

AUDIT SCOTLAND NATIONAL REPORTS TO AUDIT COMMITTEE 2008 - 2009

1. SUMMARY

The Code of Practice for Internal Audit in Local Government (the Code) issued by Chartered Institute of Public Finance and Accountancy (CIPFA) in 2000 and further revised in 2006 sets out good practice in delivering internal audit services. Grant Thornton UK LLP, in May 2007 carried out a Code compliance review and in their resultant report recommended that external audit reports (including Audit Scotland reports) be reported to the Audit Committee. Attached in Appendix 1 is the most recent report form Audit Scotland.

2. RECOMMENDATIONS

2.1 The contents of this report are noted and are to be followed up by Internal Audit.

3. DETAILS

3.1 Audit Scotland issued an Accounts Commission report in November 2008 entitled, "Priorities and Risks Framework". The Priorities and Risks Framework (PRF) is a tool for external auditors to use when planning the audits of local government bodies in Scotland. It is a document which summarises the key national priorities and risks which face councils in the coming year. The PRF provides auditors with a resource to develop their understanding of current national issues as they relate to their client. Auditors will use it in conjunction with an evaluation of any other local risk areas to establish the key issues facing an individual client.

3.2 The key messages from this national report are attached.

3.3 The full report can either be viewed at http://www.audit-scotland.gov.uk/work/local_national.php or viewed in the Members room where a copy has been provided.

4. CONCLUSIONS

This report is submitted to the Audit Committee for consideration.

5. IMPLICATIONS

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| 5.1 | Policy: | None |
| 5.2 | Financial: | None |
| 5.3 | Personnel: | None |

5.5 Equal Opportunities: None

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