement actions as presented in this report; and




2.1.2 identifies with officers if any further explanation, additional work or modification is required, to help expedite their delivery.

3. Background

3.1 The last report on progress was presented to the Panel on 20 March 2019. This report covers progress against the outstanding actions from that update.

4. Proposals

4.1 Progress from 1 February to 31 March 2019 is summarised below:

Status of External Audit actions as at 31 March 2019	Completed since 1 Feb	On target	Not on target	Total
				
Annual Report on 2016/17 Audit - Sept 17	-	1	-	1
Annual Report on 2017/18 Audit - Sept 18	-	2	-	2
Overall:	-	3	-	3

4.2 During the reporting period, 3 actions continue to progress ‘on target’.

4.3 Full details of the progress relating to all these actions and updates are set out within [Appendix 1](#), mirroring the information available to Members through the Council's performance management system [Pentana](#).

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 None.

7. Human Resources Implications

7.1 None.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There are no risks associated with adopting the recommendations.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 Rejecting the recommendations may impact on the reputation of the Council.

9. Equalities

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to delivery of the Council's strategic objective 'Effective Leadership that Promotes Fairness' and the commitment that 'Councillors will provide effective governance and leadership'.

13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Douglas Campbell, Portfolio Holder for Corporate, and the contents of this report reflect any feedback provided.

Background Papers **Report to Audit and Governance Panel of 20 March 2019 - [External Audit Reports – Progress to 31 January 2019](#)**


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Date: 20 May 2019


Appendix 1 – Detail of External Audit improvement actions - completed over the last reporting period and still to be completed.

Notes: The 'original due date' is the date that was agreed when the audit reports was originally issued. The 'current due date' reflects subsequent amendments, as detailed in the 'agreed revisions' column, which provides an audit trail of what the changes have been made.


EA2017/01 Annual Report on 2016/17 Audit - Sept 2017

Action	Original Due Date	Managed By	Latest Note	SAC Status	Progress	Agreed Revisions	Current Due Date
<p>1.3 Recommendation: Management should note the baseline position of the Council against the Strategic Audit Priorities, outlined on pages 32-33. As part of our ongoing work, External Audit will monitor the Council's performance over the course of our 5 year appointment.</p> <p>Management Response: Management has noted the position identified by the auditors and will work to deliver improvements against this position over the course of their appointment.</p>	31-Mar-2021	Best Value Working Group	<p>In terms of the Council's longer term approach to delivering Best Value, then the Best Value Working Group is scheduled to review the Council's current position against the Accounts Commission's Strategic Audit priorities. The intention is to identify next steps to ensure that the pace, depth and continuity of improvement delivered by the Council matches both its ambition and the resources available.</p> <p>AnFollowing this update report a new action plan will be presented to the Audit and Governance Panel on 29 May 2019, followed by an action plan on 28 August 2019, once agreed by the BVWG. -</p>		30%		31-Mar-2021

EA2018/01 Annual Report on 2017/18 Audit - Sept 18

Action	Original Due Date	Managed By	Latest Note	SAC Status	Progress	Agreed Revisions	Current Due Date
<p>1.1 Long-term financial strategy: We recommend that a longer term financial strategy (five to ten years) be developed. Taking a more long-term view would provide Members with a greater ability to take a 'future focused' approach to decision making.</p> <p>Management Response: Consideration will be given to extending the current medium term view to a more longer term approach when the Financial Strategy is next updated in 2019.</p>	31-Mar-2020	Tim Baulk	03-May-2019 Work has commenced on preparing a new longer term financial strategy which will be presented to LP for consideration in due course.		20%		31-Mar-2020

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Action	Original Due Date	Managed By	Latest Note	SAC Status	Progress	Agreed Revisions	Current Due Date
Priority: Low							
<p>1.7 Governance – community involvement: We recommend that SAC improve community involvement via increased community empowerment, community takeover and participatory budgeting.</p> <p>Management Response: Discussions is already underway with consideration of options available to address this requirement. An engagement strategy is currently being developed.</p> <p>Priority: Medium</p>	31-Mar-2019	Corporate Leadership Team	03-May-2019 Consultation Institute Training was undertake with over 20 staff from all partners through the Community Planning Partnership on best practice engagement and consultation during autumn/winter 2018, with awards presented by the Provost. The approach to Placemaking and Place Plans was approved by Leadership Panel on 12 March 2019. Reports on 'Moving towards Mainstreaming Participatory Budgeting' and 'Engaging with Communities' are in preparation to be presented to Leadership Panel on 11 June 2019. Community Asset Transfer (CAT) policy now approved by Leadership Panel and the 'CAT Advisory Group' now established and considering applications.		90%	Due date amended 01/05/2019 as per M Baker	30-Jun-2019