

Accounts | Annual
Commission | Report
2011/12

Who we are

The Accounts Commission is the public's independent spending watchdog for local government. We are a statutory body which, through the audit process, holds local authorities in Scotland to account and helps them improve. We operate independently of local authorities and of the Scottish Government, and we meet and report in public.

We expect local authorities to achieve the highest standards of governance and financial stewardship and the economic, efficient and effective use of their resources and provision of services.

To fulfil our responsibilities, we formulate independent objective opinions.

We do this by:

- securing the external audit of 32 councils and 45 joint boards and committees (including police and fire and rescue services) and performance audits at national level
- assessing the performance of local authorities in relation to Best Value and community planning
- carrying out national performance audits to improve economy, efficiency and effectiveness in local government
- following up issues of concern identified through our audit work
- requiring local authorities to publish good performance information.

You can find out more about our role and powers, as well as details of meetings and membership on the **Accounts Commission web pages**.

The Commission appoints, and considers audit reports by, auditors from **Audit Scotland** and private firms.

Further details of the Accounts Commission's budget, expenditure and resources, including business support, can be found in **Audit Scotland Annual Accounts 2011/12** which is available on Audit Scotland's website. Details of the Accounts Commission's membership are provided at Appendix 1.

Contents

Highlights

Page 4

Chair's message

Page 5

Our context

Challenges and change for local government

Page 6

Our work

The independent audit – holding to account and helping improve

The Financial Audit

Auditing Best Value in councils

Page 7

Auditing Best Value in the police

Auditing Best Value in fire and rescue services

Page 8

Holding councils to account on specific issues

Page 9

National performance audits

Page 10

Encouraging improvement: 'How councils work' series

Monitoring fraud and error: the National Fraud Initiative

Page 11

Improving and developing scrutiny

Joining up and improving scrutiny

Auditing community planning partnerships: developing an audit approach

Page 12

Improving performance information

Statutory Performance Indicators

Page 13

Our stakeholders

Engaging with our stakeholders

Page 14

Our members

Members of the Accounts Commission

Page 15

Highlights

100% of audits completed on time

joint boards annual audits

45

32 council annual audits

8 performance audit reports

Best Value fire and rescue audits

8

2 Best Value police audits

Best Value audits

2

3 statutory reports of council activities

impact reports published

2

less audit and inspection activity

1/3

3 CPPs areas to be piloted in 2012

3

Chair's message



John Baillie
Chair of the Accounts Commission

The Accounts Commission is aware of the importance of its role in these times of financial stringency and change. The last year saw our audit work reporting on the difficult financial conditions faced by councils.

In our overview of our audit work, we reported that local authorities had coped well so far with financial pressures but continued to face tough challenges from reducing budgets and growing demands for services. We welcomed the progress that local government has achieved in recent years but we also recognise the significant scale of the task that it faces. We also underlined our view that the year ahead offers opportunities for fresh thinking on service delivery, making the shift towards preventative spending and achieving more from partnership working. The aim, of course, is to deliver more integrated services that provide better value for money and improved outcomes for people and communities.

The year also saw us working with our scrutiny partners to ensure that our scrutiny and inspection work reflects the changes being seen in how services are delivered. We continued to shape and coordinate scrutiny and inspection, as well as to design our audit work to address the growing importance that community planning plays in the delivery of services by councils and their partner agencies.

Holding to account and helping improvement is at the core of our independent role. All 77 annual financial audits were completed on time and resulted in high quality published audit reports. Such high quality was underlined in feedback from local authorities: this is to the credit of our appointed auditors from Audit Scotland and private firms.

We also aim to help councils improve by other means. A key product of our Best Value audit work is the improvement plans put in place by the audited bodies. These form an important part of the annual audit work reported to us. Another important resource is our 'How councils work' series of reports, the latest of which was published. *Arm's-length external organisations: are you getting it right?* considered the use by councils of external organisations such as companies and trusts to deliver services. The report set out key points for councils and councillors to consider when involved with ALEOs, as well as tools to support good management and improve governance. We believe that this series of reports is a useful practical tool for councils striving to improve. Further reports will follow in the coming year.

Our performance audits over the year reflect the wide range of issues faced by local government. These audits also set out areas for improvement,

and our programme of audits is complemented by reports looking at the resultant impact of specific audits.

I am keen that the Commission continues to improve how it does its own work. We now hold our meetings in public and will continue to explore ways of making our work as prominent and accessible as possible.

I am pleased to report that two members were reappointed during the year. The terms of Mike Ash and Bill McQueen have been extended for their second term of three years to September 2014. I am grateful to all of the Commission's members for their hard work and dedication as we review and adapt our work in a changing environment.

In 2012, we will be publishing our strategy for the next three years. This strategy will set out how the Commission aims to deliver its commitment to provide assurance to the people of Scotland about how local government money is being spent.

John Baillie
Chair of the Accounts Commission

Our context

Challenges and change for local government

Our annual overview report draws on the findings from a range of sources across local government, including the annual audits, and Best Value and performance audit work.

In *An overview of local government in Scotland: Challenges and change in 2012*, we highlighted strengths, areas for improvement and some of the key future challenges facing councillors and officers in local government. In addition, our 2012 report contained useful information intended to be a practical guide for new and returning councillors after the May 2012 elections.

We reported that councils have coped well overall and welcomed the progress made in recent years. There is no doubt, however, that they face a period of continuing challenge and change with budget reductions and rising demands for services. In 2010/11:

- Scotland's 32 councils spent around £21 billion delivering vital public services. They made savings mainly through pay restraint and reducing staff numbers
- most councils operated within their budgets for the financial year and accounts indicate a relatively stable financial position
- the political coalitions or minority administrations in most councils following the 2007 elections had generally worked well

Looking ahead, we also identified some key opportunities and challenges facing local government. There are opportunities to develop fresh ideas on how to improve outcomes for people and

communities, however, difficult choices will also need to be made. It is essential, therefore, that councillors elected in May understand the situation they face as soon as possible. They will need good support, information and advice from the outset.

Specifically, we emphasised the need for:

- sound governance, accountability and robust performance information, including costs
- more action to address a backlog in maintaining buildings and roads and secure improvements in procurement
- effective planning and management of demand-led services like social work and housing
- good partnership working between agencies to tackle the significant, long-standing and complex health, social care and equality-related matters in Scotland
- more integrated services that achieve better value for money and outcomes for communities.

Those councils that place best value at the centre of all they do are well placed to deal with the challenges.

In setting out these challenges, we have identified where we would like to see our own work concentrate in forthcoming years. This will be developed in our 2012–15 strategy, but in summary, we want our work to focus on:

- the health and sustainability of council finances, backed up with good financial management
- the quality of leadership and the need for good governance, including openness and transparency
- the need for public services to be delivered in partnership
- the reshaping of public services around the prevention agenda
- delivering improved performance and thus improved outcomes for local communities.

We will continue to seek assurance on behalf of our stakeholders about how local government uses its resources. We want our work to help councils improve and meet the challenges facing them.

Our work

The independent audit – holding to account and helping improve



The Financial Audit

Our **annual financial audits** are the cornerstone of our role in holding public bodies to account and in providing public reassurance for the resources they use, their governance and their performance. Our appointed auditors – Audit Scotland and private firms – produce an annual audit report on each audit which are published on [Audit Scotland's website](#). The action plans in each audit report are evidence of the bodies' response to the audit. All 77 audit opinions on the 2010/11 accounts of local councils and joint board and committees were given by the end of September 2011 and all 77 annual audit reports issued by the end of October. This is a significant achievement on the part of the auditors we appoint.

'Clean' audit certificates were issued for all councils except Shetland Islands Council. The auditor reported that the council had failed to comply with proper accounting practice by not including the financial results of the Shetland Islands Charitable Trust in its group accounts. Since then, the Commission has engaged directly with the council to gauge progress towards a satisfactory position.

We ask audited bodies to tell us about their experience of the quality of our work on a regular basis. One hundred per cent of respondents to this year's survey strongly agreed or agreed that the external auditors provided a high-quality service.

The annual audits support local authorities in improving their services by providing them with objective and professional feedback. They are also an important source of information for the Commission as we seek assurance that local authorities are clear on how and where they need to improve.



Auditing Best Value in councils

The Accounts Commission scrutinises Best Value in local government. We carry out our Best Value scrutiny role in various ways. We secure the Best Value and Community Planning audit of local government. Since 2004, we have published our findings on full **Best Value audits** of each of the 32 councils in Scotland and all police and fire and rescue authorities. We gauge the impact of our audit work through monitoring the progress of councils against the improvement plans that they put in place as part of the Best Value audit.

Our Best Value work is based upon an assessment of risks for each council, which we do in conjunction with our scrutiny partners. This shared risk assessment process allows a programme of more targeted scrutiny work in all 32 councils, which looks at specific areas of council performance. These may reflect areas of significant concerns or uncertainty. Every year, we produce 32 individual **Assurance and Improvement Plans (AIPs)** which detail planned audit and

inspection work for each council over a rolling three-year period. The AIPs are a key building block in planning our Best Value work – for example, they highlight a particular risk or issue and help us target future scrutiny work to address it.

During 2011/12, we published our findings on two full Best Value and Community Planning audits of councils: Stirling Council (November 2011) and Comhairle nan Eilean Siar (November 2011). In both cases, the council has responded positively to our findings. Following the publication of each Best Value report, we visit each council to meet councillors and senior officers to discuss our findings and the council's response. This is an invaluable opportunity for councillors and the Commission to discuss the report first-hand.

- **Stirling Council** is taking forward the improvement recommendations. In December 2011, the council agreed to incorporate the audit findings and areas for improvement within existing improvement activities. Councillors also set out their intention to strengthen partnership working, for example by considering such arrangements in other areas of Scotland. We visited the council in February 2012 to discuss its response. No additional scrutiny work is planned in the council's **AIP 2012/15 update**.
- **Comhairle nan Eilean Siar** has responded well in taking action to address improvement areas and we are continuing monitor its progress. In December 2011, the comhairle approved a draft improvement action plan as the

Our work

basis for addressing the key improvement areas and embedding a process of continuous self assessment and evaluation within the comhairle. We visited the comhairle in May 2012 to discuss progress. The council's updated **AIP 2012/15** includes some Best Value follow-up work as well as work by the Care Inspectorate to support the comhairle in developing a self assessment and improvement plan.

We considered the outcome of audit activity targeting specific aspects of Best Value at four councils: Dumfries & Galloway, Moray, North Ayrshire and Fife councils. Our targeted work is helping councils to take forward improvements in specific areas. We found Dumfries & Galloway, North Ayrshire and Fife councils had made improvements, with Moray Council having plans in place to progress remaining areas of concern. Where required, we will follow up progress through additional scrutiny work or the annual audit for 2011/12.



Auditing Best Value in the police

We secure joint Best Value audits and inspections of police services and authorities in Scotland, in partnership with Her Majesty's Inspectorate of Constabulary for Scotland (HMICS). The Commission reports findings on the performance of police authorities and joint boards, while HMICS reports on the performance of police services.

During the audit period 2011/12, we published our findings on two police Best Value audits: Strathclyde Police and Strathclyde Police Authority (July 2011) and Lothian and Borders Police and Police Board (December 2011). We visited each authority and board following publication to discuss our findings directly with representatives of the board and force.

- **Lothian and Borders Police and Police Board:** We found that the board and force perform well and have a sound basis for future development. The board has responded constructively to our findings. In January 2012, the board approved an improvement plan containing activities focused on training, development and support for members, together with a number of measures to enhance scrutiny. We met with the board in March 2012 to discuss its improvement plan.

- **Strathclyde Police and Police Authority:** We found that the authority needs to strengthen its arrangements for oversight of the force. HMICS found the force performs well and communities receive a good service. We asked for a further report in a year to review the authority's progress in fulfilling its role more effectively and in getting better value from the resources available to it. In September 2011, we met with the authority to look at progress. The authority has responded by putting plans in place to address our improvement recommendations. In October 2011, it agreed a joint force and authority action plan to tackle improvement areas, which would be monitored regularly.

During the 2011/12 audit year, the full Best Value audit programme of local police services and boards was completed. We considered audit work in: **Fife Constabulary, Central Scotland Police** and **Dumfries and Galloway Police**. By the end of 2012, we will have published our findings on all eight police authorities, as well as a national overview report of police services which will draw together the main themes emerging from our police audits, as well highlighting the challenges and opportunities facing a new single national police service for Scotland. Our overview report and the findings from our local reports will contribute to the wider ongoing work to establish the new service.

Our findings from the audit work underline that throughout the period of transition, it is essential that communities continue to receive high-quality policing and that police services maintain their focus on delivering core policing services.



Auditing Best Value in fire and rescue services

In 2011/12, following consultation, we extended the full Best Value audit framework across fire and rescue services in Scotland. We oversaw a programme of Best Value audits of all eight **fire and rescue services** over a 12-month period, as well as publishing an overview report summarising key messages and future challenges. This was an ambitious timescale, but, importantly, one which allowed our findings to

Our work

contribute to the ongoing work to shape a new fire and rescue service for Scotland.

During 2011/12, we published our findings on the reports (January – March 2012) of each service. We are in the process of visiting each board to discuss our findings with councillors. All boards and services have responded constructively to our findings and have agreed action plans in place or in development to address improvement recommendations. We are continuing to liaise with boards and services to support them in this process.

Acknowledging differences in geography, demographics and urban/rural composition across service areas, we found that the frontline services delivered to communities were good overall. Our findings highlighted considerable variability in approaches, however, with limited sharing of good practices between services. We also found variability in the performance of some services and our findings reflected this.

In our overview report, *Best Value in fire and rescue services in Scotland* (July 2012), we draw on the messages emerging from the audits of fire and rescue services. It highlights the many strengths emerging from local audit work. Looking ahead, we also focus on the opportunities and challenges facing fire and rescue as it moves towards a single national service. For example, we emphasise the potential to make better use of resources, such as crews, stations and equipment, and improve fire and rescue services for local communities. At the same time, the new service will also face challenges to reduce fires and casualties in Scotland at a similar

rate with other parts of the UK, strengthen the leadership role of local councillors, share good practices and support services and make better use of retained firefighters.

We acknowledge the challenges of bringing together eight very different services into a single, national organisation, while continuing to deliver high-quality fire and rescue services to local communities. We want our overview report and findings in local audit reports to contribute to the ongoing work to shape a single national service that is best placed to respond to the challenges and opportunities highlighted.



Holding councils to account on specific issues

We consider reports from the Controller of Audit on specific matters of concern, which may arise from annual audits or other sources. In 2011/12, we published findings on three such reports, all of which were on progress of issues upon which we had previously reached findings. These are detailed below. We acknowledged good progress and highlighted where further improvement was still needed. We requested further 12 month follow-up reports at both Aberdeenshire and Shetland councils.

Also during the 2011/12 audit year, we carried out audit work for a statutory report at Strathclyde Fire and Rescue Service. We will publish our findings later in 2012.

Aberdeenshire Council's housing and council tax benefit service (August 2011)

- **Background:** At our July 2011 meeting, the Commission considered a progress report on a focused audit of sections of the council's housing and council tax benefit service. This followed up previous risk assessments of the service undertaken in September 2008 and then in October 2010.
- **We found:** The council had not taken sufficient action to address risks, with delays in implementing agreed actions, some of which we first highlighted in 2008. We requested a further report for later in 2012 on the council's progress in implementing actions and improving the scrutiny and performance of the benefits service. We also met the council to underline our concern about the need for progress. The council's [AIP 2012/15 update](#) includes this follow-up work. In September 2011, the council agreed an action plan to improve aspects of the Benefits Service.

Shetland Islands Council follow-up report (January 2012)

- **Background:** At our December 2011 meeting, we considered a follow-up report on the 2009/10 annual audit of the council. We had requested this report in our August 2010 findings which followed a public hearing in June 2010. This was to allow us to take account of key milestones set out in the council's improvement plan.

Our work

- **We found:** The council had responded well, making a positive impact in some areas with many of the building blocks of Best Value established. It now needed to prioritise further improvement in key areas – but aspects of financial management remained a significant concern. For the sixth consecutive year, the council's financial statements were qualified (see page 7). We asked for a further report in late 2012, on how the council is improving financial management and the capacity of its finance function. The council's [AIP 2012/15 update](#) includes the additional follow-up work. In March 2012, councillors approved a framework for a new Improvement Plan to tackle these areas. We agreed to visit the council during 2012 to discuss its progress.

Strathclyde Partnership for Transport (SPT) progress report (October 2011)

- **Background:** At our September 2011 meeting, we reviewed an update report to our November 2010 findings, on an audit investigation of travel expenses and other matters.
- **We found:** SPT had responded positively to our findings. It had made significant progress against its action plan. We will continue to monitor the effectiveness of actions and any further improvements required through the annual audit process.



National performance audits

We are responsible for holding public bodies and public services to account, helping them improve and providing information and assurances to the public and decision-makers on the use of public money. A key element of the way we do this is our rolling programme of national performance audits to improve economy, efficiency and effectiveness in local government. We develop these jointly with the Auditor General for Scotland (where audits cover bodies beyond local government, we report on them in conjunction with the Auditor General for Scotland).

We want to ensure that our programme adds value, maximises impact and follows strong, answerable audit enquiries. To do this, we engage widely with stakeholders and review available information and intelligence on public sector issues. To keep the programme relevant and on target, we monitor and update it throughout the year.

During 2011/12, in conjunction with the Auditor General for Scotland, we published the following performance audit reports:

- [Commonwealth Games 2014: progress report 2: planning for the delivery of the XXth Games](#)
- [Commissioning social care](#)
- [The role of community planning partnerships \(CPPs\) in economic development](#)

- [Modernising the planning system](#)
- [An overview of Scotland's criminal justice system](#)
- [Scotland's public finances: addressing the challenges](#)
- [Transport for health and social care](#)
- [Review of Community Health Partnerships](#)

In some of these reports, we explore new areas of work, while in others we revisit areas we have looked at previously. For example, our report, [The role of community planning partnerships in economic development](#) revisited an aspect of community planning. We looked at economic development because CPPs play an important role in coordinating local activity and it links directly to the Scottish Government's objective of increasing sustainable economic growth. We first investigated CPPs in our 2006 audit, and highlighted a number of areas for improvement.

We found that the performance of community planning partnerships in relation to economic development was not consistent across Scotland. Reflecting the cross-cutting nature of CPPs, we made recommendations for both CPPs and the Scottish Government to support continued improvements.

Our proposed audit of CPPs (see page 12) will help us assess how well CPPs are progressing actions. This year the Scottish Government – together with the Convention of Scottish Local Authorities (CoSLA) – has launched a review of community planning and we anticipate these issues will also feature in this review.

Our work



Encouraging improvement: 'How councils work' series

Our 'How councils work' series of reports is a practical resource that has been well received by councillors and officers and is another way in which we aim to stimulate change and help improve council performance. We select topics reflecting themes and issues emerging from our audits and draw on existing material available to us from previous audit work to produce the reports.

During the year we published *Arm's-length external organisations (ALEOs): are you getting it right?*. We found that councils increasingly use ALEOs to deliver services, with the potential for more as councils look at alternative ways of delivering services. However, there are some risks that councils need to recognise, eg governance and accountability can be complex and challenging. Our report highlights key points for action and includes useful progress and governance toolkits for councillors and officers.

The response to our ALEOs report has been very positive and the local government community welcomed the report. More widely, we also used the report to provide a briefing to the Scottish Parliament's Public Audit Committee which stimulated a wide-ranging discussion on ALEOs and related issues.



Monitoring fraud and error: the National Fraud Initiative

In May 2012, the Commission considered a report by the Assistant Auditor General on the results of the latest *National Fraud Initiative (NFI) 2010/11* exercise (published May 2012), commenced in October 2010.

The National Fraud Initiative (NFI) in Scotland is a counter-fraud exercise led by Audit Scotland, supported by the Audit Commission in England. Electronic systems are used to compare information about individuals held by different public bodies, and on different financial systems, to identify occurrences (or 'matches') that might suggest fraud or error. Importantly, through the NFI:

- public bodies can investigate these matches and, where they find fraud or error, stop payments and attempt to recover the amounts involved
- auditors can assess the arrangements that the bodies have put in place to prevent and detect fraud, including how they approach the NFI exercise itself.

The report on the 2010/11 NFI exercise noted that:

- 81 public bodies had taken in the exercise
- 85 per cent of bodies managed their NFI roles well
- 1,681 overpayments were recovered

- 145 alleged frauds were reported to the Procurator Fiscal Service
- £19.8 million outcomes were secured from the 2010/11 exercise
- £78 million cumulative NFI outcomes for Scotland
- £0.6 million was the largest single fraud detected.

The Commission welcomed the continuing success of NFI in helping councils and other public bodies to detect and deter fraud and error. We further agreed that the 2010/11 NFI report should highlight good practice by bodies, as well as those bodies that most need to improve. The NFI 2012/13 exercise, launched in June 2012, will focus on fraud prevention and will extend the exercise to cover a broader range of organisations and sectors.

Our work

Improving and developing scrutiny



Joining up and improving scrutiny

The Accounts Commission is responsible for ensuring local government audit and inspection activity is proportionate, risk-based and well-coordinated. The Cabinet Secretary for Finance, Employment and Sustainable Growth gave the Commission this role in March 2008, when he asked us to undertake a transitional 'coordinating and gatekeeping role' in the planning of scrutiny activity in local government in Scotland. In March 2011, the Cabinet Secretary confirmed this scrutiny coordinating function.

We have improved audit and scrutiny activity. The number of individual pieces of audit or inspection work planned for the financial year 2011/12 was a third less than the previous year. Visits and inspections have become quicker and more focused, involving fewer inspector days on-site in councils. A quarter of the planned 2011/12 audit work was assisted self-evaluation requested by councils. Councils also provided better information to help develop this year's plan, allowing scrutiny bodies to better target work where required.

A key element of this coordinating role is our second [National Scrutiny Plan for Local Government](#) (May 2011), which we compile in conjunction with our scrutiny partners: Education Scotland; Care Inspectorate; Healthcare Improvement Scotland; Scottish Housing Regulator; HMICS and Audit Scotland. This national plan sets out strategic scrutiny work for each council for the financial year 2011/12. It is produced annually based on shared

risk assessments of each council and agreed local and national priorities. Thirty-two individual [Assurance and Improvement Plans \(AIPs\)](#) support the national plan and detail planned audit and inspection work for each council over a rolling three-year period. We published our third [national plan](#) covering the financial year 2012/13 in May 2012.



Auditing community planning partnerships: developing an audit approach

Community planning partnerships (CPPs) exist in all 32 council areas. A CPP brings together a range of partnership activity in a local area and is intended to allow the public bodies in that area to fulfil duties that they have to take forward partnership working. In late 2011, the Cabinet Secretary for Finance, Employment and Sustainable Growth asked the Accounts Commission to lead development work on how external audit and inspection can support the delivery of better outcomes by CPPs. The intention is to help strengthen the accountability of CPPs and support the drive for improved outcomes. Subsequently, we have been developing an approach to auditing CPPs. We will carry out early CPP audits in three local authority areas over the summer/autumn of 2012 and will report our findings before the end of the year:

- Aberdeen City
- North Ayrshire
- Scottish Borders.

Our CPP audit approach will focus on four key themes. These are:

- **Impact and outcomes:** Can the CPP demonstrate that its actions are making a difference for the area and delivering improved outcomes for local people?
- **Strategic direction:** Has the CPP set a clear strategic direction, with clear improvement priorities, agreed by all partners, which reflect the needs of the area, and are based on effective community engagement?
- **Governance and accountability:** Does the CPP have effective governance and accountability arrangements, and is it able to demonstrate effective shared leadership which drives improved outcomes for the area?
- **Performance management and use of resources:** Has the CPP established effective performance management arrangements which are delivering performance improvements (including effective self evaluation) and securing best use of public resources (including the integration of services)?

The new CPP audit marks a significant milestone in our audit work. It takes audit forward to assess the actual impact of activities and actions planned, resourced and carried out jointly by partners to secure better outcomes for local communities. We envisage that our findings will give local communities, CPPs and individual partners a clearer understanding of tangible outcomes delivered. We will comment on how effectively CPPs plan their activities, how well activities reflect local priorities and how CPPs ensure value-for-money from their collective and individual actions and resources.

Our work

Improving performance information



Statutory Performance Indicators

Each year, the Accounts Commission directs councils, fire and rescue and police authorities to publish information on the performance of their services. We are given this role under the provisions of the Local Government Act (Scotland) 1992 (as amended). We carry it out by requiring councils to collect and publish statutory performance indicators (SPIs) by 30 September each year. We then publish information about their comparative performance.

We have two main intentions in relation to performance information and reporting. We expect councils to review and improve:

- the performance information they use **internally** to plan and manage services
- the type of information they report **externally** to their communities, and the way the report it, to make sure it is clear, meaningful and useful.

Our analysis of 2010/11 SPI performance showed that councils had made some progress in developing performance information, measurement and reporting. They still need to improve national level information as it remains inconsistent. It also needs to be more robust to make it easier to draw conclusions about performance across services.

In 2010/11, SPIs showed that councils achieved better service performance in most service areas, but performance was falling in waste management and roads.

In recent years, we have changed our approach significantly. We have given councils more flexibility to develop their own comprehensive performance information that will help them to report to local communities in a meaningful way, as well as providing stronger information to inform important decisions on priorities. Looking ahead, we want to be able to use our statutory role to underpin and support performance reporting designed by councils themselves. We have been encouraged by a project – led by the Society of Local Authority Chief Executives in Scotland (SOLACE) – to develop a comparative benchmarking framework for council performance information. We will continue to liaise with SOLACE over the coming months. We hope that we can use our 2012 Direction, which we will publish in December 2012, to reflect good progress with these developments.

Our work with our stakeholders, scrutiny partners and councils around improving performance information and reporting, will lead to a clearer and more meaningful picture of councils' performance for citizens and service users.

Our stakeholders

Engaging with our stakeholders

Engaging actively, effectively and regularly with councils and our range of stakeholders and partners is vital to our work. We do this in a variety of ways, eg face-to-face meetings with stakeholders, and also at national and strategic levels, through formal arrangements and contributing to national agendas and debates.

Engaging directly with councils: We meet with representatives of local councils, joint boards and committees to discuss our audit findings and their response. This is an important opportunity for representatives of councils to talk directly with us. During the audit year 2011/12, we met with:

- Strathclyde Police Authority
- Aberdeenshire Council
- Stirling Council
- Central Scotland Fire and Rescue Board
- Lothian and Borders Police Board
- Fife Police, Fire & Safety Committee.

Engaging with Scottish Government and Scottish Parliament:

The Commission provides briefings on request to committees of the Scottish Parliament. During 2011/12, we gave briefings to the Public Audit Committee on the *An overview of local government in Scotland* report, on the *How councils work* report, *Arm's-length external organisations (ALEOs): are you getting it right?* and on the *Commissioning social care* report. We also met with the convener and deputy convener of the Local Government and Regeneration

Committee to discuss our respective work programmes. In addition to the formal committee arrangements, we have regular discussions and meetings with Scottish ministers whose portfolios cover local government matters, Scottish Government officials, and with MSPs.

Participating in national debates:

As well as engaging with our key stakeholders, we want to ensure the Commission's views contribute to and inform ongoing debates around issues of significance to local government at a national level. During 2011/12, Commission members attended and spoke at a range of events and conferences such as meeting representatives of the Christie Commission on the Future Delivery of Public Services, regular meetings with CoSLA, SOLACE and Scottish ministers, and attending conferences, eg the Association of Chief Police Officers and the Chartered Institute of Public Finance and Accountancy (CIPFA). We also promote the Commission's views through responses to formal consultations, such as our response to the Scottish Government's proposals on [*Reforming Police and Fire and Rescue Services in Scotland*](#) (November 2011).

Our members

Members of the Accounts Commission

The Accounts Commission currently has 12 members, all of whom are appointed by Scottish ministers. The Commission meets approximately monthly and its meetings are open to the public.



John Baillie
Chair of the Accounts Commission

John is a member of the Audit Scotland Board and a recently retired member of the Competition Commission. He is a visiting professor of accountancy at Glasgow University and is a former partner of KPMG.



Douglas Sinclair
Deputy Chair of the Accounts Commission

Douglas is chair of Consumer Focus Scotland. He has held the position of chief executive in district, regional and unitary councils in Scotland, as well as being former chief executive of the Convention of Scottish Local Authorities.



Michael Ash

Michael is currently vice-chair of Cumbria Partnership National Health Service (NHS) Trust. A former joint leader of Cumbria County Council, he has considerable local government experience as both an officer and an elected member. He has worked for Bradford Metropolitan Borough Council and Cumbria Police Authority and was executive director of Bradford and District Training and Enterprise Council.



Alan Campbell

A former Chief Executive of Grampian Regional Council and Aberdeenshire Council during a 40-year career in local government, Alan is a former chair of the Society of Local Authority Chief Executives (SOLACE) Scotland. A former member of the McCrone Committee he also chaired an independent inquiry which reported in 2010 into Future Fisheries Management for the Scottish Government.



Sandy Cumming

A former chief executive of Highlands and Islands Enterprise (HIE), Sandy has held a number of posts in the public sector. He is a trustee of the Robertson Trust, a non-executive director of the Scottish Agricultural College and a board member of the Cromarty Firth Port Authority.



Colin Duncan

After graduated from Aberdeen University in 1969, Colin joined Marks & Spencer plc, achieving a number of senior management positions within the company, until his retirement in 1999. After five years in business consultancy, mentoring high growth start-up companies, he was appointed as a non-executive director of NHS Ayrshire & Arran until 2011, where he chaired a number of governance committees over an eight-year period. He is currently an assessor to the Court of Aberdeen University, convener of its Business Committee, and a lay member of the Scottish Dental Practice Board.

Our members



James King

James is a CIPFA qualified accountant with 13 years' experience in local government with both Glasgow and Falkirk councils. He spent 20 years with Royal Mail Group where he was finance director for Scotland and Northern Ireland and latterly General Manager of the Post Office Network. He is currently a non-executive director of Forth Valley Health Board and National Services Scotland Board.



Christine May

Christine has lengthy experience as an elected member in local government, including spells as leader and deputy leader of Fife Council. During that time, she led the transition from District and Regional Councils to the new Unitary Authority, and was involved in devising and implementing the council's Best Value arrangements. She has also served as a member of the Scottish Parliament (MSP), and previously held board member positions with Scottish Homes and Scottish Enterprise. She is currently the chair of the charity, Fife Historic Buildings Trust.



Bill McQueen

Bill McQueen is a former deputy chief executive of the Crown Office and Procurator Fiscal Service with extensive experience of central government and its sponsored bodies, having worked in the Scottish Government and its predecessor administrations on policy and operational delivery matters, including housing, transport and corporate services. He is a member of the Scottish Legal Aid Board, a non executive director of Disclosure Scotland and a lay member of the Employment Tribunals Service in Scotland.



Colin Peebles

Colin is a retired public servant with extensive senior managerial experience with the Army, the Ministry of Defence and latterly as a director of Corporate Services in the Scottish Police Service. There, he was heavily involved in the introduction of Best Value, information management, process improvement within the criminal justice sector, and the establishment of the governance arrangements for joint police boards.



Linda Pollock

Linda has considerable experience of senior level roles within the NHS, most recently at Executive Nurse Director, and on secondment with the Scottish Executive (as was). She served as a Mental Welfare Commissioner, as a Scottish Legal Complaints Commissioner, and was a board member within the Nursing and Midwifery Council. Currently, She is a Trustee and non-executive director with Enable, the chair of Pain Concern's Advisory Board, and is working with Education for Scotland (NES) on its toolkit for modernising community nursing.



Graham Sharp

Graham originally trained as a chartered accountant with Thomson McLintock, (now KPMG) in Glasgow. He possesses a wealth of private sector experience drawn from senior positions in the financial field. He has held a number of roles at board level, mainly in the City of London where he was on the board of the leading merchant bank, Samuel Montagu. He is a commissioner of the Gambling Commission.

Accounts Commission | Annual Report

2011/12



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October 2012

ISBN 978 1 907916 73 1

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