

ACCOUNTS COMMISSION

MEETING 12 DECEMBER 2013

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, 14 November 2013, at 10am

PRESENT: John Baillie (Chair)
Michael Ash
Alan Campbell
Sandy Cumming
Colin Duncan
Christine May
Bill McQueen
Colin Peebles
Graham Sharp
Douglas Sinclair (Deputy Chair)

IN ATTENDANCE: Fraser McKinlay, Controller of Audit
Paul Reilly, Secretary and Business Manager
Angela Canning, Assistant Director, Performance Audit and Best Value (PABV) [Item 9]
Antony Clark, Assistant Director, PABV [Item 7]
Angela Cullen, Assistant Director, PABV [Item 11]
John Lincoln, Project Manager, PABV [Item 11]
Lynn Russell, Performance Auditor, PABV [Item 10]
Fiona Selkirk, Project Manager, PABV [Item 10]
Martin Walker, Assistant Director, PABV [Item 10]

<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 17 October 2013
5.	Chair's introduction
6.	Update report by the Controller of Audit
7.	Briefing – approach to shared risk assessment
8.	Any other business
9.	Performance audit: Reshaping care for older people – draft report
10.	How councils work: Options appraisal – draft report
11.	Procurement Reform Bill: Call for Views by Infrastructure and Capital Investment Committee

1. Apologies for absence

Apologies for absence were received from Linda Pollock.

2. Declarations of interest

The following declarations of interest were made:

- Mike Ash, in item 9, as a member of the board of NHS Lothian
- Christine May, in item 10, as Vice-Chairman of Fife Cultural Trust.

3. Decisions on taking business in private

It was agreed that items 9 to 11 should be taken in private as they contained draft reports and confidential issues.

4. Minutes of meeting of 14 November 2013

The minutes of the meeting of 14 November 2013 were submitted and approved.

In relation to items 10 and 15 (Statutory report: Argyll and Bute Council), the Chair advised that he would shortly conclude replying to all those from whom he had received correspondence in relation to the statutory report, copies of which he had available to members on the Commission's secure portal.

5. Chair's introduction

The Chair reported that:

- On 22 October, he, along with Douglas Sinclair and Christine May, met with the Leader, political group leaders and the Chief Executive of the City of Edinburgh Council to discuss the Best Value audit report of the Council, which was published on 30 May.
- On 24 October he attended a meeting of the Audit Scotland Board.
- On 25 October, Douglas Sinclair, Mike Ash and Linda Pollock met with representatives of Aberdeenshire Council to discuss the report of the targeted Best Value work in the Council, which was published on 27 September 2013.
- On 29 October, he undertook various media activities in relation to the publication of the statutory report on Argyll and Bute Council.
- On 31 October, he undertook various media activities in relation to the publication of the How councils work report on charging for services.

6. 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:

- In relation to paragraph 5, to note advice from the Controller of Audit that he intended reporting to the Commission at its next meeting on targeted Best Value work in East Dunbartonshire Council.
- In relation to paragraph 21, to note advice from the Controller of Audit that he would monitor the progress of the business rate retention scheme in England, and any implications thereof for Scottish councils.

Actions: Controller of Audit

Thereafter the Commission agreed to note the report.

7. Briefing – approach to shared risk assessment

The Commission considered a report by the Controller of Audit advising of the proposed approach to and timetable for the 2014/15 shared risk assessment (SRA) process.

During discussion the Commission:

- Agreed to note advice from the Controller of Audit that he would report back on how to ensure an effective line of engagement between the SRA process and political structures in councils.

Action: Controller of Audit

- Agreed to note that proposed future consideration by the Commission into making more prominent in its work the issue of pace of improvement may have implications for the future design of the shared risk assessment process.
- Noted the proposed approach to, and timetable for, the 2014/15 SRA process.
- Noted the planned further development of the SRA process during 2014/15, including further consideration of the merits and practicalities of moving towards a more partnership and place-based SRA process.

8. Any other business

The Chair reported that Douglas Sinclair had been appointed as Chair of the Commission for a period of four years from 1 December 2013. On behalf of the Commission, he congratulated Douglas on his appointment and wished him well for his term. He also thanked Douglas for his work in his term as Deputy Chair of the Commission.

The Chair advised that this meeting would be his last as Chair. He stated that he had enjoyed his time as Chair, and in particular working with other Commission members. He noted his pleasure about the sense of teamwork that he had experienced amongst Commission members during his term, particularly latterly.

The Deputy Chair then, on behalf of the members of the Commission, thanked John for his hard work, dedication and considerable achievement during his term. He wished him well for the future.

9. Performance audit: Reshaping care for older people – draft report [in private]

The Commission agreed that this item be held in private to allow it to consider a draft performance audit report prepared jointly for the Accounts Commission and the Auditor General for Scotland, and proposed publication arrangements thereof.

The Commission considered a report by the Controller of Audit proposing a draft performance audit report, *Reshaping care for older people*, prepared on behalf of the Accounts Commission and the Auditor General for Scotland.

Following discussion, the Commission agreed:

- to approve the draft performance audit report *Reshaping care for older people*, subject to the audit team considering a number of points raised in discussion and consulting further with the sponsors of the performance audit, Linda Pollock and Bill McQueen.

Action: Controller of Audit

- that members of the Local Government and Regeneration Committee be also alerted to the publication of the report.
- to approve the other proposed methods of engaging with key stakeholders as set out in the Controller of Audit's report.

10. How councils work: Options appraisal – draft report [in private]

The Commission agreed that this item be held in private to allow it to consider and approve a draft report and proposed publication arrangements as presented in the report by the Controller of Audit.

The Commission considered a report by the Controller of Audit proposing a draft report in the *How Councils Work* series, *Options appraisal: are you getting it right?*

Following discussion, the Commission agreed that the Controller of Audit provide a revised draft to a future meeting of the Commission, and consult further with the sponsors of the report, Douglas Sinclair, Bill McQueen and Mike Ash, to this end.

Action: Controller of Audit

11. Procurement Reform Bill: Call for Views by Infrastructure and Capital Investment Committee [in private]

The Commission agreed that this item be held in private to allow it to consider a draft paper.

The Commission considered a report by the Secretary and Business Manager proposing a response, made jointly on behalf of the Accounts Commission and Auditor General for Scotland, to the call by the Scottish Parliament's Infrastructure and Capital Investment Committee for views on the general principles of the Procurement Reform (Scotland) Bill.

Following discussion, the Commission agreed the draft response, subject to the addressing of a number of points raised in discussion.

Action: Controller of Audit