

Minutes of Meeting of the
Accounts Commission held in the
offices of Audit Scotland, 110
George Street, Edinburgh on
Wednesday 12 October 2005 at
10.30am

PRESENT: A MacNish (Chair)
J Baillie
O Clarke
J Couper
A Faulds
K Geddes
I Low
P McKinlay

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)
W F Magee, Secretary
R Nicol, Assistant Director of Performance Audit (item 9)
N Bamforth, Assistant Director of Performance Audit (item 9)

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Membership
3.	Minutes
4.	Deputy Auditor General
5.	Managing Director of Audit Services
6.	Financial Audit and Assurance Committee
7.	Performance Audit Committee
8.	Housing Benefit Inspection
9.	Audit of Best Value – Presentation on the Delivery of the Audit

1. Apologies

Apologies for absence were intimated on behalf of Alan Alexander, Alyson Leslie, Mahendra Raj and Iain Robertson.

2. Membership

The Chairman welcomed Owen Clarke to his first meeting on his return from his suspended membership to enable him to carryout the study on NHS 24.

The Chairman advised the Commission that Alan Alexander, Jean Couper and Keith Geddes have been re-appointed as members of the Commission until 30 September 2008.

3. Minutes

The minutes of meetings of 14 September 2005 were submitted and approved.

Arising from the minutes Isabelle Low advised the Commission of the reaction to the publication of the Best Value reports and findings on Dundee City Council and East Renfrewshire Council.

With reference to paragraph 9 of the minutes of 14 September 2005 David Pia advised the Commission that discussions have taken place with Her Majesty's Chief Inspector of Constabulary on the proposed arrangements for the introduction of the Best Value audit in Scottish police authorities and that it is intended to bring a further report to the Commission on this matter in Spring 2006.

4. Deputy Auditor General

Caroline Gardner advised the Commission of a number of recent developments including discussions in the Audit Committee of the Scottish Parliament about developing the relationship between the Commission and that Committee.

5. Managing Director of Audit Services

Hugh Hall advised the Commission of a number of recent developments –

- The audits of the local authority accounts carried out by the Audit Services Group have now been signed off
- Some diagnostic work is being carried out in Audit Services in relation to the Efficient Government Initiative and this will be the subject of a future report.

6. Financial Audit and Assurance Committee

The minutes of meeting of the Financial Audit and Assurance Committee of 16 September 2005 were submitted. John Baillie referred to a number of significant items contained in the minutes including –

- Approval of the Procurement Strategy on behalf of the Commission and the Auditor General
- The recommendation to the Commission that the forthcoming Strategy Seminar should consider the use of the various reporting mechanisms.

Thereafter the Commission noted the minutes and approved the recommendations contained therein.

7. Performance Audit Committee

There were submitted the minutes of meeting of the Performance Audit Committee of 28 September 2005. Isabelle Low referred to a number of significant matters contained in the minutes including –

- Key messages from the studies on Housing Stock Transfer and Following the Public Pound
- The baseline review of Community Planning Partnerships.

Thereafter the Commission noted the minutes and approved the recommendations contained therein.

8. Housing Benefit Inspection

There was submitted a report by the Deputy Auditor General referring to the government's intention to merge the Benefits Fraud Inspectorate with the Audit Commission to become part of the new independent Local Services Inspectorate for England from 2008. This has resulted in a proposal that the Accounts Commission assume responsibility for the inspection of housing benefit and council tax benefit administration in Scotland. The report outlined the background to the proposal, the resource implications and possible legislation to implement it. After consideration the Commission agreed to authorise Audit Scotland to enter into discussions with the Benefits Fraud Inspectorate about taking on this responsibility in the future on the understanding that a further paper bringing forward detailed proposals will be submitted in due course.

9. Audit of Best Value – Presentation on the Delivery of the Audit

There was submitted a report by the Director of Performance Audit (Local Government) referring to the Commission's decision at its July meeting to receive a presentation on the work undertaken to complete a Best Value audit. Ronnie Nicol and Nikki Bamforth gave a briefing to Commission members based on presentation slides which had been circulated. The subsequent discussion covered a number of areas –

- The importance of moving in future to assessing the experience of service recipients
- The continuing recognition that it is not possible to draw up a simplistic league table of council performance but nonetheless a spectrum of such performance will become evident as more reports are published
- It will be important to develop ways of measuring the impact of the reports and findings
- Maintaining the evidence base for conclusions is vital.

Thereafter the Commission welcomed the presentation and agreed that a review of the Best Value experience to date should be included in the agenda for the Commission's Strategy Seminar to be held early in 2006.