

Minutes of Meeting of the  
Accounts Commission held in the  
offices of Audit Scotland, 110  
George Street, Edinburgh on  
Wednesday 11 October 2006 at  
10.30am.

PRESENT: A MacNish (in the Chair)  
J Baillie  
O Clarke  
J Couper  
A Faulds  
K Geddes  
A Leslie  
I Low  
I Robertson

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit  
D Pia, Director of Public Reporting (Local Government)  
F Kordiak, Assistant Director of Audit Services (Local Government)  
A McCubbin, Communications Officer  
W F Magee, Secretary  
N Bridle, Assistant Director of Public Reporting (items 7 and 8)  
L McGiffen, Best Value Performance Manager (item 7)

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Minutes
3.	Membership
4.	Chairman's Introduction
5.	Progress Update
6.	Performance Audit Committee
7.	Best Value Audit of West Dunbartonshire Council
8.	Review of Audit of Best Value and Community Planning
9.	Audit Charges 2006/7 Audits
10.	Meetings in 2007

1. Apologies

Apologies for absence were intimated on behalf of Alan Alexander and Mahendra Raj.

2. Minutes

The minutes of meeting of 20 September 2006 were submitted and approved.

3. Membership

The Secretary advised the Commission that letters of appointment had been issued on behalf of Scottish Ministers for the re-appointment of members as follows –

Isabelle Low – Deputy Chair – until 30 September 2009  
Ann Faulds – member – until 30 September 2009  
Owen Clarke – member – until 30 September 2009  
John Baillie – member – until 30 September 2010  
Alyson Leslie – member – until 30 September 2010  
Iain Robertson – member – until 30 September 2010

The Commission noted the terms of the re-appointments and congratulated the members concerned.

4. Chairman's Introduction

The Chairman referred to a number of matters of current interest including his contribution to the forthcoming conference of the Institute of Internal Auditors.

5. Progress Update

Fiona Kordiak advised the Commission of the completion by the due date of all the audit certificates for councils and on progress in the completion of the final audit reports in respect of them.

David Pia advised the Commission of progress in developing the reporting mechanisms on the Efficient Government Initiative.

6. Performance Audit Committee

The minutes of meeting of the Performance Audit Committee of 27 September 2006 were submitted and noted and the recommendations contained therein were approved.

7. Best Value Audit of West Dunbartonshire Council

There were submitted –

- Report by the Secretary introducing the Controller of Audit's report on the Best Value audit of West Dunbartonshire Council
- The Controller of Audit's report to the Commission under section 102 of the Local Government (Scotland) Act 1973 on the Best Value audit of West Dunbartonshire Council
- Letters of 6 and 11 October from the Chief Executive of West Dunbartonshire Council

- Letter of 10 October from Councillor Craig McLaughlin of West Dunbartonshire Council.

Bill Magee advised the Commission of events surrounding the issue of the Controller of Audit's report, including comment in the media. Caroline Gardner and members of the Best Value audit team answered questions by the Commission. Thereafter the Commission, in the light of all the circumstances of this case and of the representations received, agreed to hold a hearing in respect of the Controller of Audit's report under section 103 of the 1973 Act. It was remitted to the Chair and the Secretary to make the necessary arrangements for the hearing to take place.

#### 8. Review of Audit of Best Value and Community Planning

There was submitted a report by Caroline Gardner referring to the Commission's decision to undertake a review of the progress of the Best Value audits and setting out proposals for the conduct of that review. It was proposed that there should be three phases to the review –

- A public consultation paper
- A report commissioned from an independent source
- Commission meetings with council leaders and chief executives to discuss proposals prior to decisions which would apply to the next round of Best Value audits.

In discussion a number of points were made –

- The proposed consultation paper should attempt to pose specific questions for answer by respondents
- Key points which have emerged from discussions with councils at the conclusion of their Best Value audits should be included in the consultation paper, including matters relating to the input to the audit by peers and consumers of services, the perceived gap between the audit reports and the Commission's findings and whether or not scoring mechanisms should be used
- Consideration should be given to demonstrating the impact of the audits where possible
- In addition to meeting representatives of councils, Commission members should meet other principal stakeholders.

Thereafter the Commission agreed, subject to the above comments, to approve the proposals contained in the report for the conduct of the review of Best Value audits.

#### 9. Audit Charges 2006/7 Audits

There was submitted a report by the Director of Audit Strategy setting out proposed audit charges for the 2006/7 audits. The report outlined the principal assumptions used in the construction of the outline budget for Audit Scotland for the financial year 2007/8, proposed audit charges for 2006/7 audits and the effect on charges to individual audited bodies. The Commission agreed to approve the proposals for charges as set out in the report.

10. Meetings in 2007

There was submitted a report by the Secretary on a proposed schedule of meetings for the Commission and its committees in 2007. In discussion a number of points were made –

- It will be possible to hold the Strategy Seminar in Spring 2007 during the period preceding the Elections
- In planning for future years there is no longer any need to avoid arranging meetings in August.

The report proposed that provisional dates for meetings be fixed, given the uncertainty of the programme of reporting at this stage, on the understanding that not all the meetings will be required and can be cancelled as appropriate.

Thereafter the following programme of provisional dates for meetings of the Commission and its committees for 2007 was agreed –

January	17	Commission meeting
	24	Commission meeting
February	14	Commission meeting
	21	Performance Audit Committee
March	14	Commission meeting
	28	Financial Audit and Assurance Committee
April	11	Commission meeting
	18	Performance Audit Committee
May	9	Commission meeting
	16	Commission meeting
June	6	Financial Audit and Assurance Committee
	13	Commission meeting
	20	Performance Audit Committee
July	4	Commission meeting
	25	Performance Audit Committee
September	5	Performance Audit Committee
	12	Commission meeting
	26	Commission meeting
October	10	Commission meeting
November	7	Financial Audit and Assurance Committee
	14	Commission meeting
	28	Commission meeting
December	5	Performance Audit Committee
	12	Commission meeting

