

MEETING: 7 DECEMBER 2017

MINUTES OF PREVIOUS MEETING

Minutes of the 440th meeting of the Accounts Commission held in the offices of Audit Scotland at 102 West Port, Edinburgh, on Thursday 9 November 2017, at 10.15am

PRESENT: Graham Sharp (Chair)
Alan Campbell
Sandy Cumming
Sophie Flemig
Sheila Gunn
Ronnie Hinds
Tim McKay
Christine May
Stephen Moore
Pauline Weetman
Geraldine Wooley

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Fraser McKinlay, Controller of Audit and Director of Performance Audit and Best Value (PABV)
Tim Bridle, Manager, Local Government, Audit Strategy [Item 13]
Peter Lindsay, Senior Audit Manager, Audit Services Group (ASG) [Items 9 and 11]
Mark McCabe, Senior Manager, PABV [Items 8, 9, 11 and 13]
Martin McLauchlan, Audit Manager, PABV [Items 10 and 12]
Keith Macpherson, Head - Government and Public Sector Audit, Ernst and Young [Items 10 and 12]
Tricia Meldrum, Senior Manager, PABV [Items 10 and 12]
Fiona Mitchell-Knight, Assistant Director, ASG [Items 9 and 11]
Ronnie Nicol, Assistant Director, PABV [Items 8 and 13]

Item No Subject

1. Apologies for absence
2. Declarations of interest
3. Decisions on taking business in private
4. Minutes of meeting of 12 October 2017
5. Audit Scotland Board Update
6. Update report by the Secretary to the Accounts Commission
7. Update report by the Controller of Audit
8. Shared Risk Assessment 2018/19
9. Audit of Best Value: follow-up - East Dunbartonshire Council
10. Best Value Assurance Report: West Lothian Council
11. Audit of Best Value: follow-up - East Dunbartonshire Council
12. Best Value Assurance Report: West Lothian Council
13. Local government financial overview: draft report
14. Commission business matters

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declarations of interest

The following declarations of interest were made:

- Sandy Cumming, in items 10 and 12, as Chair of Scotland's Rural College (SRUC), in relation to references to SRUC.
- Sheila Gunn, in item 7, as Vice-Chair of the Wheatley Group, in relation to references to housing matters.
- Christine May, in items 9 to 13, as former Chair of Fife Cultural Trust, in relation to references to arm's-length external organisations.
- Graham Sharp, in item 9, as a resident of East Dunbartonshire.

3. Decisions on taking business in private

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

- Item 11 requires the Commission to consider actions in relation to a report by the Controller of Audit. The Commission is then obliged by statute to inform the council in question of its decision, which the Commission does before making the decision public.
- Item 12 requires the Commission to consider actions in relation to a report by the Controller of Audit. The Commission is then obliged by statute to inform the council in question of its decision, which the Commission does before making the decision public.
- Item 13 proposes a draft audit report which the Commission is to consider in private before publishing.

No business was notified by members for item 14 and thus the Chair advised that the item would not require discussion.

4. Minutes of meeting of 12 October 2017

The Commission approved as a correct record the minutes of the meeting of 12 October.

Arising therefrom, the Commission:

- In relation to paragraph 10, noted advice from the Director of PABV that he would brief the Commission on matters around the role of local authorities in enterprise agencies.
- In relation to paragraph 14, noted advice from the Secretary that the Commission had published the Best Value Assurance Report on East Renfrewshire Council on 7 November.
- In relation to paragraph 16, noted advice from the Secretary that a report on ethical advice to the Commission would be considered by the Commission at its next meeting.

5. Audit Scotland Board Update

The Commission considered a report by the Secretary providing an update on the business of the Audit Scotland Board, including the minute of the meeting of the Board of 23 August 2017.

Arising therefrom, in relation to paragraph 8 of the Board minute and in response to a query from Sophie Flemig, the Commission agreed that more information be provided on Audit Scotland's collaboration with Young Scot.

Action: Director of PABV

Thereafter, the Commission noted the report.

6. Update report by the Secretary to the Accounts Commission

The Commission considered a report by the Secretary to the Commission providing an update on significant recent activity relating to local government and issues of relevance or interest across the wider public sector.

During discussion, the Commission:

- In relation to paragraph 46, noted advice from the Director of PABV, in response to a query from Christine May, that he would provide further information on the proposed meeting of the National Contingency Planning Group in relation to elderly care provision.

Action: Director of PABV

- Further in relation to paragraph 46, in response to a query from Sophie Flemig, the Commission noted that further thought would be given to featuring matters on older people's care as part of the committee day speakers' programme.

Action: Secretary

- Noted advice from the Director, in response to a query from Christine May, that he would keep the Commission apprised appropriately on the work of the Scottish Futures Trust, including the matter featuring in the forthcoming performance audit on innovative financing and City Region Deals.

- In relation to paragraph 47, noted advice from the Director, in response to a query from Stephen Moore, that he would continue to monitor workforce issues in relation to Brexit.

Actions: Director of PABV

Following discussion, the Commission agreed to note the report.

7. Update report by the Controller of Audit

The Controller of Audit provided a verbal update on his recent activity including meetings and discussions with stakeholders.

During discussion, the Commission agreed that the Director consider how to develop analysis of matters around local government workforce capability and capacity.

Action: Director of PABV

Following discussion, the Commission noted the update.

8. Shared risk assessment 2018/19

The Commission considered a report by Director of PABV proposing the approach

to, and timetable for, the shared risk assessment (SRA) process for scrutiny work in 2018/19.

During discussion, the Commission agreed:

- That the Director provide details of local area network leads.
- To endorse the approach to, and timetable for, the 2018/19 shared risk assessment process.

Action: Director of PABV

9. Audit of Best Value: follow-up - East Dunbartonshire Council

The Commission considered a report by the Secretary to the Commission presenting the Controller of Audit's report of the Best Value follow-up report on East Dunbartonshire Council and seeking direction on how to proceed.

Following questions to the Controller of Audit, the Commission agreed to consider in private how to proceed.

10. Best Value Assurance Report: West Lothian Council

The Commission considered a report by the Secretary to the Commission presenting the Controller of Audit's Best Value Assurance Report on West Lothian Council and seeking direction on how to proceed.

Following questions to the Controller of Audit, the Commission agreed to consider in private how to proceed.

11. Audit of Best Value: follow-up - East Dunbartonshire Council [in private]

The Commission discussed how to proceed in relation to the statutory report by the Controller of Audit on the follow-up audit of East Dunbartonshire Council.

Following discussion, the Commission agreed to make findings, to be published on 16 November 2017.

Actions: Secretary and Controller of Audit

12. Best Value Assurance Report: West Lothian Council [in private]

The Commission discussed how to proceed in relation to the statutory report by the Controller of Audit on the Best Value Assurance Report on West Lothian Council.

Following discussion, the Commission agreed to make findings, to be published on 23 November 2017.

Actions: Secretary and Controller of Audit

13. Local government financial overview: draft report [in private]

The Commission considered a report by the Director of PABV proposing the draft local government financial overview 2017.

During discussion, the Commission agreed to:

- Approve the draft report, subject to the audit team considering points raised in discussion in conjunction with the sponsors of the report, Ronnie Hinds and Christine May.
- Approve the publication and promotion arrangements for the report.

Actions: Director of PABV

14. Commission business matters

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