

South Ayrshire Council

**Joint Report by Chief Financial Officer and Chief Governance Officer
to South Ayrshire Council
of 26 June 2025**

Subject: Audit and Governance Panel – 2024/25 Annual Report

1. Purpose

- 1.1 The purpose of this report is to provide the Council with the Audit and Governance Panel annual report for 2024/25.

2. Recommendation

- 2.1 **It is recommended that the Council considers and approves the Audit and Governance Panel annual report for 2024/25 (attached as [Appendix 1](#)).**

3. Background

- 3.1 At its meeting on 6 December 2023, as part of its consideration of the report entitled 'Audit and Governance Panel – 2023 Annual Self-Assessment Outcome', the Panel agreed to receive an annual joint report by the Chief Governance Officer and the Chief Financial Officer outlining the work of the Audit and Governance Panel for the previous financial year; and thereafter to remit the report to Council for consideration.
- 3.2 At its meeting on 4 June 2025, the Audit and Governance Panel considered the Annual Report for 2024/25 and requested that the report be submitted to Council on 26 June 2025 for consideration.

4. Proposals

- 4.1 The Audit and Governance Panel (AGP) annual report for 2024/25 is attached as [Appendix 1](#) and contains information on the following:
- 4.1.1 AGP membership and meetings held during the year;
 - 4.1.2 summary information on AGP activity and decisions during the year; and
 - 4.1.3 an annual assurance statement by the Chair of the AGP.
- 4.2 The Council is asked to consider and approve the Audit and Governance Panel annual report for 2024/25.

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 Not applicable.

7. Human Resources Implications

7.1 Not applicable.

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 There are no risks associated with rejecting the recommendations.

9. Integrated Impact Assessment (incorporating Equalities)

9.1 The proposals in this report do not require to be assessed through an Integrated Impact Assessment.

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 Priority 4 of the Council Plan: Efficient and effective enabling services.

13. Link to Shaping Our Future Council Yes No

13.1 Not applicable.

14. Results of Consultation

14.1 There has been no public consultation on the contents of this report.

14.2 Consultation has taken place with Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes

- 15.1 If the recommendations above are approved by Members, the Chief Financial Officer will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
No action required	Not applicable	Not applicable

Background Papers **Report to Audit and Governance Panel of 6 December 2023 – [Audit and Governance Panel – 2023 Annual Self-Assessment Outcome](#)**

Report to Audit and Governance Panel of 4 June 2025 – [Audit and Governance Panel – 2024/25 Annual Report](#)

Person to Contact **Tim Baulk, Chief Financial Officer**
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612620
E-mail tim.baulk@south-ayrshire.gov.uk

Catriona Caves, Chief Governance Officer
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612556
E-mail catriona.caves@south-ayrshire.gov.uk

Date: 18 June 2025

Audit and Governance Panel Annual Report 2024/25

Draft for Approval

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1. Introduction

The Chartered Institute of Public Finance and Accountancy (CIPFA) published recommended best-practice guidance for the operation of Audit Committees in local authorities across the United Kingdom in its publication entitled 'Audit Committees: Practical Guidance for Local Authorities and Police (2013)' (the 'guidance'); and in its subsequent 'Position Statement: Audit Committees in Local Authorities and Police (2022)' (the 'position statement').

The guidance and position statement are seen as an integral element of the corporate governance framework.

A key element of the guidance is that an Audit Committee should be held to account on a regular basis. In practice within South Ayrshire Council this means accountability to full Council. The guidance recommends that the preparation of an annual report by the Audit Committee can be a helpful way to enable the Committee to demonstrate its accountability to the Council.

Within South Ayrshire Council, the Audit and Governance Panel undertakes the 'Audit Committee' role alongside its wider governance remit.

2. Audit and Governance Panel Terms of Reference and Delegations

The terms of reference and delegations to the Audit and Governance Panel derive from the decision made by South Ayrshire Council to establish an Audit and Governance Panel and to delegate specific powers to the Panel rather than to reserve those powers to itself.

The current terms of reference and delegations to the Audit and Governance Panel are set out in detail in Section 3 ('Terms of Reference and Delegations to Scrutiny Panels') of the Council's Scheme of Delegation, effective December 2024.

The core remit of the Audit and Governance Panel is to provide independent assurance on the adequacy of the Council's arrangements for risk management, corporate governance, and internal control.

This Annual Report has been prepared to:

- meet the requirements of the CIPFA guidance and position statement;
- meet the requirements of the Council's Scheme of Delegation;
- ensure that the Panel clearly reports to the Council on the adequacy of the Council's risk management, corporate governance, and internal control arrangements; and
- inform the Council about the Audit and Governance Panel's activity and performance for the 2024/25 financial year.

3. Audit and Governance Panel Membership and Meetings

Panel Membership

The following elected members served on the Audit and Governance Panel during 2024/25:

- Councillor Julie Dettbarn (Chair);
- Councillor Brian McGinley (Vice-Chair);
- Councillor Kenneth Bell

- Councillor Chris Cullen;
- Councillor Mary Kilpatrick;
- Councillor Alan Lamont;
- Councillor Cameron Ramsey; and
- Councillor George Weir.

Quorum for the Audit and Governance Panel is three Members.

Meeting schedule

The Audit and Governance Panel met on 11 occasions during 2024/25:

29 May 2024	26 June 2024	4 September 2024
26 September 2024 (Special)	2 October 2024	6 November 2024
4 December 2024	29 January 2025	26 February 2025
26 March 2025	7 May 2025	

All Panel meetings took place in compliance with the Council's Scheme of Delegation and Standing Orders. Since August 2020 meetings have been held using the Council's hybrid meeting platform to allow remote and physical participation. From June 2022, meetings have been live-streamed and made available publicly on the Council's live streaming website.

Overall, an 82% Panel Member attendance at meetings was achieved during the year, either in person or remotely, as shown in the table below. This is a deterioration from the 86% achieved in 2023/24.

Date of meeting	In Person	Remote	Apologies	% achieved
29 May 2024	4	2	2	75.0%
26 June 2024	4	2	2	75.0%
4 September 2024	5	2	1	87.5%
26 September 2024	5	2	1	87.5%
2 October 2024	4	3	1	87.5%
6 November 2024	5	2	1	87.5%
4 December 2024	5	2	1	87.5%
29 January 2025	4	2	2	75.0%
26 February 2025	6	2	-	100.0%
26 March 2025	5	2	1	87.5%
7 May 2025	3	1	4	50.0%
			Ave	82%

4. Audit and Governance Panel Activity and Performance

The Audit and Governance Panel Annual Report enables the Panel to clearly demonstrate delivery of its key responsibilities and accountabilities for providing the Council with independent assurance on the adequacy of arrangements for risk management, governance, and internal control.

Scrutiny Activity

The Panel performed its scrutiny work during 2024/25 by receiving a total of 39 reports (35 in 2023/24) in relation to, considering, scrutinising, and following up the outcomes from reports from various assurance providers, including:

- Internal Audit and Corporate Fraud;
- Corporate Finance;
- External Audit;
- Risk Management;
- External Regulatory or Assurance bodies; and
- Other Governance and Scrutiny reporting.

Detailed information on the reports received and action taken in relation to the above is shown in [Annex A](#) (pages 8 to 18 of this appendix).

Copies of the AGP agenda papers for the current meeting cycle and approved Minutes of meetings of the Audit and Governance Panel are available to the public on the Council's website.

Training Activity

A number of Members briefing sessions took place during 2024/25 to ensure the continued development of Members knowledge, skills and experience. Details of all the sessions that were held during the year are provided in the table below. Some of the sessions, as described in the table, had a specific relevance for Members of the AGP.

Date	Title of training session	Specific relevance to AGP
20 Mar 2024	A roadmap to a Trauma Responsive South Ayrshire	No
17 April 2024	Place Planning Framework – Community consultation	No
8 May 2024	Music Services – Work behind the scenes	No
8 May 2024	Citadel project update	No
5 June 2024	2025/26 Budget seminar	No
4 Sept 2024	Anti-Social behaviour	No

Date	Title of training session	Specific relevance to AGP
18 Sept 2024	The Promise Plan 2024-2030	No
18 Sept 2024	Managing Capital Budgets	Yes
2 Oct 2024	Connect South Ayrshire	No
6 Nov 2024	Integrated Impact Assessment	Yes
6 Nov 2024	Ayrshire Growth Deal	No
4 Dec 2024	Generative Artificial Intelligence opportunities	No
4 Dec 2024	Corton Development	No
9 Dec 2024	Galloway National Park	No
15 Jan 2025	Kilwinning battery recycling fire	No
12 Feb 2025	United Nations Convention on the Rights of the Child	No
12 Feb 2025	Local heat and energy efficiency strategy	No
12 Mar 2025	Council data plan	No
12 Mar 2025	Technology Transformation – The digital worker	No
23 Apr 2025	Common Good governance and financial viability	No

Annual Survey – Feedback

Members - Twenty Elected Members were asked for anonymous feedback on their interaction with the Panel during the year. Eight responses were received and are presented below.

Rating	Strongly Agree %	Agree %	Disagree %	Strongly Disagree %
Quality of Panel Reports	25	50	25	0
Interaction During Meeting	0	88	12	0
Effective Role of Panel in Decision Making Structure	12	88	0	0

The information above reflects that the vast majority of members are satisfied (strongly agree or agree) with the quality of reports at Panel and the manner in which the Panel conducts its business as part of the Council’s decision-making structure.

Officers - Sixteen officers, who regularly interact with the Panel were asked for feedback on their interaction with the Panel during the year. Ten responses were received and are presented below.

Rating	Strongly Agree %	Agree %	Disagree %	Strongly Disagree %
Panel's Understanding of Tabled Reports	30	70	0	0
Effective Role in Decision Making Structures Relative to Service Requirements	40	60	0	0

The information above similarly reflects officers’ satisfaction in relation to the Panel’s understanding of reports and its effective decision making relative to individual services..

Self-Assessment Performance

In line with the CIPFA document ‘Audit Committees: Practical Guidance for Local Authorities and Police – 2022 Edition’, with particular reference to the ‘Self-Assessment of Good Practice – Checklist’ provided within that document, the Audit and Governance Panel undertook its annual self-assessment in October 2024, with the results being reported to the Panel in December 2024.

In general terms, the outcome of the self-assessment, as evidenced by the score of 192 out of 200, is an improvement on the self-assessment undertaken in 2023 (159 out of 200), with Members being satisfied with the effectiveness of the Panel in undertaking its role and discharging its functions within the Council’s decision-making arrangements in most respects.

Notwithstanding the considered overall general effectiveness of the Panel, a small number of important matters were raised relative to which actions for improvement were required. A summary of the agreed actions is provided in the table below along with an assessed status update on progress to date.

Proposed action	Responsible Officer	Due Date	Status
Improved administrative arrangements to be introduced to co-ordinate meetings with External Audit.	Chief Financial Officer	June 2025	Complete - Informal meeting with Audit Scotland arranged for September 2025.
Reassess Members training needs during 2024 and develop a new training programme as required.	Service Lead – Democratic Governance	June 2025	Complete - Panel members contacted during March 2025 with no specific requirements identified. Additional training will be provided on an ongoing basis when a specific requirement is identified by Panel members

Proposed action	Responsible Officer	Due Date	Status
Consider Year 2 Self-Assessment outcome and Annual Report remitted to Council for approval.	Chief Financial Officer	Oct 2025	In progress – will be assessed following annual report process and discussed during Year 3 self- assessment activity.

5. Audit and Governance Panel Assurance Statements

The work of the Audit and Governance Panel during and in relation to 2024/25 is detailed at Section 4. This work was supported by reports, information and assurance statements from various sources including internal and external auditors, council management and regulatory or inspection bodies.

I have taken account of the breadth and depth of work performed by the Panel during the year to enable the Panel to provide the Council with independent assurance on the adequacy of its arrangements for risk management, governance, and control.

I can, therefore, provide the Council with reasonable assurance on the adequacy of the arrangements for risk management, governance, and control, based on the work undertaken by the Panel.

I can also confirm, in relation to its terms of reference, delegations and performance that during the year the Panel:

- operated in accordance with the Council's Scheme of Delegation which sets out the approved remit and delegations to the Audit and Governance Panel;
- operated in accordance with the requirements of the CIPFA 'Audit Committees Practical Guidance for Local Authorities and Police (2013)' and 'Position Statement: Audit Committees in Local Authorities and Police (2022)';
- received and took assurance from updates for Internal Audit reviews and assignments, sought any necessary clarification from council management on audit findings and assurance from management that agreed improvement actions to internal control, risk management and corporate governance arrangements would be implemented as agreed;
- satisfied itself that, for all improvement actions set out in Internal Audit reports, appropriate systems are in place to follow-up, monitor, evidence and report their implementation;
- noted the Internal Audit Annual Reports for 2023/24 and the Chief Internal Auditor's 'Audit Opinions for the Annual Governance Statement'. The Reports provided the Panel with reasonable assurance from the Chief Internal Auditor on the adequacy and effectiveness of the Council's internal control, risk management and corporate governance arrangements, based on the work of Internal Audit during the respective year;
- noted reports from the Council's external auditor, Audit Scotland, including the Annual Reports to Members and the Controller of Audit for the financial year ended 31 March 2024. The Panel sought any necessary clarification from management on audit findings and assurance that any agreed improvement actions to internal control, risk management and corporate governance arrangements would be implemented as agreed;
- noted and took assurance from risk management reports to fulfil its delegated function to monitor the effective development and operation of arrangements for the

management of risk in the Council. The Panel undertook regular review and scrutiny of the development of the Strategic Risk Register and corporate risk management arrangements;

- noted corporate fraud reports on actual and potential frauds, losses, thefts, or financial irregularities reported or identified from counter fraud work and the Council's participation in the National Fraud Initiative exercise. This enabled the Panel to fulfil its delegated function to monitor the effective development and operation of arrangements for the prevention and investigation of fraud and irregularity. The Panel scrutinised and monitored the Council's counter fraud activity and compliance with best practice and any legal requirements;
- noted the audited Annual Accounts for the Council and for the Council's Common Goods Funds and Charitable Trusts for 2023/24 and considered the draft, unaudited Annual Accounts for 2023/24 prior to submission to the external auditor; and
- approved the minutes of meetings held by the Panel as a record of attendance, its proceedings and the decisions made by the Panel.

In terms of the statutory requirements and timescales set out in the Local Authority Accounts (Scotland) Regulations 2014 I can also confirm that the Audit and Governance Panel undertook the following activities in relation to the Council's annual accounts during the year (as those related specifically to the 2023/24 annual accounts process):

- received and noted the Council's draft, unaudited Annual Accounts for 2023/24 by the statutory deadline of 30 June and considered the draft, unaudited Annual Accounts prior to submission to the external auditor;
- received and noted the draft Annual Governance Statement for 2023/24 included within the draft Annual Accounts by the statutory deadline of 30 June; and
- received and took assurance from the Internal Audit report on the annual review of the effectiveness of the Council's risk management, corporate governance and internal control arrangements and compliance with the Council's Code of Corporate Governance, which informed the Panel's consideration of the Annual Governance Statement for 2023/24.

Councillor Julie Dettbarn
Chair of the Audit and Governance Panel

June 2025

Internal Audit and Corporate Fraud

The Panel received 10 reports from the Chief Internal Auditor in relation to planned and unplanned audits, other annual assurance work and counter-fraud activity.

This enabled the Panel to oversee the work of Internal Audit and Corporate Fraud in relation to the provision of assurance on the Council's framework of arrangements for risk management, corporate governance, and internal control and in terms of corporate counter-fraud arrangements. Details of the Internal Audit and Corporate Fraud reports and other outputs considered during, or in relation to, 2024/25 are set out in Table 1 below.

Table 1

Report	Panel Date	Purpose	Panel Action
Corporate Fraud – Activity report and update on 2022/23 National Fraud Initiative	29 May 2024	to advise Members of the Corporate Fraud Team's (CFT) activity from 1 October 2023 to 31 March 2024 and to provide an update on the progress of the 2022/23 National Fraud Initiative exercise	<ul style="list-style-type: none"> considered the CFT activity for the six-month period to 31 March 2024 noted the update on the 2022/23 National Fraud Initiative (NFI) noted that the 2024/25 NFI exercise was due to commence in October 2024 and updates on the exercise will be included within future CFT activity reports
External Review of Internal Audit Compliance with Public Sector Internal Audit Standards	29 May 2024	to update Members on the outcome of the external assessment of the Internal Audit Service's compliance with the Public Sector Internal Audit Standards (PSIAS).	<ul style="list-style-type: none"> noted the contents of the external assessment report and resultant action plan agreed that the Chief Internal Auditor provided an update on progress of the actions to the meeting of 4 September 2024 and every six months thereafter until the action plan is fully implemented.

Report	Panel Date	Purpose	Panel Action
Internal Audit annual Report 2023/24	26 June 2024	to report on the internal audit activity during 2023/24 and to provide an independent opinion on the adequacy and effectiveness of the Council's governance, risk management and internal control systems	<ul style="list-style-type: none"> noted the Internal Annual Audit report and assurance statement
Internal Audit Annual Update Report – Integration Joint Board (IJB)	4 Sept 2024	to provide an annual report for information to the Panel on internal audit work carried out for the Integration Joint Board (IJB) by the South Ayrshire Council for the year ended 31 March 2023	<ul style="list-style-type: none"> considered the content of the report and noted the changes to the format and contents from the previous progress reports to reflect the improvement actions from the External Quality Assessment.
Internal Audit – Progress Report (Quarter 1 2024/25)	4 Sept 2024	to advise Members of progress of the 2023/24 internal audit plan, progress of the 2024/25 internal audit plan, directorates' progress against implementation of internal audit action plans and the status of the current Quality Assurance and Improvement Programme.	<ul style="list-style-type: none"> considered the content of the report
Internal Audit – Progress Report	6 Nov 2024	to advise Members of progress of the 2023/24 internal audit plan, progress of the 2024/25 internal audit plan, directorates' progress against implementation of internal audit action plans and the status of the current Quality Assurance and Improvement Programme	<ul style="list-style-type: none"> considered the content of the report

Report	Panel Date	Purpose	Panel Action
Internal Audit Plan 2024/25 – Midyear Review	6 Nov 2024	to seek approval for a revision to the 2024/25 Internal audit plan	<ul style="list-style-type: none"> • approved the revised 2024/25 Internal Audit plan
Corporate Fraud Team – Activity Report and National Fraud Initiative Update	4 Dec 2024	to advise Members of the Corporate Fraud Team’s (CFT) activity from 1 April 2024 to 30 September 2024 and to provide an update on the National Fraud Initiative exercise to date	<ul style="list-style-type: none"> • considered the CFT activity for the six-month period to 30 September 2023 • noted the conclusion of the 2022/23 National Fraud Initiative and the start of the 2024/25 NFI exercise and that updates on the 2024/25 exercise will be included within future CFT activity reports
Internal Audit – Progress Report (Quarter 3 2024/25)	26 Feb 2025	to advise Members of progress of the 2023/24 and the 2024/25 internal audit plans, directorates’ progress against implementation of internal audit action plans and the status of the current Quality Assurance and Improvement Programme	<ul style="list-style-type: none"> • considered the content of the report
Proposed Internal Audit Plan 2025/26 (including Annual Review of Internal Audit Charter)	26 March 2025	to submit, for approval, the proposed Internal Audit Strategy and Audit Plan and reserve list for 2025/26. Approval also being sought for the revised Internal Audit Charter. The report also sets out a summary of changes relevant to the audit planning process resulting from the new Global Internal Audit Standards (GIAS) in the UK Public Sector for noting.	<ul style="list-style-type: none"> • noted the summary of changes relevant to the annual planning process resulting from the new Global Internal Audit Standards (GIAS) in the UK Public Sector (Paras 3.3 and 4.1) and agrees that a report outlining all requirements and responsibilities of the new standards be brought to a future Audit and Governance Panel • approved the Audit Strategy • approved Annual audit plan and reserve list for 2025/26 • approved the revised Internal Audit Charter

Corporate Finance

The Panel received various reports from the Council's Chief Financial Officer. This allowed the Panel to oversee the annual accounts process for the Council, for Common Good Funds and for the charitable trusts of which the Council is a trustee. The Panel also oversaw the Treasury Management activity through consideration of quarterly and annual update reports. Details of the 9 reports considered are set out in Table 2.

Table 2

Report	Panel Date	Purpose	Panel Action
Annual Accounts 2023/24	26 June 2024	to present unaudited Annual Accounts for the year ended 31 March 2024	<ul style="list-style-type: none"> approved the accounting policies contained in the unaudited accounts considered the unaudited South Ayrshire Council and unaudited charitable trust accounts prior to submission to the External Auditor
External Audit Reports – Progress to 31 May 2024	26 June 2024	to provide Members with an update on the progress that the Council is making in relation to external audit improvement actions	<ul style="list-style-type: none"> scrutinised the progress against the Council's external audit improvement actions as presented in the report
Treasury Management Annual Report 2023/24	26 June 2024	to present, in line with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management, the annual report of treasury management activities for 2023/24	<ul style="list-style-type: none"> considered the Annual Treasury Management Report 2023/24 remitted the Annual Treasury Management Report to the next Cabinet meeting on 10 October for approval
Treasury Management and Investment Strategy Quarter 1 Update Report 2024/25	4 Sept 2024	to provide Members with an update on the 2024/25 treasury prudential indicators for the period April-June 2024 (Quarter 1) and provide an update on the latest wider economic position	<ul style="list-style-type: none"> scrutinised the contents of the report remitted the Quarter 1 Update Report to the next Cabinet meeting on 56 September for approval

Report	Panel Date	Purpose	Panel Action
Treasury Management and Investment Strategy Mid-Year Report 2024/25	4 Dec 2024	to provide Members with a mid-year treasury management update for the financial year 2023/24	<ul style="list-style-type: none"> • scrutinised the contents of this report • remitted the report to the Council meeting of 6 March 2025 for approval
External Audit Reports – Progress to 31 December 2024	29 Jan 2025	to provide Members with an update on the progress that the Council is making in relation to external audit improvement actions	<ul style="list-style-type: none"> • scrutinised the progress against the Council's external audit improvement actions as presented in the report
International Financial Reporting Standard 16 – Update to Accounting for Lease Contracts	26 Feb 2025	to inform Members of the upcoming changes to the reporting of leases due to the mandatory implementation of International Financial Reporting Standard (IFRS) 16 and to seek approval to add a new accounting policy in advance of the 2024/25 financial year end	<ul style="list-style-type: none"> • notes the mandatory implementation of IFRS16 for 2024/25 • approves the introduction of a new draft IFRS16 Accounting Policies
Treasury Management and Investment Strategy Quarter 3 Update Report 2024/25	26 Feb 2025	to provide Members with an update on the 2024/25 treasury prudential indicators for the period October-December 2024 (Quarter 3) and provide an update on the latest wider economic position	<ul style="list-style-type: none"> • scrutinised the contents of this report • remitted the Quarter 3 Update Report to the next Cabinet meeting on 18 March 2025 for approval
External Audit Reports – Progress to 31 March 2025	7 May 2025	to provide Members with an update on the progress that the Council is making in relation to external audit improvement actions	<ul style="list-style-type: none"> • scrutinised the progress against the Council's external audit improvement actions as presented in the report

External Audit

The Panel received reports from the Council's appointed external auditor, Audit Scotland.

The reports from Audit Scotland provided independent assurance and opinions *'to those charged with governance'* on the Council's annual financial statements, annual governance statements, governance arrangements, 'best value' arrangements and service performance. Details of the 4 reports considered are set out in Table 3.

Table 3

Report	Panel Date	Purpose	Panel Action
Final Report on the 2023/24 Audit	26 Sept 2024 (Special)	to submit the Annual Accounts for the financial year ended 31 March 2024 and the proposed independent auditor's report to Members of the Council, and to allow the auditor to communicate the matters raised during the audit to the Panel	<ul style="list-style-type: none"> noted the contents of the Audit Scotland audit completion letter accepted the proposed 2023/24 Annual Audit Report by Audit Scotland, and noted that the Annual Accounts and Charitable Trust Accounts have an unmodified audit opinion approved the Council's audited Annual Accounts for signature and their subsequent issue by 30 September 2024 approved the Charitable Trusts' audited Annual Accounts for signature and their subsequent issue by 30 September 2024
South Ayrshire IJB External Annual Audit Report 2023- 24	6 Nov 2024	to present Audit Scotland's Annual Audit Report on South Ayrshire IJB's Annual Accounts for the period 2023-24.	<ul style="list-style-type: none"> considered the Annual Audit report of South Ayrshire IJB for period 2023-24 noted the contents of the Annual Audit report for 2023-24
Audit Scotland: Annual Audit Plan 2024/25	26 March 2025	to provide background to the presentation by Audit Scotland of their Annual Audit Plan 2024/25	<ul style="list-style-type: none"> agreed the attached Annual Audit Plan 2024/25 (Appendix 1)

Report	Panel Date	Purpose	Panel Action
Audit Scotland: Integration Joint Boards – Finance Bulletin 2023/24	7 May 2025	to present the findings of the Audit Scotland report entitled 'Integration Joint Boards – Finance Bulletin 2023/24', published in March 2025.	<ul style="list-style-type: none"> notes the findings of the Audit Scotland report (attached as Appendix 1) notes the local arrangements in place

Risk Management

The Panel received reports from the Chief Governance Officer in relation to risk management. This enabled the Panel to oversee the Council's risk management arrangements. Details of the 2 reports considered are set out in table 4.

Table 4

Report	Panel Date	Purpose	Panel Action
Strategic Risk Management	4 Sept 2024	to update Members on the reviewed Strategic Risk Register in line with the agreed reporting framework.	<ul style="list-style-type: none"> considered the reviewed Strategic Risk Register (Appendix 1) updated by Chief Officers noted the 15 key risks and endorses the work currently being undertaken or proposed by risk owners to mitigate these risks
Strategic Risk Management	26 March 2025	to update Members on the reviewed Strategic Risk Register in line with the agreed reporting framework	<ul style="list-style-type: none"> considered the reviewed Strategic Risk Register (Appendix 1) updated by Chief Officers noted the 16 key risks and endorses the work currently being undertaken or proposed by risk owners to mitigate these risks

External Regulatory Bodies or Assurance Providers

The Panel received other reports provided or published by external regulatory bodies and assurance providers, primarily Audit Scotland. These included `thematic' reports on national issues that the Chief Governance Officer and the Chief Financial Officer considered to be relevant to the Audit and Governance Panel's terms of reference and delegations, as set out in the Council's Scheme of Delegation. Details of the 4 reports considered are set out in Table 5.

Table 5

Report	Panel Date	Purpose	Panel Action
Audit Scotland – Integration Joint Boards – Finance and Performance 2024	4 Sept 2024	to present the findings and recommendations included in the Accounts Commission's report prepared by Audit Scotland on IJB's Finance and Performance 2024 published in July 2024.	<ul style="list-style-type: none"> noted the findings and recommendations from the Audit Commissions report (attached as Appendix 1) noted the actions that have taken place or will be progressed in line with the recommendations
Accounts Commission Annual Report 2023/24	2 Oct 2024	to advise the Panel of the Accounts Commission Annual Report 2023/24	<ul style="list-style-type: none"> considered the findings outlined in the Accounts Commission Annual Report 2023/24 (attached as Appendix 1)
Accounts Commission: Transformation in Councils - Sector-Led Change and Collaboration to Achieve Financial Sustainability	29 Jan 2025	to advise Members of the Accounts Commission publication 'Transformation in Councils - Sector-led Change and Collaboration to achieve Financial Sustainability', and; to note the outcome of the self-assessment exercise undertaken by South Ayrshire Council's Corporate Leadership Team to benchmark the Council's approach to transformation against the five principles for transformation, as set out in the publication	<ul style="list-style-type: none"> considered the findings outlined in the Accounts Commission publication 'Transformation in Councils - Sector-led Change and Collaboration to Achieve Financial Sustainability' (attached as Appendix 1) noted the outcome of the self-assessment exercise undertaken by South Ayrshire Council's Corporate Leadership Team to benchmark the Council's approach to transformation against the five principles for transformation, as noted in the report and at Appendix 2, including the actions being progressed by officers

Report	Panel Date	Purpose	Panel Action
Audit Scotland: A Review of Housing Benefit Overpayments 2018/19 to 2021/22	7 May 2025	to present the findings and recommendations included in the Audit Scotland report 'A Review of Housing Benefit Overpayments 2018/19 to 2021/22), published in February 2025	<ul style="list-style-type: none"> noted the findings and recommendations from the Audit Scotland report (attached as Appendix 1) noted the local arrangements in place

Other Governance and Scrutiny reporting

In fulfilling its wider Governance and Scrutiny role the Panel considered a number of other reports. These included 'call-in' reports from Cabinet, Best Value progress reports, the Annual Good Governance assurance report and other update reports that the Chief Governance Officer considered to be relevant to the Audit and Governance Panel's terms of reference and delegations, as set out in the Council's Scheme of Delegation. Details of the 10 reports considered are set out in Table 6.

Table 6

Report	Panel Date	Purpose	Panel Action
Best Value Action Plan – Progress Update	29 May 2024	to update members on the progress toward delivering the Council's Best Value Action Plan	<ul style="list-style-type: none"> scrutinised the content of the Best Value Action Plan update report considered the progress through the narrative set out within Appendix 1 to the report noted the additional actions added following the 2023/24 thematic audit on Workforce Innovation.
Audit and Governance Panel – 2023/24 Annual Report	29 May 2024	to provide the Panel with the Audit and Governance Panel annual report for 2023/24.	<ul style="list-style-type: none"> considered the Audit and Governance Panel annual report for 2023/34 (attached as Appendix 1) remitted the report to Council on 27 June 2024 for consideration.

Report	Panel Date	Purpose	Panel Action
Corporate Lets	26 June 2024	to provide an annual update in relation to requests for discretion to be applied to let charges from 1 April 2023 to 31 March 2024.	<ul style="list-style-type: none"> reviewed the information in the report
Delivering Good Governance – 2023/24 Assessment	26 June 2024	to invite Members to review the 2023/24 year-end assessment against the Council's Delivering Good Governance Framework	<ul style="list-style-type: none"> reviewed and agreed the 2023/24 year-end assessment
Best Value Action Plan 2024 – Progress update	2 Oct 2024	to update Members on the progress toward delivering the Council's Best Value Action Plan	<ul style="list-style-type: none"> scrutinised the content of the Best Value Action Plan update report considered the progress through the narrative set out within Appendix 1
Call in - Cabinet – 29 Oct 2024	6 Nov 2024	to consider the decision take by Cabinet – 29 Oct 2024 Item 4 - Community Councils - Amendments to the Scheme for Establishment of Community Councils	<ul style="list-style-type: none"> to approve the recommendation for the report of 29 October 2024 to be brought back to Cabinet and the word “Council” to be substituted for the word “Cabinet” where it occurred in the report in relation to any proposed dissolution of a Community Council; and that corresponding changes to the Council’s governance documents reflect this change
Audit and Governance Panel – 2024 Annual Self-Assessment Outcome	4 Dec 2024	to confirm the outcome of the Audit and Governance Panel Self-Assessment for 2024, which was undertaken on 7 October 2024; and to seek agreement of the resulting updated action plan	<ul style="list-style-type: none"> noted the outcome of the 2024 self-assessment approved the updated action plan for improvement

Report	Panel Date	Purpose	Panel Action
Best Value Action Plan – Progress Update	26 Feb 2025	to update members on the progress toward delivering the Council's Best Value Action Plan	<ul style="list-style-type: none"> scrutinised the content of the Best Value Action Plan update report considered the progress through the narrative set out within Appendix 1
Call in - Cabinet – 18 March 2025	26 March 2025	to consider the decision take by Cabinet – 18 March 2025 Item 4a – Ayr parking consultation and general parking review	<ul style="list-style-type: none"> that the requested report be referred to full Council for determinations within six months that a members' briefing be held within four weeks to discuss the strategic and political direction of the parking strategy across South Ayrshire, which would inform the requested report.
Transformation - Best Value Thematic Work in South Ayrshire Council 2024/25	26 March 2025	to present Members with Audit Scotland's thematic report on transformation in South Ayrshire	<ul style="list-style-type: none"> scrutinised the content of Audit Scotland's thematic report on transformation in South Ayrshire notes the improvement actions identified in Appendix 1 of the report agrees for these actions to be incorporated within the existing Best Value Action Plan and reported quarterly to the Audit and Governance Panel and the Best Value Working Group