

Minutes

Joint meeting of the Financial Audit and Assurance and Performance Audit Committees
Thursday 24 August 2023, 10.15 am
Online via Microsoft Teams

Present:

Ronnie Hinds
Tim McKay
Geraldine Wooley
Christine Lester
Andrew Burns
Sophie Flemig
Malcolm Bell
Jennifer Henderson

Apologies:

Andrew Cowie
Nichola Brown
Sheila Gunn

In attendance:

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Helena Gray, Controller of Audit
Vicki Bibby, Chief Operating Officer (Item 2)
Douglas Black, Interim Secretary

1. Risk assessment and implications for the work programme

The Committees considered a report by the Interim Secretary, providing an updated assessment of business and audit risk. The Committees noted the short covering paper. In relation to Appendix 1 (Business risk: assessment), the Committees:

- Discussed risk 1c (Credibility, reputation, relationships, and stakeholder confidence – **failing relationships with audit partners**). Christine Lester queried the reference to PAC and the Controller clarified that the reference should in fact be PWF, for the Partnership Working Framework.
- Discussed risk 1d (Credibility, reputation, relationships, and stakeholder confidence – **Failing relationships with external stakeholders**). Jennifer Henderson questioned whether the situation has improved. Ronnie Hinds reflected that the Commission has not delivered on the external engagement work it set out to achieve; that recent interactions with stakeholders indicate there has been damage to the Commission's reputation; and work must be done to improve this. Christine Lester suggested that it would be useful to hear stakeholders' viewpoints. Tim McKay commented from a positive viewpoint on the Commission's engagement and considered its credibility is strong, in that councils still accept our findings and there has been a lot of recent engagement with the Scottish

Parliament. Andrew Burns suggested the Commission should not be too worried, given that it is likely to look at risk again in more detail once new members have joined in a few months' time. Malcolm Bell was comfortable with the way risk was set out in the paper. The Committees agreed the need to re-engage meaningfully with external stakeholders. Helena Gray advised that Simon Ebbett, Audit Scotland's Communications Manager, will be bringing the results of the local government stakeholder survey to the September 2023 Commission meeting.

Action: Simon Ebbett, Communications Manager

- Discussed risk 3a (Commission capacity, governance and leadership – **Business processes, planning and support**). Tim McKay asked for information on the costs involved in cancelling the Decision Time contract.

Action: Secretary

- Discussed risks 3b and 3d (Commission capacity, governance and leadership – **Leadership, skills and capacity; Support arrangements**). Geraldine Wooley voiced her concern around the risks involved in four experienced Commission members leaving at the end of September 2023; the Commission having an Interim Chair; and no permanent Secretary in post until October 2023. Ronnie Hinds agreed with Geraldine Wooley's comments around risks associated with Support Team personnel and asked for this issue to be included in the next risk report to the Commission. Geraldine also asked for the colour coding and the arrows to be explained more clearly.

Action: Secretary

In relation to Appendix 2 (Audit risk: assessment):

- The discussion focused on workforce planning. Tim McKay asked about how flexible the thematic reporting could be, and the possibility of changing the workforce planning theme. Antony Clark explained that it would be tricky to do this as work is already underway on this project, but the Commission could still do other pieces of work alongside the thematic project. Christine Lester added that although the pandemic has changed the way people work, there still needs to be agility when it comes to workforce planning. Antony advised that it is important for the Commission to focus on topics that have longevity.
- Ronnie Hinds noted that the risk paper is repetitive, with themes such as community empowerment and leadership featuring more than once. He asked what could be done to streamline the report. Antony agreed that the document needs to be improved. Jennifer Henderson said that she is happy to contribute to discussions about this.

Action: Secretary

Following discussion, the Committee agreed to:

- Look forward to receiving an updated, streamlined report in November 2023.

2. Partnership Working Framework

Minutes from this part of the meeting were considered by members in a separate paper.

3. 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 11.45 am.