

ACCOUNTS COMMISSION

MEETING 15 NOVEMBER 2012

MINUTES OF PREVIOUS MEETING

Minutes of the meeting of the Accounts Commission held in the offices of Audit Scotland at 18 George Street, Edinburgh, on Thursday, 18 October 2012, at 10am

PRESENT: John Baillie (Chair)
Michael Ash
Alan Campbell
Sandy Cumming
Colin Duncan
Jim King
Christine May
Bill McQueen
Colin Peebles
Linda Pollock
Douglas Sinclair

IN ATTENDANCE: Barbara Hurst, Director of Performance Audit
Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVS I)
Fiona Kordiak, Director, Audit Services
Paul Reilly, Secretary and Business Manager
Antony Clark, Assistant Director, BVS I
Phil Grigor, Project Manager, (PAG) [Item 11]
Mark McCabe, Project Manager, BVS I [Item 12]

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Decisions on taking business in private
4.	Minutes of meeting of 13 September 2012
5.	Minutes of meeting of the Performance Audit Committee of 6 September 2012
6.	Minutes of meeting of the Financial Audit and Assurance Committee of 20 September 2012
7.	Chair's introduction
8.	Update report by the Controller of Audit
9.	Improving how the Commission manages its business
10.	Any other business
11.	Performance audit: Health inequalities in Scotland
12.	An overview of Best Value in Scottish police authorities and police forces

1. Apologies for absence

Apologies for absence were submitted from Graham Sharp.

2. Declarations of interest

Mike Ash declared an interest in item 11 as a member of the Board of NHS Lothian.

3. Decisions on taking business in private

It was proposed that items 11 and 12 should be taken in private as they include draft reports and confidential issues.

4. Minutes of meeting of 13 September 2012

The minutes of the meeting of 13 September 2012 were submitted and approved.

Arising therefrom, the Commission noted advice from the Secretary and Business Manager that:

(a) In relation to item 6 (Update report by the Controller of Audit), that the briefing from the Assistant Auditor General on welfare reform would take place at a future meeting.

(b) In relation to item 14 (Accounts Commission annual report), that the annual report was published on 2 October 2012 and was available on the Accounts Commission website.

(c) In relation to item 15 (Accounts Commission strategy and action plan), that the strategy and action plan were to be published on 31 October 2012.

5. Minutes of the meeting of the Performance Audit Committee of 6 September 2012

The minutes of the meeting of the Performance Audit Committee of 6 September 2012 were submitted and approved.

6. Minutes of the meeting of the Financial Audit and Assurance Committee of 20 September 2012

The minutes of the meeting of the Financial Audit and Assurance Committee of 20 September 2012 were submitted and approved, subject to the revision of the list of those present to exclude Sandy Cumming and Graham Sharp, both of whom had submitted their apologies for absence from the meeting.

7. Chair's introduction

The Chair reported that—

- On 17 September, he recorded a podcast in relation to the Commission's report on Strathclyde Police Authority, which was published on 20 September.
- On 19 September, Mike Ash attended, on behalf of the Commission, a conference on integrating health and social care. He advised that a report of the conference, produced by Mike Ash, had been circulated to members alongside the papers of this meeting.
- On 24 September, he recorded a podcast in relation to the Commission's report on Strathclyde Fire and Rescue Services Joint Board, which was published on 26 September.
- On 1 October, he attended a meeting of chairs of non-departmental public bodies hosted by the Scottish Government in Edinburgh, at which various matters were discussed, primarily around public sector reform.
- Also on 1 October, he recorded a podcast in relation to the Commission's report 'How Councils Work – Managing Performance', which was published on 4 October.
- On 4 October, he chaired a meeting of strategic scrutiny group, which comprises of the Commission and its scrutiny partners. He advised that a minute of the meeting would be circulated to members in early course.
- Also on 4 October, he chaired a meeting of the community planning partnerships audit steering group.
- On 12 October, Douglas Sinclair, Sandy Cumming and Jim King met with representatives of Lothian and Borders Fire and Rescue Board to discuss the Board's response to our joint Best Value audit and inspection, which was published on 27 March 2012.
- On 25 October, he and Douglas Sinclair would be meeting the Cabinet Secretary, John Swinney, and the Minister for Local Government and Planning, Derek Mackay, to discuss the ongoing community planning partnership audit development work. He advised that he would report on the outcome of that meeting at the Commission's next meeting.
- He would in early course be circulating his response, in his capacity as Chair, to the consultation undertaken by the Public Appointments Commissioner for Scotland on the administration of the public appointments process and the application of the 2011 Code of Practice for Ministerial Appointments to Public Bodies in Scotland.

The Chair congratulated on behalf of the Commission six members who were reappointed for a further term from 1 October 2012, namely Douglas Sinclair, Colin Duncan, Christine May, Colin Peebles, Linda Pollock and Graham Sharp.

The Chair also congratulated on behalf of the Commission Bill McQueen on his appointment as a member of the new Scottish Fire and Rescue Service.

8. Update report by the Controller of Audit

The Commission considered a report by the Controller of Audit providing an update on significant recent activity in relation to the audit of local government.

During discussion the Commission agreed:

- To note advice from Colin Peebles that the stakeholder round table discussion with stakeholders in relation to the 2012 Local Government Overview report was a positive and valuable one.
- To note advice from the Controller of Audit that he was intending to report to a future meeting on severance payments to senior local authority officers, more details on which he would update the Commission in due course.

Thereafter the Commission agreed to note the report.

9. Improving how the Commission manages its business

The Commission considered a paper by the Secretary and Business Manager setting out proposals on how the Commission may improve how it manages its business.

During discussion the Commission agreed:

- A proposed meeting schedule for 2013, subject to individual members confirming the suitability of specific meetings, upon which the Secretary and Business Manager would liaise with members in due course.
- As part of this schedule, and for an initial period of a year, for meetings of the Commission's two committees take place on the same day, with a programme of speakers to be introduced for such committee meeting days.
- To note the availability of video-conferencing arrangements for use by members in exceptional circumstances.
- To note the ongoing development of the business being covered by the Commission's committees.
- To note that a secure Commission extranet site would be launched in 2013.
- That other media for improving the circulation and management of papers, such as the use of handheld electronic technology, be investigated.
- That the effectiveness of the Accounts Commission website be reviewed.
- The practice of the Commission meeting in public be reviewed to gauge the potential for further improvements.

Action: Secretary and Business Manager

10. Any other business

The Commission noted that there was no other business to be considered.

11. Performance audit: Health inequalities in Scotland [in private]

The Commission considered a draft report and key messages from the Director of Performance Audit on the audit of health inequalities in Scotland , which had been prepared as a joint report on behalf of the Accounts Commission and the Auditor General for Scotland.

Following discussion, the Commission agreed:

- That the Directors of Performance Audit and BVS I consider, in conjunction with the Auditor General for Scotland and the performance audit sponsors, Mike Ash and Linda Pollock, how to better promote the report, including:
 - involving interests such as health board members, COSLA and the Scottish Government, perhaps for example through conferences or such events
 - ensuring good material for use by local auditors
 - targeting of specific groups of elected or Board members.
- That consideration of marketing and promotion issues be a standard part of future performance audit reports to the Commission.
- To approve the draft report, subject to consideration being given to a number of points raised in discussion and to further consultation with performance audit sponsors.
 - *Action: Director of Performance Audit*

12. An overview of Best Value in Scottish police authorities and police forces [in private]

The Commission considered a paper from the Secretary and Business Manager presenting a draft national overview report on the Best Value in Scottish police authorities and police forces.

The Chair welcomed Andrew Laing, Her Majesty's Inspector of Constabulary for Scotland, who along with the Director of BVS I presented the report.

Following discussion, the Commission approved the draft report, subject to consideration being given to a number of points raised in discussion and to delegate authority to study sponsors Alan Campbell and Sandy Cumming to sign off the final audit report prior to publication.