
Report to Audit & Scrutiny Committee

Date of Meeting: 29 October 2026

Subject: Audit & Scrutiny Committee Annual Report

Report by: Head of Corporate Services

1.0 Purpose

- 1.1. The purpose of this report is to present to Committee the 2025/2026 Audit and Scrutiny Committee Annual Report.

2.0 Recommendations

It is recommended that:

- 2.1. Committee note, challenge and comment on the report.
- 2.2. Agrees to submit its Annual Report 2025/2026 (Appendix A) to the next available Council meeting for approval.

3.0 Considerations

- 3.1. Guidance published by the Chartered Institute of Professional Finance and Accountancy (CIPFA) in 2022 is accepted as best practice for local authority Audit Committees.
- 3.2. The CIPFA guidance recommends that all Audit Committees should “prepare an annual report that provides assurance to all those charged with governance that it fulfils its purpose and can demonstrate its impact” (Audit Committees Practical Guidance for Local Authorities and Police, published by CIPA in 2022)
- 3.3. The annual report (Appendix A) has been prepared to inform Clackmannanshire Council of the work undertaken by the Audit and Scrutiny Committee during 2025/2026.
- 3.4. The report was, as in previous years, informed, in part, by Committee members undertaking a self-assessment, based on the CIPDA Audit Committee Position Statement.
- 3.5. Over the Summer Members were asked to complete an online questionnaire followed a review of the outputs which took place on 08th October 2026. The results are outlined in section 12 of the annual report.

- 3.6. The Chair and Vice Chair of the Committee have also been asked for their thoughts in relation to the operation/impact of the Audit and Scrutiny Committee. Their joint assessment is set out in Section 13 of Annual Report.
- 3.7. Overall, the Chair and Vice Chair concluded that the Committee continued to operate effectively within its agreed remit, providing constructive, independent and non-political challenge across governance, risk management, financial stewardship, performance and internal control. Through its scrutiny and oversight activity, the Committee maintained an important role within the Council's governance framework, seeking assurance from officers and assurance providers, promoting transparency and accountability, and supporting continuous improvement.
- 3.8. The Chair and Vice Chair also recognised that the assurance position remains qualified by the findings of the 2025/26 Internal Audit Annual Assurance Report and the subsequent Section 102 Report and Accounts Commission findings relating to financial reporting. Whilst acknowledging positive progress in reducing overdue audit actions, strengthening governance arrangements and implementing improvement activity, they noted that significant weaknesses remain and that sustained organisational focus is required to address these fully. They emphasised that assurance will ultimately be demonstrated through delivery of agreed actions and measurable improvement rather than the establishment of plans alone. Consequently, they identified the Committee's key priorities for 2026/27 as maintaining robust oversight of the Financial Reporting Recovery Plan, scrutinising implementation of Internal Audit recommendations, particularly those assessed as high risk or overdue, seeking assurance that identified control weaknesses are being addressed effectively, and continuing to strengthen accountability, governance and public confidence in the Council's arrangements.

4.0 Sustainability Implications

- 4.1. There are no sustainability implications arising from this report.

5.0 Resource Implications

5.1. Financial Details

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes ☒

- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes ☒

- 5.4. *Staffing – there are no staff implications arising from this report.*

6.0 Exempt Reports

6.1. Is this report exempt? No ☒

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box ☒)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all ☐
Our families; children and young people will have the best possible start in life ☐
Women and girls will be confident and aspirational, and achieve their full potential ☐
Our communities will be resilient and empowered so that they can thrive and flourish ☐

(2) **Council Policies**

Complies with relevant Council Policies ☒

8.0 Impact Assessments

8.1 Have you attached the combined equalities impact assessment to ensure compliance with the public sector equality duty and fairer Scotland duty? (All EFSIAs also require to be published on the Council's website)

Yes ☐

8.2 If an impact assessment has not been undertaken you should explain why:

An Equality Impact Assessment (EQIA) and Fairer Scotland Duty Assessment have not been prepared as this is a review report and does not relate to a new policy or strategy.

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☒

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Audit and Scrutiny Committee – Annual Report 2025/2026

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

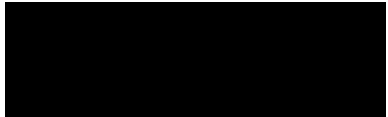
Yes ☒ (please list the documents below)

- Chartered Institute of Professional Finance and Accountancy (CIPFA)
Position Statement: Audit Committees in Local Authorities and Police

Author(s)

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Chris Alliston	Head of Corporate Services	2184

Approved by

NAME	DESIGNATION	SIGNATURE
Chris Alliston	Head of Corporate Services	



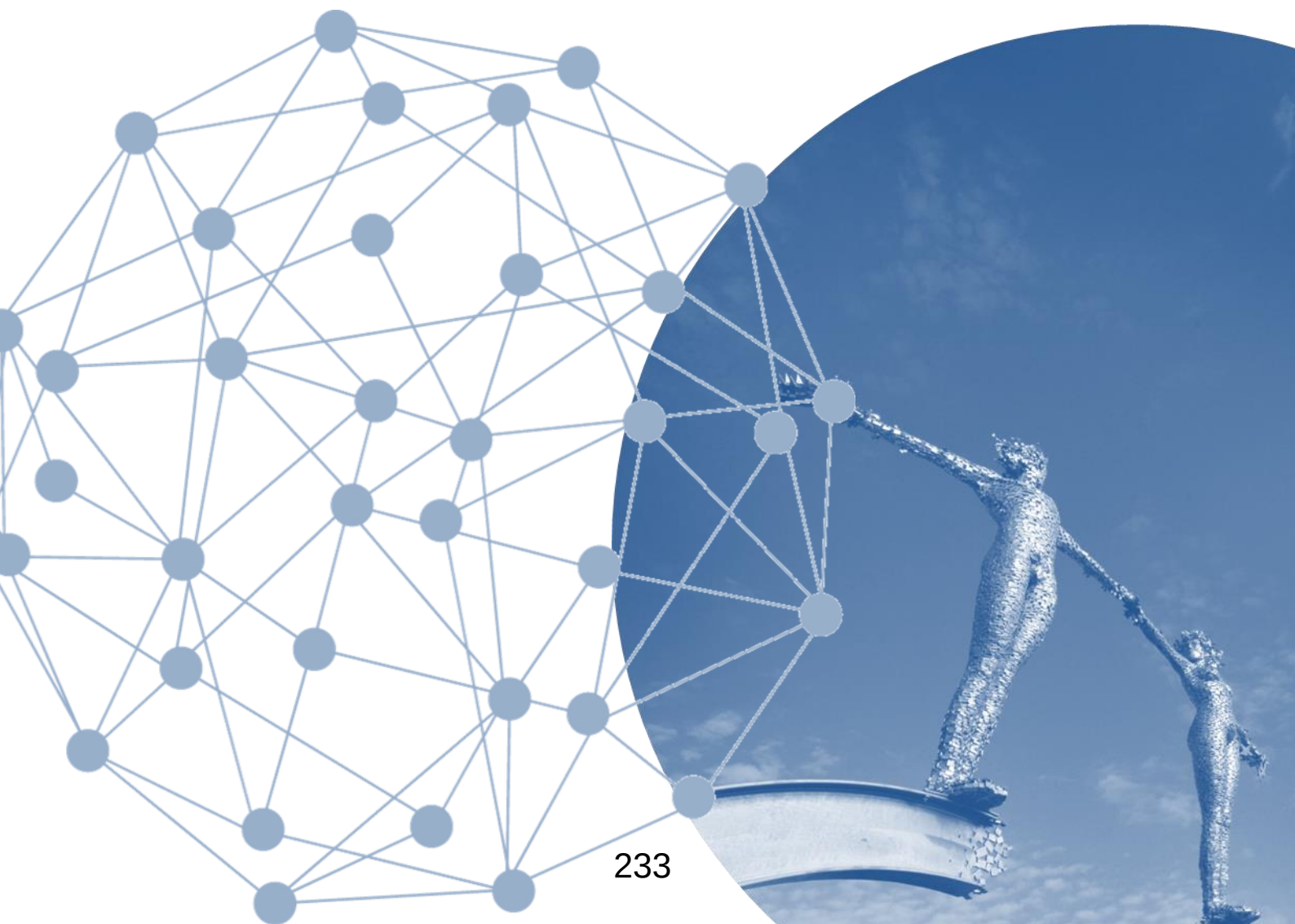
**Clackmannanshire
Council**

www.clacks.gov.uk

Comhairle Siorrachd
Chlach Mhanann

Audit and Scrutiny Committee

Annual Report 2025/2026



1.0 INTRODUCTION

- 1.1. CIPFA guidance recommends that all Audit Committees should “prepare an annual report that provides assurance to all those charged with governance that it fulfils its purpose and can demonstrate its impact”.
- 1.2. This report has been prepared to inform Clackmannanshire Council of the work carried out and the impact of the Audit and Scrutiny Committee during the period 2025/2026.
- 1.3. The report also provides details of the Committee’s membership and training/briefing programme.

2.0 AUDIT AND SCRUTINY COMMITTEE REMIT

- 2.1. The Audit and Scrutiny Committee is an integral component of the Council’s corporate governance framework and provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- 2.2. The Audit and Scrutiny Committee provides independent assurance to the full Council of the adequacy of the risk management framework and the internal control environment.
- 2.3. The Committee provides independent review of the Council’s governance, risk management and control frameworks and oversees the financial reporting and annual governance processes.
- 2.4. The Committee oversees internal audit and external audit, helping to ensure effective assurance arrangements are in place.
- 2.5. The remit of the Audit and Scrutiny Committee as agreed by Council is

Audit & Finance

- Receive, review and consider reports on the Council’s finance
- Receive, review and consider reports on value for money and best value
- Consideration and monitoring of the Council’s Annual Governance Statement
- Consider internal audit reports and results of internal audit investigations
- Consider external audit and resultant action plans
- Monitor and review actions taken on internal and external audit recommendations
- Consider the effectiveness of the Council’s risk management procedures and the control environment
- Receive and consider reports on countering fraud and corruption.

Scrutiny

- Monitor council services, including the Health and Social Care Partnership (HSCP) against agreed outcomes, standards and targets
 - Monitor the achievement of organisation-wide agreed outcomes, standards and targets
 - Monitor the achievement of agreed outcomes, standards and targets by the community planning partnership
 - Monitor Police and Fire performance against Plans approved by the Council
 - Scrutiny of Council decision-making, with the ability to call in decisions
 - Initiate or undertake scrutiny reviews
 - Deal with matters referred by the Council for scrutiny purposes.
- 2.6. Committee meetings are hybrid with some members and presenters physically present and other attending using virtual meeting technology.
- 2.7. Recommendations from the Committee are presented to Council for approval.

3.0 MEMBERSHIP, ATTENDANCE AND INDEPENDENCE

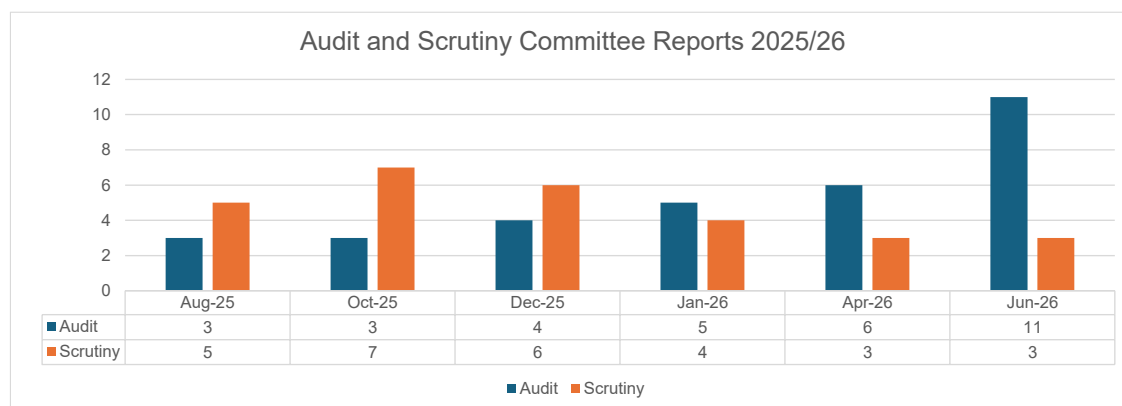
- 3.1. Committee is comprised of 8 elected members with the leader of the opposition, Councillor Janine Rennie, appointed as Chair, and Councillor Denis Coyne, Conservative Group, Vice Chair.
- 3.2. Members of the Committee are as outlined in Appendix 1.
- 3.3. Committee met 6 times during session 2025/2026 with all meetings quorate.
- 3.4. Since 01 April 2026 the Head of Corporate Services supports the Committee and Committee is clerked by a member of the Council's legal team. Prior to April the Committee was supported by the Strategic Director – Partnership and Performance, this role was removed with the agreement by Council of the new Target Operating Model.
- 3.5. Directors, Heads of Service, Senior Managers and Internal Audit routinely attend Committee. Representatives from external bodies including External Audit, Police Scotland and Scottish Fire and Rescue attend meetings as required.
- 3.6. To assist in preserving Committee's independence, measures are in place including:
- The appointment of an independent Chair and Vice chair from opposition parties
 - Non-political approach of the Committee
 - The involvement of internal and external audit
 - Clear terms of reference

- Annual review

4.0 FORWARD PLAN AND MEETINGS

- 4.1. Committee agreed its forward plan for 2025/2026 in June 2025.
- 4.2. During the Council cycle Committee considered 60 reports, split 32 Audit and 28 Scrutiny (See Chart 1).

Chart 1 – Audit and Scrutiny Reports 2025/26



5.0 TRAINING

- 5.1. A range of briefings and other training opportunities were offered to all elected members during the 2025/26 cycle (Table 1).
- 5.2. Member services maintain and update member training records.
- 5.3. At its meeting of 22 August 2024 Committee agreed the training plan as outlined at Table 2.
- 5.4. A number of training sessions are still outstanding but underway to ensure delivery during 2026/27 (Table 3). These align with the requirements highlighted as part of the self evaluation process.
- 5.5. In addition to the agreed training programme, the HR & Workforce Development team has continued to offer all elected members the opportunity to participate in a Council-wide training needs analysis, delivered through the Improvement Service's *Political Skills Assessment*.
- 5.6. To date four Elected Members have engaged with the process, designed to offer both personal, and member wide skills development opportunities. The offer to engage with political skills process will be available until recess, after which Officers will prepare outputs of the interviews undertaken to date.

Table 1 – Elected Members Training and Briefings 2025/26

Subject Matter
Internal Audit All Member Briefing
Planning S36 Applications
Respite Bed Provision Elected Members Briefing Session
Transformation Through Collaboration - All Member Briefing
Education Performance
Planning Enforcement Charter and Section 36 Planning Applications
Licensing Board Training
Comms and Engagement Workshop
Regulatory Committee training
That Guy campaign
Planning Committee Briefing - training provided via MFMAC
Psychological/ LD Elected Members Briefing

Table 2: Audit and Scrutiny Committee Training Plan

Training Subject	Target Date	Internal External /	Update
Annual Governance Statement / Control Environment	Q4 2024/25	Internal	
Cyber Security	Complete		
Performance and Risk (Phase 2)	Complete		
Principles of Best Value & VFM	Outstanding	Planning underway for joint session with Elected Members and Senior Leadership Forum	
Fraud and Corruption	Outstanding	Planning underway for joint session with Elected Members and Senior Leadership Forum	
Financial Monitoring / Scrutiny	Outstanding	External provider being sought for training delivery	

Table 3: Audit and Scrutiny Committee Training Plan Schedule

Training Subject	Update
Annual Governance Statement / Control Environment	Sessions will be combined into an all-member session on AGS and Best Value, undertaken in house by Strategy & Performance. This will be delivered as part of a new package of training post summer recess.
Principles of Best Value & VFM	
Fraud and Corruption	Following appointment of the Council's new Fraud Officer, appropriate training will be provided to all members on their role regarding fraud and corruption. This will be delivered as part of a new package of training post summer recess.
Financial Monitoring / Scrutiny	Following the next A&S Committee, and via the Committee wash up function, specific feedback from members on financial scrutiny (challenges, observations, areas for improvement) will be sought. Following this an appropriate training session will be led by the Finance and Revenues team.

6.0 INTERNAL AUDIT

- 6.1. Internal Audit services are provided on the basis of a Joint Working Agreement with Falkirk Council. The Council has endeavoured to increase resource/capacity through the recruitment of a Senior Internal Auditor.
- 6.2. The budget for internal audit provision is agreed each year but the total cost chargeable by Falkirk Council over the duration of the agreement is capped at £120,000 per annum.
- 6.3. Falkirk Council's Internal Audit, Risk, and Corporate Fraud Manager is responsible for the allocation of Clackmannanshire Council Internal Audit work to the most appropriate member of staff.
- 6.4. Clackmannanshire Council's Internal Audit Officer is solely employed on Clackmannanshire Council, Central Scotland Valuation Joint Board, and Clackmannanshire and Stirling Integration Joint Board Internal Audit work.
- 6.5. The Audit and Scrutiny Committee takes assurance from Internal Audit on a wide range of issues and an update report from the Internal Audit, Risk, and Corporate Fraud Manager is considered at each Committee meeting.
- 6.6. Internal Audit's Plan for 2025/26 was agreed by Audit Committee on 12/06/2025. It set out 17 assignment areas to be completed by the team during the year. Of the 17 assignments, 8 required an audit report to be issued to Clackmannanshire Council.
- 6.7. 4 audit reports (completed to final report stage and issued to Clackmannanshire Council's senior management) have been reported to Committee this year. These included:
 - Building Security;
 - Climate Change Act Public Bodies Duties Audit;
 - Council Tax Refunds;
 - Follow Up of the Review of Purchase Order Arrangements at Clackmannanshire Council for Adult Social Care
- 6.8. At the June 2026 meeting, Committee noted that 1 audit review, Medication in Schools, was at draft report stage and 3 audits had not started. These reviews include Stirling and Clackmannanshire City Region Deal, Stores Management, and Disposal of IT Equipment.
- 6.9. Based on the assignments undertaken by Internal Audit into the areas of operational delivery, as outlined in 6.7, an overall **limited assurance** was given in relation to the Council's arrangements for risk management, governance, and control for the year to 31 March 2026.

- 6.10. The full Internal Audit Annual Assurance Report for 2025/26 was presented to Committee in June 2026.
- 6.11. In providing its opinion, Internal Audit operated in compliance with the Global Internal Audit Standards 2024

7.0 EXTERNAL AUDIT

- 7.1. External Audit is another key provider of assurance to the Committee. External Auditors are appointed by the Accounts Commission, who also monitor audit quality.
- 7.2. Deloitte were appointed as the Councils external auditors in 2022/2023.
- 7.3. No reports were submitted to Committee, by External Audit, for consideration during the 2025/2026 cycle.

8.0 CORPORATE RISK AND PERFORMANCE

- 8.1. The Councils Corporate Risk Register is scrutinised quarterly by Committee.
- 8.2. The 2025/26 year end update on the Council's Corporate Risk Register was considered by Committee on 11th June 2026. The report outlined the purpose of risk management, the Corporate Risk management process and the current risk profile and development activity; relating to the Councils Risk Strategy.
- 8.3. The Corporate Performance report was presented to Committee in April 2025. This report presented a summary of key local demographics and Council performance data, up to and including the 2024/25 financial year, aligned to the Wellbeing Economy Local Outcomes Improvement Plan (LOIP). Appendix A of the report which forms part of the Council's statutory Public Performance Reporting (PPR) duties summarised relevant statistics and performance levels, including analysis, charts and detailed data tables. Scrutiny and reporting on key performance measures is also completed through regular Directorate Business Plan reports.

9.0 EXCEPTIONS FROM CONTRACT STANDING ORDERS

- 9.1. It is a requirement of Contract Standing Orders that exceptions should be reported to the next available Audit & Scrutiny Committee.
- 9.2. During the reporting period 2 exceptions were noted by Committee. Of the exceptions agreed the total contractual value amounted to £580,388.75

10.0 POLICE SCOTLAND/SCOTTISH FIRE AND RESCUE SERVICE

- 10.1. The Police and Fire Reform (Scotland) Act 2012 outlines the duties of Police Scotland and the Scottish Fire and Rescue Service to work in partnership with local authorities.
- 10.2. Part of this duty is to ensure they regularly report on their activities and outcomes in each local area, relating to statutory local Police and Fire plans prepared by both agencies and approved through Council.
- 10.3. Six monthly reports are produced and presented to allow scrutiny by Clackmannanshire Council Audit and Scrutiny Committee, in line with requirements set out in the Reform act of 2012.

11.0 OTHER REPORTS

- 11.1. Committee also consider a number of other reports through the year including, Procurement Annual Report, Health and Safety Annual Report, Chief Social Work Officer Annual Report, Regulation of Investigatory Powers (Scotland) Act 2000, Financial Performance, Treasury Management, Risk Strategy Annual Report, HSCP Locality Performance, progress updates on outstanding Internal Audit Actions, Directorate Business Plan updates as well as a number of progress reports on key Council and Partner strategies.

12.0 SELF ASSESSMENT

- 12.1. The Self-Assessment for 2025/2026 was undertaken on the 08th October 2026 during an informal meeting of the Committee. Six committee members completed the self-evaluation questionnaire and three members were in attendance at the informal meeting.
- 12.2. Overall the view of Committee is strongly positive. 97.4% of all responses were either agree or strongly agree. Most areas are unanimously positive, particularly governance, financial reporting, audit and assurance, chair leadership and reporting arrangements. Table 4 below provide a high level overview of the response.

Table 4: Responses

Area	Number of questions asked	Positive	Average Score (out of 4)	Interpretation
Independence and effectiveness	5	96.7%	3.47	Very Strong
Governance and risk control	3	100.00%	3.61	Unanimously Positive
Financial reporting and accountability	2	100.00%	3.50	Unanimously Positive
Audit and assurance	4	100.00%	3.33	Unanimously Positive
Internal Audit	2	91.7%	3.42	Very Strong
Committee membership	3	88.9%	3.44	Positive
Chair leadership	7	100.00%	3.67	Unanimously Positive
Meeting and reporting arrangements	6	97.2%	3.61	Very Strong

12.3. The question set within the self assessment are outline in Appendix 2.

12.4. Overall members present agreed with the statements as presented within the self-assessment (Appendix 3), noting the following actions:

- 12.4.1. Officers to consider format and style of reports so that highlights and major impacts should be at the front of reports. Officers to consider exception reporting for example, in budget reporting, highlighting budget underspends or overspends and reason for these,
- 12.4.2. Following the Summer recess and ahead of the first formal meeting of the Audit and Scrutiny Committee members would be invited to meet with Internal and External Audit.
- 12.4.3. Committee members to identify substitutes should they be unable to attend Committee. Substitutes should be full sighted on papers in advance.

13.0 CHAIR AND VICE CHAIR ASSURANCE STATEMENT

- 13.1. During 2025/26, the Audit and Scrutiny Committee continued to fulfil an important role within the Council's governance framework. The Committee maintained a constructive and non-political approach to its work, providing challenge and oversight across financial management, corporate risk, performance, internal control, audit recommendations, statutory services and the work of key partners. During the year, the Committee met on six occasions, with all meetings quorate, and considered 60 reports across its audit and scrutiny responsibilities. The Committee also continued to strengthen its role as a key scrutiny forum, providing transparent public accountability and ensuring that significant organisational risks, performance issues and governance matters were subject to appropriate member challenge and examination.
- 13.2. As Chair and Vice Chair, we are satisfied that the Committee operated independently and discharged its agreed remit during 2025/26. Members sought explanations and assurance from relevant officers and assurance providers, examined areas of risk and underperformance, and monitored the Council's response to recommendations arising from audit and scrutiny activity. The Committee also continued to oversee the Council's corporate risk register, financial performance, Annual Governance Statement, outstanding Internal Audit actions and a broad range of service and partnership performance reports. Members were supported through briefing sessions and training and development opportunities. Further training is planned for members to ensure that the Committee remain well equipped to fulfil its responsibilities effectively.

- 13.3. Our assurance must, however, be appropriately qualified. Internal Audit provided Limited Assurance on the Council's arrangements for risk management, governance and control for the year ended 31 March 2026. This means that, whilst satisfactory arrangements were identified in a number of areas, Internal Audit also identified significant weaknesses that require continued management attention and improvement. The Committee recognises and welcomes the positive and constructive engagement of senior officers throughout the year, together with the progress made in responding to audit findings, reducing the number of overdue recommendations and strengthening governance arrangements in a number of areas. We are assured that officers are committed to addressing the issues identified and are taking appropriate action to do so. Nevertheless, the Internal Audit opinion demonstrates that further improvement is required before the Committee could conclude that all aspects of the Council's governance, risk management and internal control arrangements are operating consistently and effectively across the organisation.
- 13.4. The Internal Audit opinion was based on seven finalised reviews. One received Substantial Assurance, two received Limited Assurance, and three received split assurance opinions containing combinations of Substantial, Limited or No Assurance. One review, concerning the follow-up of purchase order arrangements for Adult Social Care, received No Assurance. Internal Audit made 46 recommendations, all of which were accepted by management. Of these, 11 were Grade 1 recommendations requiring urgent resolution and 30 were Grade 2 recommendations requiring prompt action. The fact that 89% of recommendations required either urgent or prompt management action reinforces the need for sustained organisational attention to the control environment.
- 13.5. The Committee acknowledges the progress made in reducing the number of overdue Internal Audit recommendations. Whilst there was positive progress it was noted that some actions are not being progressed timeously, as such the Committee supported the decision to increase reporting on outstanding Internal Audit actions from six-monthly to quarterly. We expect this increased reporting frequency to support stronger accountability, earlier escalation of barriers and demonstrable completion of the actions required to address identified weaknesses.
- 13.6. The Committee also notes that not all work included in the 2025/26 Internal Audit Plan was completed during the year. Of the eight assignments requiring a report to the Council, four had reached final report stage, one was at draft stage and three had not started when the Annual Assurance Report was prepared. The annual opinion also drew upon three assignments carried forward from 2024/25. Internal Audit nevertheless confirmed that sufficient work had been undertaken to support a balanced annual assurance opinion and that there had been no real or apparent impairment or restriction affecting its scope, independence or objectivity.

- 13.7. Against this background, the Committee's role is not simply to receive audit reports or note management responses. It must test whether agreed actions are being implemented, whether those actions address the underlying causes of control weaknesses and whether the intended improvements are operating effectively in practice. During 2026/27, the Committee will expect officers to provide clear evidence of delivery, maintain accurate and current action records explain any missed deadlines and identify the corrective action being taken where progress is insufficient.
- 13.8. The Committee recognises that capacity pressures, the availability of specialist skills and competing service demands can affect delivery. These factors provide relevant context, but they cannot provide an indefinite justification for delay, particularly where Internal Audit has identified an urgent or significant risk. Management must ensure that the highest-risk recommendations are prioritised, that responsible officers are held accountable for delivery and that barriers beyond the authority of individual action owners are escalated promptly.
- 13.9. Following the end of the 2025/26 reporting period, the Controller of Audit's Section 102 Report and the subsequent findings of the Accounts Commission highlighted concerns regarding the continued delay in preparing and auditing the Council's annual accounts. The Accounts Commission concluded that the repeated absence of up-to-date financial information undermined financial governance, weakened decision-making and effective scrutiny, and affected public transparency and accountability. Although these developments occurred after 31 March 2026, they are directly relevant to the Committee's assessment of the Council's wider governance and assurance position.
- 13.10. The Council has acknowledged the seriousness of the position and approved a Financial Reporting Recovery Plan and associated improvement programme. A jointly agreed recovery approach has been developed with the external auditor, and the Council has approved additional, time-limited specialist support. The recovery arrangements are intended to strengthen finance capacity, improve accounts preparation and quality assurance, support audit readiness and restore compliance with statutory financial reporting requirements. The agreed milestones are completion of the 2024/25 accounts by March 2027 and completion of the 2025/26 accounts by October 2027.
- 13.11. These measures represent a necessary response, but the approval of plans, governance arrangements and additional resources does not, on its own, provide assurance that recovery will be achieved. That assurance must come from delivery. The Committee will therefore scrutinise progress against the recovery milestones, the use of the approved resources, the quality and timeliness of information provided for audit, the effectiveness of collaboration with the external auditor, and the extent to which knowledge, capability and improved processes are retained within the Council. Where progress is at risk, the Committee expects early and transparent reporting, together with clear corrective action.

- 13.12. The Section 102 intervention also underlines the importance of the Committee receiving sufficiently timely and reliable financial information to undertake effective scrutiny. The Committee will continue to seek assurance that the recovery programme addresses not only the immediate backlog in the annual accounts, but the underlying issues affecting financial reporting, organisational resilience and the sustainability of the Council's financial governance arrangements.
- 13.13. We recognise the commitment shown by Committee members, Council officers, Internal Audit and the Council's external assurance providers during a challenging period. The Committee's self-assessment indicates that the Committee is viewed as effective, independent and well led.
- 13.14. On the basis of the Committee's work during 2025/26, we are satisfied that the Audit and Scrutiny Committee operated effectively within its agreed remit and provided relevant challenge and oversight of the Council's governance, risk, control and performance arrangements. We are also satisfied that there are established mechanisms through which the Committee can monitor the Council's response to Internal Audit findings, the Section 102 intervention and the wider programme of governance improvement.
- 13.15. Looking ahead, the Committee's priorities will be to monitor delivery of the financial reporting recovery programme; scrutinise progress against Internal Audit recommendations, particularly Grade 1 and overdue actions; seek assurance that weaknesses identified through Limited and No Assurance reviews are addressed; strengthen scrutiny of financial, corporate and partnership performance ; and continue to support the development of members through targeted training and briefing sessions to ensure the Committee remains well equipped to provide effective challenge and oversight. Through this work, the Committee will continue to support transparent decision-making, effective accountability, continuous improvement and public confidence in the governance of Clackmannanshire Council

APPENDIX 1 – COMMITTEE MEMBERS



Councillor Janine Rennie
Chair



Councillor Denis Coyne
Vice Chair



Councillor Forson
Committee Member



Councillor Fairlie
Committee Member



Councillor Earle
Committee Member



Councillor Keogh
Committee Member



Councillor Benny
Committee Member



Councillor Quinn
Committee Member

APPENDIX 2 - Audit and Scrutiny Committee Development Planning Survey Results

The following survey questions were undertaken with members of the Audit and Scrutiny Committee to assist in development planning for them.

CIPFA Self Evaluation

Independent and Effective Model

Is the Audit and Scrutiny Committee set up to operate independently from day-to-day decision-makers, enabling impartial oversight and meaningful influence within the organisation?

- Directly accountable to the authority's governing body
- Independent from both executive and scrutiny functions
- Able to access and engage constructively with other committees, functions, or strategic groups
- Able to request reports and seek assurances from relevant officers
- Sized appropriately for experienced, trained members (large committees should be avoided)

What aspects of the Committee's independence and effectiveness do you think could be improved?

Committee previously agreed that the existing arrangements for Committee were fit for purpose and aligned with those of most Councils, and as such felt the status quo should remain and no co-opted members were required. Do you agree that this remains the case?

Core Functions

Does the Audit and Scrutiny Committee help maintain robust Governance, Risk, and Control arrangements? Prompt: Consider clarity of reporting level of scrutiny and assurance on key risks

- Promotes understanding of governance across the Council
- Considers effectiveness of risk management and seeks assurance on risk-related issues
- Monitors internal control, financial management, standards, ethics, and exposure to fraud and corruption

What aspects of Governance, Risk, and Control do you think could be improved?

Core Functions

Is the Committee satisfied that accountability statements (including the annual governance statement) reflect the risk environment and actions needed, and demonstrate how governance supports the authority's objectives?

- Annual governance statement reflects risk environment and necessary actions
- Supports effective financial reporting and reviews statutory accounts and accompanying reports

What aspects of financial reporting and accountability do you think could be improved?

Core Functions

Does the Committee establish effective Audit and Assurance arrangements in line with the undernoted headings? *Prompt - Consider arrangements for internal and external audit*

- Considers arrangements for adequate assurance across all operations and collaborations
- Reviews external audit reports and recommendations, monitors management response
- Supports efficient and independent external audit arrangements
- Encourages effective relationships between assurance providers and the organisation

What aspects of Audit and Assurance do you think could be improved?

Core Functions

Does the Committee support effective arrangements for internal audit and promote its use within the assurance framework in line with the undernoted headings?

Prompt: Consider review of plans, reports and follow up recommendations

- Supports effective arrangements for internal audit
- Promotes effective use of internal audit within the assurance framework

What aspects of internal audit arrangements do you think could be improved?

Audit and Scrutiny Committee Membership

Are the following characteristics evident among Committee members?

Prompt: Consider skills, willingness to challenge and understanding of governance

- Members are trained, objective, and knowledgeable
- Members promote good governance and identify ways to improve arrangements
- Chair is independently minded, knowledgeable, skilled, and interested

What aspects of Committee membership do you think could be improved?

Audit and Scrutiny Committee Membership

Prompt: Consider openness, challenge, meeting management and focus
Does the Committee chair:

- Promote open, apolitical discussion
- Manage meetings to cover all business and encourage candid participation
- Maintain focus on priority matters
- Operate in an apolitical manner
- Treat auditors, executives, and management fairly
- Challenge executive and senior managers when needed
- Demonstrate knowledge, expertise, and interest in Committee work

What aspects of Committee chair leadership do you think could be improved?

Engagement and Outputs

Does the Committee address all responsibilities within its terms of reference and generate planned outputs?

Prompt - Consider meetings, attendance, outputs and transparency

- Meets regularly (at least four times a year) with clear policies for public and private items
- Able to meet privately with external and internal auditors
- Includes key officers (Chief Finance Officer, Chief Executive, Head of Internal Audit, external auditors) as regular attendees; others may include the monitoring officer and Strategic Director of Partnership & Performance
- Supports transparency, reporting regularly to those charged with governance
- Reports annually on compliance with position statement, responsibilities discharged, and performance assessment (report available to the public)

Audit and Scrutiny Committee Self-Evaluation Results Review

Thursday 8th October at 12noon

Independence & effectiveness

4

Five questions on mandate, independence, access and committee size

QUESTION	POSITIVE	AVG / 4
Q1 Accountable to governing body	100.0%	3.67
Q2 Independent from executive and scrutiny	83.3%	3.33
Q3 Engages with other committees/functions	100.0%	3.50
Q4 Can request reports and assurances	100.0%	3.50
Q5 Appropriately sized and experienced	100.0%	3.33

Governance, risk & control

5

Three questions on governance, risk assurance and internal control

QUESTION	POSITIVE	AVG / 4
Q6 Promotes understanding of governance	100.0%	3.67
Q7 Seeks assurance on risk management	100.0%	3.67
Q8 Monitors control, finance, ethics and fraud	100.0%	3.50

Financial reporting & accountability

Two questions on the governance statement and statutory reporting

QUESTION	POSITIVE	AVG / 4
Q9 Governance statement reflects risks/actions	100.0%	3.50
Q10 Reviews accounts and accompanying reports	100.0%	3.50

Audit & assurance

7

Four questions on assurance coverage, external audit and provider relationships

QUESTION	POSITIVE	AVG / 4
Q11 Adequate assurance across operations	100.0%	3.33
Q12 Reviews external audit recommendations	100.0%	3.33
Q13 Supports independent external audit	100.0%	3.33
Q14 Encourages assurance-provider relationships	100.0%	3.33

Internal audit

Two questions on internal audit arrangements and use

QUESTION	POSITIVE	AVG / 4
Q15 Supports effective internal audit	100.0%	3.50
Q16 Uses internal audit effectively	83.3%	3.33

Committee membership

9

Three questions on capability, governance contribution and the Chair

QUESTION	POSITIVE	AVG / 4
Q17 Members trained, objective and knowledgeable	66.7%	3.00
Q18 Members promote good governance	100.0%	3.50
Q19 Chair skilled and independently minded	100.0%	3.83

Chair leadership

10

Seven questions on openness, focus, fairness, challenge and expertise

QUESTION	POSITIVE	AVG / 4
Q20 Promotes open, apolitical discussion	100.0%	3.67
Q21 Manages business and participation	100.0%	3.67
Q22 Maintains focus on priorities	100.0%	3.67
Q23 Operates apolitically	100.0%	3.67
Q24 Treats stakeholders fairly	100.0%	3.67
Q25 Challenges senior management when needed	100.0%	3.67
Q26 Shows expertise and interest	100.0%	3.67

Meeting & reporting arrangements

11

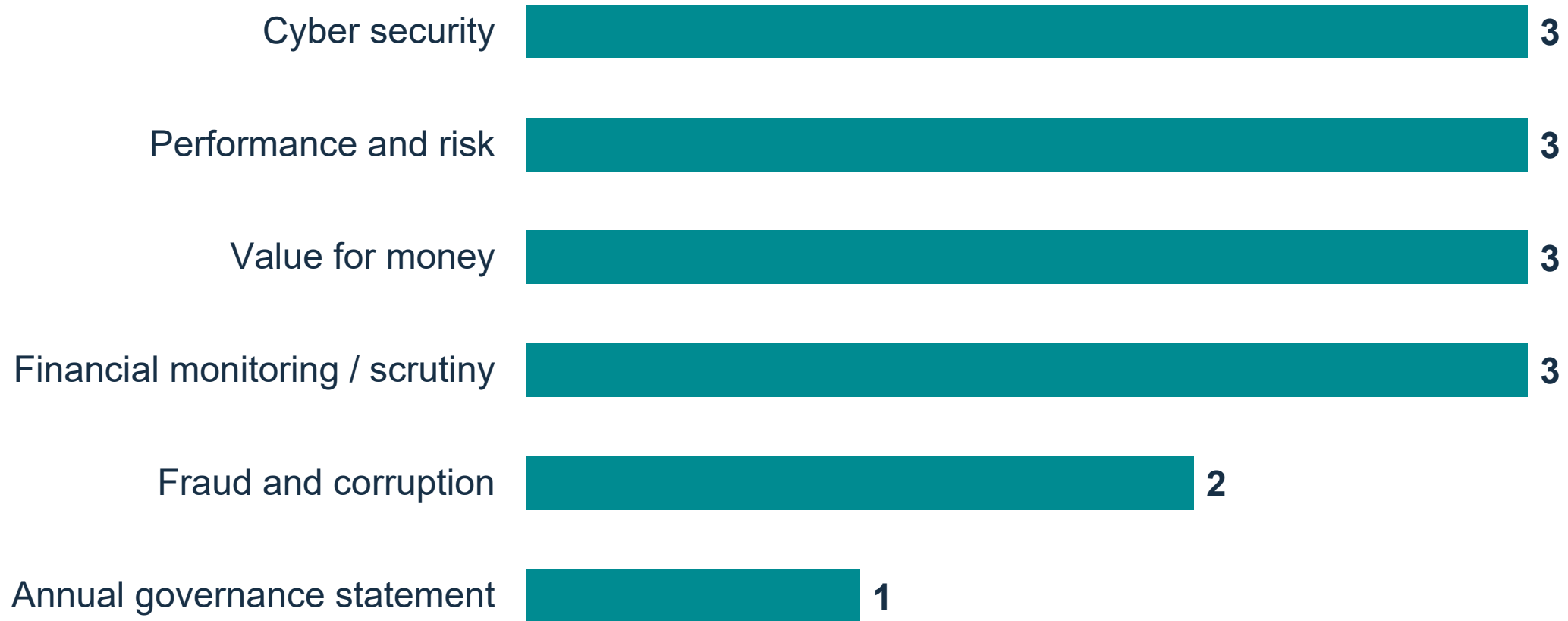
Six questions on frequency, access, attendance, transparency and annual reporting

QUESTION	POSITIVE	AVG / 4
Q27 Meets regularly with clear policies	100.0%	3.83
Q28 Can meet privately with auditors	83.3%	3.17
Q29 Includes the right key officers	100.0%	3.67
Q30 Can call other officers/agencies	100.0%	3.67
Q31 Reports transparently to governance	100.0%	3.67
Q32 Reports annually on compliance/performance	100.0%	3.67

Training priorities

12

Four topics were each mentioned by half of respondents



Number of mentions

Conclusion and Decision

13

The Committee is viewed as effective, independent and well led.

