

**MEETING: 12 MARCH 2020****REPORT BY: SECRETARY TO THE COMMISSION****STATUTORY REPORT: RENFREWSHIRE COUNCIL**

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**Purpose**

1. The purpose of this paper is to introduce for the Commission's consideration the Controller of Audit's statutory report on a matter arising from the 2018/19 audit of Renfrewshire Council.

**The Controller of Audit report**

2. The attached statutory report is made by the Controller of Audit on a matter arising from the 2018/19 audit of Renfrewshire Council. The Controller reports that the most significant issue in the annual audit report relates to the late closure of the Council's 2018/19 accounts and the auditors unqualified but modified audit opinion in relation to the adequacy of accounting records maintained by the Council.
3. This report is made by the Controller of Audit to the Commission under section 102(1) of the Local Government (Scotland) Act 1973 (as amended by subsequent legislation including the Local Government in Scotland Act 2003).
4. The legislation enables the Controller of Audit to make reports to the Commission with respect to:
  - the accounts of local authorities audited under the Act;
  - any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
  - the performance by a local authority of their statutory duties in relation to best value and community planning.
5. A copy of the report is being sent to the Council, which is obliged to supply a copy to each elected member of the Council and to make additional copies available for public inspection. Once the Controller of Audit's report is sent to the Council it is effectively in the public domain.

**Procedure**

6. The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:
  - direct the Controller of Audit to carry out further investigations
  - hold a hearing
  - state its findings.
7. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make

an enforcement direction requiring an authority to take such action as is specified in the direction.

8. Members of the audit team will be present at the Commission's meeting and will be available to answer questions on the evidence and judgements presented in the report. This is done in the public part of the Commission meeting.
9. The Commission is then expected to consider in private how it wishes to proceed. Subsequently, the Commission is obliged by statute to inform the council of its decision, which the Commission does before making the decision public.

### **Conclusion**

10. The Commission is invited to:
  - a) consider the Controller of Audit's statutory report on a matter arising from the 2018/19 audit of Renfrewshire Council; and
  - b) decide in private how it wishes to proceed.

**Paul Reilly**  
**Secretary to the Commission**  
**3 March 2020**