

A decorative background pattern consisting of a large blue triangle on the left and a cluster of grey and green triangles on the right, all pointing towards the right.

Glasgow and the Clyde Valley Strategic Development Planning Authority

2024/25 Annual Audit Report to the Joint Committee
and the Controller of Audit

May 2026

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Key messages

Financial statements audit

Under International Standards on Auditing (UK) and the Code of Audit Practice on Local Authority Accounting in the United Kingdom 2024/25, we are required to report whether, in our opinion:

- The financial statements give a true and fair view of Glasgow and the Clyde Valley Strategic Development Planning Authority’s (Clydeplan’s) financial position and income and expenditure for the period; and
- Clydeplan’s financial statements have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the UK 2024/25 (the 2024/25 Code), the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003;
- The audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014;
- The information given in the Management Commentary is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- The information given in the Annual Governance Statement is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Audit opinion	Our audit work is complete and we report an unqualified audit opinion within our independent auditor’s report.
Audit approach	Our audit approach has been based on gaining a thorough understanding of Clydeplan’s control environment and is risk based. This included: • An evaluation of Clydeplan’s internal control environment, including the IT systems and controls; and

	Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to our key audit risks. We have amended our audit plan to rebut the significant risk of fraud in non-pay expenditure due to the fact that there is little incentive to manipulate expenditure recognition and opportunities to manipulate expenditure recognition are limited.
Key audit findings	Clydeplan is expected to wind up the Joint Committee due to a change in underlying legislation affecting its remit. Clydeplan was created under the Planning etc. (Scotland) Act 2006, however the regional planning activities will be continued under the new Planning (Scotland) Act 2019 with the transfer of functions to a new sub-committee and a transfer of governance to another council as a lead authority. We have concluded that a going concern assumption for the 2024/25 annual accounts remains appropriate as the underlying activities of the organisation will continue under a changed governance model. Clydeplan had reasonable administrative processes in place to prepare the annual accounts. We received the working papers to support the annual accounts in a timely manner. We obtained adequate evidence in relation to the significant audit risks identified in our audit plan. The accounting policies used to prepare the financial statements are considered appropriate. We are satisfied with the appropriateness of the accounting estimates and judgements used in the preparation of the financial statements. All material disclosures required by relevant legislation and applicable accounting standards have been made appropriately.
Audit adjustments	One audit adjustment has been identified and made through the course of the audit. This was:

	- Overstatement of Clydeplan's pension liabilities of £157,000 (nil impact on usable reserves) One unadjusted misstatement was identified within the financial statements. This was: - Understatement of Clydeplan's interest income of £5,296 We also identified some minor disclosure and presentational adjustments during our audit, which have been reflected in the final set of financial statements. One adjustment was identified by management and adjusted for within the audited set of financial statements provided to audit. This was: - understatement of others payable of £179,000 and understatement of transfer payments expenditure of £179,000. One prior period adjustment was identified by management and adjusted for within the draft set of financial statements provided to audit. This was: - understatement of the pension liability of £179,000 and associated notional in-year costs of £10,000. Details of the adjusted misstatements, unadjusted misstatements, and disclosure changes are included at Appendix 2.
Internal controls	The purpose of the audit is for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses. No material weaknesses or significant deficiencies were noted.

Wider scope of public audit and best value

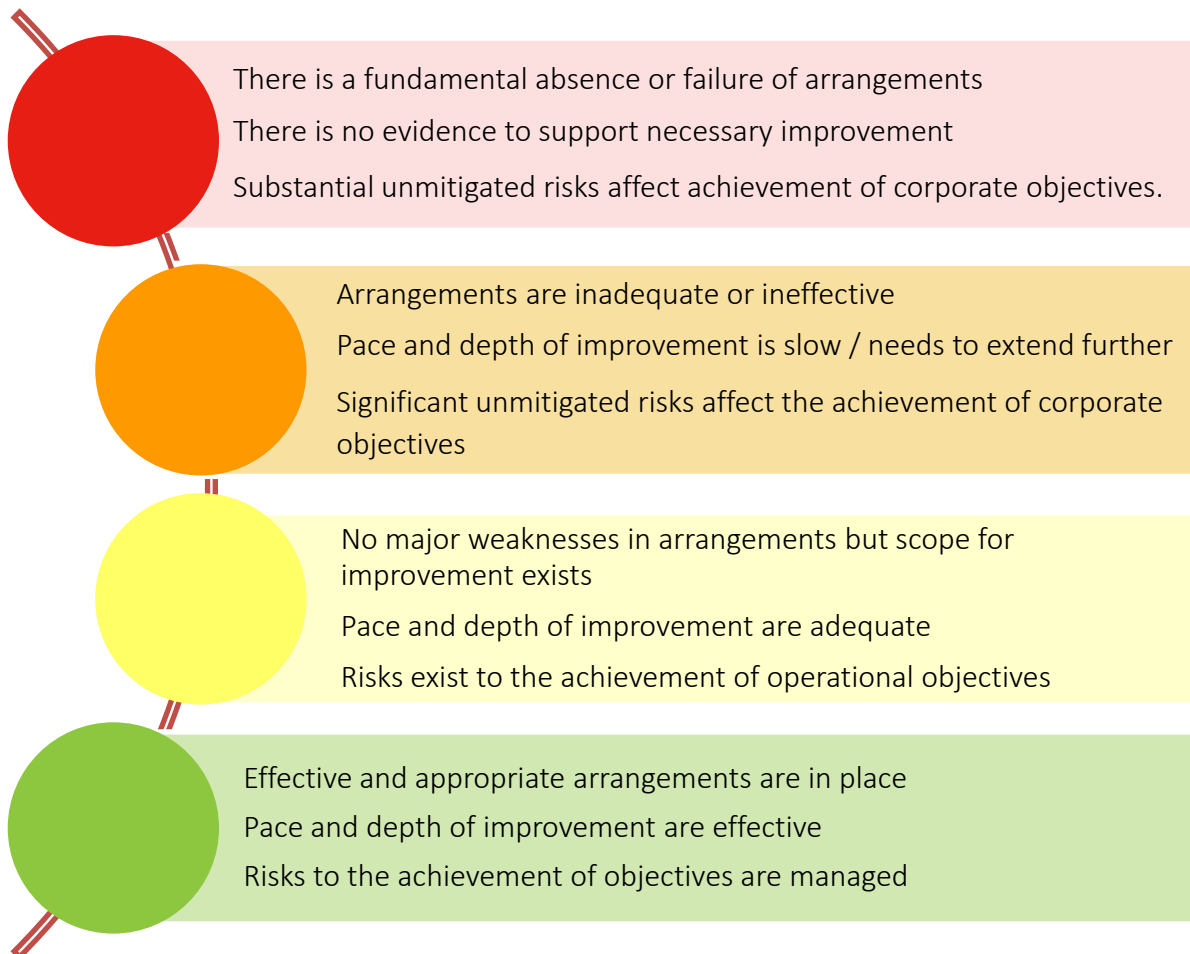
In accordance with the Code of Audit Practice and Code of Audit Practice Supplementary guidance – wider scope audit, less complex bodies and Best Value, we have concluded that Clydeplan meets the criteria to be treated as less complex for wider scope and best value. Our work was restricted to an evaluation of financial sustainability and the arrangements Clydeplan has for securing Best Value.

Financial Sustainability Financial sustainability looks forward to the medium and longer term to consider whether Clydeplan is planning effectively to continue to deliver its services and the way in which they should be delivered.	Auditor judgement Risks to the achievement of objectives are managed	
	Clydeplan’s financial sustainability in 2024/25 has been shaped by its planned wind up. Each of the eight member authorities formally agreed to withdraw from the joint committee, transferring the responsibility for regional spatial planning to the new Glasgow City Region (GCR) Regional Planning Sub-Committee. This meant that Clydeplan was effectively operating in its final year, with financial arrangements focused on closure rather than long-term continuation.	

	The main practical step taken during the year was the transfer of all Clydeplan staff to Glasgow City Council on 16th December 2024. This ensured continuity of expertise while removing ongoing staffing liabilities from Clydeplan's accounts. At the same time budget responsibility for regional planning activities shifted to the Glasgow City Region Cabinet, which approved an outline budget for 2025/26 in February 2025. The 2024/25 audited accounts are the final set of accounts to be prepared by the Glasgow and the Clyde Valley Strategic Development Planning Authority. Clydeplan has remained financially viable during 2024/25. Its reserves have been sufficient to cover operation and closure cost while still leaving reserve balances to be distributed to member councils. As a result, Clydeplan will conclude operations in a controlled and financially sustainable way, with the new Glasgow City Region Sub-Committee taking forward the regional planning responsibilities from 2025/26 onwards.
Best Value Clydeplan has a specific responsibility to make arrangements to secure Best Value. Best Value is defined as continuous improvement in the performance of the body's functions.	Auditor judgement Risks to the achievement of objectives are managed  The Annual Governance Statement states that there is a statutory duty on Clydeplan to make arrangements to secure Best Value. In discharging this overall responsibility, Clydeplan's elected members and senior officers are responsible for putting in place proper arrangements for its affairs and facilitating the effective exercise of its functions. The Governance Framework described the systems and processes by which Clydeplan operate in to secure best value. Members and officers of Clydeplan are committed to the concept of sound governance and the effective delivery of services which encompasses best value. A self-assessment tool is used with no concerns raised.

Definitions

We use the following gradings to provide an overall assessment of the arrangements in place as they relate to the wider scope areas and reporting our findings on Best Value. The text provides a guide to the key criteria we use in the assessment, although not all of the criteria may exist in every case.



Introduction

Scope of audit

The annual external audit comprises the audit of the financial statements, the wider-scope audit and Best Value audit responsibilities set out in Audit Scotland's Code of Audit Practice. [Code of Audit Practice 2021 | Audit Scotland](#)

We outlined the scope of our audit in our External Audit Plan, which we presented to Joint Committee at the outset of our audit.

Responsibilities

Clydeplan is responsible for preparing annual accounts, including financial statements, which show a true and fair view of the results for the year and position at the year end, and for implementing appropriate internal control systems. The weaknesses or risks identified in this report are only those that have come to our attention during our normal audit work and may not be all that exist. Communication in this report of matters arising from the audit or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on, the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to thank all management and staff for their co-operation and assistance during our audit.

Auditor independence

International Standards on Auditing in the UK (ISAs (UK)) require us to communicate on a timely basis all facts and matters that may have a bearing on our independence.

We confirm that we complied with the Financial Reporting Board's (FRC) Ethical Standard. In our professional judgement, we remained independent, and our objectivity has not been compromised in any way.

We set out in Appendix 1 our assessment and confirmation of independence.

Adding value

All of our clients quite rightly demand of us a positive contribution to meeting their ever-changing business needs. We add value by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In

this way we aim to promote improved standards of governance, better management and decision making and more effective use of public money.

Any comments you may have on the service we provide would be greatly appreciated. Comments can be reported directly to any member of your audit team or to Audit Scotland.

Openness and transparency

This report will be published on Audit Scotland's website www.audit-scotland.gov.uk.

Financial statements audit

Our audit opinion

Opinion	Basis for opinion	Conclusions
Financial statements	We conduct our audit in accordance with applicable law and International Standards on Auditing. Our findings / conclusions to inform our opinion are set out in this section of our annual audit report.	The audited financial statements, management commentary, remuneration report and corporate governance statement have been delegated by the Joint Committee to the Convener of Clydeplan (Cllr Lawrence O'Neill), the Treasurer (Alastair MacArthur) and the Head of Economy and Development (Alasdair Morrison) for approval. We have issued an unqualified opinion in our independent auditor's report.

Opinion	Basis for opinion	Conclusions
Going concern basis of accounting	When assessing whether the going concern basis of accounting is appropriate, the anticipated provision of services is more relevant to the assessment than the continued existence of a particular public body. We assess whether there are plans to discontinue or privatise Clydeplan's functions. Our wider scope audit work considers the financial sustainability of Clydeplan.	Our understanding of the legislative framework and activities undertaken by Clydeplan provides us with sufficient assurance that the Joint Committee's going concern assumption is appropriate. Our audit opinion is therefore unqualified in this respect. Clydeplan is expected to wind up its activities due to a change in the underlying legislation. Clydeplan was created under the Planning etc. (Scotland) Act 2006, however the regional planning activities will be continued under the new Planning (Scotland) Act 2019 with the transfer of functions to a new regional sub-committee and a transfer of governance to another council as a lead authority. The local authority representation on the new sub-committee will be the same as in Clydeplan. As the change is driven by legislation, we are satisfied that the assessment of going concern performed by management arrived at the reasonable conclusion that the use of going concern assumption remains appropriate as the underlying activities of Clydeplan will continue under the new governance arrangements.

Opinion	Basis for opinion	Conclusions
Opinions prescribed by the Accounts Commission: - Audited parts of the Remuneration Report - Management Commentary - Annual Governance Statement	We plan and perform audit procedures to gain assurance that the audited parts of the Remuneration Report, Management Commentary and Annual Governance Statement are prepared in accordance with relevant legislation and guidance.	We have concluded that: - the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014. - the information given in the management commentary is consistent with the financial statements and has been properly prepared in accordance with relevant statutory guidance. - the information given in the Annual Governance Statement is consistent with the financial statements, has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016)

Opinion	Basis for opinion	Conclusions
Matters reported by exception	We are required to report on whether: - adequate accounting records have not been kept; or - the financial statements and the audited parts of the Remuneration Report are not in agreement with the accounting records; or - we have not received all the information and explanations we require for our audit.	We have no matters to report.

An overview of the scope of our audit

The scope of our audit was detailed in our External Audit Plan, which was presented to the Joint Committee in March 2025. The plan explained that we follow a risk-based approach to audit planning that reflects our overall assessment of the relevant risks that apply to Clydeplan. This ensures that our audit focuses on the areas of highest risk (the significant risk areas). Planning is a continuous process, and our audit plan is subject to review during the course of the audit to take account of developments that arise. Upon receiving the draft accounts, we have amended our audit plan to rebut the significant risk of fraud in non-pay expenditure due to the fact that there is little incentive to manipulate expenditure recognition and opportunities to manipulate expenditure recognition are very limited.

In our audit, we test and examine information using sampling and other audit techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. This includes:

- An evaluation of Clydeplan's internal control environment, including the IT systems and controls; and

- Substantive testing on significant transactions and material account balances, including procedures outlined in this report in relation to our key audit risks.

Quality indicators

We have applied a suite of quality indicators to assess the reliability of Clydeplan's financial reporting and response to the audit.

Metric	Grading (Mature / developing / significant improvement required)	Commentary
Quality and timeliness of draft financial statements	Mature	We received unaudited financial statements of a good standard in line with our audit timetable. The unaudited financial statements were delivered on time with minor accuracy of casting and cross-references.
Quality of working papers provided and adherence to timetable	Mature	We received working papers of a good standard in line with our audit timetable. Therefore, the audit was able to start on time as planned. Audit requests and inquiries were turned around on a timely basis.
Timing and quality of key accounting judgements	Mature	We did not identify any issues with the timing and quality of key accounting judgements.
Access to finance team and other key personnel	Mature	We received full access to the finance team and other key personnel. All audit queries and requests were responded to in a timely manner. The finance team and other key personnel were available as agreed. A meeting with management's expert

Metric	Grading (Mature / developing / significant improvement required)	Commentary
		(actuary) was arranged in advance and their engagement was helpful to the audit.
Quality and timeliness of the - audited parts of the Remuneration Report - Management Commentary - Annual Governance Statement As well as the quality and timeliness of supporting working papers for those statements.	Mature	We did not identify any issues with quality and timeliness of the audited part of the Remuneration Report, Management Commentary and Annual Governance Statement.
Volume and magnitude of identified errors	Mature	Four audit adjustments were identified. There is one unadjusted misstatement in year. Management did identify one material prior period adjustment and three current year adjustments.

Significant risk areas and key audit matters

Significant risks are defined by auditing standards as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, we consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement. Audit procedures are designed to mitigate these risks.

As required by the Code of Audit Practice and the planning guidance issued by Audit Scotland, we considered the significant risks for the audit that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the audit team (the 'Key Audit Matters'), as detailed in the tables below.

Our audit procedures relating to these matters were designed in the context of our audit of the annual report and accounts as a whole, and not to express an opinion on individual accounts or disclosures.

Our opinion on the annual report and accounts is not modified with respect to any of the risks described below.

The table below summarises each significant risk. Detail behind each risk and the work undertaken is set out on the following pages.

Risk area	Financial statement / Assertion level risk	Fraud risk	Planned approach to controls	Risk of material misstatement	Outcome of work
Management override of controls	Financial statement	Yes	Assess design & implementation	Very High	Our work has not identified any significant or fraudulent issues in respect of this risk. We have however raised one control recommendation in relation to journal authorisations.

Risk area	Financial statement / Assertion level risk	Fraud risk	Planned approach to controls	Risk of material misstatement	Outcome of work
Fraud in revenue recognition - Rebutted	Assertion level	No	Assess design	Low	No material issues and no instances of fraud were identified.
Fraud in non-pay expenditure - Rebutted	Assertion level	No	Assess design	Low	Management has identified one adjustment which is overstatement of supplies and services expenditure of £3,000 due to overstatement of provision relating to SPF invoice and audit fees. No other material issues were identified from our work performed and no instances of fraud identified.
Pension liability (key accounting estimate)	Assertion level	Yes	Assess design & implementation	High	One audit adjustment has been identified and made through the course of the audit. This was: Overstatement of Clydeplan's

Risk area	Financial statement / Assertion level risk	Fraud risk	Planned approach to controls	Risk of material misstatement	Outcome of work
					pension liabilities of £157,000 A prior period adjustment was identified by management and adjusted for within the draft set of financial statements provided to audit. This relates to the understatement of unfunded pension liability of £179,000 and associated notional in-year costs of £10,000.

Significant risks at the financial statement level

These risks are considered to have a pervasive impact on the financial statements as a whole and potentially affect many assertions for classes of transaction, account balances and disclosures.

Risk area	Management override of controls
Significant risk description	Auditing Standards require auditors to treat management override of controls as a significant risk on all audits. This is because management is in a unique position to perpetrate fraud by manipulating accounting records and overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk. Specific areas of potential risk include manual journals, management estimates and judgements and one-off transactions outside the ordinary course of the business. This was considered to be a significant risk and Key Audit Matter for the audit. Risk of material misstatement: Very High
How the scope of our audit responded to the significant risk	Key judgement There is the potential for management to use their judgement to influence the financial statements as well as the potential to override controls for specific transactions. Audit procedures - Documented our understanding of the journals posting process and evaluated the design effectiveness of management controls over journals. - Analysed the journals listing and determined the criteria for selecting high risk and/or unusual journals.

Risk area	Management override of controls
	• Tested high risk and/or unusual journals posted during the year and after the draft accounts stage back to supporting documentation for appropriateness, corroboration and to ensure approval has been undertaken in line with Clydeplan's journals policy. • Gained an understanding of the key accounting estimates and critical judgements made by management. • Evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions.
Key observations	We have not identified any indication of management override of controls in the year. We did not identify any areas of bias in key judgements made by management and judgements were consistent with prior years. We identified from our journals testing undertaken that large batch journals with over 50 lines require no system approval. We have therefore raised a control recommendation relation to the authorisation and review process of large journals. Details of the recommendation are outlined at Appendix 3.

Significant risks at the assertion level for classes of transaction, account balances and disclosures

Key risk area	Fraud in revenue recognition - Rebutted
Risk description	Material misstatement due to fraudulent financial reporting relating to revenue recognition is a presumed risk in ISA 240 (The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements). The presumption is that Clydeplan could adopt accounting policies or recognise income in such a way as to lead to a material misstatement in the reported financial position. Given the financial pressures facing the public sector as a whole, there is an inherent fraud risk associated with the recording of income around the year end. However, we do not deem this risk to be present in requisitions received from the constituent local authorities due to a lack of incentive and opportunity to manipulate transactions. We also rebut this risk in relation to other income streams including interest receivable as there is little opportunity to manipulate.
How the scope of our audit responded to the risk	Key judgements We have rebutted this risk as we have assessed there is low incentive or opportunity to manipulate revenue streams of Clydeplan.
Key observations	We have not identified any material issues or any instances of fraud in relation to this risk.

Key risk area	Fraud in non-pay expenditure - Rebutted
Risk description	We have also considered Practice Note 10, which comments that for certain public bodies, the risk of manipulating expenditure could exceed the risk of the manipulation of revenue. We have therefore also considered the risk of fraud in expenditure at Clydeplan. Practice Note 10: audit of Financial Statements of Public Sector Bodies in the United Kingdom (PN10) states: "As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure may be greater than the risk of material misstatements due to fraud related to revenue recognition".
How the scope of our audit responded to the risk	Key judgements Having considered the risk factors set out in ISA 240 and the nature of the expenditure streams at Clydeplan, we have determined that the risk of fraud arising from expenditure recognition can be rebutted, because: • There is little incentive to manipulate expenditure recognition; and • Opportunities to manipulate expenditure recognition are very limited. A large proportion of Clydeplan's expenditure relates to employee costs, transfer payments, supplies and services and support costs. These expenditure streams and processes are largely automated. Controls have also been designed and implemented to mitigate fraud within these expenditure streams and therefore the risk of fraud in expenditure recognition is deemed low.
Key observations	We have not identified any material issues, and no instances of fraud, in relation to this risk. Management has identified one adjustment which is overstatement of supplies and services expenditure £3,000 due to overstatement of provision relating to SPF invoice and audit fees.

Key risk area	Pension liability (key accounting estimate)
Significant risk description	An actuarial estimate of the net defined pension liability is calculated on an annual basis under IAS 19 ‘Employee Benefits’, and on a triennial funding basis, by an independent firm of actuaries with specialist knowledge and experience. The triennial estimates are based on the most up to date membership data held by the pension fund and a roll forward approach is used in intervening years, as permitted by the Code. The calculations involve a number of key assumptions, such as discount rates and inflation and local factors such as mortality rates and expected pay rises. The estimates are highly sensitive to changes in these assumptions [and the calculation of any asset ceiling when determining the value of a pension asset (where relevant)]. ISAs (UK) 500 and 540 require us to undertake audit procedures on the use of external experts (the actuary) and the methods, assumptions and source data underlying the estimates. This represents a key accounting estimate made by management within the financial statements due to the size of the values involved, the subjectivity of the measurement and the sensitive nature of the estimate to changes in key assumptions. We have therefore identified the valuation of the net pension liability as a significant risk. This was considered to be a significant risk and Key Audit Matter for the audit. Inherent risk of material misstatement: Valuation: High
How the scope of our audit responded to the significant risk	Key judgements A significant level of estimation is required in order to determine the valuation of pension assets/liabilities. Small changes in the key assumptions (including discount rates, inflation and

Key risk area	Pension liability (key accounting estimate)
	mortality rates) can have a material impact on the pension asset/liability. Audit procedures • Evaluated managements processes for the calculation of the estimate, the instructions issued to management's expert (the actuary) and the scope of their work; • Evaluated the competence, capabilities and objectivity of the actuary; • Assessed the controls in place to ensure that the data provided to the actuary by Clydeplan and their pension fund was accurate and complete; • Evaluated the methods, assumptions and source data used by the actuary in their valuations, with the support of an auditors' expert; • Evaluated whether any asset ceiling was appropriately considered when determining the value of any pension asset included in the financial statements; • Assessed the impact of any significant differences between the estimated gross asset valuations included in the financial statements and Clydeplan's share of the investment valuations in the audited pension fund accounts; and • Ensured pension valuation movements for the year and related disclosures have been correctly reflected in the financial statements.
Key observations	One audit adjustment has been identified and made through the course of the audit. This was: • Overstatement of Clydeplan's pension liabilities of £157,000 A prior period adjustment was identified by management and adjusted for within the draft set of financial statements provided to audit. This relates to the understatement of unfunded

Key risk area	Pension liability (key accounting estimate)
	pension liability of £179,000 and associated notional in-year costs of £10,000. There was no impact on usable reserves.

Materiality

Materiality is an expression of the relative significance of a matter in the context of the financial statements as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor's report. The assessment of what is material is a matter of professional judgement and is affected by our assessment of the risk profile of Clydeplan and the needs of users. We reviewed our assessment of materiality throughout the audit.

Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Our initial assessment of materiality was £7,600. On receipt of the 2024/25 unaudited financial statements, we reassessed materiality and updated it to £13,200. We consider that our updated assessment has remained appropriate throughout our audit.

	Materiality £
Overall materiality for the financial statements	13,200
Performance materiality (75% of materiality)	9,900
Trivial threshold	660
Materiality	Our assessment is made with reference to Clydeplan's gross expenditure. We consider this to be the principal consideration for users of the financial statements when assessing financial performance. Our assessment of materiality equates to approximately 2% of gross expenditure as disclosed in the 2024/25 unaudited annual accounts. In performing our audit, we apply a lower level of materiality to the audit of the Remuneration Report disclosures.

	For the Remuneration Report we consider any errors which result in a movement between the relevant bandings on the senior officer disclosure table to be material.
Performance materiality	Performance materiality is the working level of materiality used throughout the audit. We use performance materiality to determine the nature, timing and extent of audit procedures carried out. We perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be at significant risk of material misstatement. Performance materiality is set at a value less than overall materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of the uncorrected and undetected misstatements exceed overall materiality. We have set performance materiality at 75% of overall materiality.
Trivial misstatements	Trivial misstatements are matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. We have set the trivial threshold as 5% of overall materiality.

Audit differences

Audit differences, both adjusted and unadjusted, identified during the audit are detailed in Appendix 2.

Internal controls

As part of our work we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these at Appendix 3. These matters are limited to those which we have concluded are of sufficient importance to merit being reported.

Other communications

Other areas of focus

Area of focus	Audit findings and conclusion
Significant matters on which there was disagreement with management	There were no significant matters on which there was disagreement with management.
Significant management judgements which required additional audit work and / or where there was disagreement over the judgement and / or where the judgement is significant enough that we are required to report it to those charged with governance before they consider their approval of the accounts	There were no significant management judgements which required additional audit work, where there was disagreement over the judgement or where the judgement is significant enough that requires reporting, in addition to those reflected in this report.
Prior year adjustments identified	There was one prior year adjustment reported, as follows: - Restatement of comparative figure due to understatement of pension liability £179,000 (nil impact on usable reserves) and understatement of unfunded benefits paid of £10,000 (nil impact on usable reserves). There was one prior year disclosure change reported, as follows: - Note 15: Green Network Partnership (GNP) prior year usable reserve was updated from £111,915 to £125,522 due to GNP under-accrual of grant received. The prior period adjustment and disclosure changes were identified by management and adjusted for within the financial statements provided to audit.

Area of focus	Audit findings and conclusion
Concerns identified in the following: • Consultation by management with other accountants on accounting or auditing matters • Matters significant to the oversight of the financial reporting process • Adjustments / transactions identified as having been made to meet an agreed system position / target	No concerns were identified in relation to these areas.

Accounting policies

The accounting policies used in preparing the financial statements are unchanged from the previous year with the exception of the adoption of IFRS16.

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies adopted by Clydeplan.

The accounting policies, which are disclosed in the financial statements, are in line with the CIPFA LASAAC Code of Audit Practice on Local Authority Accounting in the UK (the 'CIPFA Code') 2024/25 and are considered appropriate.

Presentation and disclosures

There are no significant financial statements disclosures that we consider should be brought to your attention. All the disclosures required by relevant legislation and applicable accounting standards have been made appropriately.

Key judgements and estimates

As part of the planning stages of the audit we identified all accounting estimates made by management and determined which of those are key to the overall financial statements.

Consideration was given to material accounting estimates including accruals and pension liabilities. Other than pension liabilities we have not determined the accounting estimates to be significant. See the section above on "Significant risks at the assertion level for classes of transaction, account balances and disclosures" for detailed findings in relation to key accounting estimates.

We reviewed the key estimates and judgements that management made in respect to the identified key accounting estimates for indication of bias and assessed whether the judgements used by management are reasonable. Overall, we concluded that those key accounting estimates were balanced and appropriate.

Fraud and suspected fraud

We have previously discussed the risk of fraud with management and to the Joint Committee. We have not been made aware of any incidents in the period nor have any incidents come to our attention as a result of our audit testing.

Our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose.

Non-compliance with laws and regulations

As part of our standard audit testing, we have reviewed the laws and regulations impacting Clydeplan. There are no indications from this work of any significant incidences of non-compliance or material breaches of laws and regulations.

Written representations

We will issue the final letter of representation to the Joint Committee to sign at the same time as the financial statements are approved. The Joint Committee has delegated this authority to the Convener of Clydeplan (Cllr Lawrence O'Neill), the Treasurer (Alastair MacArthur) and the Head of Economy and Development (Alasdair Morrison) for approval.

Related parties

We are not aware of any related party transactions which have not been disclosed.

Confirmations from third parties

All requested third party confirmations have been received.

Wider scope of public audit and best value

Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector. The wider-scope audit specified by the Code of Audit Practice broadens the audit of the accounts to include consideration of additional aspects or risks in areas of financial management; financial sustainability; vision, leadership and governance; and use of resources to improve outcomes.

Limited wider scope audit work

The Code of Audit Practice provides for the Accounts Commission to specify an alternative audit approach where an audited body might be considered less complex due to its size and its limited financial activity. We have concluded, based on an assessment of the nature and circumstances of Clydeplan, that a limited wider scope audit is appropriate. As such our audit of wider scope areas is restricted to an evaluation of financial sustainability.

Financial sustainability

Financial sustainability looks forward to the medium and longer term to consider whether Clydeplan is planning effectively to continue to deliver its services and the way in which they should be delivered.

Auditor judgement

Risks to the achievement of objectives are managed



Following the recommendation of the Joint Committee in March 2024, each member authority has now approved decisions to formally withdraw from Clydeplan on the basis that its original remit, to prepare the Strategic Development Plan for the Clyde Valley region, is now superseded in legislation.

The following progress has been made:

- All staff formerly employed by Clydeplan have now transferred under TUPE arrangements to Glasgow City Council, effective 16 December 2024.
- The Regional Spatial Planning Sub-Committee and its membership has been established within the Glasgow City Region (GCR) Cabinet;
- An outline budget for the Regional Spatial Planning Sub-Committee for 2025/26 was agreed at Regional Spatial Planning Steering Group on 17 February 2025, and approved at the GCR Cabinet on 25 February 2025. As a result, GCR will now be required to issue requisition invoices to all eight member authorities from financial year 2025/26 onwards.

There is a Minute of Agreement (MOA) setting out the remit, governance and administration of Clydeplan, established in June 2013, which states that the formal period of notice for withdrawal is two years, over which period requisitions are still liable to be paid (to Renfrewshire Council as lead authority). Therefore, to facilitate earlier termination, and remove the need for these requisitions to continue over that period, each member authority will be required to agree and sign a revised MOA.

The 2024/25 Audited Annual Accounts is the final set of accounts prepared for Clydeplan. Final distribution is therefore expected to take place in late 2025/26. From the Joint committee meeting on 10th March 2025, the forecast residual reserve balance at 31 March 2025 is £0.380m, which would equate to an allocation of £0.047m to each member authority. This figure is subject to the financial closure of all sums due to and from Clydeplan.

Source:

Joint Committee minutes of meeting 10 March 2025

Clydeplan Joint Committee Update

Best value

Appointed auditors have a duty to be satisfied that bodies have made proper arrangements to secure best value. We undertake this duty in a way that is proportionate to the size and type of body. We give due regard to:

- How Clydeplan demonstrates that it is meeting its Best Value responsibilities
- How our work on financial sustainability meets the Best Value responsibilities

The Annual Governance Statement states that there is a statutory duty on the Joint Committee to make arrangements to secure Best Value.

In discharging this overall responsibility, Clydeplan's elected members and senior officers are responsible for putting in place proper arrangements for its affairs and facilitating the effective exercise of its functions. The Governance Framework described the systems and processes by which Clydeplan operate in to secure best value.

Members and officers of Clydeplan are committed to the concept of sound governance and the effective delivery of services which encompasses best value. A self-assessment tool is used with no concerns raised.

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Appendix 1: Responsibilities of Clydeplan and Auditors

Clydeplan responsibilities

Clydeplan is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. The Treasurer has been designated as that officer. The Treasurer is responsible for the preparation of Clydeplan's annual accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Area	Clydeplan's responsibilities
Corporate governance	Clydeplan is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Those charged with governance should be involved in monitoring these arrangements.
Financial statements and related reports	Clydeplan has responsibility for: - preparing financial statements which give a true and fair view of the financial position of Clydeplan and its expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation; - maintaining accounting records and working papers that have been prepared to an acceptable professional standard and support the balances and transactions in its financial statements and related disclosures; and - preparing and publishing, along with the financial statements, an annual governance statement, governance compliance statement, management commentary (or equivalent) and a remuneration report that is consistent with the disclosures made in the financial statements and prepared in accordance with prescribed requirements. Management commentaries should be fair, balanced and understandable. Management is responsible, with the oversight of those charged with governance, for communicating relevant information to users about Clydeplan and its financial performance, including providing adequate

Area	Clydeplan's responsibilities
	disclosures in accordance with the applicable financial reporting framework. The relevant information should be communicated clearly and concisely. Clydeplan is responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of its objectives and safeguard and secure value for money from the public funds at its disposal. Clydeplan is also responsible for establishing effective and appropriate internal audit and risk-management functions.
Standards of conduct for prevention and detection of fraud and error	Clydeplan is responsible for establishing arrangements to prevent and detect fraud, error and irregularities, bribery and corruption and also to ensure that its affairs are managed in accordance with proper standards of conduct.
Financial position	Clydeplan is responsible for putting in place proper arrangements to ensure its financial position is soundly based having regard to: • Such financial monitoring and reporting arrangements as may be specified; • Compliance with statutory financial requirements and achievement of financial targets; • Balances and reserves, including strategies about levels and their future use; • Plans to deal with uncertainty in the medium and long term; and • The impact of planned future policies and foreseeable developments on the financial position.
Best value	Clydeplan has a specific responsibility to make arrangements to secure Best Value. Best Value is defined as continuous improvement in the performance of the body's functions. In securing Best Value, the local government body is required to maintain an appropriate balance among: • The quality of its performance of its functions • The costs to the body of that performance

Area	Clydeplan's responsibilities
	• The cost to persons of any service provided by it for them on a wholly or partly rechargeable basis. In maintaining the balance, Clydeplan shall have regards to: • Efficiency • Effectiveness • Economy • The need to meet the equal opportunity requirements. Clydeplan should discharge its duties in a way which contributes to the achievement of sustainable development.

Auditor responsibilities

Code of Audit Practice

The Code of Audit Practice (the Code) describes the high-level, principles-based purpose and scope of public audit in Scotland.

The Code outlines the responsibilities of external auditors and it is a condition of our appointment that we follow it.

Our responsibilities

Auditor responsibilities are derived from the Code, statute, International Standards on Auditing (UK) and the Ethical Standard for auditors, other professional requirements and best practice, and guidance from Audit Scotland.

We are responsible for the audit of the accounts and the wider-scope responsibilities explained below. We act independently in carrying out our role and in exercising professional judgement. We report to the Joint Committee and others, including Audit Scotland, on the results of our audit work.

Weaknesses or risks, including fraud and other irregularities, identified by auditors, are only those which come to our attention during our normal audit work in accordance with the Code and may not be all that exist.

Wider scope audit work

Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector.

The wider scope audit specified by the Code broadens the audit of the accounts to include additional aspects or risks in areas of financial management; financial sustainability; vision, leadership and governance; and use of resources to improve outcomes.

The Code of Audit Practice provides for the Accounts Commission to specify an alternative audit approach where an audited body might be considered less complex due to its size and its limited financial activity. We have concluded, based on an assessment of the nature and circumstances of Clydeplan, that a limited wider scope audit is appropriate. As such our audit of wider scope areas is restricted to an evaluation of financial sustainability.

Financial sustainability



Financial sustainability means being able to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Auditor considerations

Auditors consider the extent to which audited bodies show regard to financial sustainability. They look ahead to the medium term (two to five years) and longer term (over five years) to consider whether the body is planning effectively so it can continue to deliver services.

Best Value

Appointed auditors have a duty to be satisfied that bodies have made proper arrangements to secure best value. We undertake this duty in a way that is proportionate to the size and type of body. We give due regard to:

- How Clydeplan demonstrates that it is meeting its Best Value responsibilities
- How our work on the wider-scope areas meets the Best Value responsibilities

Audit quality

The Auditor General and the Accounts Commission require assurance on the quality of public audit in Scotland through comprehensive audit quality arrangements that apply to all audit work and providers. These arrangements recognise the importance of audit quality to the Auditor General and the Accounts Commission and provide regular reporting on audit quality and performance.

Audit Scotland maintains and delivers an [Audit Quality Framework](#).

The most recent audit quality report can be found at [Quality of public audit in Scotland: Annual report 2025](#)

Independence and ethics

The Ethical Standards and ISA (UK) 260 require us to report full and fair disclosure of matters relating to our independence. In accordance with our profession's ethical requirements and further to our external audit plan issued confirming audit arrangements we confirm that there are no further facts or matters that impact on our integrity, objectivity and independence as auditors that we are required or wish to draw attention to. We consider an objective, reasonable and informed third party would take the same view.

We confirm that Azets Audit Services and the engagement team complied with the FRC's Ethical Standard. We confirm that all threats to our independence have been properly addressed through appropriate safeguards and that we are independent and able to express an objective opinion on the financial statements.

Non-audit services: There are no non-audit services provided to Clydeplan.

Contingent fees: No contingent fee arrangements are in place for any services provided.

Gifts and hospitality: We have not identified any gifts or hospitality provided to, or received from, any member of Clydeplan, senior management or staff.

Relationships: We have no other relationships with Clydeplan, its directors, senior managers and affiliates, and we are not aware of any former partners or staff being employed, or holding discussions in anticipation of employment, as a director, or in a senior management role covering financial, accounting or control related areas.

Audit fees

The total fees charged to Clydeplan for the provision of services in 2024/25 were as follows. Prior year charges are also shown for comparative purposes:

	2024/25 £	2023/24 £
Auditor remuneration (expected fee level)	19,370	18,580
Pooled costs	490	680
Sectoral cap adjustment	(16,070)	(15,540)
Auditor remuneration – in response to the key audit matters reflected in the plan	-	1,820
Auditor remuneration – going concern work	760	1,900
Auditor remuneration – closure of Clydeplan	2,385	-
Total audit fee	6,935	7,440

The audit fees charged reconcile to the fees disclosed in the financial statements.

Appendix 2: Audit adjustments

We are required to report all non-trivial misstatements to those charged with governance, whether or not the financial statements have been adjusted by management.

Adjusted misstatements

We identified one adjustment misstatements above our trivial reporting threshold during our audit.

No	Detail	CIES	Balance Sheet	Impact on total net expenditure	Impact on usable reserves	Impact on unusable reserves
		Dr / (Cr) £	Dr / (Cr) £	Dr / (Cr) £	Dr / (Cr) £	Dr / (Cr) £
1.	Overstatement of pension liabilities due to updated version of the IAS19 report.	157,000	(157,000)	157,000	157,000	(157,000)

Reserves	per the unaudited annual accounts	per the audited annual accounts	Net impact increase/ (decrease)
Usable reserves	(157,000)	-	157,000
Unusable reserves	157,000	-	(157,000)
Total reserves	-	-	-

One adjustment was identified by management and adjusted for within the audited set of financial statements provided to audit. This relates to understatement of others payable of £179,000 and understatement of transfer payments expenditure of £179,000. The impact of this management adjustment reduces the usable reserves per audited account to nil.

One prior period adjustment was identified by management and adjusted for within the draft set of financial statements provided to audit. This relates to understatement of the pension liability of £179,000 (nil impact on usable reserves) and understatement of in-year notional pension costs of £10,000 (nil impact on usable reserves).

One prior year disclosure adjustment was identified by management. This relates to Note 15: Green Network Partnership (GNP) prior year usable reserve was updated from £111,915 to £125,522 due to GNP under accrued of grant receipted.

Three current period adjustments were identified by management and adjusted for within the audited set of financial statements provided to audit. These were:

- to reverse provision for audit and actuarial fees of £3,000 (nil impact on usable reserves)
- to increase creditor balance due to understatement of accrual of £1,200. (nil impact on usable reserves)
- to reduce Clyde Climate Forest provision by £24,857 and increase Residual Usable Reserves provision by £24,857 due to GNP under accrued of grant receipt

Unadjusted misstatements

We identified one unadjusted misstatements during our audit. This relates to interest income split between Clydeplan and Green Network Partnership of £5,296. The overall interest figure is accurate.

Misclassification and disclosure changes

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by Clydeplan.

We identified a small number of minor presentational issues in Clydeplan's accounts, and these have all been amended by management.

No	Detail
1.	Clydeplan has updated its pension disclosures to account for the change in pension valuation report.
2.	Clydeplan has updated its related parties disclosures to update the amount of transactions that have occurred, and the amount of outstanding balances.

We found the disclosed accounting policies, significant accounting estimates and the overall disclosures and presentation to be appropriate.

Management has identified one prior year disclosure change which was to update Note 15: Green Network Partnership (GNP) prior year usable reserve from £111,915 to £125,522 due to GNP under-accrual of grant received.

Prior year unadjusted misstatements

There were no prior year unadjusted misstatements reported in the prior year audit.

Appendix 3: Action plan

Our action plan details the weaknesses and opportunities for improvement that we have identified during our 2024/25 audit. The matters reported are limited to issues we have identified during the course of our audit which we feel are of sufficient importance to merit reporting to you under the auditing standards.

The recommendations are categorised into three risk ratings:

Key:

- 1. Significant deficiency**
- 2. Other deficiency**
- 3. Other observation**

1. IT general controls		Other observation
Observation	Our specialist Technology Risk team reviewed the design and implementation of IT general controls in the key systems impacting preparation of the financial statements and identified a few areas for improvement in relation password, active directory and undertaken testing of incident management planning. (As this is a public report and for reasons of IT/control sensitivity, we have provided specific details to Clydeplan separately).	
Implication	There is a risk of system issues adversely impacting the control environment and/or financial statements.	
Recommendation	We recommend that the specific IT points identified are addressed. Given the wind-up of the organisation, there is no ongoing risk.	
Management response	A detailed management response has been completed. The recommendation will be implemented during 2025/26. Responsible officer: Phil Feeney and Anne Marie Flavell Implementation date: FY25/26	

2. Unapproved posted journal	Other observation
Observation	We identified from our journals testing undertaken that large batch journals with over 50 lines require no system approval and therefore can be posted and approved by individuals who hold relevant access. This is due to a system issue where there are too many line items for approval within the system. Management have mitigating controls in place to review period end budgetary controls where any significant variances against budget are investigated and followed up.
Implication	As these specific journals do not required approval, this could mean that someone could post inappropriate or fraudulent journals without review or authorisation. As part of our testing of management override of controls we have not identified any instances of inappropriate or fraudulent journal postings during the financial year.
Recommendation	Management should strengthen controls over large batch journals by introducing an independent approval requirement (e.g., manual secondary review) before posting. Given the wind-up of the organisation, there is no ongoing risk.
Management response	During 2024/25, there were very few journals over 50 lines processed by Clydeplan as a matter of course due to the nature of their journal entries. Mainly, these were batch journals processed by the Council on behalf of the Board, such as payroll accruals and income remittances. There are mitigating procedures in place during budget monitoring each period to identify any anomaly postings. Therefore, this was considered an acceptable process for Clydeplan. Given the wind-up of the organisation, there is no ongoing risk. Responsible officer: Christine McCourt, Head of Finance and Procurement Implementation date: n/a

Appendix 4: Follow up of prior year recommendations

As part of our audit work we have followed up on control weaknesses and recommendations either raised in last year's Annual Audit Report or carried forward from prior years.

1. Clydeplan Lease Arrangements (Recommendations raised in 2022/23)	
Recommendation	Clydeplan's lease arrangements for West Regent Street expired in October 2019 and arrangements were made to operate from Glasgow City Council (GCC) with no charge. There is no written agreement or formal documentation outlining these arrangements. It was recommended that this arrangement was formalised and a contingent liability put in place for the potential liability owed to GCC in line with the estimates reflected in budgeting.
Auditor follow up	We deemed this recommendation is now closed as Clydeplan has transferred responsibility and governance arrangements to the new Glasgow City Region (GCR) Regional Planning Sub-Committee.
Status (Close)	Management Response: Agree that this is now closed given the transfer of responsibility and governance arrangements now in place.

2. Risk Monitoring and Review (Recommendations raised in 2022/23)	
Recommendation	A recommendation was raised as it was unclear how regularly risks are reviewed, and updated risk registers are not regularly reported to the Joint Committee for review and comment. Specifically, management should ensure: • That the risk management process is formalised, with an updated risk register taken regularly for review by the Joint Committee. • The governance statement is updated to reflect how sufficient assurance has been obtained over risks in the absence of formal review and

2.	Risk Monitoring and Review (Recommendations raised in 2022/23)
	monitoring and details any intentions of improvement to the process going forward.
Auditor follow up	Due to the wind-up of the Joint Committee, this work is now expected to be replaced by the new governance arrangements at the Glasgow City Region.
Status (Close)	Management Response: This is now closed, given the transfer of responsibility and governance arrangements now in place.



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