

MEETING: 8 SEPTEMBER 2022

REPORT BY: SECRETARY TO THE COMMISSION

MINUTES OF MEETINGS OF COMMISSION COMMITTEES OF 25 AUGUST 2022

Introduction

1. This paper presents for the Commission's approval the draft minutes of the meetings of the Commission's two committees on 25 August 2022.
2. The Commission is also asked to consider approving the recommendations made by both committees to the Commission, as detailed below.

Minutes

3. The minutes attached are as follows:
 - Financial Audit and Assurance Committee (FAAC) Appendix 1
 - Performance Audit Committee (PAC) Appendix 2
4. The Commission is asked to approve these minutes and consider any matters arising.

Recommendations

5. In approving the minutes of the committees, the Commission is deemed to be endorsing the decisions reached by the committees, subject to approving any specific recommendations.

Financial Audit and Assurance Committee

6. The FAAC agreed to make the following specific recommendation to the Commission (in relation to item 4):
 - That workforce planning in Scottish local government be considered for inclusion in the work programme.

Performance Audit Committee

7. The PAC agreed to make the following specific recommendations to the Commission (all in relation to item 4):
 - That future audit and audit reporting work in relation to social care ensure:
 - That promotion of work include being directed at legislators and policymakers
 - That service user focus and involvement be given high priority.
 - That opportunities to articulate and promote the Commission's position on social care be maximised.
 - That it seek opportunities to engage with the Scottish Parliament's Health and Sport Committee Committee (and other Parliamentary committees as appropriate) on the National Care Service Bill.

Conclusion

8. The Commission is asked to:

- a) Approve the attached minutes and consider any matters arising.
- b) Agree the committee recommendations in paragraphs 6 and 7.
- c) Note any other updates provided at today's meeting.

Paul Reilly
Secretary to the Commission
31 August 2022

**MINUTES OF MEETING OF FINANCIAL AUDIT AND ASSURANCE COMMITTEE
OF 25 AUGUST 2022**

Minutes of meeting of the Financial Audit and Assurance Committee of the Accounts
Commission held via online meeting on Thursday 25 August 2022 at 9.15am.

PRESENT: Tim McKay (Chair)
Andrew Cowie
William Moyes
Sharon O'Connor
Geraldine Wooley

OTHER COMMISSION
MEMBERS IN ATTENDANCE: Christine Lester

IN ATTENDANCE: Paul Reilly, Secretary to the Accounts Commission
Antony Clark, Interim Controller of Audit
John Cornett, Executive Director, Audit Services Group
(ASG) (item 4)
Brian Howarth, Audit Director, ASG (item 4)
Anne MacDonald, Senior Audit Manager, ASG (item 4)
Paul O'Brien, Senior Manager, Professional Support (item
5)

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of connection or conflict
3.	Minutes of meeting of 26 May 2022
4.	Current audit issues in councils
5.	Accounting and auditing developments
6.	Any other business

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declarations of connection or conflict

No declarations of connection or conflict were made.

3. Minutes of meeting of 26 May 2022

The minutes of the meeting of 26 May 2022 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

Arising therefrom, the Committee:

- In relation to item 3, noted advice from the Secretary that the revised regular risk assessment paper would be part of the agenda of the next meeting.
- In relation to item 5, noted advice from the Secretary, in response to a query from Tim McKay, that the outcomes of investigations by the Scottish Public Sector Ombudsman (SPSO) on East Dunbartonshire Council will be reported as part of his regular report to the Committee on SPSO matters at its next meeting.

Action: Secretary

4. Current audit issues in councils

The Committee considered a report by the Interim Controller of Audit providing a summary of emerging issues and recurring themes across local authorities in Scotland.

During discussion, the Committee:

- Agreed that a paper be submitted on how other scrutiny body assessments are used in Commission reporting.

Action: Interim Controller of Audit & Secretary

- Agreed, following a point made by Geraldine Wooley, that the Interim Controller report at the next meeting on any audit implications of the appointment by Dundee and Angus College, Angus Council, Dundee City Council and Perth College of a period dignity officer.

Action: Interim Controller of Audit

- Agreed, following a point made by Geraldine Wooley, to recommend to the Commission that workforce planning in Scottish local government be considered for inclusion in the work programme.

Action: Executive Director of Performance Audit and Best Value

- Agreed, following a query by Tim McKay, that the Committee be kept updated on progress by Fife Council in relation to year end bank reconciliation procedures.

Action: Interim Controller of Audit

Following discussion, the Committee:

- Noted the report, taking assurance that the auditors' responses to matters detailed therein recognised the scope of the risk identified and reflected appropriately the impact on planned audit work.
- Agreed in particular not to recommend to the Commission to require the Interim

Controller of Audit on any matters arising.

5. Accounting and auditing developments

The Committee considered a report by the Executive Director of Innovation and Quality informing members of accounting and auditing developments.

During discussion, the Committee:

- Agreed, following a query from Tim McKay, that it be kept updated on proposed revisions to the Code of Practice on Local Authority Accounting in the UK in respect of the accounting treatment of roads and other associated infrastructure assets, particularly in relation to the Commission's position on the matter and any implications for its statutory reporting responsibilities.

Action: Executive Director of Innovation and Quality

- Agreed to note advice from the Secretary and Senior Manager, Professional Support, that requirements on auditors in relation to reporting on sustainability and climate change would be included in the draft 2022/23 planning guidance for auditors, which the Commission will consider at its September meeting for approval.

Following discussion, the Committee noted the report.

6. Any other business

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

Close of meeting

The meeting finished at 10.35am.

**MINUTES OF MEETING OF PERFORMANCE AUDIT COMMITTEE
OF 25 AUGUST 2022**

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held via online meeting on Thursday 25 August 2022 at 11.15am.

PRESENT: Christine Lester (Chair)
Andrew Burns
Sophie Flemig
Sheila Gunn
Tim McKay
Stephen Moore
William Moyes

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Angela Canning, Audit Director, PABV (item 6)
Gemma Diamond, Audit Director, PABV (items 4 and 7)
Leigh Johnston, Senior Manager, PABV (items 4 and 6)
Mark MacPherson, Interim Audit Director, PABV (item 5)
Jillian Matthew, Senior Manager, PABV (item 4)
Tricia Meldrum, Senior Manager, PABV (item 5)
Kathrine Sibbald, Senior Manager, PABV (item 4)
Rebecca Smallwood, Audit Manager, PABV (item 5)
Eva Thomas-Tudo, Audit Manager, PABV (item 6)

<u>Item no.</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of connection or conflict
3.	Minutes of meeting 25 August 2022
4.	Cluster briefing: Social care reform
5.	Performance audit: scope – Early learning and childcare: progress on delivery of the 1,140 hours expansion
6.	Performance audit: scope – Adult mental health services
7.	Data gaps roundtable scope
8.	Any other business

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declarations of connections or conflict

No declarations of connections were made.

3. Minutes of meeting of 25 August 2022

The minutes of the meeting of 25 August 2022 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. Policy cluster briefing: Social care reform

The Committee considered a report by the Executive Director of PABV outlining the current risks in the social care sector, updating the Committee on social care reform, in particular the National Care Service Bill, and summarising how these risks are being considered as part of the work programme

During discussion, the Committee agreed to recommend to the Commission that future audit and audit reporting work in relation to social care ensure:

- That promotion of work include being directed at legislators and policymakers (Andrew Burns)

Action: Executive Director of PABV

- That service user focus and involvement be given high priority (Andrew Burns and Sophie Flemig).

Action: Executive Director of PABV

Following discussion, the Committee:

- Agreed to recommend to the Commission that opportunities to articulate and promote the Commission's position on social care be maximised.
- Noted the current scrutiny of the National Care Service Bill by the Scottish Parliament's Health and Sport Committee.
- Accordingly, agreed to recommend to the Commission that it seek opportunities to engage with the Committee (and other Parliamentary committees as appropriate) in this regard.

Action: Executive Director of PABV and Secretary

- Noted the briefing.

5. Performance audit – scope - Early learning and childcare: progress on delivery of the 1,140 hours expansion

The Committee considered a report by the Executive Director of PABV proposing the scope of the performance audit, joint with the Auditor General, of progress with delivery of the early learning and childcare expansion.

During discussion, the Committee:

- Noted advice from the Executive Director in response to a query from Stephen Moore that the work programme includes a proposed audit – the fourth in the series in this policy area - that will look at the impact of the expansion on the intended outcomes in this regard.

Following discussion, the Committee:

- Approved the scope of the performance audit, subject to the audit team addressing, in conjunction with the sponsors Geraldine Wooley and Sophie Flemig, the points raised in discussion.

Action: Executive Director of PABV

- Agreed the planned timescale for the audit, with a draft report to the Accounts Commission for consideration in March 2023 and publication in June 2023.

6. Performance audit: scope – Adult mental health services

The Committee considered a report by the Executive Director of PABV asking the Committee to ratify the scope of the performance audit, joint with the Auditor General, on adult mental health services and providing an update on progress with the audit to date.

During discussion, the Committee:

- Noted advice from the Executive Director that the proposed publication date of the performance audit was June 2023.

Following discussion, the Committee:

- Ratified the scope of performance audit, subject to the audit team addressing, in conjunction with the sponsors Christine Lester and William Moyes, the points raised in discussion.

Action: Executive Director of PABV

- Agreed the planned timescale for the audit, with a draft report to the Accounts Commission for consideration in April 2023 and publication in June 2023.

7. Data gaps roundtable: scope

The Committee considered a report by the Executive Director of PABV providing for information the scope of a 'roundtable' initiative by Audit Scotland on exploring data gaps.

During discussion, the Committee:

- Agreed to note that Commission members interested in attending the event could liaise with the team accordingly.

Following discussion, the Committee:

- Noted the planned approach to the roundtable exploring data gaps.
- Agreed to convey to Audit Scotland a number of points raised in discussion reflecting the Commission's interest in this regard.

Action: Executive Director of PABV

- Agreed that the Executive Director discuss with the Secretary the status of any planned output, to ensure reflection of the Commission's strategic interest in this regard.

Action: Executive Director of PABV

8. Any other business

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

Close of meeting

The meeting closed at 12.45pm.