

ACCOUNTS COMMISSION

MEETING 15 MARCH 2012

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, 16 February 2012, at 10am

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

IN ATTENDANCE: Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVSI)
Paul Reilly, Secretary and Business Manager
Gordon Neil, Portfolio Manager Best Value, BVSI [Items 8, 9, 11 and 12]
Mark McCabe, Project Manager, BVSI [Items 8 and 11]
Kathrine Sibbald, Project Manager, BVSI [Items 9 and 12]
Antony Clark, Assistant Director, BVSI [Items 8, 9, 11, 12 and 14]
Martin Walker, Assistant Director, BVSI [Items 10 and 13]
Gordon Smail, Portfolio Manager, BVSI [Item 15]
Gillian Battison, Project Manager, BVSI [Item 15]

<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 19 January 2012
5.	Minutes of the meeting of the Performance Audit Committee of 2 February 2012
6.	Chair's introduction
7.	Update report by the Controller of Audit
8.	Best Value Audit – Grampian Fire and Rescue
9.	Best Value Audit – Highlands and Islands Fire and Rescue
10.	Board of Strathclyde Fire and Rescue
11.	Best Value Audit – Grampian Fire and Rescue
12.	Best Value Audit – Highlands and Islands Fire and Rescue
13.	Board of Strathclyde Fire and Rescue
14.	Scottish Parliament Local Government and Regeneration Committee Inquiry into Public Sector Reform and Local Government in Scotland: Draft Response
15.	An Overview of Local Government 2012

1. Apologies for absence

Apologies for absence were received from Linda Pollock.

2. Declarations of interest

The following members declared an interest in items:

- Christine May, in item 7, as a consultant in relation to waste management issues
- Alan Campbell, in items 8 and 11, as a former employee of Aberdeenshire Council.

3. Decisions on taking business in private

The Commission agreed to take the following items in private:

- Items 11 to 13, to allow deliberations on actions arising from the reports
- Items 14, to allow consideration of a draft paper
- Items 15, to allow consideration of a draft report.

4. Minutes of meeting of 19 January 2012

The minutes of the meeting of 19 January 2012 were submitted and approved.

In relation to item 6, advice from the Chair was noted that developments in relation to the Scottish Government's review of community planning had been moving apace. The Scottish Government had engaged with COSLA and the Improvement Service in taking things forward, and the Commission had been contributing to the

process as appropriate. The Chair had also kept Audit Scotland and the Auditor General informed of progress, as well as the Commission's strategic scrutiny partners.

Following discussion, the Commission agreed to continue its delegation of authority to the Chair and the Deputy Chair to work on its behalf on taking the issue forward, with the Chair to update the Commission as appropriate.

5. Minutes of the meeting of the Performance Audit Committee of 2 February 2012

The minutes of the meeting of the Performance Audit Committee of 2 February 2012 were submitted and approved.

6. Chair's introduction

The Chair reported that:

- On various dates he recorded podcasts for the audits of the fire and rescue services of Central Scotland, Tayside, Fife and Dumfries and Galloway
- He attended the Audit Scotland Board meeting on 26 January
- He chaired the Accounts Commission meeting with strategic scrutiny bodies on 1 February
- He attended a meeting with the Auditor General for Scotland and Audit Scotland on 2 February
- The Deputy Chair and study sponsors attended a meeting with Stirling Council on 14 February to discuss the Best Value Audit
- Meetings had been arranged during March with the Boards of Lothian and Borders Police, Central Fire and Rescue and Tayside Fire and Rescue
- Meetings with Comhairle nan Eilean Siar and Shetland Islands Council would take place after the local government elections in May

7. 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 advice from the Controller of Audit that:

- He would provide the Commission with information on estimates of projected savings in relation to City of Edinburgh Council's alternative business model project
- He would provide the Commission with information on the position of Shetland Islands Council's new Executive Manager – Finance in relation to the Council's senior management structure, and whether the post is designated as the statutory finance officer

(Action: Controller of Audit)

Thereafter the Commission agreed to note the report.

8. Best Value Audit: Grampian Fire and Rescue

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit of Grampian Fire and Rescue, and seeking direction on how to proceed.

The Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

During discussion, the Commission agreed that the following issues be considered for inclusion in its report on an overview of the Best Value audit of fire and rescue services, to be published by the Commission later in 2012:

- The use and make-up of civilian staff support
- Current good practice in relation to elected member scrutiny of fire and rescue services
- Elected member skills in relation to scrutiny of a national fire and rescue service
- The type and quality of support to Board members and the possible impact thereon of the introduction of a national fire and rescue service
- Issues associated with asset management in the transition period leading to the introduction of a national fire and rescue service
- The impact on preventative work of the balance between wholetime and retained firefighters
- Issues around false alarms
- Issues around fire and rescue board reserves

(Action: Controller of Audit)

Thereafter, the Commission agreed to note the report and to consider in private its findings.

9. Best Value Audit – Highlands and Islands Fire and Rescue

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit of Grampian Fire and Rescue, and seeking direction on how to proceed.

The Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

During discussion, the Commission agreed that the following issues be considered for inclusion in its report on an overview of the Best Value audit of fire and rescue services, to be published by the Commission later in 2012:

- The role of local government in supporting joint fire and rescue boards

- The significance of geographical remoteness and associated infrastructure investment (e.g. roads) in provision of fire and rescue services, and in how these affect other public services such as ambulance and police

(Action: Controller of Audit)

Thereafter, the Commission agreed:

- To note that the Director of BVSI would be giving further consideration to the structure of the proposed improvement agenda in his report
- To note the report and to consider in private its findings.

10. Board of Strathclyde Fire and Rescue

The Commission considered a paper submitted by the Secretary and Business Manager introducing a report by the Controller of Audit, made under Section 102(1) of the Local Government (Scotland) Act 1973, highlighting an issue in the 2010/11 annual audit report on the Board of Strathclyde Fire and Rescue.

The Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

Thereafter, the Commission agreed to note the report and to consider in private its findings.

11. Best Value Audit – Grampian Fire and Rescue (in private)

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed to make findings as contained in the report to be published in early course.

12. Best Value Audit – Highlands and Islands Fire and Rescue (in private)

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed to make findings as contained in the report to be published in early course.

13. Board of Strathclyde Fire and Rescue (in private)

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed that the Controller of Audit carry out further investigations, with a view to reporting back to the Commission in early course.

14. Scottish Parliament Local Government and Regeneration Committee Inquiry into Public Sector Reform and Local Government in Scotland: draft response (in private)

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

The Commission considered a paper by the Secretary and Business Manager proposing a joint response by the Accounts Commission, Auditor General for Scotland and Audit Scotland to the call for evidence by the Scottish Parliament's Local Government and Regeneration Committee in its inquiry into public sector reform.

Following discussion, the Commission agreed the terms of a draft response in conjunction with the Auditor General for Scotland and Audit Scotland, subject to consideration being given to a number of points raised in discussion.

15. An Overview of Local Government 2012 (in private)

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

The Commission considered a report by the Director of BVSİ seeking approval of the draft local government overview report.

During discussion, the Commission agreed:

- Noted advice from the Director of BVSİ with regard to publication arrangements and Parliamentary scrutiny of the report.
- Agreed a number of changes to the draft report

Thereafter the Commission agreed to approve the draft report, subject to consideration being given to a number of points raised in discussion.