

Minutes and matters arising from previous meeting

Secretary to Accounts Commission

Item 4
Meeting date: 12 September 2024

Purpose

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the Commission along with a summary of matters arising from those minutes.

Recommendations

2. The Commission is asked to:
 - Approve the attached draft minute of its previous meeting.
 - Consider any matters arising from the draft minute.

Minutes

3. The minute of the previous meeting is in Appendix 1.
4. Members should note that the action tracker – available to members via SharePoint and shared with them monthly – provides updates on progress from previous meetings.

Minutes

Thursday 8 August 2024, 10.00am

Audit Scotland offices, 102 West Port, Edinburgh, and
online via Microsoft Teams

512th meeting of the Accounts Commission

Present:

Jo Armstrong (Chair)
Malcolm Bell
Nichola Brown
Andrew Burns
Andrew Cowie
Carol Evans
Jennifer Henderson
Angela Leitch (online)
Christine Lester
Ruth MacLeod
Mike Neilson (online)
Derek Yule

In attendance:

Blyth Deans, Interim Secretary to the Accounts Commission
Helena Gray, Controller of Audit
Antony Clark, Executive Director of Performance Audit and Best Value (items 12 and 13)
Gary Devlin, Partner, Azets (item 6 and 11)
Joe Chapman, Policy Manager to Accounts Commission (item 7)
Jillian Matthew, Senior Manager, PABV (item 12)
Ray Buist, Audit Manager, PABV (item 12)
Aileen Campbell, Senior Auditor, PABV (item 12)
Nathalie Cornish, Auditor, PABV (item 12)
Lucy Jones, Audit Manager, PABV (item 13)

1. Apologies for absence

There were no apologies for absence noted.

2. Declaration of connections

Jo Armstrong declared a connection with items 6 and 11, through her role on the board of Hub West Scotland, which is involved in procurement for projects for Renfrewshire Council. Jo proposed, and members agreed, that she recuses herself from discussion on those items, which she would instead observe from the public gallery. Andrew Burns, as deputy chair, would act as chair for those items on the agenda.

No other connections were declared.

3. Order of business

It was agreed that the following items be considered in private:

Items 10 to 14, for the reasons stated on the agenda.

4. Minutes and matters arising from previous meetings

The Commission considered a report by Blyth Deans, Interim Secretary, presenting the minutes of the meetings of May and June, including a summary of actions arising from the minutes. With no comments, the minutes were approved as a correct record.

5. Minutes and matters arising from May Committee meetings

The Commission considered a report by Blyth Deans, Interim Secretary, presenting the minutes of the Committee meetings in May 2024, including a summary of actions arising from the minutes. With no comments, the minutes were approved as a correct record.

6. Renfrewshire Council – Dargavel – statutory follow-up report

The Commission considered the Controller of Audit's statutory follow-up report on Renfrewshire Council regarding Dargavel.

Helena Gray, Controller of Audit, introduced the report, explaining the background and the scope. Helena also introduced the appointed auditor, Gary Devlin of Azets, and thanked the auditors for their work.

The subsequent discussion was structured according to the following themes:

- Community engagement – including:
 - The Council's overall approach to community engagement and specifically in relation to the extension of the primary school
 - How the council is addressing the concerns and differences of opinion within the community
 - The community's response to the council's recent engagement
 - Aspects of transparency around how different options are considered and how decisions are made
- Wider impacts on service provision – including:
 - How the conclusion was reached about there being no evidence of an impact, and what specifically this related to
 - How the costs arising from the errors that were made are being covered and accounted for
 - Future monitoring of how the council reports the financial impact in budgets and financial planning
- Governance and scrutiny

- Arrangements in place for learning lessons from the issues raised in the reports regarding Dargavel
- The role and involvement of political leaders and other elected members in working with senior officers
- Ensuring sustained improvement in the council's organisational culture
- Performance and accountability
 - The nature of the supplementary report produced by David Bowles
 - Reasons for the lack of a contemporaneous written record of the council's actions in reviewing its handling of planning issues
 - The likely timescales for seeing outcomes from the council's action plan

Following discussion, the Commission agreed to decide in private how it wishes to respond to the report.

7. Local Government policy update report

The Commission considered a report by Joe Chapman, Policy Manager, providing an update on significant recent activity relating to local government.

During discussion,

- Joe updated members regarding engagement statistics for recent reports, on an extension to the deadline for the call for views on the National Care Service Bill amendments, and on upcoming Committee appearances by members and staff.
- Members asked if inquiries could be made as to the methodology for the Sunday Times analysis of the relative performance of services in different council areas. Joe agreed to look into this.

Action: Policy Manager

- Members praised the quality of the draft responses to the calls for views. It was suggested that the response regarding the financial position of Integration Joint Boards could be a joint response with the Auditor General. Joe agreed to consider this with Audit Scotland colleagues.

Action: Policy Manager

- Members asked about the Commission's view regarding the trend in real-terms pay for local government workers, as had been raised in negotiations over an agreement for 2024/25. Joe advised that it was not for the Commission to comment on claims made by parties to those negotiations.

Following discussion, the Commission noted the report and agreed to the recommendations regarding responses to consultations.

8. Chair's update report

The Commission considered an update by the Chair, Jo Armstrong, on recent and upcoming activity.

- Jo Armstrong updated members that the recruitment for a new Audit Scotland Board Chair was now live and agreed to update members appropriately once a candidate had been appointed.
- Jo highlighted the importance of the session later in the day with Audit Scotland Executive Team members, focusing on Audit Modernisation.

Following discussion, the Commission noted the update.

9. Any other public business

The Chair, having advised that there was no business for this item, closed the public part of the meeting.

10. Controller of Audit's update report

The Commission considered a written and verbal update by Helena Gray, Controller of Audit, on recent and upcoming activity, which included the following:

- Helena advised members that she was invited to join a session at the Solace conference to discuss the future Best Value work being carried out on transformation and to join a panel discussion on workforce in Local Government more generally. Whilst the Best Value work on transformation has yet to be presented to the Commission it was agreed with the Chair this would be a good opportunity to raise the profile of the work with Council Chief Executives and share any early messages / findings, with the caveat that this is very much work in progress and hasn't been discussed by the full Commission.
- Helena joined a quarterly meeting of all the Local Government sector leads from firms and Audit Scotland. It provided a platform to share intelligence on transformation as the focus for year 3 BV work the planning guidance for all auditors is developed. Additionally, it provided an opportunity to share some feedback from the informal engagement on the Statutory Performance Information (SPI) Direction and get auditors perspectives on the initial thinking which will be presented to the full commission in September.
- Helena provided an update on outstanding audits and the presentation of unaudited accounts, confirming it is expected all Local Government audits for 22/23 will be completed by end of August. Additionally, it was confirmed 23/24 audits are now well underway and the first of these has been published (Aberdeen City).

Following discussion, the Commission noted the update.

11. Renfrewshire Council – Dargavel – statutory follow-up report

The Commission considered its response to the Controller of Audit's statutory follow-up report on Renfrewshire Council regarding Dargavel.

During discussion, the Commission agreed to make findings, which would be drafted by the Deputy Chair and Interim Secretary and shared with members for comment and with the Controller of Audit for fact-checking. The findings would then be signed off by the Deputy Chair, prior to publication on 20 August.

The Commission agreed that the findings would be focused on the following points:

- Community engagement – welcoming the increase in activity undertaken by the council, and emphasising that continuing engagement must be meaningful and robust
- Transparency – making clear the need for the council to be fully transparent in its decision making and in its budget monitoring and financial planning
- Leadership – welcoming the leadership development programme but highlighting the need to ensure the council's political leaders are able to fulfil their scrutiny role
- Culture and behaviour change – encouraging a focus on this and ensuring there is sustained change and improvement.

It was also agreed that the findings would acknowledge the forthcoming Best Value report on Renfrewshire Council as well as the ongoing annual audit work and reporting.

The Commission also approved the proposed publication arrangements set out in the paper.

12. Alcohol and drug services joint performance audit: draft report

The Commission considered a draft of the report on the joint performance audit on alcohol and drug services.

During discussion,

- Antony Clark highlighted issues of leadership, governance, availability and use of data, and partnership working. Jillian Matthew added that the scope of the report is mostly focused on treatment services, with only limited ability to cover the broad area of prevention.
- Christine Lester and Andrew Cowie, as sponsors, praised the audit team for their work, emphasised the important and difficult nature of the subject matter, and highlighted the use of 'must' rather than 'should' in recommendations as a deliberate choice to be more assertive.
- It was suggested there could be stronger messaging in relation to vaping. Meanwhile, the report was praised for summarising the ways in which the current system is seen as failing to meet people's needs and that urgent action and a whole-system approach are needed in order to reduce deaths.
- The high proportion of recommendations addressed to the Scottish Government was queried, as to whether this struck the right balance. Antony explained that some of

those are really to all partners, and said this could be adapted to ensure it is shown more clearly.

- A question was asked about the impact of plans for a National Care Service on the current bureaucratic structures and the complexity they bring. Antony acknowledged the proposition that reformed local and new national bodies will have more power and control, and pointed out this was a matter for Parliament to consider.
- A link was made between the draft response to the call for views on the proposed amendments to the National Care Service Bill, and the challenges faced by Alcohol and Drug Partnerships. Antony will discuss this with the Commission Chair.

Action: Executive Director of PABV

- It was suggested that more could be done to show the links and common themes between Commission reports, such as between this and the IJB report. Antony suggested this could be considered as part of discussion at the Strategy Seminar.

After discussion, the Commission:

- Approved the draft report
- Agreed to delegate to the sponsors approval of any required final amendments resulting from the Commission's considerations
- Agreed the proposed publication arrangements.

13. Local government financial bulletin 2023/24: scope

The Commission considered a paper by Antony Clark, Executive Director of Performance Audit and Best Value, on the proposed scope of the Local government financial bulletin 2023/24.

During discussion,

- Antony explained the evolution of the approach and the revised scope of the Financial bulletin, given that the budgets briefing now covers current-year budget-setting. He emphasised the value of the report being based on audit evidence.
- Antony suggested a blog may be produced that explains how the different outputs in the local government reporting programme fit together and complement each other.

After discussion, the Commission:

- Agreed the proposed governance arrangements set out in paragraph 5 of the paper.
- Agreed the scope of the financial bulletin 2023/24 as set out in paragraph 7.

14. Any other private business

The Chair, having advised that there was no further business, closed the meeting.

Close of meeting

The meeting closed at 13.15.