

Minutes of the meeting of the Accounts
Commission held in the Offices of Audit
Scotland, 110 George Street, Edinburgh
on Wednesday 14 February 2007 at
10.30 am

PRESENT: A MacNish (Chair)
A Alexander
J Baillie
K Geddes
I Robertson
D Sinclair

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit
D Pia, Director of Public Reporting (Local Government)
F Kordiak, Acting Director of Audit Services (Local Government)
W F Magee, Secretary
N Bridle, Assistant Director of Public Reporting (items 6 and 7)
L McGiffen, Best Value Performance Manager (items 6 and 7)

<u>Item No</u>	<u>Subject</u>
1.	Membership
2.	Apologies
3.	Minutes
4.	Deputy Auditor General
5.	Chair's Introduction
6.	Best Value Audit of Scottish Borders Council
7.	Best Value Audit of West Dunbartonshire Council
8.	Strategy Seminar
9.	Audit Scotland Financial and Performance Information
10.	Best Value Audit Reports

1. Membership

The Commission welcomed Douglas Sinclair to his first meeting as a member of the Commission. The Commission agreed that he should become a member of the Performance Audit Committee. The Commission approved a revised note of members linked to Best Value audits which was circulated.

2. Apologies

Apologies for absence were intimated on behalf of Owen Clarke, Jean Couper, Ann Faulds, Isabelle Low and Mahendra Raj.

3. Minutes

The minutes of meetings of 17, 24 and 31 January 2007 were submitted and approved.

4. Deputy Auditor General

Caroline Gardner advised the Commission of a number of matters of current interest including discussions at the Conference of SOLACE.

5. Chair's Introduction

The Chair referred to a number of matters of current interest including –

- The forthcoming Annual Conference of COSLA
- Discussions with the Commission's sponsor branch in the Scottish Executive about membership issues.

6. Best Value Audit of Scottish Borders Council

There was submitted a report by the Secretary introducing the Controller of Audit's report on the Best Value audit of the Scottish Borders Council. The Controller of Audit's report was made to the Commission under section 102(1)(c) of the Local Government (Scotland) Act 1973. The Controller of Audit answered questions from members. Thereafter the Commission agreed to make findings as contained in the Appendix to these minutes.

7. Best Value Audit of West Dunbartonshire Council

There was submitted and noted a report by the Director of Public Reporting (Local Government) outlining the approach to be taken in future audit work to monitor the Council's Improvement Plan through to the follow up report required by the Commission. In addition the Commission noted a letter of 19 January 2007 from the Chief Executive of West Dunbartonshire Council containing the Council's response to the findings of the Commission on the Best Value audit report.

8. Strategy Seminar

There was submitted a report by the Secretary advising Commission members of the arrangements for the Annual Strategy Seminar to be held on 13/14 March. The Commission approved the arrangements for the Seminar as proposed.

9. Audit Scotland Financial and Performance Information

There was submitted a report by the Director of Corporate Services containing financial and performance information for Audit Scotland to 31 December 2006. During consideration of the report there was discussion about the performance of appointed firms of auditors. Thereafter the Commission noted the report.

ACCOUNTS COMMISSION FOR SCOTLAND
BEST VALUE AUDIT OF THE SCOTTISH BORDERS COUNCIL
FINDINGS

1. The Commission accepts this report on the performance of the Scottish Borders Council's statutory duty to secure Best Value and to initiate and facilitate the Community Planning process. The Commission recognises that the report gives a broad picture of the Council's performance based on the work of Audit Scotland and the findings of other scrutiny bodies such as Inspectorates and that it does not attempt a comprehensive review of all service delivery. We acknowledge the co-operation and assistance given to the audit process by members and officers of the Council.
2. The Commission recognises that Scottish Borders Council has made substantial progress in recent years. It has invested significantly in response to the findings of inspection and audit reports, has built its senior management capacity and has developed appropriate political and management monitoring systems and processes. It is an ambitious Council that is realistic about its strengths and weaknesses. It has put in place many of the building blocks of the Best Value regime, including –
 - Good arrangements for Community Planning and joint working
 - Effective leadership and clear strategic direction by elected members and senior officers
 - Leadership development for members and officers
 - Effective scrutiny
 - Open and transparent decision making, particularly through area committees
3. Many of the improvements in corporate processes have been introduced in recent times and the task for the Council is now to build on these processes to achieve improvements in service delivery. In doing so, the Council needs to focus on the capacity of the organisation to deliver a very ambitious improvement programme, as there is a wide gap between the council's current performance and its aspirations.

4. There are areas of concern which the Commission has identified from the Best Value audit report and which merit the Council's particular attention in developing an Improvement Plan –
 - Lack of a clear corporate asset management strategy
 - A fragmented approach to customer care exemplified by its failure to rationalise council offices
 - The need to demonstrate competitiveness in directly provided services
 - The need to increase the momentum in addressing strategic procurement
 - Prioritisation of roads maintenance and the deteriorating performance of the planning application service.
5. We welcome the Council's recognition of the areas in which improvement is needed and we look forward to receiving an Improvement Plan which takes account of the Best Value audit report and these findings.