

## **STIRLING COUNCIL**

**MINUTES of MEETING of the AUDIT COMMITTEE held in the COUNCIL CHAMBERS,  
OLD VIEWFORTH, STIRLING on TUESDAY 28 MAY 2019 at 2.30 pm**

### **Present**

Councillor Neil BENNY (Convener)

Councillor Martin EARL  
Councillor Graham LAMBIE  
Councillor Alison LAURIE

Councillor Alasdair MAJURY  
Councillor Alasdair TOLLEMACHE

### **In Attendance**

Moira Bilsbrough, Senior Internal Auditor (Governance)  
Jim Boyle, Chief Officer – Finance  
Caroline Cherry, Locality Manager – Stirling Urban (Clackmannanshire & Stirling Health & Social Care Partnership)  
Judy Edwards, Early Years & Early Intervention Service Manager (Schools & Learning)  
Michael Grassom, Service Manager Safer Reducing Offending (Children & Families)  
Kristine Johnson, Chief Officer – HR  
Steven MacDonald, Economic Growth Culture Tourism & Events Service Manager (Economic Development, Culture & Tourism)  
Julia McAfee, Chief Officer – Governance  
Julia Mountford, Solicitor (Governance)  
George Murphy, Accounting Operations Manager (Finance)  
Lisa Nugent, Assistant Auditor (Governance)  
Kevin O’Kane, Audit Manager (Governance)  
Heather Robb, Technology & Information Manager (Strategic, Commissioning & Customer Development)  
Scott Ross, Portfolio & Business Manager (Strategic Commissioning & Customer Development)  
Kirsty Street, Governance Intern (Governance)  
Gregor Wightman, Property & Private Sector Housing Manager (Housing)  
Janice Young, Intermediate Care Manager (Clackmannanshire and Stirling Health and Social Care Partnership)  
Karen Swan, Committee Officer (Governance) (Clerk)

### **Also Present**

Paul Craig, Audit Scotland, External Auditor  
Andrew Wallace, Audit Scotland, External Auditor

The Convener of the Audit Committee passed on thanks to Heather Robb for the help she has given to Committee over the years and wished her all the best in her new job.

### **AC122 APOLOGIES AND SUBSTITUTIONS**

There were no apologies or substitutions.

### **AC123 DECLARATIONS OF INTEREST**

Councillor Martin Earl and Councillor Alison Laurie declared a non-financial interest in AC127 – ALEOs and Strategically Funded Bodies: - Overview of Governance Reporting as Directors on the Active Stirling Board, and confirmed they were content to remain and participate in the meeting as it was an update report.

Councillor Tollemache declared a non-financial interest in AC129 – Clackmannanshire and Stirling Health and Social Care Partnership Progress Report as the Chair of Townbreak, as it was funded by the Clackmannanshire and Stirling Health and Social Care Partnership, and confirmed he was content to remain and participate as it was a progress report.

### **AC124 URGENT BUSINESS BROUGHT FORWARD BY THE CONVENER**

There were no items of urgent business.

### **AC125 MINUTES – AUDIT COMMITTEE – 21 MARCH 2019**

#### **Decision**

The Audit Committee agreed to approve the Minutes of Meeting held on 21 March 2019 as an accurate record of proceedings.

### **AC126 ROLLING ACTION LOG**

The Rolling Action Log was submitted for review.

#### **Decision**

The Audit Committee agreed to note the Rolling Action Log.

### **AC127 ALEOs AND STRATEGICALLY FUNDED BODIES: OVERVIEW OF GOVERNANCE REPORTING**

The report followed on from the Council's second Annual Report on the performance and activity of its arm's length external organisations (ALEOs) and other strategically-funded bodies presented to Committee on 21 March 2019.

Stirling Council, like all local authorities, works with a wide variety of external organisations to achieve a number of key priorities and objectives.

The Council was responsible for ensuring that any organisation it established or funds could demonstrate Best Value in its use of public money and in the quality of the services provided. The Council must be able to “follow the public pound” to the point where it was spent. It was therefore important that robust governance arrangements were in place within the Council to effectively manage the relationship with such organisations. In addition to ongoing management of the relationship by a relevant officer, normally under contractual arrangements, that would be achieved through regular reporting to the relevant decision-making committee. Reporting would provide an opportunity to scrutinise performance, gather further information and also for the Council to take decisions.

Following a Members’ question, the Economic Growth Culture Tourism & Events Service Manager confirmed that clarity would be sought on when Stirling District Tourism would report back to its relevant Committee and advise Members of the Audit Committee accordingly.

Members also noted that each of the ALEO’s detailed in Appendix 1, to the submitted report, would be incorporated into future reporting cycles of its parent Committee.

The Committee also agreed that a yearly update report on Annual ALEO’s and Strategically Funded Bodies would be taken at Audit Committee in March of each year.

### **Decision**

The Audit Committee agreed:

1. to note the governance reporting framework for the Council’s arm’s-length external organisations (ALEOs) and other strategically-funded bodies as detailed at Appendix 1 to the submitted report; and
2. an Annual report would be submitted to Audit Committee.

(Reference: Report by Chief Officer – Governance dated 20 May 2019, submitted)

## **AC128 RISK MANAGEMENT**

The report contained the Strategic Risk Register, which had been reviewed by the Senior Managers and Chief Officers. It enabled Audit Committee members to examine the Significant Risks facing the Council and the Risk Treatments put in place to reduce the risks.

The Strategic Risk Register contained 19 risks – 18 under treatment and 1 managed/monitored.

The Committee requested that within future reports, the four T’s be detailed appropriately.

In response to a Members question on external utility repairs, the Chief Officer – HR agreed risk, associated with utility companies when failing to repair surfaces to the existing level, be included in future Risk Management reports.

Following a query on the Clackmannanshire and Stirling Heath & Social Care Partnership, Members of the Audit Committee discussed in depth further concerns, in

particular, the internal controls that Stirling Council had in respect to monitoring its own financial risk associated with the Partnership but also the risk to the services involved.

Members expressed concern that the process of reporting risks from the Partnership should be submitted to full Council to allow all Elected Members to be fully informed.

Future Integration Joint Board meeting agenda's would be circulated via a web link to All Stirling Council Elected Members for information.

The Members of Audit Committee agreed that a report would be submitted to the meeting of Stirling Council on 27 June 2019 which would detail the financial risk associated with the Partnership along with internal controls that Stirling Council had in place.

### **Decision**

The Audit Committee agreed:

1. to note the risks within the Strategic Risk Register with specific attention to treatment actions and target dates;
2. note the strategic risks highlighted in paragraph 2.1 and the Service Risk Register Status update in paragraph 2.2 in the submitted report; and
3. that a report on the financial and service risks along with control actions for Stirling in relation to the Health & Social Care Partnership to be submitted to the Meeting of Stirling Council on 27 June 2019.

(Reference: Report by Chief Officer – Finance dated 17 May 2019, submitted)

## **AC129 CLACKMANNANSHIRE AND STIRLING HEALTH AND SOCIAL CARE PARTNERSHIP PROGRESS REPORT**

The purpose of the report was to update and give assurance to the Committee on the progress of the Clackmannanshire and Stirling Health and Social Care Partnership. The report outlined the following: progress against a number of items including the development of the Strategic Commissioning Plan (2019 -22) and locality planning; a high-level view of the Partnership's latest performance report; an overview of the budget challenges and the key messages on integration from the national Ministerial Strategic Group (MSG). All of these items were presented at the Integration Joint Board on the 27 March 2019.

The overview of progress over the past year included some areas of the partnership agreements, with the delivery of the Health and Care Village (the Bellfield Centre) which opened in November 2018; the development of a neighbourhood base care team for Adults based in rural south west Stirling; further redesign of learning disability and mental health services; the development of the strategic commissioning plan and the publications of the carers short Break Statement and Carers Strategy.

In response to Members' questions on the unbalanced budget for the Clackmannanshire & Stirling Health & Social Care Partnership, the Locality Manager – Stirling Urban confirmed that at the last meeting of the Integration Joint Board (IJB) they tasked the IJB's Finance Committee to debate the financial challenges and present proposed savings to the next IJB meeting in June 2019.

## Decision

The Audit Committee agreed:

1. to note progress against the delivery of the strategic plan and the pace of locality planning;
2. to note up to date high level performance;
3. to note the budget challenges and pressures; and
4. note the National Ministerial Strategic Group (MSG) report, key messages and questions for self - evaluation by each constituent body.

(Reference: Report by Interim Chief Officer – Clackmannanshire and Stirling Health and Social Care Partnership dated 15 May 2019, submitted)

## AC130 INTERNAL AUDIT PROGRESS REPORT

The report presented the Audit Committee with an update on progress made against the Internal Audit Risk Assessment & Plan 2019-20 (including work brought forward from 2018-19 for completion) and detailed Internal Audit reports issued since the previous meeting of the Committee on 21 March 2019. Those reports were attached at Appendix 2 for consideration and scrutiny.

Two Internal Audit Summary reports were attached at Appendix 2 to the submitted report.

The Audit Plan Position Statement was attached at Appendix 3.

### **(a) Internal Financial Reports – Rent Arrears (Housing & Homeless Accommodation)**

The Committee agreed that the Internal Audit summary report on Rent Arrears (Housing & Homeless Accommodation) would be deferred to the next meeting of the Audit Committee to allow the Chief Officer – Housing to attend.

### **(b) Local Code of Corporate Governance 2018/19**

The scope of our review was to conduct a review of the Council's corporate governance arrangements and controls, as out in the Local Code of Corporate Governance, as approved by the Council on 15 March 2018.

The specific objectives of the review were to:

- Consider whether the Council's updated Local Code of Corporate Governance remained consistent with CIPFA and SOLACE Framework and Guidance on 'Delivering Good Governance in Local Government';
- Provide assurance that key governance arrangements and controls, set out in the Local Code of Corporate Governance, exist and were applied in practice;
- Identify progress made with the implementation of agreed improvement actions, as contained in the Action Plan to the 2017/18 Internal Audit report; and

- Identify scope, where appropriate, for further development of the Council's corporate governance arrangements.

One Medium Risk and two Advisory were identified.

The Audit opinion was that comprehensive assurance could be given that the findings of the review that there was sufficiently clean, reliable and objective evidence that key governance arrangements and controls, as set out in the Local Code of Corporate Governance, exist and were applied in practice.

### **Decision**

The Audit Committee agreed:

1. the findings, risks, recommendations and statements of assurance set out in the Internal Audit report (Local Code of Corporate Governance) at Appendix 2 to the submitted report;
2. to note progress made on the Internal Audit Risk Assessment & Plan 2019-20, as set out in the Position Statement at Appendix 3 to the submitted report; and
3. defer the Internal report (Internal Financial Controls – Rent Arrears (Housing and Homeless Accommodation) to the next meeting of Audit Committee.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

### **AC31 INTERNAL AUDIT ANNUAL REPORT 2018-19**

The report presented the Internal Audit Annual Report 2018-19, including the Audit Manager's 'Opinion for the Annual Governance Statement', which was provided to support the Council's Group Annual Governance Statement to be incorporated in the draft Annual Accounts to 31 March 2019.

The Internal Audit Annual Report 2018-19 was submitted to the Audit Committee to comply with the requirements of Public Sector Internal Audit Standard 2450 (Overall Opinions) by providing the Committee with an annual report on Internal Audit activity, which was timed to support the preparation of the Council's draft Group Annual Governance Statement.

The Internal Audit Annual report 2018-19 covered the period 1 April 2018 to 31 March 2019 and reported:

- the annual internal audit opinion on the overall adequacy and effectiveness of the Council governance risk management and control framework (i.e. the internal control environment).
- a summary of the work from which the audit opinion was derived; and
- a statement of Internal Audit's conformance with the Public Sector Internal Audit Standards and the results of Internal Audit's Quality Assurance & Improvement Programme.

The Members thanked the Audit Manager and his team for the work involved in the Annual report.

## **Decision**

The Audit Committee agreed:

1. to note the Audit Manager's reporting obligations under Public Sector Internal Audit Standard 2450, as set out in Appendix 1 to the submitted report;
2. to endorse the Internal Audit Annual Report 2018-19, issued by the Audit Manager, and attached at Appendix 2 to the submitted report; and
3. to note Section 7 of the Report, the 'Opinion for the Annual Governance Statement', which had been prepared to support the Council's Annual Governance Statement, which would be incorporated in the draft Annual Accounts to 31 March 2019.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

## **AC132 INTERNAL AUDIT – ACTION TRACKING UPDATE**

Internal Audit reports contained agreed actions for improvements to controls, systems and processes, for implementation by Services. These were summarised in Action Plans within each report. Internal Audit monitored and reported on the implementation of agreed actions across all audit reviews.

The report attached at Appendix 1 to the submitted report identified Services' progress in implementing actions that had a target date of 31 March 2019 or earlier, based on responses received as at 30 April 2019.

The report attached at Appendix 2 to the submitted report listed all outstanding 'high priority' actions that, as at 31 March 2019, had not been completed in line with their original target dates.

Following discussion on the appendices, the Chief Officer – Finance gave the Committee assurances that the Debtor Accounts (Arrears) that was outstanding a current target date would be picked up and progressed within 2019/20.

In respect to an Elected Members' request, the Audit Manager confirmed clarity would be sought on the 13 completed road maintenance report noted in Appendix 1, to the submitted report, and forwarded to the Members of Audit Committee.

## **Decision**

The Audit Committee agreed:

1. to note the Action Tracking report at Appendix 1 to the submitted report, which highlighted that there were 31 Internal Audit reports with actions that were outstanding. The reports contain 2 actions that were overdue in terms of their current target dates, based on information provided to Internal Audit as at 30 April 2019; and
2. to note the report at Appendix 2 to the submitted report, which provided details of the 12 'high priority' actions that were overdue in terms of their original target dates, including Services' explanations for slippage.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

## **AC133 FRAUD & IRREGULARITIES REPORT**

The report and its appendices provided the Audit Committee with information on Counter Fraud activity and reported thefts, frauds and other financial irregularities in the year to 31 March 2019, and an analysis to date of progress on the current National Fraud Initiative (NFI) data matching exercise.

A corporate counter fraud resource was provided from within the Audit service, primarily by the Counter Fraud Officer and the Audit Manager. The principal purposes of the activity included: promotion of a counter-fraud culture, awareness and good practice across the Council; development, maintenance and reporting of and reporting on allegations of fraud, irregularity or misconduct; provision of a dedicated counter-fraud resource to the Council's housing service; and coordination and reporting of the Council's National Fraud initiative activity. Appendix 2 to the submitted report provided further detail of activity in this area during 2018-19.

### **Decision**

The Audit Committee agreed:

1. to note the Irregularities Report attached at Appendix 1 to the submitted report, and additional information in paragraph 2.1;
2. to note the Counter Fraud Activity 2018/19 report attached at Appendix 2 to the submitted report, and additional information at paragraphs 2.2 and 2.3;
3. to note the final position on the review of data matches as part of the National Fraud Initiative 2016/17 at Appendix 3 to the submitted report, and additional information at paragraph 2.4;
4. to note progress on the review of data matches as part of the National Fraud Initiative 2018/19 at Appendix 4 to the submitted report, and additional information at paragraph 2.5;
5. to note the completed NFI self-appraisal checklist for those charged with governance at Appendix 5 to the submitted report; and
6. to note the additional information, concerning other investigations, at paragraph 2.8.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

## **AC134 AUDIT COMMITTEE: DRAFT ANNUAL REPORT 2018-19**

The report presented the draft Audit Committee Annual Report 2018-19 for the Committee's consideration and approval.

Preparation of an Annual Report enabled the Committee to meet best practice guidance issued by the Chartered Institute of Public Finance & Accountancy (CIPFA) in 'Audit Committees: Practical Guidance for Local Authorities and Police'.

Best practice arrangements included the Committee accounting for its work to the Council as 'those charged with governance', and providing an assessment, at least

annually, of its performance in discharging its role and functions, as set out in the Scheme of Delegation.

The Committee passed on thanks to officers of the Council, Audit Manager and his team for the work involved over the year and the Draft Annual report.

### **Decision**

The Audit Committee agreed:

1. to note the draft Audit Committee Annual Report 2018-19 at Appendix 1 to the submitted report;
2. to approve the draft Audit Committee Annual Report 2018-19; and
3. that the Chief Officer – Governance should submit the Audit Committee Annual Report 2018-19 to the Council meeting on 27 June 2019, to enable the Committee to account to Council for its performance during 2018-19.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

## **AC135 ACCOUNTS COMMISSION REPORT: SAFEGUARDING PUBLIC MONEY: ARE YOU GETTING IT RIGHT?**

The purpose of the report was to provide the Audit Committee with information on the Accounts Commission's national report 'Safeguarding public money: are you getting it right?' published on 11 April 2019 as part of their 'How Council's Work' series of reports.

Presentation of Accounts Commission national reports enabled the Audit Committee to discharge its remit under the Council's Scheme of Delegation to consider the reports of external audit and inspection agencies.

The report aimed to reinforce the importance of councils having effective internal controls. Although these may have a low profile, there were fundamental to maintaining a council's finances; securing its core values; safeguarding public money and minimising the reputational impact on a council if things go wrong.

The report also sets out a number of anonymised, real-life case studies to illustrate the importance of internal controls and the consequences if they fail. A number of checklists were also included to help councillors and officers assess their council's situation and, where necessary, to identify and plan improvements.

The Members took note of the detailed "summary of checklists for councillors" and requested that it be circulated to All Elected Members.

### **Decision**

The Audit Committee agreed:

1. to note the Accounts Commission's national report: 'Safeguarding public money: are you getting it right?', attached at Appendix 1 to the submitted report, and the key messages and recommendations at paragraphs 2.4 and 2.5.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

### **AC136 ACCOUNTS COMMISSION REPORT: LOCAL GOVERNMENT IN SCOTLAND: CHALLENGES AND PERFORMANCE 2019**

The purpose of the report was to provide the Audit Committee with information on the Accounts Commission's national report Local Government in Scotland: Challenges and Performance 2019.

Presentation of Accounts Commission national reports enabled the Audit Committee to discharge its remit under the Council's Scheme of Delegation to consider the reports of external audit and inspection agencies.

The report provided a high-level, independent view of the challenges facing councils, how council were responding to tightening budgets and how it had affected services and performance. The report aimed to inform the public and its representatives and, in particular, local government councillors and senior council officers to support them in their complex and demanding roles.

#### **Decision**

The Audit Committee agreed:

1. to note the Accounts Commission's national report Local Government in Scotland: Challenges and Performance 2019, attached at Appendix 1 to the submitted report, and the key messages and recommendations at paragraphs 2.4 and 2.5; and
2. to note the associated supplement, including the 'Scrutiny tool checklist for Councillors', attached at Appendix 2 to the submitted report.

(Reference: Report by Chief Officer – Governance dated 17 May 2019, submitted)

### **AC137 REGULATION OF INVESTIGATORY POWERS (SCOTLAND) ACT 2000 - ANNUAL REPORT JANUARY 2018 TO DECEMBER 2018**

On the operation of the Regulation of Investigatory Powers (Scotland) Act 2000 (RIPSA) within Stirling Council during the period from 1 January 2018 to 31 December 2018 and reports on the number of requests for authorisation of directed surveillance and the use of covert human intelligence sources.

It should be noted that the RIPSA regulatory function was previously under the jurisdiction of the Office of the Surveillance Commissioner but was now under the jurisdiction of the Investigatory Powers Commissioner's Office (IPCO). IPCO had a different reporting period which was based on the calendar year. There was accordingly an overlap (1 January 2018 to 31 March 2018) in the report to reflect the new reporting requirements.

Following a regular planned inspection by the Investigatory Powers Commissioners' Office on 29 November 2018 the Investigatory Powers Commissioner issued an inspection Report on 4 March 2019. A copy of the Inspection Report was attached as Appendix 1 to the submitted report. It set out certain recommendations which were summarised in the report. The report also summarised the actions taken or to be taken by the Council to implement IPCO's recommendations.

In response to a Members query on the description of Stirling Council within the IPCO report, the Chief Officer – Governance agreed that it was not factually correct and would feedback to the IPCO.

### **Decision**

The Audit Committee agreed:

1. to note that there were no authorisations for directed surveillance granted during the period from 1 January 2018 to 31 December 2018;
2. to note that there were no active covert human intelligence sources as at 31 December 2018, none had been recruited or used during the period from 1 January 2018 to 31 December 2018;
3. to note that no breaches of the Council's revised Regulation of Investigatory Powers (Scotland) Act Policy, approved by Audit Committee at its meeting on 26 May 2016, had been identified during the period from 1 January 2018 to 31 December 2018;
4. to note the terms of the Investigatory Powers Commissioner's Office (IPCO) Inspection Report dated 4 March 2019;
5. to note the actions taken by the Council to implement the recommendations contained in the IPCO Report dated 4 March 2019;
6. to note the revised Regulation of Investigatory Powers (Scotland) Act Policy in terms of the draft attached as Appendix 2 to the submitted report; and
7. refer approval of the Regulation of Investigatory Powers (Scotland) Act Policy to a future Finance & Economy Committee.

(Reference: Report by Chief Officer – Governance dated 20 May 2019, submitted)

Councillor Alasdair Tollemache left the Meeting at 3.55pm.

### **AC138 STIRLING COUNCIL DRAFT ACCOUNTS 2018/19**

The report outlined the key features of the financial position displayed in the 2018/19 draft accounts, incorporating a brief overview of the General Fund and HRA revenue and capital outturn positions. It also asked the Audit Committee to approve the submission of the draft Stirling Council Accounts 2018/19 to the external auditor.

The draft Stirling Council Accounts for the year to 31 March 2019 had been prepared for audit. The draft accounts must be presented to either the Council or a Committee of the Council charges with audit or governance in accordance with the Local Authority Accounts (Scotland) Regulations 2014 by the statutory deadline of 30 June 2019.

The report outlined the key features of the financial position displayed in the 2018/19 draft accounts, incorporating a brief overview of the General Fund and HRA revenue and capital outturn positions.

The draft accounts showed the Council ending the year with uncommitted General Fund balances of £9.167M (4.3% of the 2018/19 budget). Although the reported outturn was expected to represent the final position for 2018/19, the figures remain subject to audit.

Following discussion on General Fund Reserves the Chief Officer – Finance confirmed that the uncommitted balances against the Car Parking Balances had been carried forward from previous years for sole use within car parking facilities in the Stirling Council area. The Committee agreed that a report on the individual balances in the General Fund Reserves be submitted to the next meeting of the Audit Committee.

The Chief Officer – Finance also clarified to the Convener that the follow up report on Severances, which was requested at a previous Council meeting, would be submitted to a meeting of the Finance & Economy Committee.

The Economic Growth Culture Tourism & Events Service Manager noted the question raised by Members and confirmed he would investigate where Stirling Council was in comparison to other cities on the GVA Growth and advise Members accordingly.

Following a request by the Convener on the number of employees who earn more than a stated amount, the Chief Officer – HR confirmed that a briefing note would be forwarded to the Convener and Vice Convener of the Audit Committee.

The Committee thanked Chief Officer - Finance Officer and his team for the work involved in the Draft Accounts.

### **Decision**

The Audit Committee agreed:

1. to note the General Fund and HRA revenue and capital outturn positions as at 31 March 2019;
2. to note the position in terms of the Council's share of the net pension liability of the Local Government Pension Scheme;
3. to approve the submission of the draft accounts to the external auditor; and
4. a report on the individual balances in the General Fund Reserves to be submitted to the next meeting of the Audit Committee.

(Reference: Report by Chief Officer – Finance dated 15 May 2019, submitted)

### **AC139 COMMON GOOD FUNDS & CHARITABLE TRUSTS DRAFT ACCOUNTS 2018/19**

The report to Audit Committee requested the approval of the submission of the Common Good Funds & Charitable Trust draft accounts for audit, and to note progress to-date on the review of the small charitable trusts.

The draft Stirling Common Good Funds and Charitable Trust Accounts for the year to 31 March 2019 had been prepared for audit. The Local Authority (Scotland) Regulations 2014 required the draft accounts to be submitted to the appointed auditor no later than 30 June 2019.

Work also continued on the review of small charitable trusts and the report provided information on progress.

### **Decision**

The Audit Committee agreed:

1. to approve the submission of the Common Good Funds & Charitable Trust draft accounts to the external auditor, and
2. to note progress to-date on the review of the small charitable trusts.

(Reference: Report by Chief Officer – Finance dated 15 May 2019, submitted)

### **AC140 EXTERNAL AUDIT - STIRLING COUNCIL MANAGEMENT REPORT 2018/19**

The External Auditor's Management Report 2018/19 contained a summary of the key issues identified during the interim audit work carried out at Stirling Council.

The work included testing of key controls within financial systems to gain assurance over the processes and systems used in preparing the annual accounts. External audit would use the results of the testing to determine their approach to the audit of the 2018/19 annual accounts.

### **Decision**

The Audit Committee agreed to:

1. to note the recommendations made within Appendix 1 to the submitted report- Exhibit 1 (pages 3 to 5) and the relevant Officer responses.

(Reference: Report by Chief Officer – Finance dated 15 May 2019, submitted)

The Convener declared the Meeting closed at 4.30pm.