

MEETING: 10 DECEMBER 2015

MINUTES OF PREVIOUS MEETING

Minutes of the 421st meeting of the Accounts Commission held in the offices of Audit Scotland at 102 West Port, Edinburgh, on Thursday, 12 November 2015, at 10.15am

PRESENT: Douglas Sinclair (Chair)
 Ronnie Hinds (Deputy Chair)
 Alan Campbell
 Sandy Cumming
 Sophie Flemig
 Sheila Gunn
 Tim McKay
 Christine May
 Stephen Moore
 Graham Sharp
 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)
 Antony Clark, Assistant Director, PABV [Items 8 to 10]
 John Lincoln, Audit Manager, PABV [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 8 October 2015
5.	Minutes of meeting of Audit Scotland Board of 17 September 2015
6.	Update report by the Secretary to the Commission
7.	Update report by the Controller of Audit
8.	Shared risk assessment process 2016/17
9.	Strategic Scrutiny Group: update
10.	Statutory performance information
11.	40 years of the Accounts Commission
12.	Scottish Tribunals and Administrative Justice Advisory Committee report
13.	Commission business matters

1. Apologies for absence

It was noted that that there were no apologies for absence.

2. Declarations of interest

The following declarations of interest were made:

- Ronnie Hinds, in item 12, as a former member of the Scottish Tribunals and Administrative Justice Advisory Committee Steering Group
- Christine May, in items 8, 9 and 10, as Vice-Chair of Fife Cultural Trust
- Douglas Sinclair, in item 12, as a member of the Scottish Tribunals and Administrative Justice Advisory Committee Steering Group
- Geraldine Wooley, in item 12, as a member of the Fife Valuation Appeal Committee.

3. Decisions on taking business in private

It was agreed that items 12 and 13 should be taken in private for the following reasons:

- Item 12 introduces for information a draft report that has yet to be published.
- Item 13 may be required if there are any confidential matters that require to be discussed outwith the public domain. The Chair advised that the Commission would be considering correspondence received from Alex Neil, Cabinet Secretary for Social Justice, Communities and Pensioners' Rights, in relation to the Commission's review of auditing Best Value.

4. Minutes of meeting of 8 October 2015

The minutes of the meeting of 8 October 2015 were submitted and approved.

5. Minutes of meeting of Audit Scotland Board, 17 September 2015

The minutes of the meeting of Audit Scotland Board of 17 September 2015 were noted.

Arising therefrom, it was agreed that, in relation to item 5, that the report on how the Audit Services Group demonstrates Best Value be shared with Commission members and considered at a future meeting.

Action: Secretary

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 agreed:

- In relation to paragraph 8, to note advice from the Secretary that a briefing on business rates legislation would include reference to Non Domestic (Business) Rates Revaluation 2017.

- In relation to paragraph 9, to not respond to the Scottish Government's public consultation for a future Islands Bill, but rather to keep a watching brief in this regard.

Actions: Secretary

Thereafter, 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.

8. Shared risk assessment process 2016/17

The Commission considered a report by the Director of PABV advising of the proposed approach to, and timetable for, the 2016/17 Shared Risk Assessment (SRA) process.

During discussion, the Commission:

- Agreed that the Director consider how to develop the role of elected members scrutinising outputs from the SRA process.

Action: Director of PABV

- Agreed that, related to this, in a wider sense, the Director and Secretary consider how to ensure appropriate awareness of elected members in the SRA process and how this fits with the role of the Commission.

Action: Director of PABV and Secretary

- Agreed that the following issues feature in further development of the SRA process:
 - A greater profile for performance of councils against outcomes
 - A clearer link with any revised approach to Best Value
 - Reference to service areas not subject to current coverage by scrutiny partners.
- Endorsed the approach to, and timetable for, the 2016/17 SRA process.
- Noted that a report on the outcomes of this year's SRA process will be brought to the Commission in spring or summer 2016.

Actions: Director of PABV

9. Strategic Scrutiny Group: update

The Commission considered a report by the Director of PABV providing an update on recent discussions and developments by the Strategic Scrutiny Group (SSG)

During discussion, the Commission:

- Noted that Commission members were encouraged to attend meetings of the SSG.
- Noted that the SSG will be considering its approach to taking forward its strategic and operational improvement agenda at its December meeting.
- Agreed to receive further updates on the work of the SSG at future meetings.

Actions: Director of PABV

10. Statutory performance information

The Commission considered a report by the Director of PABV setting out options for the Commission to consider in relation to its 2015 statutory performance information (SPI) Direction.

During discussion, the Commission agreed:

- To revise the SPI Direction to introduce a single statutory performance indicator that reflects the Accounts Commission's expectations in relation to public performance reporting under the new Best Value audit approach, and another to ensure continued council reporting of the Local Government Benchmarking Framework.
- The proposed approach to consulting with COSLA, SOLACE, the Local Government Benchmarking Framework Board and the Scottish Local Government Partnership on the 2015 SPI Direction.
- To inform the Scottish Government to this end.
- The proposal that the 2015 SPI Direction be for a three-year period, with the Commission reviewing this annually.
- To note legal advice in relation to the Commission's power to direct integrated joint boards to provide information under Section 1 of the Local Government Act 1992.
- To note that a further report with a draft SPI Direction would be brought for approval to the Commission at its December meeting.

*Actions: Secretary and
Director of PABV*

11. 40 years of the Accounts Commission

The Commission considered a report by the Secretary advising of activities to mark 40 years of the Commission.

The Chair introduced Nick Crawford, Associate Architect, HAA Design, who gave a presentation on the new offices of Audit Scotland, the Commission and the Auditor General.

Following discussion, the Commission agreed to note the report.

The Chair thanked Nick Crawford for his presentation.

14. Scottish Tribunals and Administrative Justice Advisory Committee report

The Commission considered a report by the Director of PABV advising of work undertaken by Audit Scotland with the Scottish Tribunals and Administrative Justice Advisory Committee (STAJAC) to improve the understanding and delivery of administrative justice in Scottish councils, and attaching the report for information.

Following discussion, the Commission:

- noted the report
- agreed that wider issues of administrative justice be considered as part of work programme development activity and in reviewing Best Value.

16. Commission business matters

The Commission considered advice from the Chair that he had received a letter from Alex Neil, Cabinet Secretary for Social Justice, Communities and Pensioners' Rights, which noted and endorsed the Commission's ongoing review of auditing Best Value and agreed the Commission's view of the need to update statutory guidance in relation to Best Value.

The Commission agreed to note the terms of the letter.

There being no further business, the meeting was closed.