

South Ayrshire Council

**Joint Report by Chief Financial Officer and Chief Governance Officer
to South Ayrshire Council
of 25 June 2026**

Subject: Audit and Governance Panel – 2025/26 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 2025/26.

2. Recommendation

- 2.1 **It is recommended that the Council considers and approves the Audit and Governance Panel annual report for 2025/26 (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 3 June 2026, the Audit and Governance Panel considered the Annual Report for 2025/26 and requested that the report be submitted to Council on 25 June 2026 for consideration.

4. Detail

- 4.1 The Audit and Governance Panel (AGP) annual report for 2025/26 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 2025/26.

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 3 June 2026 – [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: 27 May 2026

Audit and Governance Panel Annual Report 2025/26

Draft for Approval

Contents

1. **Introduction**
2. **Audit and Governance Panel (AGP) Terms of Reference and Delegations**
3. **AGP Membership and Meetings**
4. **AGP Activity and Performance**
5. **AGP Assurance Statement**

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 November 2025.

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 2025/26 financial year.

3. Audit and Governance Panel Membership and Meetings

Panel Membership

The following elected members served on the Audit and Governance Panel during 2025/26:

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

- Councillor Wullie Hogg (from January 2026)
- Councillor Mary Kilpatrick (until December 2025);
- Councillor Alan Lamont (until December 2025);
- Councillor Bob Pollock;
- Councillor Cameron Ramsey; and
- Councillor George Weir.

Quorum for the Audit and Governance Panel is three Members.

In December 2025 both Councillors Kilpatrick and Lamont resigned from the panel with one of the vacant positions being filled by Councillor Wullie Hogg. At present there is still one vacant position remaining unfilled.

Meeting schedule

The Audit and Governance Panel met on ten occasions during 2025/26:

4 June 2025	25 June 2025	3 September 2025	24 September 2025 (Special)
1 October 2025	5 November 2025	3 December 2025	25 February 2026
	25 March 2025	6 May 2026	

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. Since June 2022, meetings have been live-streamed and made available publicly on the Council's live streaming website.

Overall, a 71% 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 82% achieved in 2024/25.

Date of meeting	In Person	Remote	Apologies	Total	% attendance
4 June 2025	5	1	2	8	75.0%
25 June 2025	6	1	1	8	87.5%
3 September 2025	3	2	3	8	62.5%
24 September 2025	4	1	3	8	62.5%
1 October 2025	4	-	4	8	50.0%
5 November 2025	5	1	2	8	75.0%
3 December 2025	6	1	1	8	87.5%
25 February 2026	3	1	3	7	57.1%
25 March 2026	4	2	1	7	85.7%
6 May 2026	5	-	2	7	71.4%
			Ave		71.4%

4. Audit and Governance Panel Activity and Performance

The Audit and Governance Panel Annual Report enable 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 2025/26 by receiving a total of forty-one reports (thirty-nine in 2024/25) 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 2025/26 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
23 April 2025	Common Good	No
23 April 2025	Financial Inclusion	No
21 May 2025	Dolphin House Outdoor Education Centre	No
21 May 2025	Accessible Ayr Project	No
28 May 2025	Ayr Parking Strategy	No
11 June 2025	Community Benefits Process	No

Date	Title of training session	Specific relevance to AGP
11 June 2025	Rural Housing Study	No
21 Aug 2025	SA Charitable Trust	No
21 Aug 2025	Development of Potential Capital Projects	No
27 Aug 2025	2026-27 Budget Briefing	No
27 Aug 2025	Belleisle Golf Options Appraisal	No
11 Sept 2024	Memorial Policy	No
44 Sept 2024	Health and Wellbeing Team (Sport & Physical Activity)	No
22 Oct 2025	2026-27 Budget Update	No
22 Oct 2025	Cyber Risk and Business Continuity	Yes
19 Nov 2025	The Promise	No
19 Nov 2025	Local Development Plan 3 (LDP3) - Process & Progress	No
10 Dec 2025	Child and Adult Protection	No
21 Jan 2026	Disruptive Weather	No
26 Jan 2026	2026-27 Budget Update	No
3 Feb 2026	Scrutiny Panel Workshop	Yes
18 Feb 2026	Safe & Together	No
18 Feb 2026	Ayr Town Centre Regeneration Update	No
25 Mar 2026	ARA Parking Review and Outsourcing	No
22 April 2026	Good Governance Framework	Yes

Annual Survey – Feedback

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

Rating	Strongly Agree %	Agree %	Disagree %	Strongly Disagree %
Quality of Panel Reports	43	57	0	0
Interaction During Meeting	4	86	0	0
Effective Role of Panel in Decision Making Structure	0	86	14	0

The information above reflects that 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 - Twelve officers, who regularly interact with the Panel were asked for feedback on their interaction with the Panel during the year. Seven responses were received and are presented below.

Rating	Strongly Agree %	Agree %	Disagree %	Strongly Disagree %
Panel's Understanding of Tabled Reports	57	43	0	0
Effective Role in Decision Making Structures Relative to Service Requirements	57	43	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 September 2025, with the results being reported to the Panel in December 2025.

In general terms, the outcome of the self-assessment, as evidenced by the score of 196 out of 200, is an improvement on the self-assessment undertaken in 2024 (192 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, one important matter was raised relative to which an action for improvement was required. A summary of the agreed action is provided in the table below along with an assessed status update on progress to date.

Proposed action	Responsible Officer	Due Date	Status
Reassess Members training needs and develop a new training programme as required.	Service Lead – Democratic Governance	Feb 2026	Complete – Proposed Panel specific training report considered by Audit and Governance Panel in March 2026

5. Audit and Governance Panel Assurance Statements

The work of the Audit and Governance Panel during and in relation to 2025/26 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 of 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 2024/25 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 2025. 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 2024/25 and considered the draft, unaudited Annual Accounts for 2024/25 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 2024/25 annual accounts process):

- received and noted the Council's draft, unaudited Annual Accounts for 2024/25 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 2024/25 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 2024/25.

Councillor Julie Dettbarn
Chair of the Audit and Governance Panel

May 2026

Internal Audit and Corporate Fraud

The Panel received twelve 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, 2025/26 are set out in Table 1 below.

Table 1

Report	Panel Date	Purpose	Panel Action
Corporate Fraud – Activity report and update on 2024/25 National Fraud Initiative	4 June 2025	to advise Members of the Corporate Fraud Team’s (CFT) activity for the year to 31 March 2025 and to provide an update on the progress of the 2024/25 National Fraud Initiative exercise	<ul style="list-style-type: none"> considered the CFT activity for the year to 31 March 2025 noted the update on the 2024/25 National Fraud Initiative (NFI)
The Global Internal Audit Standards (GIAS) in the UK Public Sector	4 June 2025	to advise the Audit and Governance Panel of the requirements of the new Global Internal Audit Standard (GIAS), the Application Note: GIAS in the UK Public Sector and the CIPFA Code of Practice for the Governance of Internal Audit in Local Government.	<ul style="list-style-type: none"> noted the new requirements of the Global Internal Audit Standards and that the results of the self-assessment against conformance with the new standards will be reported to this Panel in February 2026
Internal Audit annual Report 2024/25	25 June 2025	to report on the internal audit activity during 2024/25 and to provide an independent opinion on the adequacy and effectiveness of the Council's	<ul style="list-style-type: none"> noted the Internal Annual Audit report and assurance statement

Report	Panel Date	Purpose	Panel Action
		governance, risk management and internal control systems	
Internal Audit Annual Update Report – Integration Joint Board (IJB)	3 Sept 2025	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 2025	<ul style="list-style-type: none"> noted the content of the report.
Internal Audit – Progress Report (Quarter 1 2025/26)	3 Sept 2025	to advise Members of progress of the 2024/25 internal audit plan, progress of the 2025/26 internal audit plan, directorates’ progress against implementation of internal audit action plans	<ul style="list-style-type: none"> considered the content of the report approved the request for an extension to Internal Audit action 2025/06.01- to develop good practice guidance for using consultancy service to 30 September 2025.
Internal Audit Investigation Outcome Report (Confidential – Members only)	3 Sept 2025	to advise Members of the outcome of the investigation completed by Internal Audit	<ul style="list-style-type: none"> noted the outcome of the report and that Senior Management have also received a copy of the investigation report for information and further action where required noted the improvement actions contained in the report being taken forward by Senior Management and agrees that progress of the actions will be included within the Internal Audit quarterly progress reports to the Audit and Governance Panel until fully implemented noted there are various audit assignments included in the 2025/26 audit plan which are relevant to the areas included in this investigation

Report	Panel Date	Purpose	Panel Action
Internal Audit – Progress Report to 30 September 2025	5 Nov 2025	to advise Members of progress of the 2024/25 and 2025/26 internal audit plans and directorates’ progress against implementation of internal audit action plans	<ul style="list-style-type: none"> considered the content of the report
Internal Audit Plan 2025/26 – Midyear Review	5 Nov 2025	to seek approval for a revision to the 2025/26 Internal audit plan	<ul style="list-style-type: none"> approved the revised 2025/26 Internal Audit plan
Corporate Fraud Team – Six Monthly Activity Report and National Fraud Initiative Update	3 Dec 2025	to advise Members of the Corporate Fraud Team’s (CFT) activity from 1 April 2025 to 30 September 2025 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 2025 noted the update on the 2024/25 NFI exercise which will continue to be included within future CFT activity reports until the exercise concludes
Internal Audit – Progress Report (Quarter 3 2025/26)	25 Feb 2026	to advise Members of progress of the 2024/25 and 2025/26 internal audit plans and directorates’ progress against implementation of internal audit action plans	<ul style="list-style-type: none"> considered the content of the report Agreed to extend the implementation date of action IA2023/30/04.01 to 30 April 2026
Global Internal Audit Standard in the UK Public Sector – Self Assessment Results	25 Feb 2026	to advise Members of the outcome of the Internal Audit self-assessment of conformance against the Global Internal Audit Standards (GIAS) in the UK Public Sector	<ul style="list-style-type: none"> noted the contents of the report, the summary results for all domains in Appendix 1, the self-assessment action plan in Appendix 2 and the detailed self-assessment outcome against Domain III “Governing the Internal Audit Function” in Appendix 3 agreed that progress against the action plan will be included within the quarterly update reports to this Panel until fully implemented

Report	Panel Date	Purpose	Panel Action
Proposed Internal Audit Plan 2026/27 (including Annual Review of Internal Audit Charter)	25 March 2026	to seek Audit and Governance Panel (AGP) approval for the revised Internal Audit Charter and the proposed Internal Audit Strategy and Internal Audit Plan and the reserve list for 2026-27	<ul style="list-style-type: none"> • approved the revised Internal Audit Charter (Appendix 1) • approved the Audit Strategy (Appendix 2) • approved Annual audit plan and reserve list for 2026/27 (Appendix 3)

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 eight reports considered are set out in Table 2.

Table 2

Report	Panel Date	Purpose	Panel Action
Annual Accounts 2024/25	25 June 2025	to present unaudited Annual Accounts for the year ended 31 March 2025	<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
Treasury Management Annual Report 2024/25	25 June 2025	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 2024/25	<ul style="list-style-type: none"> • considered the Annual Treasury Management Report 2024/25 • remitted the Annual Treasury Management Report to the Council meeting on 18 September for approval

Report	Panel Date	Purpose	Panel Action
External Audit Reports – Progress to 30 June 2025	3 Sept 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
Treasury Management and Investment Strategy Quarter 1 Update Report 2025/26	3 Sept 2025	to provide Members with an update on the 2025/26 treasury prudential indicators for the period April-June 2025 (Quarter 1) and provide an update on the latest wider economic position	<ul style="list-style-type: none"> scrutinised the contents of the report
Treasury Management and Investment Strategy Mid-Year Report 2025/26	3 Dec 2025	to provide Members with a mid-year treasury management update for the financial year 2025/26	<ul style="list-style-type: none"> scrutinised the contents of this report remitted the report to the Council meeting of 19 February 2026 for approval
External Audit Reports – Progress to 31 December 2025	25 Feb 2026	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 and Investment Strategy Quarter 3 Update Report 2025/26	25 Feb 2026	to provide Members with an update on the 2025/26 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
External Audit Reports – Progress to 31 March 2026	6 May 2026	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 three reports considered are set out in Table 3.

Table 3

Report	Panel Date	Purpose	Panel Action
Final Report on the 2024/25 Audit	24 Sept 2025 (Special)	to submit the Annual Accounts for the financial year ended 31 March 2025 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 2024/25 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 2025 approved the Charitable Trusts' audited Annual Accounts for signature and their subsequent issue by 30 September 2025
South Ayrshire IJB External Annual Audit Report 2024/25	5 Nov 2025	to present Audit Scotland's Annual Audit Report on South Ayrshire IJB's Annual Accounts for the period 2024-25.	<ul style="list-style-type: none"> considered the Annual Audit report of South Ayrshire IJB for period 2024-25 noted the contents of the Annual Audit report for 2024-25
Audit Scotland: Annual Audit Plan 2025/26	25 March 2026	to provide background to the presentation by Audit Scotland of their Annual Audit Plan 2025/26	<ul style="list-style-type: none"> agreed the attached Annual Audit Plan 2025/26 (Appendix 1)

Risk Management

The Panel received one report 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 report considered is set out in table 4.

Table 4

Report	Panel Date	Purpose	Panel Action
Strategic Risk Management	3 Sept 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 six reports considered are set out in Table 5.

Table 5

Report	Panel Date	Purpose	Panel Action
Audit Scotland Report – Delivering for the future: Responding to the workforce challenge	5 Nov 2025	to advise Members of the recent publication of Audit Scotland's 'Delivering for the future: Responding to the workforce challenge' report	<ul style="list-style-type: none"> Considered the key messages in the report and provided feedback comments to officers

Report	Panel Date	Purpose	Panel Action
Accounts Commission Annual Report 2024/25	5 Nov 2025	to advise the Panel of the Accounts Commission Annual Report 2024/25	<ul style="list-style-type: none"> considered the findings outlined in the Accounts Commission Annual Report 2024/25 (attached as Appendix 1)
Audit Scotland Report – Improving care experience: Delivering the Promise	3 Dec 2025	to advise Members of the recent publication of Audit Scotland's 'Improving care experience: Delivering the Promise' report and to highlight progress made in South Ayrshire	<ul style="list-style-type: none"> considered the key messages in the report, notes the progress in South Ayrshire, and provided feedback of comments to officers
Accounts Commission – Senior Officer Exit Packages	3 Dec 2025	to advise the Panel of the Accounts Commission report relating to the 2023/24 Audit of Glasgow City Council – Senior Officer Exit Packages and to determine if any changes are required to the Council's Scheme of Delegation	<ul style="list-style-type: none"> considered the findings outlined in the Accounts Commission report relating to the 2023/24 Audit of Glasgow City Council – Senior Officer Exit Packages noted that there were no changes required to the Council's current Scheme of Delegation as the control of the Chief Officer establishment is a power reserved to Council ensuring good governance and full transparency in relation to decision making on these matters
Local Government in Scotland: Financial Bulletin 2024/25	25 Feb 2026	to present the findings and recommendations included in the Audit Scotland report 'Local Government in Scotland: Financial Bulletin 2024/25', published in January 2026	<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
Audit Scotland: Integration Joint Boards – Finance Bulletin 2024/25	7 May 2025	to present the findings of the Audit Scotland report entitled 'Integration Joint Boards – Finance Bulletin 2024/25', published in February 2026.	<ul style="list-style-type: none"> notes the findings of the Audit Scotland report (attached as Appendix 1) notes 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 eleven reports considered are set out in Table 6.

Table 6

Report	Panel Date	Purpose	Panel Action
Best Value Action Plan – Progress Update	4 June 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 to the report
Audit and Governance Panel – 2024/25 Annual Report	4 June 2025	to provide the Panel with the Audit and Governance Panel annual report for 2024/25.	<ul style="list-style-type: none"> considered the Audit and Governance Panel annual report for 2024/25 (attached as Appendix 1) remitted the report to Council on 26 June 2025 for consideration.
Delivering Good Governance – 2024/25 Assessment	25 June 2025	to invite Members to review the 2024/25 year-end assessment against the Council's Delivering Good Governance Framework	<ul style="list-style-type: none"> reviewed and agreed the 2024/25 year-end assessment noted the progress against the 2024/25 improvement actions noted the new set of Improvement Actions agreed by Corporate Leadership Team for the period 2025/2026
Corporate Lets	3 Sept 2025	to provide an annual update in relation to requests for discretion to be applied to let charges from 1 April 2024 to 31 March 2025.	<ul style="list-style-type: none"> reviewed the information in the report

Report	Panel Date	Purpose	Panel Action
Best Value Action Plan – Progress update	1 Oct 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
Audit and Governance Panel – 2025 Annual Self-Assessment Outcome	3 Dec 2025	to confirm the outcome of the Audit and Governance Panel Self-Assessment for 2025, which was undertaken on 30 September 2025; and to seek agreement of the resulting updated action plan	<ul style="list-style-type: none"> noted the outcome of the 2025 self-assessment approved the updated action plan for improvement
Final Investigation Report (Confidential – Members only)	3 Dec 2025	to advise Members of the findings of an investigation report commissioned from an independent consultant	<ul style="list-style-type: none"> considers the terms of the Consultant's report provided feedback on comments to officers
Audit and Governance Panel – 2026/27 Training Programme	25 March 2025	to update the Panel on the proposed training programme for the Panel for 2026/27	<ul style="list-style-type: none"> noted the training programme set out in Appendix 1 of the report and provided feedback to the Chief Governance Officer
Grey Fleet Miles	25 March 2025	to present the findings of analysis on the comparison of grey fleet miles driven by staff between the period 2023/2024 and 2024/2025	<ul style="list-style-type: none"> noted the findings of the analysis on the comparison of grey fleet miles between the period 2023/2024 and 2024/2025

Report	Panel Date	Purpose	Panel Action
Asset Management- Best Value Thematic Work in South Ayrshire Council	25 Mar 2026	to present Members with Audit Scotland's thematic report on Asset Management in South Ayrshire	<ul style="list-style-type: none"> • scrutinised the content of Audit Scotland's thematic report on Asset Management in South Ayrshire • notes the improvement actions identified in Appendix 1 of the report • agreed these actions be incorporated within the existing Best Value Action Plan and reported quarterly to the Audit and Governance Panel and the Best Value Working Group
Best Value Action Plan – Progress Update	6 May 2026	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