

# Minutes and matters arising from previous meeting

Secretary to the Accounts Commission

**Item 4**  
Meeting date: 14 December 2023

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## Purpose

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the Commission along with a summary of matters arising from those minutes.

## Recommendations

2. The Commission is asked to:
  - Approve the attached draft minute of its previous meeting.
  - Consider any matters arising from the draft minute.

## Minutes

3. The minute of the previous meeting is in Appendix 1.
4. Members should note that the action tracker – available on the member SharePoint site and provided to members monthly – provides updates on progress from previous meetings.

# Minutes

Thursday 9 November 2023, 9.30am

Audit Scotland offices, 102 West Port, Edinburgh, and  
online via Microsoft Teams

504<sup>th</sup> meeting of the Accounts Commission

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## Present:

Ronnie Hinds (Interim Chair)  
Malcolm Bell  
Nichola Brown  
Andrew Burns  
Andrew Cowie  
Jennifer Henderson  
Christine Lester  
Angela Leitch  
Ruth MacLeod  
Mike Neilson  
Derek Yule  
Carol Evans

## In attendance:

Helena Gray, Controller of Audit  
Allan Campbell, Secretary to the Accounts Commission  
Fiona Mitchell Knight, Audit Director (items 5 and 12)  
Richard Smith, Senior Audit Manager, Audit Services (items 5 and 10)  
Mark Johnstone, Senior Auditor, Audit Services (items 5 and 10)  
Tracy Jones, Auditor, Performance Audit and Best Value (items 5 and 10)  
Antony Clark, Executive Director of Performance Audit and Best Value (items 11, 12 and 14)  
Mark Taylor, Audit Director, Performance Audit and Best Value (item 11)  
Jillian Matthew, Senior Manager, Performance Audit and Best Value (items 11 and 14)  
Michelle Borland, Head of Organisation Improvement, Innovation and Quality (item 12)  
Tricia Meldrum, Senior Manager, Performance Audit and Best Value (item 14)  
Vicki Bibby, Chief Operating Officer (item 15)

## 1. Apologies for absence

No apologies for absence had been received.

## 2. Declaration of connections

The following declarations of connection were noted:

- Jennifer Henderson declared a connection in relation to item 11, in relation to being Chief Executive of a public body (which is within the scope of the audit) and having previously sat on the Scottish Government's Digital Board. Her present and past roles were not sufficiently material connections to the subject matter under discussion.
- Michael Neilson declared a connection in relation to item 11, having been a Director within the Scottish Government with responsibility for digital inclusion between 2012 and 2016. This role was not a sufficiently material connection to the subject matter under discussion.
- Helena Gray declared a connection in relation to item 5, in her previous role as Director of Fair Work, Employability and Skills within Scottish Government had some engagement

with Dundee City Council and the child poverty pathfinders. This past role was not a sufficiently material connection to the subject matter under discussion.

- Carol Evans declared a connection in relation to item 6 as she has been involved in some of the SSSC consultations and focus groups as an employer / user of their services. This role was not a sufficiently material connection to the subject matter under discussion.

### **3. Order of business**

It was agreed that the following items be considered in private:

- Items 8 to 16, as they required the Commission to consider confidential policy matters.

### **4. Minutes of meeting of 12 October 2023**

The Commission considered a report by the Secretary presenting the minutes of the meeting of 12 October 2023, including a summary of business arising from the minutes.

Christine Lester asked for it to be made clear in the minutes that the Commission delegated the production of the findings on the Best Value report to the Interim Chair and the Secretary.

With no further comments, the minutes of the meeting were approved as a correct record.

### **5. Best Value in Dundee City Council**

The Commission considered a report by the Controller of Audit on Best Value in Dundee City Council (DCC).

During discussion,

- The Controller of Audit introduced the report highlighting the steady pace of improvement at the council. It was also advised that DCC had implemented all the recommendations from the previous Best Value report published in 2020. Commission members praised DCC, with one member describing the report as one of the most positive they had seen during their time with the Commission.
- The Controller of Audit was asked for examples of areas in which DCC is an exemplar, and highlighted its performance reporting, which clearly complies with the Statutory Performance Information Direction. She explained that DCC compares and benchmarks itself against its 'family group' of 8 councils, with which DCC has close links, and meets its target on 19 out of 36 indicators of performance. There was also broader discussion about partnership working, and what DCC is doing – and what more it could do – to share its approach and any lessons learned with other councils
- The audit team was asked why, despite all the good work being done by DCC which is highlighted in the report, the council area is still seeing high drug deaths, high levels of inequality and low educational attainment. The Controller of Audit explained that, in relation to drug deaths, work is led by the Integration Joint Board through the Alcohol and Drug Partnership, and that in general DCC recognises the challenges and is working with partners to address them, but that improved outcomes will take time.
- In relation to capital budgets, the audit team explained that underspends had been due to reprofiling of capital projects, and that DCC is on course to spend a greater proportion of its capital budget in 2023/24. Underspends in other areas were also likely to be due to

timing issues. Regarding the projected cumulative budget gap, it was highlighted that in 2022, the projected gap had been £45 million, so this had decreased to the figure of £38 million stated in the report.

- Regarding Participatory Budgeting (PB), the audit team explained that although DCC is not meeting its target of using PB for 1% of its budget, where it is in place it is doing well, with thorough engagement and consultation with communities. However, with recent additional examples of PB, and the budget consultation that is now being undertaken to identify potential savings, it may now have reached the 1% target.

After discussion, the Commission agreed to consider in private how to respond to the report.

## 6. Secretary's update report

The Commission considered a report by the Secretary to the Accounts Commission providing an update on significant recent activity relating to local government.

During discussion,

- It was agreed that the Local Government Financial Bulletin would be an opportunity for the Commission to comment, if required, on the issue of the Council Tax freeze in terms of its potential impact on council finances.
- It was suggested that the Commission could do more to raise its profile by commenting on or responding to issues or stories as they arise, rather than only doing so in subsequent reports. The Secretary provided reassurance to the Commission that the Support Team, in conjunction with the Audit Scotland Communications Team, kept these matters under consideration and prepared appropriate briefings for the Chair.
- In response to a query received prior to the meeting, the Secretary explained that the 'call for ideas' from the Improvement Service, highlighted in paragraph 14.2 of the report, was an informal exercise that did not require a response from the Commission. The Secretary also suggested to members that responses were not required to the formal consultations highlighted in this month's report.

Following discussion:

- The Commission agreed that responses were not required to the consultations highlighted in the report.

## 7. Any other public business

The Chair, having advised that there was no business for this item, closed the public part of the meeting.

## 8. Chair's update report

The Commission considered a report by the Chair providing an update on recent and upcoming activity.

Following discussion, the Commission:

- Noted the report.

## 9. Controller of Audit's update report

The Commission considered a report by the Controller of Audit providing an update on recent and upcoming activity. The Controller of Audit also asked members for their views on which aspects of her report are most valuable to the Commission.

During discussion,

- The Controller of Audit explained that 33% of local government audits for 2022/23 had been completed as of 1st November 2023 (compared to 41% this time last year), but the vast majority of audits are due to be signed off by the end of December 2023. More detail on audit completion overall will be provided in the Audit Scotland Q2 report, to be presented at the December Commission meeting.
- The Controller of Audit confirmed that a section 102 report on Renfrewshire Council will be presented to the Commission at the December meeting. This report is in relation to school provision at Dargavel and will focus on the council's response to the independent inquiry that the council had commissioned, which reported earlier this year.

Following discussion:

- It was agreed that the Commission valued the insight and analysis that the Controller of Audit brings through this item, whether in the written report and/or verbally, and it was for the Controller to decide how best to communicate updates in future.
- It was agreed that the scope of all Commission audits and reports would be shared with all members via the members' SharePoint site once they had been agreed.

**Action: Commission Support Team**

## 10. Best Value in Dundee City Council

The Commission considered its response to the report by the Controller of Audit on Best Value in Dundee City Council (DCC).

Following discussion, the Commission agreed to make findings to be published on 30 November 2023; the drafting of those findings would be delegated to the Interim Chair and the Secretary on behalf of the Commission and would then be circulated to all members for comment, with responsibility for final sign-off resting with the Interim Chair.

In discussing what the findings should include, the following general points were raised:

- DCC is making good progress, which it needs to sustain and continue in the coming years, and has implemented all the recommendations in the 2020 Best Value Assurance Report
- DCC has demonstrated effective leadership and a clear vision and plan for the future which it has communicated clearly; this has not been adversely affected by recent changes in leadership
- There are lessons for other councils to learn, and DCC could share insights on its approach and the work it has done
- There are still significant challenges in the city around drug deaths, educational attainment and inequalities, which DCC is taking action to address but it needs to maintain this focus

- DCC has good public performance reporting, which meets the requirements of the Commission's Statutory Performance Information Direction
- The council has shown good financial management, but it still faces a challenge in terms of its financial position for the coming years
- DCC is working well with partners to deliver demonstrable outcomes, such as through the pathfinder project, and has shown a commitment to engaging with communities

## 11. Emerging Messages – Digital Exclusion Performance Audit

The Commission considered a paper by the Executive Director of Performance Audit and Best Value (PABV) on emerging messages from the Digital Exclusion performance audit.

During discussion,

- Nichola Brown, one of the audit sponsors, advised members she is content with the emerging messages and supported the human-rights perspective used. She commented on the emerging default approach since the pandemic of providing services online, and it was agreed the audit will demonstrate the inequalities arising as a result. Additionally, Nichola said there is a need to build on what has been learnt from the audit team's engagement with people with lived experience; Nichola also highlighted the potentially unsustainable reliance on the third sector that had been identified through the audit work.
- The difficulty of framing recommendations that are feasible to implement without creating additional, excess financial burden was discussed. Antony Clark referred to current work being done to ensure recommendations from audits are achievable and measurable. Financial implications of digital exclusion for individuals were also highlighted, for example where people may be given devices but don't have the funds to continue using them.
- The question of whether and how the scale of exclusion can be measured were raised, including the extent to which exclusion is caused by individual or multiple factors, and what data is available to inform this. Jillian Matthew responded that while the scale is relatively small in terms of the proportion of the population affected, the scale of the impact on those people is significant.
- The reduction in the budget for Connecting Scotland, and consequently the number of households it can support, was highlighted – from £200 million and 300,000 households to £9m and 16,000 households. The audit team's work to incorporate rural and island communities' experience was warmly welcomed, including specific work to involve Tiree.
- The availability of data on people excluded due to reasons other than connectivity – for example cognitive issues such as dementia and individuals with additional learning requirements – was queried. Mark Taylor responded that the approach within the audit has been to take individual experiences like these and then investigate and 'test' how services respond to them, rather than taking a general, 'top-down' approach. Jillian Matthew added that while it was too late for any additional fieldwork in this area, the audit team is working with organisations representing, for example, people with learning disabilities. The audit team was asked whether they had considered the relative performance or quality of services provided via digital and non-digital means, and whether digital exclusion was being considered in the drafting of new legislation or other provisions in which there is scope to mandate the nature of service provision. Antony Clark stated that the audit team would think about the question of relative service quality but cautioned against getting into policy-related issues. Others in the audit team added that their focus was on ensuring the

protection of rights, and the Equality Impact Assessments – provided they are used effectively – have a role to play in this regard.

- The issue of a lack of joining up between datasets, which would avoid the need for people to provide data several times and/or multiple entry of data, was raised, with a view that this would support connectivity and accessibility. Antony Clark and Mark Taylor replied that this is a wide-ranging issue that may be the subject of future audit work.

Following discussion, the Commission

- Agreed that the findings from the audit will have importance for a wide range of public bodies and organisations.
- Agreed to evaluate how the final report will be promoted to the public and communities, with different outputs for different audiences including via non-digital means.
- Agreed that there may be opportunities through promotion and engagement to highlight some of the wider issues raised that may not be directly covered by the audit.

## 12. Strategy and work programme: Six-monthly impact report

The Commission considered a paper by the Executive Director of PABV on the Strategy and Work programme: Six-monthly impact report.

During discussion,

- The difficulty of measuring the success of recommendations addressed to multiple bodies was queried, with a suggestion that either they can be, or if not, recommendations should all be addressed to individual bodies instead. The challenge of measuring culture was also raised, with possible approaches discussed. Antony Clark reassured members that work was continuing on the issue of joint recommendations, including looking at which body has lead responsibility for implementing them, and the role of representative bodies. Michelle Borland added that there is a focus on ensuring that audit teams have a plan at the time of publication for how they will follow up on the recommendations that are made.
- It was suggested that trend data, for example showing levels of social media engagement achieved in relation to different reports over time, would shed more light on what numbers are good or less good and show whether there has been improvement over time. Antony Clark agreed to work with the Communications Team to look at including this in the next impact report.

### **Action – Executive Director of PABV and Communications Manager**

- The exclusion from the scope of the impact report of the Housing Benefit performance audit was queried, as well as whether impact measurement would be applied to the work of the contracted audit firms, with the potential need to provide relevant training or guidance. Antony Clark explained that the impact reporting is currently focused on the performance audit work of the PABV team and will in future be extended to Annual Audit work, although this will involve a different set of considerations.
- In response to a question about whether Audit Scotland receives feedback from public bodies on ways in which their behaviour is influenced by a particular audit report, Antony Clark explained that teams do get a lot of feedback, most of which is positive. However, the key consideration for audit teams when publishing is whether the work has had the appropriate level of scrutiny and challenge, more than how well it is received.

- The potential for a preventative impact because of reports and media coverage was also raised – the extent to which organisations follow recommendations or lessons learned from reports on other bodies and adapt their actions accordingly. Antony Clark responded that this is of course hard to measure or evaluate, but that there is a potential role for the Improvement Service in this area.

Following discussion, the Commission

- Noted the progress that has been made in implementing the impact monitoring, evaluation and reporting framework.

### **13. New Strategic Priorities and updates to Strategy**

The Commission considered an update by the Secretary to the Accounts Commission on new Strategic Priorities and updates to its Strategy.

During discussion, a number of further minor amendments to the Strategy were suggested, including:

- Renaming the ‘Funding’ priority to better capture its broader finance-related scope
- Adding references to Integration Joint Boards (IJBs) alongside councils
- Incorporating ‘efficiency and effectiveness’ within the ‘Reform’ priority
- Making reference to the Commission’s aim of supporting improvement in, as well as reporting on, performance.

Following discussion, the Commission

- Approved the new set of 5 strategic priorities and associated wording, and the other proposed updates and amendments to the Strategy, subject to the amendments discussed.
- Agreed that the Secretary would arrange for these amendments to be made and shared with Commission members by correspondence.

### **14. Service User Engagement**

The Commission considered an update by the Executive Director of PABV on Service User Engagement.

During discussion,

- The Commission queried whether audited bodies’ existing data is utilised for audit purposes. Antony Clark confirmed this is common practice, as well as using additional 3<sup>rd</sup> party data. Additionally, Jillian Matthew confirmed the use of reference panels has been incorporated into some areas of work.
- The Commission sought further detail on the make-up of the Youth Advisory Panel, including the extent to which it includes young people with additional support needs.



- The Commission also discussed how to reach hard to reach communities, and recognised the difficulties and resources involved in doing so meaningfully. Despite this, the Commission recognised the importance and value of this work.
- Antony Clark confirmed the use of other data sources and areas, to ensure that data isn't being duplicated.

Following discussion, the Commission

- It was agreed the team would feedback on the make-up of the Youth Advisory Panel.

**Action – Exec Director PABV**

- It was agreed that the team would liaise with communications colleagues on engagement with organisations with community reach.

**Action – Exec Director PABV & Communications advisor**

## 15. Partnership Working Framework

The Commission considered an update by Chair and the Chief Operating Officer on the Partnership Working Framework. The Commission was briefed that a meeting had been held with the COO, AGS and two members, Jennifer Henderson and Andrew Cowie, chaired by the Interim Chair, which had considered all points raised by current and recently left Commission members. The latter two members advocated acceptance of this latest draft.

During discussion,

- Vicki Bibby confirmed following approval by the Commission the PWF would be presented to the Audit Scotland Board for final ratification.
- Christine Lester and Malcolm Bell highlighted a concern around the dispute resolution process, as it does not outline a step-by-step process. Subsequently it was agreed the wording was sufficient and demonstrated the strength of the tri-partite agreement.

Following discussion, the Commission

- Approved the PWF.

## 16. Any other private business

The Chair, having advised that there was no further business for this item, closed the meeting.

## 17. Close of meeting

The meeting closed at 1.30 pm.