

Minutes of Meeting of the  
Accounts Commission held in the  
offices of Audit Scotland, 110  
George Street on Wednesday 9  
March 2005 at 10.30am.

PRESENT: I Low (in the Chair)  
A Alexander  
J Couper  
A Faulds  
K Geddes  
P McKinlay  
M Raj  
I Robertson

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit  
H Hall, Managing Director Audit Services  
D Pia, Director of Performance Audit (Local Government)  
G Smail, Senior Manager Performance Audit (Local Government)  
(item 8)  
A Roberts, Director of Performance Audit (Central Government)  
(item 9)  
D Gill, Senior Manager Performance Audit (Central Government)  
(item 9)  
M MacPherson, Manager Performance Audit (Central Government)  
(item 9)  
W F Magee, Secretary

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Chair
3.	Membership
4.	Minutes
5.	Deputy Auditor General
6.	Managing Director of Audit Services
7.	Performance Audit Committee
8.	Overview Report on Local Authority Audits
9.	Improving Customer Service Through Better Customer Contact Study
10.	Local Taxation in Scotland
11.	Best Value Audit of Angus Council
12.	Accounts Commission Targets 2005/6
13.	Hearings

1. Apologies

Apologies for absence were intimated on behalf of John Baillie, Owen Clarke, Alyson Leslie and Alastair MacNish.

2. Chair

In the absence of Alistair MacNish Isabelle Low occupied the chair.

3. Membership

The Secretary advised the Commission that Owen Clarke had recently been appointed to lead a review of NHS 24 which would fully occupy his time until September and that he therefore wished to take leave of absence from his duties as a Commission member for that period. The Scottish Executive had indicated informal acceptance of this proposal and the Commission noted the position.

4. Minutes

The minutes of meetings of 2 and 9 February 2005 were submitted and approved subject to the addition of Peter McKinlay to the sederunt for the meeting on 2 February.

5. Deputy Auditor General

Caroline Gardner advised the Commission of a number of matters of current interest:

- The constructive discussions on matters of common interest with Tom McCabe MSP, Minister for Finance and Public Service Reform which took place on 22 February
- The recruitment of an Assistant Director of Performance Audit to lead a Best Value team.

6. Managing Director of Audit Services

Hugh Hall advised the Commission of a number of matters of current interest:

- The pilot programme of modernised audits in councils is progressing well
- Particular emphasis is being placed on financial strategy and performance management in the audits currently being carried out by Audit Services.

7. Performance Audit Committee

The minutes of meeting of the Performance Audit Committee of 16 February 2005 were submitted and noted and the recommendations contained therein approved.

8. Overview Report on Local Authority Audits

There was submitted a report by the Secretary introducing the Controller of Audit's annual overview report of issues arising from the local authority audits. The Controller of Audit and Performance Audit staff answered questions by Commission members. The Commission then made findings on the report contained in the Appendix to this minute.

9. Improving Customer Service Through Better Customer Contact Study

There was submitted a report by the Director of Performance Audit (Central Government) together with a draft report and key findings on the Improving Customer Service study. In discussion of the report a number of points were made:

- The report should reflect caution about the range of council surveys of customer opinions referred to in exhibit 8
- The chapter on leadership and organisation of customer service should contain emphasis on the vital role of staff in developing customer service
- The recommendations should be restated at the end of each chapter
- Follow up to the report will be through a number of routes including Best Value reports and consideration of the future study programme.

Thereafter, and subject to the above comments, the Commission approved the report for publication.

10. Local Taxation in Scotland

With reference to paragraph 9 of the minutes of meeting of 9 February 2005 there was submitted a report by the Director of Audit Strategy together with a draft response to the consultation paper issued by the Local Government Finance Review Committee on Local Taxation in Scotland. After discussion the Commission agreed:

- i. to incorporate the reference to ability to pay in the paragraph on collectability, using a suitable form of words;
- ii. to make reference to customer preference in the section on the use of modern technology and e-government; and
- iii. to approve the draft for submission on behalf of the Commission subject to the above adjustments.

11. Best Value Audit of Angus Council

There was submitted and noted a note of meeting between representatives of the Commission and of Angus Council held on 11 February 2005 in Forfar to discuss the outcome of the Commission's findings on the Best Value audit report on Angus Council.

12. Accounts Commission Targets 2005/6

There was submitted a report by the Secretary on annual targets for the Commission for 2005/6. The Commission agreed to continue consideration of the matter to the next ordinary meeting.

13. Hearings

There was submitted a report by the Secretary on a number of issues concerning public hearings which arose following discussions at the preparation day for Commission members and Audit Scotland staff held on 8 February 2005. The issues included:

- Clarity of the purpose of the hearing
- The role of witnesses and parties
- The role of the Controller of Audit
- The significance of preparation and full disclosure in advance of the hearing.

After discussion the Commission agreed that the Secretary should prepare a further, detailed report on hearings procedures for approval by the Commission.