

ACCOUNTS COMMISSION

MEETING 15 DECEMBER 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, 10 November 2011, at 10am

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

IN ATTENDANCE: Fraser McKinlay, Controller of Audit and Director of Best Value and
Scrutiny Improvement
Barbara Hurst, Director of Performance Audit
Fiona Kordiak, Director of Audit Services
Paul Reilly, Secretary and Business Manager
Antony Clark, Assistant Director, Best Value and Scrutiny
Improvement
Elaine Boyd, Senior Audit Manager, Audit Services [Item 7]
Gordon Smail, Portfolio Manager, Best Value and Scrutiny
Improvement [Items 12 and 14]
Andrew Laing, Her Majesty's Inspector of Constabulary [Items 12 and
14]
Superintendent Phil Carson, HM Inspector, Her Majesty's Inspectorate
of Constabulary [Items 12 and 14]
Martin Walker, Assistant Director, Best Value and Scrutiny
Improvement [Items 13 and 15]
Lesley McGiffen, Portfolio Manager, Best Value and Scrutiny
Improvement [Items 13 and 15]
Gillian Battison, Project Manager, Best Value and Scrutiny
Improvement [Items 13 and 15]
Paul Craig, Senior Audit Manager, Audit Services [Items 13 and 15]

Item No

Subject

1. Apologies for absence
2. Declarations of interest
3. Decisions on taking business in private
4. Minutes of meeting of 13 October 2011
5. Chair's introduction
6. Update report by the Controller of Audit
7. Briefing: Clyde Valley shared services proposal

8. Briefing: shared risk assessment refresh process 2012/13
9. Performance audit rolling programme – update
10. Statutory performance information
11. Best Value audit of Fire and Rescue services – update on audit programme
12. Best Value audit and inspection - Lothian and Borders Police and Police Board
13. Best Value audit – Comhairle nan Eilean Siar
14. Findings: Best Value audit and inspection - Lothian and Borders Police and Police Board
15. Findings: Best Value audit – Comhairle nan Eilean Siar
16. Any other business

1. Apologies for absence

Apologies for absence were received from Michael Ash.

2. Declarations of interest

The following declarations of interest were made:

- Sandy Cumming, in item 13, as a former Chief Executive of Highlands and Islands Enterprise
- Douglas Sinclair, in item 13, as a former employee of Comhairle nan Eilean Siar
- Colin Peebles, in item 14, as a former employee of Lothian and Borders Police
- Christine May, in items 6 and 7, as a consultant in relation to waste management issues
- Alan Campbell, in item 16, as a former employee of Aberdeenshire Council

3. Decisions on taking business in private

It was proposed that items 14 and 15 should be taken in private to allow deliberations on actions arising from its consideration of: the joint report of the Controller of Audit and Her Majesty's Inspector of Constabulary on Lothian and Borders Police and Police Board (item 14); and the Controller of Audit's report on Comhairle nan Eilean Siar (Item 15).

4. Minutes of meeting of 13 October 2011

The minutes of the meeting of 8 September 2011 were submitted and approved, subject to noting that Douglas Sinclair did not attend the meeting between the Commission, Audit Scotland and COSLA on 9 September 2011.

In relation to item 8 of the minutes (Controller of Audit update report), advice from the Director of Best Value and Scrutiny Improvement (BVSU) was noted that he would circulate in early course the information requested by members.

In relation to item 10 (Report of the Christie Commission), advice from the Secretary and Business Manager was noted that the Performance Audit Committee would consider at a future meeting the effect of the Scottish Government's response to the Christie Commission.

In relation to item 11 (Scottish Spending Review 2011 and Draft Budget 2012-13), advice from Director of BVSJ was noted that the information requested by the Commission had been circulated to members.

In relation to item 17 (Audit Scotland budget 2012/13 and charges for 2011/12 audits), advice from the Director of Audit Services was noted that the Assistant Auditor General would be meeting the CIPFA local government Directors of Finance section on 11 November 2011.

5. Chair's introduction

The Chair reported that:

- He attended a meeting of the Audit Scotland Board meeting on 27 October
- He participated on the panel representing the Accounts Commission at the Audit Scotland 'Connect' staff conference on 1 November
- The Deputy Chair and link members Bill McQueen and James King met with Aberdeenshire Council representatives to discuss the Accounts Commission report on the council on 1 November. A note of this meeting was tabled, and it was agreed that it be considered under 'any other business'
- He acted as the media lead for the joint report on Community Planning Partnerships on 2 November and the report on Stirling Council on 9 November
- He and the Deputy Chair met with the non-executive members of the Audit Scotland Board on 9 November, to discuss matters of mutual interest.

6. Update report by the Controller of Audit

The Commission considered a report by the Controller of Audit providing an update on significant recent activity in relation to the audit of local government.

Following discussion, the Commission:

- Noted advice from the Controller of Audit that he had yet to receive a small number of annual audit reports but that this would be concluded satisfactorily in early course
- Noted advice from the Chair that he awaited further advice from the Convenor of the Parliament's Public Audit Committee about future invitations to its meetings
- Noted advice from the Controller of Audit that he was currently considering issues arising from accounts and annual audit reports, and he would report to future meeting of the Commission as appropriate
- Noted advice from the Controller of Audit that he was in ongoing discussions with various stakeholders to gauge the interest amongst councils in taking part in pilot work in relation to auditing outcomes and community planning partnerships.

- Noted the report

7. Briefing: Clyde Valley shared services proposal

The Commission considered a report by the Director of Audit Services on the updated position in relation to the Clyde Valley shared services proposals.

Following discussion the Commission agreed:

- That the Director of Audit Services provide more detail of the proposed governance arrangements for the proposal

(Action: Director of Audit Services)

- That the Director of Audit Services provide information on any discussions between any Clyde Valley councils on proposals outwith or separate from the original Clyde Valley proposals

(Action: Director of Audit Services)

- To note advice from the Director of BVSU that the Commission has already published some useful guidance to councils on improving partnership working, such as in the local government overview report 2010 and in the performance audit “The role of community planning partnerships in economic development”

- That the Director of BVSU consider a draft project outline for a study in the ‘How Councils Work’ improvement series on shared services and partnership working, and how this might be programmed

(Action: Director of BVSU)

- To note the report.

8. Briefing: shared risk assessment refresh process 2012/13

The Commission considered a report by the Director of BVSU on the proposed approach to, and timetable for, the 2012/13 Shared Risk Assessment Process.

Following discussion the Commission agreed:

- To note that the Director of BVSU will consider how accessible the guidance is to those not involved directly in the shared risk assessment process
- To note advice from the Director of BVSU that, while the 2012/13 process is based on a ‘refresh’ of the current process, the current work by the Commission and its scrutiny partners on developing an audit approach for outcomes and community planning partnerships may necessitate a more fundamental review of the process for future years
- To note that the Director of BVSU would consider if it would be appropriate to revise the guidance to reflect that a ‘green’ classification of risk be applied on the condition that performance is both satisfactory and improving

- To note the report.

9. Performance audit rolling programme – update

The Commission considered a report by the Director of Performance Audit which provided a formal update on the rolling programme of performance audits.

Following discussion, the Commission:

- Noted advice from the Director on how the programme accommodated a moratorium on published reports in the period leading up to the local government elections in May 2012
- Noted the report.

10. Statutory performance information: 2010/11 outturn data

The Commission considered a report by the Director of BVSI which provided analysis of the 2010/11 statutory performance data provided by local authorities for the 2010-11 financial year and set out issues arising in relation to the future approach to statutory performance information.

Following discussion, the Commission:

- Agreed that a workshop event for be organised for members to consider the future strategy for performance information

(Action: Secretary and Business Manager)

- Noted advice from the Director of BVSI that recent discussions with the Society of Local Authority Chief Executives in Scotland (SOLACE), in relation to developing a comprehensive approach to the reporting by councils of performance information, were useful
- Agreed that the Director of BVSI provide more information on those councils which fully met all the criteria across all aspects of corporate management and service performance, as set out in the 2008 Publication of Information (Standards of Performance) Direction

(Action: Director of BVSI)

- Agreed that the Director of BVSI provide quarterly updates on the progress of the ongoing discussions between him and SOLACE

(Action: Director of BVSI)

- Noted the report.

11. Best Value audit of Fire and Rescue services – update on audit programme

The Commission considered a report by the Director of BVSI which set out progress in relation to the Best Value audits of fire and rescue services and provided a proposed timetable for the Commission considering reports arising therefrom.

Following discussion, the Commission noted the report:

12. Best Value audit and inspection - Lothian and Borders Police and Police Board

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit and inspection of Lothian and Borders Police and Police Board, and seeking a recommendation on how to proceed.

During discussion, the Commission sought clarification and further explanation from the Controller of Audit, Her Majesty's Inspector of Constabulary and the audit team on a number of points in the report.

13. Best Value audit: Comhairle nan Eilean Siar

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit report on Comhairle nan Eilean Siar and seeking a recommendation on how to proceed.

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

14. Best Value audit and inspection - Lothian and Borders Police and Police Board (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 on 6 December 2011.

15. Best Value audit - Comhairle nan Eilean Siar (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 on 29 November 2011.

16. Any other business: Note of meeting with Aberdeenshire Council

The Commission considered a note of its meeting held on 1 November 2011 with representatives of Aberdeenshire Council, at which it was represented by the Deputy Chair and members James King and Bill McQueen. The meeting had been held to discuss the Commission's findings in relation to the Controller of Audit's report on the performance audit of the Council's housing and council tax benefit service, which the Commission agreed at its meeting on 14 July 2011.

Following discussion, the Commission agreed that the Controller of Audit report back on any further developments as they arise.

(Action: Controller of Audit)