

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

PRESENT: A MacNish (Chair)  
A Alexander  
O Clarke  
J Couper  
A Faulds  
K Geddes  
I Low  
P McKinlay  
M Raj  
I Robertson

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit  
D Pia, Director of Performance Audit (Local Government)  
W F Magee, Secretary  
G Smail, Senior Manager, Performance Audit (item 9)  
D Black, Project Manager, Performance Audit (item 9)  
M Alcock, Portfolio Manager, Performance Audit (item 10)  
A Taylor, Portfolio Manager, Performance Audit (item 11)  
R Frith, Director of Audit Strategy (item 13)

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Minutes
3.	Member Involvement
4.	Deputy Auditor General
5.	Best Value Audit of Dundee City Council
6.	Best Value Audit of East Renfrewshire Council
7.	Best Value Audit of West Lothian Council
8.	Proposed Press Notices
9.	Following the Public Pound
10.	Fire and Rescue Services
11.	Publication of Performance Information Direction 2005
12.	Update on Public Pension Schemes
13.	Audit Charges 2005/6 Audits
14.	Audit Scotland Finance and Performance Information
15.	Meeting Dates 2006

1. Apologies

Apologies for absence were intimated on behalf of John Baillie, Alyson Leslie, and Hugh Hall.

2. Minutes

The minutes of meetings of 12 October 2005 were submitted and approved.

3. Member Involvement

In accordance with the Commission's practice of involving individual members as sponsors of studies there was circulated and agreed a note of the allocation of members to forthcoming studies contained in Appendix 1 to these minutes.

Also in accordance with the Commission's practice of asking individual members to take particular interest in individual Best Value audits, including attendance at the follow-up meeting, there was circulated and agreed a note of the allocation of members to forthcoming Best Value audits as contained in Appendix 2 to these minutes.

4. Deputy Auditor General

Caroline Gardner advised the Commission of a number of recent developments including the continuing engagement of Audit Scotland with the Efficient Government Initiative and her involvement in the reconstituted Steering Group of that project.

5. Best Value Audit of Dundee City Council

There were submitted –

- Letter of 25 October 2005 from Dundee City Council Chief Executive
- Report by the Chief Executive to the City Council about the audit of Best Value and Community Planning
- Improvement Plan accompanying that report which was unanimously agreed by the Council
- A proposed press notice by the Council summarising its response to the Commission's findings.

The Commission were advised that the follow-up meeting with representatives of Dundee City Council would take place on 15 November 2005. In discussion a number of concerns were expressed about the report and the Improvement Plan. Thereafter the Commission agreed –

- i. that its concerns be expressed to the Council's representatives at the forthcoming meeting;
- ii. that otherwise the Improvement Plan be noted, and
- iii. that the proposed press advertisement be approved.

6. Best Value Audit of East Renfrewshire Council

There were submitted –

- Letter of 31 October 2005 from the Chief Executive of East Renfrewshire Council
- Improvement Plan approved by the Council
- Proposed press notice summarising the Council's response to the Commission's findings.

After discussion the Commission agreed –

- i. to note the Improvement Plan;
- ii. to refer the proposed press notice back to the Council for adjustment.

7. Best Value Audit of West Lothian Council

There were submitted –

- Improvement Plan approved by West Lothian Council
- Proposed press notice summarising the Council's response to the Commission's findings.

After discussion the Commission agreed –

- i. to note the Improvement Plan;
- ii. to approve the proposed press notice as submitted.

8. Proposed Press Notices

The Commission agreed that in future proposed press notices submitted by Councils summarising their response to the Commission's findings on Best Value audits should be remitted to those members of the Commission allocated to take a particular interest in that audit for consideration and approval.

9. Following the Public Pound

There was submitted a report by the Director of Performance Audit (Local Government) referring to consideration of the Key Messages arising from the study on Following the Public Pound as discussed by the Performance Audit Committee and enclosing a draft of the full report of the study. In discussion a number of points were made –

- The range and quality of the work evidenced in the report was welcome
- Councils' level of compliance with the Code and their performance in relation to it, as set out in Exhibits 7 or 8, should be reflected in the summary
- The priority of Key Messages in the summary should be reviewed
- Care should be taken in the wording relating to the legal powers of councils
- Greater prominence should be given to non cash support to ALEOs and the opportunity costs of such support.

Thereafter the Commission agreed that the Key Messages of the report should be redrafted and circulated to Commission members for final approval.

10. Fire and Rescue Services

There was submitted a report by the Director of Performance Audit (Local Government) referring to the Commission's consideration of the second verification study in relation to the Fire and Rescue Services in Scotland in 2004. The Commission have asked Audit Scotland to undertake a comprehensive performance audit on the Scottish Fire and Rescue authorities during 2006. The Commission also asked for an interim report prior to 2006 about more immediate progress. An interim report on progress accompanied the Director's report.

After discussion the Commission agreed –

- i. to note the interim report on progress of modernisation in Scottish Fire and Rescue authorities;
- ii. to approve the proposals contained in the Director's report for its circulation.

11. Publication of Performance Information Direction 2005

There was submitted a report by the Director of Performance Audit (Local Government) outlining matters arising from consultation on the 2005 Performance Information Direction and submitting the Direction for consideration. After discussion the Commission agreed –

- i. to delete the SPI on non domestic rates but retain the SPI on library stock replenishment;
- ii. otherwise to accept the proposed changes to SPIs for 2006/7 contained in Annex 1 to the report;
- iii. to remit the potential indicators for deletion contained in Annex 3 to the report for consultation in relation to the next forthcoming Direction, and
- iv. otherwise to approve the 2005 Direction as set out in Annex 2 to the report.

12. Update on Public Pension Schemes

There was submitted a report by the Deputy Auditor General referring to research carried out by Audit Scotland on public pension schemes in Scotland. It would be possible to prepare a joint briefing paper with the Auditor General for Scotland under the "How Government Works" banner for potential publication. The Commission agreed to accept the proposal and to continue consideration for a more detailed report.

13. Audit Charges 2005/6 Audits

There was submitted a report by the Director of Audit Strategy setting out the principal assumptions used in the construction of Audit Scotland's outline budget for the financial year 2006/7 and proposing audit charges for the 2005/6 audits. After discussion about the impact of the budget proposals on audit fees for individual councils the Commission agreed to approve the charging proposals as set out in the report.

14. Audit Scotland Financial and Performance Information

There was submitted and noted a report by the Director of Corporate Services presenting financial and performance information for Audit Scotland to 30 September 2005.

15. Meeting Dates 2006

There was submitted a report by the Secretary proposing a programme of meetings for the Commission and its committees in 2006. The Commission agreed that the ordinary Commission meeting in September 2006 should take place on 20 September and that further consideration should be given to the starting time of some of the meetings but otherwise to approve the schedule of meetings as submitted and as contained in Appendix 3 to these minutes.

## MEMBERS STUDY ALLOCATIONS 2005/06

	November 2005  Housing Stock Transfer	TBA  Police	Autumn 2005  Implementation of McCrone	Autumn 2005  Following the Public Pound	January 2006  Community Planning	TBA  Waste Management	TBA  Equalities	TBA  Fire	TBA  PFI and Schools	TBA  Youth Justice (follow-up)	TBA  Managing long term conditions
<b>Alastair MacNish</b>											
<b>Isabelle Low</b>					✓				✓		
<b>Alan Alexander</b>					✓			✓			
<b>John Baillie</b>			✓						✓		
<b>Owen Clarke</b>					✓			✓			
<b>Jean Couper</b>		✓		✓						✓	
<b>Ann Faulds</b>						✓	✓				
<b>Keith Geddes</b>				✓					✓		
<b>Alyson Leslie</b>											✓
<b>Peter McKinlay</b>	✓	✓									✓
<b>Mahendra Raj</b>	✓					✓	✓				
<b>Iain Robertson</b>			✓							✓	

<b>Council</b>	<b>Members</b>		<b>At Meeting</b>
Angus	Isabelle Low	Jean Couper	Alastair MacNish
North Ayrshire	Alan Alexander	Ann Faulds	Alastair MacNish
Shetland	Keith Geddes	Alan Alexander	Alastair MacNish
Inverclyde	Isabelle Low	Iain Robertson	Alan Alexander
Stirling	Keith Geddes	Peter McKinlay	Isabelle Low
West Lothian	John Baillie	Alyson Leslie	Isabelle Low
Dundee	Isabelle Low	Jean Couper	Mahendra Raj
East Renfrewshire	John Baillie	Ann Faulds	Isabelle Low
Glasgow	Iain Robertson	John Baillie	Alastair MacNish
Moray	Peter McKinlay	Mahendra Raj	Isabelle Low
Highland	Alyson Leslie	Keith Geddes	Alastair MacNish
Argyll and Bute	Jean Couper	Ann Faulds	Alastair MacNish
West Dunbartonshire	Iain Robertson	Keith Geddes	Alastair MacNish
East Ayrshire	John Baillie	Peter McKinlay	Isabelle Low
Renfrewshire	Owen Clarke	Alan Alexander	Alastair MacNish
Western Isles	Mahendra Raj	Alan Alexander	Alastair MacNish
Police	Keith Geddes	Owen Clarke	Alastair MacNish
Edinburgh	John Baillie	Jean Couper	Alastair MacNish
Borders	Alyson Leslie	Iain Robertson	Isabelle Low
Orkney	Alyson Leslie	Peter McKinlay	Isabelle Low
Clackmannan	Mahendra Raj	Ann Faulds	Isabelle Low

## ACCOUNTS COMMISSION

### MEETINGS 2006

#### Accounts Commission

January	18	Argyll & Bute Best Value Report
	25	FAA Committee – Overview Report Key Messages
February	7/8	Commission Strategy Seminar and meeting – Procurement
	15	PA Committee – study briefs on Fire, Equalities, Youth Justice
March	8	Commission meeting – Teaching Profession for 21 <sup>st</sup> Century, Overview Report
	22	Commission meeting – Best Value reports – W. Dunbartonshire, E. Ayrshire
April	12	Commission meeting - Procurement
	26	Commission meeting – Best Value reports – Renfrewshire, W. Isles
May	10	Commission meeting
	17	PA Committee – study brief on PFI schools, SPI consultation
	24	Commission meeting – Best Value report - Police
June	7	Commission meeting – Annual Report
July	5	FAA Committee
	12	Commission meeting
	19	Commission meeting – Best Value reports – Edinburgh, Borders
August	23	Commission meeting – Best Value reports – Orkney, Clackmannan
September	13	Commission meeting
	27	PA Committee – key messages Waste Management, Fire; study brief Civilian Community Planning
October	11	Commission meeting
November	8	Commission meeting – SPI Direction
	15	Commission meeting – Best Value reports
	22	FAA Committee
December	6	PA Committee
	13	Commission meeting
	20	Commission meeting – Best Value Reports