

Minutes of Meeting of the
Accounts Commission held in the
offices of Audit Scotland, 110
George Street, Edinburgh on
Wednesday 20 September 2006
at 10.30am.

PRESENT: A MacNish (in the Chair)
A Alexander
J Couper
A Faulds
K Geddes
A Leslie
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
R Nicol, Assistant Director of Performance Audit (item 13)

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Minutes
3.	Membership
4.	Ministerial Visit
5.	COSLA
6.	Senior Management in Audit Scotland
7.	Deputy Auditor General
8.	Financial Audit and Assurance Committee
9.	Best Value audit of Renfrewshire Council
10.	Efficient Government Review 2005-6
11.	Review of Regulation, Audit, Inspection and Complaints Handling
12.	Priorities and Risks Framework 2006/7
13.	Performance Information Direction 2006 – Consultation on Police SPIs
14.	Freedom of Information
15.	Valedictory

1. Apologies

Apologies for absence were intimated on behalf of John Baillie, Owen Clarke and Isabelle Low.

2. Minutes

The minutes of meetings of 12 July and 9 August 2006 were submitted and approved.

3. Membership

The Commission noted that formal advice of the Minister's decision on membership of the Commission is awaited.

4. Ministerial Visit

The Chair advised the Commission that Tom McCabe MSP, Minister for Finance and Public Service Reform intends to visit the Commission for an informal discussion at its meeting on 8 November.

5. COSLA

The Chair advised the Commission of recent discussions with the President and Chief Executive of COSLA on the progress of the Best Value audit programme and the conduct of the proposed review of the audit process. A particular point arising from the discussion is the apparent need to achieve better understanding amongst local authorities of the role of the Commission itself.

6. Senior Management in Audit Scotland

The Chair congratulated Hugh Hall on his recent appointment to the position of Director of Finance in Scottish Enterprise. He advised the Commission of the proposed realignment of senior management in Audit Scotland consequent upon Hugh's departure.

7. Deputy Auditor General

Caroline Gardner referred to a number of matters of current interest including the likely involvement of the Audit Committee of the Scottish Parliament in discussions with East Ayrshire Council prompted by the recent Best Value audit report there.

8. Financial Audit and Assurance Committee

The minutes of meeting of the Financial Audit and Assurance Committee of 14 July 2006 were submitted and noted and the recommendations contained therein were approved.

9. Best Value Audit of Renfrewshire Council

There was submitted a note of a meeting between Commission representatives and the representatives of Renfrewshire Council which took place on 31 August 2006 as a follow-up to the Best Value audit report and findings on that Council. The Council's Best Value Improvement Plan was also circulated.

The Commission agreed –

- i. to note the terms of the discussion with the Council's representatives;
- ii. to note the Best Value Improvement Plan of the Council, and
- iii. to indicate that the next Best Value audit report of Renfrewshire Council should be submitted as part of the normal cycle of Best Value audits.

10. Efficient Government Review 2005-6

There was submitted a report by the Managing Director of Audit Services providing a progress update on the work being carried out in Audit Scotland as part of the ongoing review of the Efficient Government Initiative. The report also outlined plans for reporting the findings of this work. In discussion it was emphasised that reporting on issues relating to the performance of local government would be a matter for the Commission. Thereafter the Commission noted the report.

11. Review of Regulation, Audit, Inspection and Complaints Handling

There was submitted a report by the Deputy Auditor General giving the Commission an update on the independent review of regulation, audit, inspection and complaints handling of public services in Scotland announced by the Scottish Executive on 7 June 2006. The report described the process which the review would follow and outlined Audit Scotland's current and proposed engagement. The Commission agreed –

- i. to note the report, and
- ii. to request Audit Scotland to prepare a draft submission to the review on behalf of the Commission.

12. Priorities and Risks Framework 2006/7

There was submitted a report by the Director of Performance Audit (Local Government) and the Director of Audit Services (Local Government) on progress in preparing the Local Government Priorities and Risks Framework for 2006/7. A copy of the draft Priorities and Risks Framework document accompanied the report. In discussion of the report a number of points were made –

- When considering operational risks and risk areas it is important to review the way in which the stated objectives of councils relate to one another and are achievable
- Capacity issues are not confined to senior management alone
- It is important to set out clearly at the beginning of the introduction to the document the overall purpose of its preparation

Thereafter the Commission welcomed the Priorities and Risks Framework document as a significant contribution to the audit process for 2006/7.

13. Performance Information Direction 2006 – Consultation on Police SPIs

There was submitted a report by the Director of Performance Audit (Local Government) referring to the Commission's decision to propose no changes to indicators for council services or fire and rescue services in preparation for the 2006 Direction and to await proposals on SPIs for the Police Service. The report outlined

discussions with the Police Performance Senior Strategic Steering Group (SSSG) and proposed that the Commission consult about possible changes to two of the existing SPIs for the Police Service for 2007/8. A draft consultation paper accompanied the report. After discussion the Commission agreed to consult on proposals for changes to the Police SPIs as set out in the report.

14. Freedom of Information Request

There was submitted a report by the Secretary on a request for information under the Freedom of Information legislation, relating to the Commission's consideration of the Best Value audit report on Comhairle nan Eilean Siar. The report detailed the request and outlined the process for its consideration within Audit Scotland. A copy of the request and associated correspondence accompanied the report. After consideration the Commission agreed –

- i. that the formal report by the Secretary and the formal minute of the Commission meeting relating to the Best Value report on that Council be released, and
- ii. that other information concerning the Commission's consideration of the Best Value audit report be withheld because it is exempt under section 30 of the Freedom of Information (Scotland) Act 2002 which relates to prejudice to the effective conduct of public affairs.

15. Study Sponsors and Best Value Link Members

The Commission reviewed the allocation of members as study sponsors and as link members for individual Best Value audits and agreed some revisions and additions.

16. Valedictory

As this was the last meeting of the Commission to be attended by Peter McKinlay whose term of office expires on 30 September 2006 the Chair referred to Peter's distinguished service as a member of the Commission, thanked him for his contribution and wished him well for the future on the Commission's behalf.

The Chair also referred to the service of Hugh Hall as Managing Director in Audit Services, congratulated him on his recent appointment to Scottish Enterprise and thanked him for his contribution to the Commission's work.