

East Dunbartonshire Council

Annual Audit Plan 2020/21



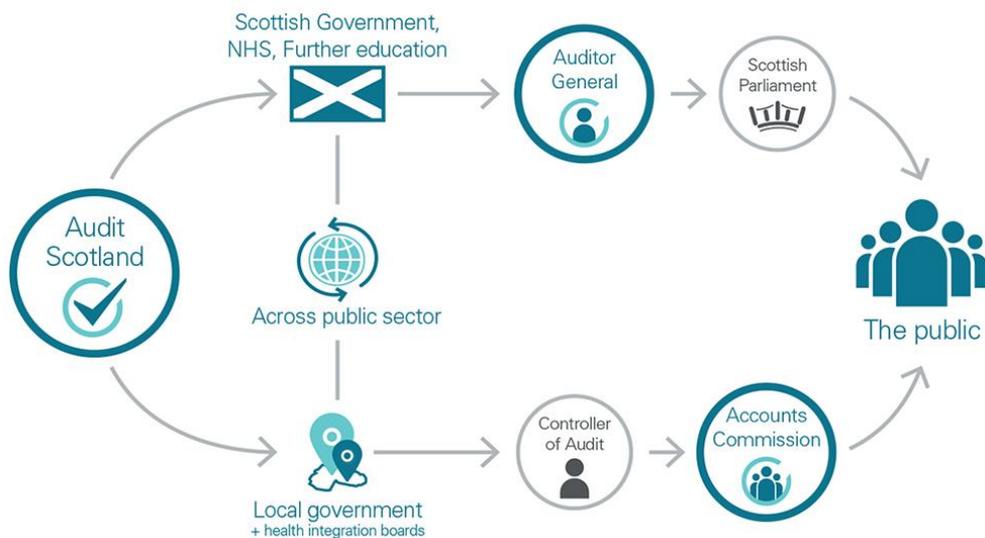
Prepared for East Dunbartonshire Council

March 2021

Who we are

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

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



About us

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

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

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

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Risks and planned work

1. This annual audit plan contains an overview of the planned scope and timing of our audit which is carried out in accordance with International Standards on Auditing (ISAs), the [Code of Audit Practice](#), and [guidance on planning the audit](#). This plan sets out the work necessary to allow us to provide an independent auditor's report on the annual accounts and meet the wider scope requirements of public sector audit including the audit of Best Value.

2. The wider scope of public audit contributes to assessments and conclusions on financial management, financial sustainability, governance and transparency and value for money.

Impact of Covid-19

3. The public health crisis caused by the Covid-19 pandemic has had a significant and profound effect on every aspect of Scottish society. Public services have been drastically affected, requiring immediate changes to the way they are provided. The impact on public finances has been unprecedented, which has necessitated both the Scottish and UK governments providing substantial additional funding for public services as well as support for individuals, businesses and the economy. It is likely that further financial measures will be needed and that the effects will be felt well into the future.

4. Public audit has an important contribution to the recovery and renewal of public services. The Auditor General, the Accounts Commission and Audit Scotland are responding to the risks to public services and finances from Covid-19 across the full range of audit work including annual audits and the programme of performance audits. A January 2021 paper, [Covid-19 What it Means for Public Audit An Update](#), restates the principles and approach we are taking following the reintroduction of significant restrictions in Scotland.

5. Audit Scotland is unable to meet the audit timetables which were possible before Covid-19, but we will aim to conclude the audit as early as possible. The well-being of audit teams and the delivery of high-quality audits remain paramount. Maintaining a pragmatic and flexible approach will enable change at short notice as new issues emerge, or current risks change in significance. Where this impacts on annual audits, revisions to this annual audit plan may be necessary.

Adding value

6. We aim to add value to East Dunbartonshire Council (the council) through our external audit work by being constructive and forward looking, by identifying areas for improvement and by recommending and encouraging good practice. In so doing, we intend to help the council promote improved standards of governance, better management and decision making and more effective use of resources.

Extension of audit appointment

7. Auditors appointed under statute by the Accounts Commission are engaged for a five-year period. The current audit engagement was due to end after the conclusion of the 2020/21 audit. Normally at the end of each five-year period a new auditor is appointed, either Audit Scotland or a private sector accountancy firm. Covid-19 had an impact on the 2019/20 audits of public sector bodies and the vast majority of these audits were reported later than normal. Planning for and potentially reporting of 2020/21 annual audit work is also being affected. In October 2020 the Accounts Commission approved the extension of current audit

appointments for a year to include the 2021/22 audit year. This decision reflects the need for stability and continuity given the longer-term impact of Covid-19 on audited bodies and the difficulty of running the necessary audit procurement exercise during the pandemic.

Audit risks

8. Based on our discussions with staff, attendance at committee meetings and a review of supporting information we have identified the following significant risk for the council. We have categorised these risks into financial statements risks and wider dimension risks. The key audit risks, which require specific audit testing, are detailed in [Exhibit 1](#).

Exhibit 1 2020/21 Significant audit risks

 Audit Risk	Source of assurance	Planned audit work
Financial statements risks		
<p>1 Risk of material misstatement due to fraud caused by the management override of controls</p> <p>International Auditing Standards require that audits are planned to consider the risk of material misstatement in the financial statements caused by fraud, which is presumed to be a significant risk in any audit. This includes the risk of fraud due to the management override of controls.</p>	<ul style="list-style-type: none"> Owing to the nature of this risk, assurances from management are not applicable in this instance. 	<ul style="list-style-type: none"> Detailed testing of journal entries. Review of accounting estimates. Focused testing of accruals and prepayments. Identification and evaluation of significant transactions that are outside the normal course of business. Review of the Annual Governance Statement and the assurances obtained by the Section 95 officer in support of the statement
<p>2 Risk of material misstatement caused by fraud in revenue recognition.</p> <p>As set out in ISA (UK)240, there is a presumed risk of fraud in the recognition of income. There is a risk that income may be misstated resulting in a material misstatement in the financial statements.</p> <p>East Dunbartonshire Council receives a significant amount of income from several sources including fees and charges. The extent and complexity of income means that there is an inherent risk of fraud.</p>	<ul style="list-style-type: none"> Established budget setting process including, monitoring controls and variance analysis. Member scrutiny through regular cycle of committee reporting. Vast majority of income received through electronic payments. 	<ul style="list-style-type: none"> Detailed testing of revenue transactions focusing on the areas of greatest risk. Testing the operation of key controls over council tax, NDR and housing rent income.
<p>3 Risk of material misstatement caused by fraud in expenditure</p> <p>As most public-sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may</p>	<ul style="list-style-type: none"> Established budget setting process including, monitoring controls and variance analysis. 	<ul style="list-style-type: none"> Detailed substantive testing of expenditure including grant payments and housing benefit transactions. Detailed work on procurement arrangements

be misstated resulting in a material misstatement in the financial statements.

East Dunbartonshire Council incurs significant costs such as welfare costs, social care payments and grant payments where there is an inherent risk of fraud.

- Work of the Corporate Fraud Team within Internal Audit.
- Involvement in National Fraud Initiative.
- Compliance with procurement regulations and best practice.

including declaration of gifts and hospitality.

- Audit work on the National Fraud Initiative matches.

4 Covid-19 funding and financial flexibilities

Councils are receiving additional funding to cover Covid-19 costs. The council is responsible for approving and distributing various grants relating to the Covid-19 disruption from this funding.

In addition, councils have been given the option to apply some financial flexibility options to mitigate some of the impact of Covid-19.

As yet, no clear guidance has been issued as to how all of these items should be presented in the council's annual accounts.

Due to the volume and complexity of the various schemes there is an increased risk of fraudulent claims and payments. In addition, there is a risk that the funding streams are not properly accounted for and disclosed in the 2020/21 annual accounts.

- The council has developed a financial tracker in conjunction with COSLA and the Directors of Finance. This has been shared with Audit Scotland to ensure consistency across all councils
- The council is working through the Directors of Finance with CIPFA/LASAAC to develop and review draft guidance in relation to the treatment of these grants
- Audit Scotland's Management Team being kept apprised of developments and is a good demonstration of joined up working despite current challenges
- Council's Internal Audit team are developing a scope of audit works to provide a piece of work that concludes on the sufficiency of controls in this area

- Review Scottish Government and CIPFA/LASAAC guidance.
- Review of the controls in place for the payment of grants, with emphasis on the business support grant payments.
- Review of accounting treatment and disclosures in 2020/21 annual accounts to ensure this is consistent with relevant guidance.
- Review of any internal audit work on grant payments.

5 Estimation and judgments

There is a significant degree of subjectivity in the measurement and valuation of some material balance sheet assets/liabilities.

- Valuations on non-current assets rely on expert valuations and management assumptions
- The value of the council's pension liability is an estimate based on information provided by management and actuarial assumptions
- The council's provision for doubtful debts is based on

- The council recognises that there is a degree of estimation and judgement required within the financial statements. Such judgements are clearly set out within the Financial Statements and are subject to review and challenge throughout the audit process
- In the current year there may be a number of extensions to previous

- Review of the work on the valuer and actuary.
- Focused substantive testing of classification and valuation of assets.
- Review appropriateness of actuarial assumptions.
- Confirm pension valuations in actuarial report are correctly reflected within the 2020/21 accounts.
- Review the provision for doubtful debts to assess whether it is reasonable and complete based on the perceived risk that the debt

management assessment of the recoverability of debts

- Property valuations may not be able to take place if valuers are unable to physically visit assets as a result of Covid-19 non-essential travel restrictions

There is a risk that valuations of assets/liabilities are materially misstated.

judgements and estimations resulting from restrictions due to Covid-19 with auditors being kept appraised at an early stage. The underlying principles will be similar to those applied in previous years with reliance being placed on the work of other professionals as required

will not be recovered, and in line with historic experience

- Review actual experience of significant estimates made in the prior year.

Wider dimension risks

6 Financial sustainability

The Covid-19 disruption has had a fundamental impact on what and how services are delivered by the council and its partners. Inevitably, there will be additional cost burdens to the council on top of the immediate response to the Covid-19 crisis and council priorities may need to change. Furthermore, the council's medium-term financial plan was developed before the Covid-19 pandemic began, therefore there is a risk that assumptions made do not consider the financial impact of Covid-19.

As the council reinstates services, this is likely to require expenditure beyond that in the budget and financial plans will need to be revised accordingly.

- Current funding from the Scottish Government has been sufficient to cover the immediate costs of Covid-19.
- The medium to long term implications of Covid-19 are not yet clear and this may require councils to reshape services, and their finances, as appropriate.
- The council has committed to develop such plans at the earliest opportunity with this work cascading through planned stakeholder and partner engagement to the LOIP, service planning, performance management and associated reporting.
- In the intervening period the council continues to engage with the Scottish Government, through Cosla, to develop a suite of fiscal flexibilities to ease the current and future financial pressures.
- Consider the 2021/22 revenue budget and required savings target.
- Review the financial monitoring during the year, including the use of reserves and delivery of planning saving.
- Review of the longer-term financial impact of the Covid-19 pandemic.

7 Capital Slippage

The council is currently reporting that the capital programme is unlikely to progress as planned and within previously projected timescales, due to limited opportunity for major capital

- The capital programme has suffered from slippage as a result of Covid-19. This has required to be accommodated within the 2021/22
- On-going monitoring of capital budget plans and reports.

projects to progress during the lockdown. It has also been reported that there are anticipated increased costs to bring major capital projects into existence due to additional requirements to ensure on site safety and social distancing throughout the build process.

There is a risk that slippage in this years' capital programme will impact on the council's ability to meet its 10-year long-term capital plan.

Capital Programme as agreed by Council in February 2021.

- The refreshed programme is ambitious however is deliverable within the updated Capital Programme.

Source: Audit Scotland

Reporting arrangements

9. Audit reporting is the visible output for the annual audit. All annual audit plans and the outputs as detailed in [Exhibit 2](#), and any other outputs on matters of public interest will be published on our website: www.audit-scotland.gov.uk.

10. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officers to confirm factual accuracy prior to the issue and publication of final reports.

11. We will provide an independent auditor's report to East Dunbartonshire Council, and Accounts Commission setting out our opinions on the annual accounts. We will provide the members of East Dunbartonshire Council and the Accounts Commission with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

Exhibit 2 2020/21 Audit outputs

Audit Outputs	Target Date
Interim Management Report	16 June 2021
Independent Auditor's Report	29 October 2021 *
Annual Audit Report	29 October 2021 *

*The target dates included are those specified in Audit Scotland's Planning Guidance 2020/21.

Grant claims and returns

12. The council is required to make various grant claims and returns to UK or Scottish Government departments. Such claims and returns require to be audited prior to submission. We will perform testing and provide audit certificates in accordance with guidance issued by Audit Scotland. We have planned for the following claims and returns in 2020/21:

- Housing benefit subsidy claim
- Non-domestic rate income return
- Education maintenance allowances

13. Where unexpected claims or returns are received or supporting working papers are not adequate, a supplementary fee may be requested.

The audit of trusts registered as Scottish charities

14. Members of East Dunbartonshire Council are sole trustees for 2 charitable trusts, registered as Scottish charities, with total assets of some £0.810 million. The preparation and audit of financial statements of registered charities is regulated by the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

15. The Charities Accounts (Scotland) Regulations 2006 require charities to prepare annual accounts and require an accompanying auditor's report where any legislation requires an audit. The Local Government (Scotland) Act 1973 specifies the audit requirements for any trust fund where some or all members of a council are the sole trustees. Therefore, a full and separate audit and independent auditor's report is required for each registered charity where members of the East Dunbartonshire Council are sole trustees, irrespective of the size of the charity.

16. There are no specific risks for these audits which we require to bring to your attention.

Audit fee

17. The proposed audit fee for the 2020/21 audit of East Dunbartonshire Council is £262,700 (Prior year fee £256,030). In determining the audit fee, we have taken account of the risk exposure of East Dunbartonshire Council, the planned management assurances in place and the level of reliance we plan to take from the work of internal audit. Our audit approach assumes receipt of the unaudited annual accounts, with a complete working papers package on 25 June 2021.

18. We have also agreed an audit fee of £600 (Prior year fee £600) for the charitable trusts which are detailed in paragraph 14.

19. Where our audit cannot proceed as planned through, for example, late receipt of unaudited annual accounts or being unable to take planned reliance from the work of internal audit, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises out with our planned audit activity.

Responsibilities

Audit & Risk Management Committee and Chief Finance Officer

20. Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives. In East Dunbartonshire Council the Chief Finance Officer is the proper officer (section 95 officer), with responsibility for the administration of financial affairs. The council has delegated responsibility for the oversight of internal and external audit to its Audit & Risk Management Committee.

21. As a result of changes in governance arrangements that were implemented in response to the Covid-19 pandemic, the Audit & Risk Management Committee meetings were temporarily suspended in March 2020. All reports previously presented to this committee were instead taken to Special Council meetings. Audit & Risk Management Committee meetings resumed in December 2020 however as consequence of a second lockdown these have again been suspended and Special Council meetings will continue to cover the audit and risk items during 2021 until further notice.

22. The audit of the annual accounts does not relieve management or the Audit & Risk Management Committee as those charged with governance, of their responsibilities.

Appointed auditor

23. Our responsibilities as independent auditors are established by the 1973 Act for local government, and the Code of Audit Practice (including supplementary guidance) and guided by the Financial Reporting Council's Ethical Standard.

24. Auditors in the public sector give an independent opinion on the financial statements and other information within the annual accounts. We also review and report on the arrangements within the audited body to manage its performance and use of resources. In doing this, we aim to support improvement and accountability.

Audit scope and timing

Annual accounts

25. The annual accounts, which include the financial statements, will be the foundation and source for most of the audit work necessary to support our judgements and conclusions. We also consider the wider environment and challenges facing the public sector. Our audit approach includes:

- understanding the business of East Dunbartonshire Council and the associated risks which could impact on the financial statements
- assessing the key systems of internal control, and establishing how weaknesses in these systems could impact on the financial statements
- identifying major transaction streams, balances and areas of estimation and understanding how East Dunbartonshire Council will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing and extent of audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements are free of material misstatement.

26. We will give an opinion on whether the financial statements:

- the annual accounts give a true and fair view of the state of affairs of the council and the income and expenditure for the year
- the annual accounts have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21
- the annual accounts have been prepared in accordance with relevant legislation.

Statutory other information in the annual accounts

27. We also review and report on statutory other information published within the annual accounts including the management commentary, annual governance statement and the remuneration report. We give an opinion on whether these have been compiled in accordance with the appropriate regulations and frameworks in our independent auditor's report.

28. We also review the content of the annual report for consistency with the financial statements and with our knowledge. We report any uncorrected material misstatements in statutory other information.

Materiality

29. We apply the concept of materiality in planning and performing the audit. It is used in evaluating the effect of identified misstatements on the audit, and of any uncorrected misstatements, on the financial statements and in forming our opinions in the independent auditor's report.



characteristics



responsibilities



principal activities



risks



governance arrangements

30. We calculate materiality at different levels as described below. The calculated materiality values for East Dunbartonshire Council are set out in [Exhibit 3](#).

Exhibit 3 Materiality levels

Materiality	Amount
Planning materiality – This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. It has been set at 1% of gross expenditure for the year ended 31 March 2020 based on the latest audited accounts for 2019/20.	£4.015 million
Performance materiality – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement, we have calculated performance materiality at 50% of planning materiality.	£2.008 million
Reporting threshold (i.e., clearly trivial) – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount. This has been calculated at 1% of planning materiality.	£40 thousand

Source: Audit Scotland

31. We also set separate materiality for 2 charitable trusts, as outlined in [Exhibit 4](#).

Exhibit 4 Charity materiality levels

Trust	Planning materiality	Performance materiality	Reporting threshold
East Dunbartonshire Council Charitable Trusts	£681	£341	£7

Source: Audit Scotland

Timetable

32. To support the efficient use of resources it is critical that the annual accounts timetable is agreed with us to produce the unaudited accounts. We have included an agreed timetable at [Exhibit 5](#) overleaf. While we will do our best to meet the target dates below, the dates will be subject to change if further issues arise from Covid-19 that impact on the council or the audit team.

Exhibit 5

Audit of annual accounts 2020/21 timetable

 Key stage	 Date
Consideration of unaudited annual report and accounts by those charged with governance	17 June 2021
Latest submission date of unaudited annual report and accounts with complete working papers package	25 June 2021
Latest date for final clearance meeting with Chief Finance Officer	TBC
Issue of Letter of Representation, proposed independent auditor's report and annual audit report	15 October 2021
Agreement of audited unsigned annual report and accounts	15 October 2021
Presentation of annual audit report to those charged with governance	TBC
Meeting of the Council to approve the audited annual accounts for signature by the Leader of the Council, Chief Executive and Section 95 Officer	TBC
Independent auditor's report certified by appointed auditor	29 October 2021

Internal audit

33. Internal audit is provided by the in-house internal audit section at East Dunbartonshire Council. As part of our planning process we carry out an annual assessment of the internal audit function to ensure that it operates in accordance with the main requirements of the Public Sector Internal Audit Standards (PSIAS). ISA (UK)610 requires an assessment on whether the work of the internal audit function can be used for the purposes of external audit. This includes:

- the extent to which the internal audit function's organisational status and relevant policies and procedures support the objectivity of the internal auditors
- the level of competence of the internal audit function
- whether the internal audit function applies a systematic and disciplined approach, including quality control.

34. We will report any significant findings to management on a timely basis.

Using the work of internal audit

35. International Auditing Standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to rely on the work of internal audit wherever possible to avoid duplication. We plan to consider the findings of the work of internal audit as part of our planning process to minimise duplication of effort and to ensure the total resource is used efficiently or effectively.

36. From our initial review of internal audit plans we plan to place formal reliance on internal audit work in the following areas

- Treasury management
- iProc Ordering System

- Housing rent arrears (follow up)
- Carefirst data controls

Audit dimensions

37. Our audit is based on four audit dimensions that frame the wider scope of public sector audit requirements as shown in [Exhibit 6](#).

Exhibit 6 Audit dimensions



Source: Code of Audit Practice

38. In the local government sector, the appointed auditor's annual conclusions on these four dimensions will help contribute to an overall assessment and assurance on best value.

Financial sustainability

39. As auditors we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on financial sustainability in the longer term. We define this as medium term (two to five years) and longer term (longer than five years) sustainability. We will carry out work and conclude on:

- the effectiveness of financial planning in identifying and addressing risks to financial sustainability in the short, medium and long term
- the appropriateness and effectiveness of arrangements in place to address any identified funding gaps
- whether there are arrangements in place to demonstrate the affordability and effectiveness of funding and investment decisions
- monitoring the arrangements put in place by the council to minimise any disruption occasioned by the UK's withdrawal from the European Union.

Financial management

40. Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively. We will review, conclude and report on:

- whether arrangements are in place to ensure systems of internal control are operating effectively
- the effectiveness of budgetary control systems in communicating accurate and timely financial performance can be demonstrated
- how the council has assured itself that its financial capacity and skills are appropriate
- whether there are appropriate and effective arrangements in place for the prevention and detection of fraud and corruption.

Governance and transparency

41. Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision – making and transparent reporting of financial and performance information. We will review, conclude and report on:

- whether the council can demonstrate that the governance arrangements in place are appropriate and operating effectively (including services delivered by, or in partnership with, others such as ALEOs)
- whether there is effective scrutiny, challenge and transparency on the decision-making and finance and performance reports.
- the quality and timeliness of financial and performance reporting.

42. As a result of the “stay at home” message currently in place, all Council and Special Council meetings are being held on-line, and live streamed on YouTube. A decision was taken to only present papers at these meetings that require approval or decision by the council. Those reports classed as for noting are provided as a technical note to members prior to the meetings. From review of the committee diary section of the council’s website, we note that papers are not being made available on the council’s website in advance of the meeting taking place. There is therefore a risk that the council is not being sufficiently open and transparent in their decision-making, as members of the public have no access to papers in advance of meetings. As part of our wider dimension audit work, we will continue to review and monitor the effectiveness of the council’s revised governance arrangements that are in place as a result of Covid-19.

43. In accordance with the Corporate Risk Strategy, the council should review and approve the Corporate Risk Register in June of each year. From review of committee papers and attendance at meetings, the council has not reviewed or approved the CRR since June 2019. Whilst councillors are regularly provided with updates to the Covid-19 response, it would be considered good practice for the CRR should be updated to reflect all current risks facing the council and presented to councillors for approval. This will be monitored as part of our audit work to ensure risks are being appropriately managed by the council.

44. An investigation is currently being undertaken relating to allegations within social work services at the council. We intend to review the findings once reported and consider whether any further audit work is appropriate

Value for money

45. Value for money refers to using resources effectively and continually improving services. We will review, conclude and report on whether the council can demonstrate:

- value for money in the use of resources
- there is a clear link between money spent, output and outcomes delivered.
- that outcomes are improving.

- there is sufficient focus on improvement and the pace of it.

Best Value

46. The audit of Best Value is integrated with the wider scope annual audit. Best Value is being assessed over the audit appointment, both through the ongoing annual audit work, and a Best Value Assurance Report (BVAR). A BVAR for each council will be considered by the Accounts Commission at least once in the audit appointment. The BVAR on East Dunbartonshire Council is currently underway and will be reported in 2021.

47. The four councils on which a BVAR will be published during 2021 are listed in [Exhibit 7](#).

Exhibit 7 2020/21 Best Value Assurance Reports

	Aberdeen City Council	Falkirk Council
	South Ayrshire Council	
	East Dunbartonshire Council	

Source: Audit Scotland

48. East Dunbartonshire Council's BVAR will comment on the council's strategic direction, how it is performing and using resources, and how well it works with its partners. It will also consider the impact of Covid -19 on how the council is delivering services and the effect on the council's corporate plans (recovery plans), governance arrangements and financial plans.

49. We will report an overall judgement on the pace, depth and continuity of improvement at the council since the previous BV report published in 2016 and the follow up published in 2017. The report will focus on:

- How effectively the council plans the use of its resources to support delivery of its priorities. This will include service planning, financial planning, asset management, workforce planning and digital/ICT strategy. The impact of Covid-19 on these plans will be considered.
- How effectively the council works with partners in tackling its specific challenges such as its ageing population.
- How effectively the council encourages and supports community participation, in setting its priorities and delivery of services. This will include public engagement and responsiveness since the start of the Covid-19 pandemic and how this will influence the council's future priorities and activities.
- How effectively the council's self-assessment framework drives continuous improvement in service priorities.
- A review of the council's assessment of its outcomes and performance, as reported to elected members and through public performance reporting. This may be supplemented by audit analysis of LGBF data where it is considered appropriate to support the report.

50. Throughout our work we will consider the extent to which the cross-cutting Best Value principles of Fairness & Equality and Sustainability are embedded within the

operation of the council. The results of this work will be reported in the Best Value Assurance Report, currently scheduled to be published September 2021.

Shared risk assessment of the Local Area Network

51. As part of our planning work we held a shared risk assessment meeting with the key scrutiny bodies of the council. We discussed the work and views of scrutiny bodies including Education Scotland, the Scottish Housing Regulator and the Care Inspectorate.

Independence and objectivity

52. Auditors appointed by the Accounts Commission or Auditor General must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual “fit and proper” declaration for all members of staff. The arrangements are overseen by the Director of Audit Services, who serves as Audit Scotland’s Ethics Partner.

53. The engagement lead (i.e. appointed auditor) for East Dunbartonshire Council is Fiona Mitchell-Knight, Audit Director. The engagement lead for the charitable trusts is Peter Lindsay, Senior Audit Manager. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of East Dunbartonshire Council or the Charitable Trusts.

Quality control

54. International Standard on Quality Control (UK and Ireland) 1 (ISQC1) requires that a system of quality control is established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor’s report or opinion is appropriate in the circumstances.

55. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice (and supporting guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of Scotland (ICAS) have been commissioned to carry out external quality reviews.

56. As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time and this may be directed to the engagement lead.

East Dunbartonshire Council

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If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or info@audit-scotland.gov.uk

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