

Minutes of the meeting of the Accounts Commission held in the offices of Audit Scotland, 110 George Street, Edinburgh on Wednesday 12 December 2007 at 10.30am.

PRESENT: J Baillie (Chair)
O Clarke
J Couper
M Docherty
K Geddes
J King
I Low
I Robertson
D Sinclair

IN ATTENDANCE: D Pia, Director of Public Reporting (Local Government)
B Hurst, Director of Public Reporting (NHS and Central Government) (items 1-8)
L Bradley, Director of Audit Services
C Coull, Secretary
L McGiffen, Portfolio Manager, Public Reporting (Best Value) (item 8)
N Hex, Portfolio Manager, Public Reporting (Health & Community Care) (item 7)
C Smith, Project Manager, Public Reporting (Health & Community Care) (item 7)
G Greenhill, Portfolio Manager, Public Reporting (Central Government) (item 8)
S Lovatt, Project Manager, Public Reporting (Central Government) (item 8)

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Minutes
3.	Chair's Introduction
4.	Report by the Controller of Audit
5.	Membership of Committees
6.	Performance Audit Committee
7.	Review of Free Personal and Nursing Care
8.	Promoting and Improving Energy Efficiency – Project Brief
9.	West Dunbartonshire Council Best Value Follow-up Report
10.	Best Value Audit of East Lothian Council
11.	Best Value Audit of Clackmannanshire Council
12.	Audit Scotland Financial and Performance Information – Quarter 2 July – September 2007
13.	Programme of Meetings

1. Apologies

Apologies for absence were intimated on behalf of Alan Alexander and Adrienne Kelbie.

2. Minutes

The minutes of meeting of 14 November 2007 were submitted and approved.

3. Chair's Introduction

John Baillie reported on the media event which had been held on 16 November and thanked all those who had been involved. He also referred to the recent consultation meetings with councils on the future of Best Value, which would be the subject of a report to the Commission in January.

4. Report by the Controller of Audit

There was submitted a written report by the Controller of Audit providing an update on a number of matters of current interest:-

- Crerar Report
- Scottish Government outcomes approach – a copy of the concordat governing the relationship between the Scottish Government and local government was attached to the report
- Best Value meetings with councils
- Audit Scotland developments - a copy of the Local Government Priorities and Risks Framework for 2007/08 was attached to the report.

A copy of Audit Scotland's local government sector plan was circulated at the meeting.

David Pia, speaking to the report in the absence of the Controller of Audit, advised that Caroline Gardner had agreed to join a programme board which was being set up to oversee the implementation of the Crerar report.

The Commission agreed to note the report by the Controller of Audit. It was also agreed that the Commission be kept informed of publications from the Audit Commission.

5. Membership of Committees

The Commission agreed to homologate the appointment of:-

- Douglas Sinclair as Chair of the Performance Audit Committee
- Michael Docherty as Chair of the Financial Audit and Assurance Committee
- Adrienne Kelbie as a member of the Performance Audit Committee
- James King as a member of the Financial Audit and Assurance Committee.

6. Performance Audit Committee

The minutes of meeting of the Performance Audit Committee of 28 November 2007 were submitted and noted and the recommendations therein were approved.

7. Review of Free Personal and Nursing Care

There was submitted a report by the Director of Public Reporting (NHS and Central Government) seeking approval for the joint Accounts Commission and Auditor General draft report and key messages document on the study of free personal and nursing care. Barbara Hurst spoke to the report and indicated that there was still some minor fine tuning required in terms of the wording.

The Commission agreed to approve the report for publication, subject to minor fine tuning of wording. The Chair thanked all members of the team for their work in compiling the report in such a short timescale.

Following discussion on the recurring issue of lack of outcome measures and the need for more detailed financial planning for new government policies, it was agreed to request Audit Scotland to give consideration to the possibility of carrying out a study in this regard.

8. Promoting and Improving Energy Efficiency – Project Brief

Iain Robertson declared an interest in this item, as an adviser to an energy trading company.

With reference to paragraph 5 of the minute of meeting of the Performance Audit Committee of 28 November 2007, there was submitted a report by the Director of Public Reporting (NHS and Central Government) with an attached brief for a possible joint study with the Auditor General for Scotland on promoting and improving energy efficiency in the public sector.

In discussion a number of points were made:-

- The study should be widened to include efficiency in the procurement of energy and the issues and investigations matrix amended
- There should be robust financial data on how best value is evaluated in this regard
- The study should report performance both at promoting energy efficiency and at delivering it.

The Commission agreed to approve the project brief for its interest, subject to inclusion of the above points, and remitted to the Chair to consider the appointment of members as study sponsors.

9. West Dunbartonshire Council Best Value Follow-up Report

Jean Couper declared an interest in this item as one of the consultants working with the Council. Michael Docherty declared an interest in this item as he had previously worked with the Council as a consultant. Both members left the room and took no part in the consideration of the item.

There was submitted a report by the Secretary introducing the report of the Best Value follow-up audit carried out at West Dunbartonshire Council. The report was made by the Controller of Audit under Section 102 of the Local Government (Scotland) Act 1973.

Following discussion, the Commission agreed to make findings as contained in the Appendix to this minute.

10. Best Value Audit of East Lothian Council

There were submitted:-

- i. Letter dated 8 November from the Chief Executive advising that East Lothian Council had considered the report by the Controller of Audit and the findings of the Accounts Commission on 23 October 2007, and attaching a copy of the covering report and the draft minute of that meeting, and
- ii. Note of meeting between representatives of the Commission and representatives of East Lothian Council held on 15 November 2007.

The Commission noted the position and agreed that the next Best Value audit of East Lothian Council be carried out in the normal cycle of Best Value audits.

11. Best Value Audit of Clackmannanshire Council

There were submitted:-

- i. Letter dated 21 November from the Chief Executive attaching a copy of the report and action plan which had been approved by that Council on 8 November, and
- ii. Note of meeting on 29 November between representatives of the Commission and representatives of Clackmannanshire Council.

The Commission noted the position and agreed that the next Best Value audit of Clackmannanshire Council be carried out in the normal cycle of Best Value audits.

12. Audit Scotland Financial and Performance Information – Quarter 2 July – September 2007

There was submitted a report by the Director of Corporate Services presenting financial and performance information for Audit Scotland for the period to 30 September 2007.

The Commission agreed to note the terms of the report.

13. Programme of Meetings

The Commission agreed to meet on the following dates:-

23 January
28 February
19 March
23 April
21 May
18 June

It was also agreed that committees meet as follows:-

Financial Audit and Assurance Committee – 2 April
Performance Audit Committee – 8 February and 7 May

ACCOUNTS COMMISSION FOR SCOTLAND
WEST DUNBARTONSHIRE COUNCIL BEST VALUE PROGRESS REPORT
FINDINGS

When the Commission made findings on the Best Value report on West Dunbartonshire Council in February 2007, it required a further report by the Controller of Audit on the progress made by the Council as at 31 July 2007 and the Commission accepts this report as fulfilling that requirement. The Commission recognises that the report gives a broad picture of the Council's performance based on the work of Audit Scotland and 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.

The Commission acknowledges the Council's increased commitment to continuous improvement and the progress made by the Council within a fairly short timescale. We endorse the conclusions of the Controller of Audit in her report and would urge the Council to move forward as quickly as possible on the areas where limited progress has been made. Priority should be given to:-

- Continuing to develop member-officer relationships
- Establishing arrangements to demonstrate the competitiveness of its services
- Developing robust financial planning
- Improving community engagement.

The Commission believes that West Dunbartonshire Council needs a longer period of time to put in place the improvements required to demonstrate Best Value and would encourage the Council to increase the momentum of change. The Commission accordingly requires a further report from the Controller of Audit in eighteen months time.