



SCOTT-MONCRIEFF

EDINBURGH AND GLASGOW



**Edinburgh and South East Scotland
Strategic Development and Planning
Authority (SESplan)**

**Annual Report to SESplan and the
Controller of Audit
2008/09**

September 2009



Edinburgh and South East Scotland Strategic Development and Planning Authority (SESplan)

Annual Report to SESplan and the Controller of Audit 2008/09

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Executive Summary

Introduction

SESplan is the Strategic Development Planning Authority (SDPA) for Edinburgh and South East Scotland. This SDPA was designated by Scottish Ministers in May 2008 under section 4 of the Planning etc. (Scotland) Act 2006. The following planning authorities comprise SESplan:

- City of Edinburgh Council
- East Lothian Council
- Fife Council
- Midlothian Council
- Scottish Borders Council
- West Lothian Council

As a group, these councils have a statutory duty to work together and prepare, and keep under review, a strategic development plan for the Edinburgh city region.

In accordance with the designation orders and associated statutory guidance, SESplan meets the definition of a joint committee under section 106 of the Local Government (Scotland) Act 1973. The accounts and audit provisions of the 1973 Act extend to joint committees defined under section 106. SESplan is therefore required to produce separate accounts.

This report summarises the findings from our 2008/09 audit of SESplan. The report covers the audit of the financial statements and aspects of SESplan's governance arrangements.

Financial Statements

We are pleased to report that our independent auditors' report expressed an unqualified opinion on the financial statements for the period ended 31 March 2009. We also certify that the accounts have been prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements.

SESplan reported a general fund surplus of £118,848 in 2008/09. Its gross expenditure (£104,359) was met, in the main, from contributions from each constituent authority (£17,201 each). During the year, SESplan also received £120,000 funding from the Scottish Government to assist with start up costs. This funding will be applied in full during 2009/10.

Governance

The designation order which formally constituted the Edinburgh and South East Scotland Strategic Development Planning Authority (SDPA) came into force on 25 June 2008. Prior to this order an interim joint committee had been established by the six constituent authorities to manage the transition period until the new strategic planning arrangements were finalised. The interim joint committee was

converted to a formal joint committee on 27 June 2008. The Joint Committee comprises twelve councillors; two from each of the six constituent authorities.

Work has been ongoing since 2008 to develop the appropriate structures and policies for SESplan. This includes the recruitment of strategic development plan manager and work on areas such as risk management.

During our audit we noted that a number of the constituent authorities also provide services to SESplan, including for example, legal services and financial services. Agreements have yet to be established between SESplan and the constituent authorities for such services.

Conclusion

This report concludes our audit of SESplan for 2008/09. We have performed our audit in accordance with the Code of Audit Practice published by Audit Scotland, International Standards on Auditing (UK and Ireland) and Ethical Standards.

This report has been discussed and agreed with the SESplan Treasurer. We would like to thank all management and staff for their co-operation and assistance during our audit.

Scott-Moncrieff
September 2009

Introduction

1. SESplan is the Strategic Development Planning Authority (SDPA) for Edinburgh and South East Scotland. This SDPA was designated by Scottish Ministers in May 2008 under section 4 of the Planning etc. (Scotland) Act 2006. The following planning authorities comprise SESplan:

- City of Edinburgh Council
- East Lothian Council
- Fife Council
- Midlothian Council
- Scottish Borders Council
- West Lothian Council

As a group, these councils have a statutory duty to work together and prepare, and keep under review, a strategic develop plan for the Edinburgh city region.

2. This report summarises the findings from our 2008/09 audit of SESplan.

3. The Code of Audit Practice, prepared by Audit Scotland and approved by the Accounts Commission, sets out the ways in which auditors should carry out their functions. With reference to the Code of Audit Practice, the main elements of our audit work in 2008/09 have been:

- Audit of the financial statements, including a review of the Statement on the System of Internal Financial Control
- Review of governance arrangements
- Review of internal controls and financial systems

The key issues from our review are summarised in this annual report.

4. This report is addressed to SESplan and the Controller of Audit and will be published on Audit Scotland's website, www.audit-scotland.gov.uk.

5. We would like to thank all members of SESplan's management and staff who have been involved in our work for their co-operation and assistance during our audit visit.

Financial Statements

6. The financial statements are an essential means by which the organisation accounts for its stewardship of the resources available to it. In this section we summarise the key outcomes from our audit of SESplan's financial statements for 2008/09. We also comment on SESplan's reported financial position.
7. In accordance with the designation orders and associated statutory guidance, SESplan meets the definition of a joint committee under section 106 of the Local Government (Scotland) Act 1973. The accounts and audit provisions of the 1973 Act extend to joint committees defined under section 106. SESplan is therefore required to produce separate accounts which comply with the Code of Practice on Local Authority Accounting in the United Kingdom 2008 (the SORP). They are also subject to the inspection and accounts submission requirements of The Local Authority Accounts (Scotland) Regulations 1985.

Our responsibilities

8. We audit the financial statements and give an opinion on:
 - whether they give a true and fair view, in accordance with relevant legal and regulatory requirements and the 2008 SORP, of the financial position of SESplan and its income and expenditure for the year then ended; and
 - whether they have been properly prepared in accordance with the Local Government (Scotland) Act 1973.
9. We also review the Statement on the System of Internal Financial Control by considering the adequacy of the process put in place by the Treasurer to obtain assurances on systems of internal control. We assess whether disclosures in the statement are consistent with our knowledge of SESplan. (paragraph 48)

Independence

10. International Standard on Auditing 260 – Communication of Audit Matters with those Charged with Governance – requires us to communicate on a timely basis all facts and matters that may have a bearing on our independence.
11. We provided no additional services to SESplan during the year and can confirm that we have complied with the Auditing Practices Board Ethical Standard 1 – Integrity, Objectivity and Independence. In our professional judgement the audit process has been independent and our objectivity has not been compromised.

Responsibility for the Statement of Accounts

12. It is the responsibility of SESplan and the Treasurer to prepare the financial statements in accordance with the proper practices set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the SORP). This means:
- acting within the law and ensuring the regularity of transactions;
 - maintaining proper accounting records; and
 - preparing financial statements which present fairly the financial position of SESplan and its expenditure and income for the period ended 31 March 2009.

Overall conclusion

13. Our audit report is included on pages 18 and 19 of the annual accounts and is addressed to SESplan and the Accounts Commission for Scotland. We are pleased to report that our independent auditors' report expresses an unqualified opinion on the financial statements for the period ended 31 March 2009. We also certify that the accounts have been prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements.
14. SESplan is required under Regulation 4 of the Local Authority Accounts (Scotland) Regulation 1985 to submit a copy of an abstract of their accounts to the Controller of Audit by 30 June. We are pleased to confirm that SESplan's unaudited financial statements were submitted to the Controller of Audit by the deadline of 30 June.
15. We received supporting papers on 3 August 2009. Our thanks go to staff at SESplan and Fife Council's accounting team for their assistance with our work.

Format of the Accounts

16. The financial statements should be prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2008 (the SORP). The SORP specifies the principles and practices of accounting required to prepare a Statement of Accounts which present fairly the financial position and transactions of the organisation.
17. In Scotland, the SORP constitutes proper accounting practice under section 12 of the Local Government in Scotland Act 2003 under the statutory framework established by the Local Authority Accounts (Scotland) Regulations 1985; and, for the audit of those accounts, by section 99 of the Local Government (Scotland) Act 1973 and section 12 of the Local Government in Scotland Act 2003.
18. As part of our 2008/09 audit we considered the arrangements SESplan had in place to ensure compliance with the requirements of the SORP. Overall we concluded that SESplan had complied with the requirements of the SORP.

Audit Adjustments

19. We identified no major errors or weaknesses during our audit. Adjustments to the financial statements arising from the audit related mainly to changes in disclosure and presentation. All adjustments were agreed with the Treasurer and the financial statements have been amended to reflect these adjustments.

Accounting and internal control systems

20. During our audit we reviewed the key financial systems in place at SESplan. Overall we found the systems of internal financial control to be operating at an adequate or effective level. We did however identify a one area with scope for improvement which, if addressed, would further strengthen SESplan's internal financial control regime. We have incorporated our finding into this report's action plan.

Action Plan Point 1

Financial Position

21. SESplan reported a general fund surplus of £118,848 in 2008/09. Its gross expenditure (£104,359) was met, in the main, from contributions from each constituent authority (£17,201 each). The main category of expenditure during the year was staff costs. SESplan also incurred expenditure on accommodation, consumables and administration. SESplan is co-located with SEStran in Edinburgh.
22. During the year, SESplan also received £120,000 funding from the Scottish Government to assist with start up costs. SESplan confirmed to the Scottish Government that this money will be spent on:
- Costs of setting up an office for the SDPA dedicated team;
 - Hardware and software for the SDPA dedicated team;
 - Communication and marketing costs for the new team identity, including early engagement with stakeholders on the new plans; and
 - Consultancy costs for studies into boundaries or baseline data for plan making
23. We understand that the funding received from the Scottish Government will be utilised in full during 2009/10 (paragraph 26).
24. SESplan's financial regulations state that formal budgets should be approved by the SESplan Joint Committee and ratified by the constituent authorities by the end of December each year. The regulations also note that the Treasurer, in conjunction with the Strategic Development Plan Manager, is required to submit detailed monitoring reports, comparing projected/final outturn expenditure with budget, to the Joint Committee at the six, nine and twelve month stages of the financial year.
25. During 2008/09 no formal budget had been prepared for SESplan. As this was the first year that the organisation had been in operation and that expenditure was not incurred until towards the

end of the financial year we do not consider this to be a significant risk. A detailed report was presented to the Joint Committee in June 2009 outlining the financial position for the year ended 31 March 2009.

26. The Joint Committee approved SESplan's 2009/10 operating budget in January 2009. At the time the Committee agreed to apply the whole of the funding received from the Scottish Government (£120,000) to offset costs. As a result the level of contribution required from each constituent authority was reduced. The overall budget for 2009/10 was set at £360,000.

Looking Forward

IFRS adoption

27. In 2008 the CIPFA/LASAAC local authority SORP board confirmed that from 2010/11 all local authority accounts will be prepared in accordance with International Financial Reporting Standards (IFRS). This change will bring local government bodies into line with other UK public sector bodies. It is essential that SESplan starts the transition period in 2009/10. A comparative balance sheet as at 1 April 2009 will be required.

Action Plan Point 2

Governance

28. Governance is about direction and control of organisations. It is concerned with structures and processes for decision making and accountability. Good governance means the way an organisation operates is based on sound decision-making and has effective processes to support it.
29. This section sets out the main findings from our review of SESplan's corporate governance arrangements.

Structure and policies

30. The designation order which formally constituted the Edinburgh and South East Scotland Strategic Development Planning Authority (SDPA) came into force on 25 June 2008. In the same year, the Scottish Government issued statutory guidance which set out how planning authorities (which comprise a SDPA) should work together to prepare a strategic development plan (Circular 2/2008: Statutory Guidance on Strategic Development Planning Authorities).
31. In relation to governance arrangements, this circular included the following guidance:

Governance Arrangements: guidance issued by Scottish Government

- SDPA's should form a joint committee of members representing the constituent planning authorities. This should be service by a small dedicated team of officers.
- Membership of the joint committee should be on an equal basis, with the same number of councillors from each authority. It is recommended that two councillors from each authority are represented on the SDPA
- The level of delegated authority the joint committee has, to make decisions or authorise spending will be for individual authorities to decide
- Each SDPA joint committee should be supported by a dedicated team of officials whose responsibility is to service the joint committee and carry out the work to prepare and review the strategic development plan.
- A neutral location, separate from any of the individual council offices would help to emphasise the city region role of the team as would co-location with other city region wide functions, for example transport

Source: *Circular 2/2008: Statutory Guidance on Strategic Development Planning Authorities, Scottish Government*

32. Prior to the designation order in June 2008, an interim joint committee had been established by the six constituent authorities to manage the transition period until the new strategic planning arrangements were finalised. The interim joint committee was converted to a formal joint committee on 27 June 2008. The Joint Committee comprises twelve councillors; two from each of the six constituent authorities.

33. The Joint Committee is convened and chaired by one authority which is rotated on an annual basis. The sequence of rotation of the convenor and vice-convenor is alphabetical by local authority, unless otherwise determined by the Joint Committee. The administration of the Joint Committee is the responsibility of the convening local authority. During 2008/09, this role was carried out by Scottish Borders Council.
34. As described in its constitution, the Joint Committee has an advisory role only. Its decisions are not binding on constituent authorities but its advice and recommendations will be considered by those authorities in reaching their own decisions. A Scheme of Delegation has been approved which outlines approved levels of delegation between the constituent authorities and the Joint Committee and also the Joint Committee and officers.
35. The Joint Committee met three times during 2008/09 and the interim Joint Committee met twice before this (in 2008/09). Our minute review confirmed that at least one representative from each constituent authority was present at each meeting.
36. A strategic development plan manager, together with a small dedicated team of officers, is responsible for providing professional support to the joint committee. The strategic development plan manager is managed by a project board comprising senior officers from each of the constituent authorities (see figure 1 below). The project board is responsible for agreeing reports to be presented to the Joint Committee.

Figure 1: Composition of SESplan Project Board

PROJECT BOARD					
City of Edinburgh Council Head of Planning	East Lothian Council Director of Environment and Technical Services	Fife Council Head of Development Services	Midlothian Council Head of Planning	Scottish Borders Council Director of Planning and Economic Development	West Lothian Council Director of Development and Environmental Services

37. In March 2009, a full time strategic development plan manager was appointed. The strategic development plan team comprises the manager, lead officer and planner. An interim project manager was in place prior to the appointment of the strategic development plan manager.
38. The Joint Committee approved its financial regulations in January 2009. These are to be ratified by each constituent authority. They outline the financial framework under which SESplan should operate. We noted during our review however that there are sections within these regulations which require to be updated. These include, for example, the sections on audit and VAT.

Action Plan Point 3

39. SESplan has yet to establish formal arrangements to help prevent and detect fraud, inappropriate conduct and corruption. We would expect these arrangements to include, for example: an anti-fraud and corruption policy and response plan, a whistle blowing policy and codes of conduct from joint committee members and employees. We understand that reliance has been placed in part on the policies and procedures that are in place at Fife Council, which is acting as the employing authority for SESplan.

Action Plan Point 4

40. The Project Board has taken the decision to defer the approval of a Code of Practice for planning application referrals. This is due to the restricted resources available and on the basis that existing protocol for the determination of planning applications at a local level is adequate.

Resources

41. The circular issued by the Scottish Government in 2008, noted that, in terms of financial support, each constituent authority should provide equal contributions. For the purposes of employment law and financial accountability, one local authority within the SDPA should act as employing authority with financial contributions from all constituent authorities being channelled through that authority. The Joint Committee's constitution states that member councils will pay to that council assigned as employing authority one sixth of the total costs reasonably incurred by it in connection with employing the dedicated team. SDPAs have no legal power to borrow money, give grants, employ staff, acquire land or enter into contracts. Where these are necessary, a constituent council will perform these functions.
42. The table below identifies some of the services which the constituent authorities have delivered on behalf of SESplan:

Services provided by constituent authority on behalf of SESplan	
Service Provided	Constituent Authority
Financial Services (including payment of creditors, banking arrangements and income control)	Fife Council
Preparation of annual accounts	Fife Council
Employing Authority – payroll services	Fife Council
Human resources	Fife Council
Treasurer	Fife Council
Internal Audit	Fife Council (paragraph 44)
Legal Services	East Lothian Council
Support to Committee	Scottish Borders Council (paragraph 33)
IT Support	City of Edinburgh Council
Media, Communications and Graphic Support	SEStran

43. In developing SDPAs, the Scottish Government does not anticipate a requirement for significant additional spending, instead a redistribution of resources (2/2008 circular). We noted during our review that services provided by the City of Edinburgh Council had been re-charged to SESplan,

including rental charges, for accommodation shared with SEStran. The services however provided by Fife Council had not been recharged to SESplan. We noted that Fife Council had spent a significant proportion of time in providing financial services and preparation of the annual accounts. We would encourage SESplan to develop formal service level agreements with each constituent authority which provides services.

Action Plan Point 5

Internal audit

44. SESplan's financial regulations state that an internal audit service will be provided by Fife Council. We noted during our audit however that no internal audit service was provided during 2008/09 and that no formal agreement has been established between SESplan and Fife Council to deliver this service.

Action Plan Point 6

Risk management

45. An important feature of a robust system of internal control is a developed and integrated approach to risk management. Effective risk management will deliver an appropriate balance between risk and control, more effective decision making, better use of limited resources and greater innovation.
46. SESplan is currently developing a risk log which provides a record of the key risks facing the organisation. The log quantifies the potential impact of the risk identified, the likelihood of occurrence and a rating of the significance of the risk to the organisation. We understand the risk log will be reported to the Project Board on 11 September. The risk log will also be reported to the Joint Committee. The Project Board however has yet to specify how this information will be presented to the Joint Committee. It is envisaged that the risk log will be reported to the Joint Committee in a summarised format.
47. During 2009/10 we will continue to monitor the progress made by SESplan in developing its risk management arrangements.

Statement on the System of Internal Financial Control

48. Local authority bodies are required to include within their statement of accounts a statement on the system of internal financial control. This statement sets out the framework within which financial control is managed and reviewed and the main components of the system including the arrangements for internal audit.
49. SESplan published a statement on the system of internal financial control within the 2008/09 statement of accounts. The statement provides an overview of the key elements of SESplan's governance arrangements and systems of internal financial control.
50. As part of our audit work we are required to review the information disclosed in the statement on the system of internal financial control and assess whether SESplan's opinion on the

effectiveness of its internal financial controls is consistent with our understanding of the internal financial control framework. To inform our understanding of the system of internal financial control we assess the main financial systems in place within the organisation and identify the key controls that were in operation during the financial year. Our assessment also includes an evaluation of the statement to ensure that the organisation's review of the system of internal control is informed and appropriate.

51. Our review considered the statement of internal financial control as presented in the annual accounts which were submitted to the Controller of Audit by 30 June 2009. An extract from this statement is included in the table below:

Extract from SESplan's Statement of Internal Financial Control as at 30 June 2009
<ul style="list-style-type: none">• The system of internal financial control is maintained and developed by SESplan management and includes:<ul style="list-style-type: none">• Comprehensive budgeting systems• Regular reviews of periodic reports that measure financial performance against forecasts• Targets against which financial and operational performance can be assessed• Preparation of regular financial reports that compare expenditure with plans and forecast• Clearly defined capital expenditure guidelines; and• Formal project management disciplines• The internal audit function is provided by the City of Edinburgh Council's Internal Audit Section. The Chief Internal Auditor has provided me with an assurance statement that contains his views on the adequacy and effectiveness of the system of internal financial control.• The review of effectiveness of the system of internal financial control is informed by the work of internal auditors.
Source: <i>SESplan annual accounts 31 March 2009 submitted to the Controller of Audit in June 2009</i>

52. We were disappointed to note however during our audit that these arrangements were not in place during 2008/09. The statement on internal financial control has since been updated to reflect the actual arrangements in place during the year. During this year, the focus has been on establishing the appropriate governance arrangements and control environment. We understand that the system of internal financial control, for 2009/10 onwards, will include those arrangements as described in the draft financial statements, including for example, comprehensive budgeting systems and regular reports that measure financial performance against forecasts.

Legality

53. We have planned and performed our audit recognising that non-compliance with statute or regulations may materially effect the financial statements. Our audit procedures included the following:
- Reviewing minutes of relevant meetings;
 - Enquiring of senior management and the organisation's solicitors concerning litigation, claims and assessments; and

- Performing detailed testing of transactions and balances.

54. We are pleased to report that we did not identify any instances of concern with regard to the legality of transactions or events.

Appendix 1: Action Plan

Our action plan details the key weaknesses and opportunities for improvement that we have identified during this review. To assist the Joint Committee in assessing the significance of the issues raised and prioritising the action required to address them, the recommendations have been rated.

Our grading structure helps management assess the significance of the issues raised and prioritise the action required to address them. The grading structure is as follows:

Grade 5	Very high risk exposure - Major concerns requiring Joint Committee attention.
Grade 4	High risk exposure - Material observations requiring management attention.
Grade 3	Moderate risk exposure - Significant observations requiring management attention.
Grade 2	Limited risk exposure - Minor observations requiring management attention
Grade 1	Efficiency / housekeeping point.

The table below indicates the number of issues raised in this report under each of the priority headings:

Total	Grade 5	Grade 4	Grade 3	Grade 2	Grade 1
6	0	3	2	1	0

It should be noted that the weaknesses identified in this report are only those that have come to our attention during the course of our normal audit work. The audit cannot be expected to detect all errors, weaknesses or opportunities for improvements in management arrangements that may exist.

Issues arising from our 2008/09 final audit

Action Plan Point	Para Ref	Action Plan Point	Recommendation and Rating	Management comments	Responsible Officer	Agreed Completion Date
1	20	<p>Authorisation Procedures</p> <p>As lead authority, Fife Council has adopted the role as 'partnership banker'. Fife Council pays all authorised expenditure on behalf of SESplan.</p> <p>We noted during our review that SESplan has established formal arrangements over the authorisation of supplier invoices.</p> <p>We noted during our sample testing however, four invoices which had not been authorised by SESplan for payment.</p>	<p>We recommend that the arrangements are in place to ensure that the authorisation procedures in place at SESplan are followed by the appropriate individuals.</p> <p>Grade 2</p>	<p>Agreed. Discussion has taken place between Fife Council Financial Services and SESplan manager as to the procedures required.</p> <p>This will be followed up in writing.</p>	<p>Laura Robertson Accounting Team Leader</p>	<p>31 Dec 2009</p>
2	26	<p>IFRS</p> <p>From 2010/11 all local authority accounts will be prepared in accordance with International Financial Reporting Standards (IFRS). This change will bring local government bodies into line with other UK public sector bodies. It is essential that SESplan prepares for the transition period in 2009/10. A comparative balance sheet as at 1 April 2009 will be required.</p>	<p>We recommend that SESplan ensure that it has adequate arrangements in place to ensure that it is prepared for the IFRS transition period.</p> <p>Grade 3</p>	<p>This will be developed along side Fife Council arrangements for compliance with IFRS. Arrangements for compliance will be built into work plans.</p>	<p>Laura Robertson Accounting Team Leader</p>	<p>31 Mar 2010</p>

Action Plan Point	Para Ref	Action Plan Point	Recommendation and Rating	Management comments	Responsible Officer	Agreed Completion Date
3	38	<p>Financial Regulations</p> <p>SESplan's financial regulations outline the financial framework under which they should operate.</p> <p>We noted during our review however that there are sections within the regulations which require to be updated. In particular the sections on VAT and Audit.</p>	<p>We recommend that a review is undertaken of the financial regulations to ensure all sections are tailored to the circumstances at SESplan.</p> <p>Grade 3</p>	<p>Agreed. A review of the financial regulations will be undertaken now that SESplan is established and operational.</p>	<p>Laura Robertson Accounting Team Leader</p>	31 Dec 09
4	39	<p>Prevention and Detection of Fraud and Irregularity</p> <p>SESplan has yet to establish formal arrangements to help prevent and detect fraud, inappropriate conduct and corruption.</p> <p>We understand reliance has been placed in part on the policies and procedures that are in place at Fife Council, who is acting as the employing authority for SESplan.</p>	<p>We recommend that steps are taken to develop the appropriate policies and procedures to help prevent and detect fraud, inappropriate conduct and corruption.</p> <p>Grade 4</p>	<p>Agreed.</p> <p>Now that SESplan is established and operational policies will be developed in conjunction with the SESplan Manager</p>	<p>Laura Robertson Accounting Team Leader</p> <p>Linda White SESplan Manager</p>	31 Dec 09

Action Plan Point	Para Ref	Action Plan Point	Recommendation and Rating	Management comments	Responsible Officer	Agreed Completion Date
5	43	<p>Service Level Agreements</p> <p>During our review we noted that some of the constituent authorities are providing services to SESplan. The costs incurred by each constituent authority however have not been recharged to SESplan.</p>	<p>We would encourage SESplan to develop formal service level agreements with each constituent authority for services provided.</p> <p>Grade 4</p>	<p>The opportunity for service level agreements will be explored with a view to introducing these.</p>	<p>Laura Robertson Accounting Team Leader</p> <p>Linda White SESplan Manager</p>	31 Mar 2010
6	44	<p>Internal Audit</p> <p>SESplan's financial regulations outline that Fife Council's internal audit service will provide the internal audit function the organisation. We noted during our audit that no formal agreement had been established between SESplan and Fife Council and that no review of internal systems had been undertaken during 2008/09 or included within the service's plans for 2009/10.</p>	<p>We recommend that a formal agreement is established with Fife Council's Internal Audit service.</p> <p>Grade 4</p>	<p>Discussion will be undertaken with Fife Council's internal audit service to establish a formal agreement.</p>	<p>Laura Robertson Accounting Team Leader</p>	31 Mar 2010



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