

ACCOUNTS COMMISSION

MEETING 13 OCTOBER 2011

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, 8 September 2011, at 10am

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

IN ATTENDANCE: Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVSI)
Fiona Kordiak, Director of Audit Services
Gordon Smail, Acting Secretary & Business Manager
Barbara Hurst, Director of Performance Audit (PAG) [Items 7, 11]
Angela Canning, Assistant Director, PAG [Items 7, 11]
Andra Laird, Project Manager, PAG [Item 7]
Stephen Reid, KPMG [Item 9, 10]
Miranda Alcock, Portfolio Manager, PAG [Item 11]
John Lincoln, Project Manager, PAG [Item 11]
Antony Clark, Assistant Director, BVSI [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 14 July 2011 and 17 August 2011
5.	Chair's introduction
6.	Update report by the Controller of Audit
7.	Performance audit programme
8.	Accounts Commission digest
9.	Strathclyde Partnership for Transport – report by Controller of Audit
10.	Strathclyde Partnership for Transport – consideration of Controller's report
11.	Performance audit draft report – Community Planning Partnerships
12.	Supporting improvement and accountability within Community Planning Partnerships

1. Apologies for absence

There were no apologies.

2. Declarations of interest

Christine May declared an interest in Item 7, insofar as the programme of performance audits includes proposals relating to renewables and outsourcing.

3. Decisions on taking business in private

The Commission agreed to take Items 10, 11 and 12 in private to allow deliberations on: actions arising from its consideration of the Controller of Audit's report on Strathclyde Partnership for Transport (Item 10); a draft audit report on Community Planning Partnerships to be published in November (Item 11); and improvement and accountability within Community Planning Partnerships (Item 12).

4. Minutes of meetings of 14 July 2011 and 17 August 2011

The minutes of the meetings of 14 July 2011 and 17 August 2011 were submitted and approved.

5. Chair's introduction

The Chair reported that:

- On 25 August, he and the Deputy Chair attended the annual Scottish Government/SOLACE conference. Earlier that day, he and the Deputy Chair met with SOLACE representatives to discuss performance measures and benchmarking.
- On 31 August, he and the Deputy Chair met with the Cabinet Secretary for Finance, Employment and Sustainable Growth to discuss the Commission's paper on Community Planning Partnership scrutiny.
- On 7 September, he met with the Permanent Secretary for a general discussion.
- On 9 September, he was due to meet with the President and Chief Executive of COSLA, as part of the on-going liaison between the Commission and COSLA.
- He is currently in discussions about the Controller of Audit function and will update members on the position at the Commission meeting in October.
- Paul Reilly has been appointed Secretary and Business Manager of the Accounts Commission for the next two years. The Chair thanked Gordon Smail for covering the role since the end of April.

6. Update report by the Controller of Audit

The Commission considered and noted 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 noted:

- The continuing turnover of council senior managers and the need to flag the related potential risks in its forthcoming local government overview report.
- Recent developments in relation to the Edinburgh trams project. The Commission noted in particular that it was important to be clear about the nature and limitations of the auditor's role in past and any future audit work.
- Current issues at individual councils.

7. Performance audit programme

The Commission considered a report by the Director of Performance Audit summarising the responses to the recent consultation on proposed national performance audits; and making proposals for the joint programme of performance audits that would be published during 2012/13.

During discussion the Commission noted:

- Charging for council services was increasingly important and might feature as part of the 'How councils work' series of reports.
- There may be scope to include a performance audit on protective services as part of the rolling programme of audits. Further discussion is required on where this may feature in the programme.
- Interest in 'preventative spending' is increasing and should be kept under review.
- Consultations are on-going about the specific justice-related topic to be taken forward following publication of the justice overview report.
- Workforce planning is an important topic which will need to be carefully scoped to ensure it achieves most effect with the intended audience.

Thereafter the Commission noted the outcome of the consultation process and approved the programme.

8. Accounts Commission digest

The Commission considered and noted its regular briefing on current issues, and sought further information on a number of points.

9. Strathclyde Partnership for Transport – report by Controller of Audit

The Commission considered the Controller of Audit's update report on Strathclyde Partnership for Transport.

During discussion, the Commission sought clarification and further explanation from the Controller of Audit and the auditors on a number of points in the report.

10. Strathclyde Partnership for Transport – consideration of Controller's report (In private)

Following discussion, the Commission agreed to make findings which will be published in due course.

11. Performance audit draft report - Community Planning Partnerships (In private)

The Commission considered a report by the Director of Performance Audit inviting it to consider and approve the draft performance audit report on *The role of community planning partnerships in economic development*, prepared on behalf of the Commission and the Auditor General.

The Commission approved the draft report for publication, subject to consideration being given to a number of points raised in discussion.

12. Supporting improvement and accountability within Community Planning Partnerships (In private)

The Commission received an update from the Chair about the completion of the paper it had considered at its meeting in August and about subsequent discussions with Scottish Government.