

Minutes of the meeting of the Accounts Commission held in the offices of Audit Scotland, 110 George Street, Edinburgh on Wednesday 30 April 2008 at 10.30am.

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

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit  
D Pia, Director of Public Reporting (Local Government)  
C Coull, Secretary  
F McKinlay, Assistant Director, Best Value  
C Brown, Portfolio Manager, Best Value (item 2)  
N Bennett, Partner, Scott-Moncrieff (item 2)  
P Reilley, Best Value Performance Auditor (item 3)  
C Revie, Partner, PricewaterhouseCoopers (item 3)  
G Smail, Portfolio Manager (item 4)

<u>Item No</u>	<u>Subject</u>
1.	Apologies for Absence
2.	Best Value Audit of Orkney Islands Council
3.	Best Value Audit of North Lanarkshire Council
4.	Aberdeen City Council Property Sales Investigation
5.	Strategy Seminar 2008 - Action Points

1. Apologies

Apologies for absence were intimated on behalf of Michael Docherty, Ann Faulds and Adrienne Kelbie.

2. Best Value Audit of Orkney Islands Council

There was submitted a report by the Secretary introducing the Controller of Audit's report of the Best Value audit of Orkney Islands Council. The report was made by the Controller of Audit under section 102 of the Local Government (Scotland) Act 1973. The Controller of Audit, members of the Best Value audit team and the appointed auditor answered questions by members of the Commission.

Thereafter the Commission agreed to make findings as contained in Appendix 1 to these minutes.

3. Best Value Audit of North Lanarkshire Council

There was submitted a report by the Secretary introducing the Controller of Audit's report of the Best Value audit of North Lanarkshire Council. The report was made by the Controller of Audit under section 102 of the Local Government (Scotland) Act 1973. The Controller of Audit, members of the Best Value audit team and the appointed auditor answered questions by members of the Commission.

Thereafter the Commission agreed to make findings as contained in Appendix 2 to these minutes.

4. Aberdeen City Council Property Sales Investigation

There was submitted a report by the Secretary introducing the Controller of Audit's report on the property sales investigation in Aberdeen City Council. The report was made by the Controller of Audit under section 102(1) of the Local Government (Scotland) Act 1973. The Controller of Audit answered questions by the members of the Commission.

Thereafter the Commission agreed to hold a hearing in respect of the report; and, given the arrangements already in place for a hearing into the report by the Controller of Audit on the audit of Best Value and Community Planning in Aberdeen City Council, agreed to cover this report as part of that hearing.

5. Strategy Seminar 2008 – Action Points

With reference to article 9 of the minute of meeting of the Commission of 19 March 2008 there was submitted a report by the Secretary with appropriate timescales attached to the action points from the Strategy Seminar. The Commission noted that it had been agreed at its meeting on 23 April to report back to external stakeholders regarding progress on Best Value 2 and, with that amendment, approved the report.

**ACCOUNTS COMMISSION FOR SCOTLAND**  
**BEST VALUE AUDIT OF ORKNEY ISLANDS COUNCIL**  
**FINDINGS**

1. The Commission accepts this report on the performance of Orkney Islands 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 the challenges faced by Orkney Islands Council arising from its remote and dispersed geography. We acknowledge the Council's good leadership and its performance in a number of areas, and the innovative approach which it has adopted in response to its circumstances, in particular in its partnership arrangements with NHS Orkney and its joint working with community councils.
3. We particularly welcome-
  - the Council's level of self awareness
  - its culture of openness
  - the extent of community engagement
  - the Council's financial planning and sustainability
4. With regard to areas where the Council needs to make progress we would highlight the following-
  - The Council needs to adopt innovative approaches to building capacity, particularly to support corporate functions
  - There is a need for effective corporate performance management arrangements
  - The community and corporate plans need to be supported by clear action plans with specific, measurable targets and milestone dates
  - A number of the basic systems and processes to support and demonstrate best value are not yet in place
5. The Commission notes that the Council carries out benchmarking with the other islands councils and would encourage it to benchmark with a wider range of councils, to enable benefits to be achieved from best practice elsewhere in Scotland. We look forward to receiving an improvement plan with measurable and achievable outcomes, which will build on the good work being done by the Council.

**ACCOUNTS COMMISSION FOR SCOTLAND**  
**BEST VALUE AUDIT OF NORTH LANARKSHIRE COUNCIL**  
**FINDINGS**

1. The Commission accepts this report on the performance of North Lanarkshire 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. North Lanarkshire Council demonstrates a strong commitment to improvement. We recognise the challenges arising from the degree of deprivation in the area of the Council and the low base from which the Council started, and acknowledge the pace of change across the Council and its high rate of service improvement. We appreciate that the Council recognises areas where improvement is needed in service delivery and would encourage the Council to focus attention on these areas.
3. The particular aspects of the Council which the Commission welcomes include-
  - Good strategic direction, with good leadership and clear vision
  - Consultation with service users
  - A strong commitment to continuous improvement
  - Well developed arrangements for financial, asset and risk management.
4. The Commission will be interested to see the Council implement its improvement agenda, particularly in respect of-
  - An increase in uptake of training by elected members
  - The development of the scrutiny of policy implementation
  - The production of a comprehensive human resources strategy, together with improved sickness absence rates and staff morale.
5. We recognise that North Lanarkshire Council has the capacity and ability to build on its current high performance and look forward to seeing further improvement.