

MEETING: 12 SEPTEMBER 2019

MINUTES OF PREVIOUS MEETING

Minutes of the 459th meeting of the Accounts Commission held in the offices of Audit Scotland at 102 West Port, Edinburgh, on Thursday 8 August 2019, at 10.00am.

PRESENT: Graham Sharp (Chair)
Andrew Burns
Andrew Cowie
Sophie Flemig
Elma Murray
Christine Lester
Tim McKay
Stephen Moore
Sharon O'Connor
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, Audit Director, PABV (Item 13)
Lynsey Davies, Audit Officer, PABV (Item 10)
Graeme Greenhill, Senior Manager, PABV, (Item 12)
Leigh Johnston, Senior Manager, PABV (Item 9)
Mark McGeachie, Head of Partnerships and Sustainability, Youth Scotland (Item 8)
Adrian McKeachie, Youth Advisor, Inform 100 Panel (Item 8)
Martin McLauchlan, Audit Manager, PABV (Item 12)
Jillian Matthew, Senior Manager, PABV (Item 10)
Tricia Meldrum, Senior Manager, PABV (Item 8)
Corinna O'Malley-Hamilton, Youth Advisor, Inform 100 Panel (Item 8)
Claire Sweeney, Audit Director, PABV (Item 9)
Michael Wilkie, Director, KPMG (Item 10)

Item No Subject

1. Apologies for absence
2. Declarations of interest
3. Decisions on taking business in private
4. Minutes of meeting of 13 June 2019
5. Minutes of Performance Audit Committee of 20 June 2019
6. Update report by the Secretary to the Commission
7. Update report by the Controller of Audit
8. Youth Scotland Panel Update
9. Health and social care integration: update on progress-impact
10. Best Value Assurance Report: Perth and Kinross Council
11. Best Value Assurance Report: Perth and Kinross Council (in private)
12. Performance audit: draft report: Revenue financing of assets: NPD and Hub models (In private)
13. Commission Strategy Seminar March 2019: Taking forward the Commission's strategic development objectives (in private)
14. Commission business matters

1. Apologies for absence

It was noted that apologies for absence had been received from Sheila Gunn.

2. Declarations of interest

The following declarations of interest were made:

- Andrew Cowie, in items 10 and 11, since his former role as a police chief officer covered the Perth and Kinross area.
- Christine Lester, in item 12, as a former non-executive member of Grampian NHS Board when it undertook a procurement process for Inverurie Health Care Hub and Foresterhill Health Centre.
- Graham Sharp, in items 10 and 11, being a friend of the leader of the Liberal Democrat group on Perth and Kinross Council.
- Geraldine Wooley, in item 12, as a former consultant in the policy matters in relation to the performance audit “(Revenue financing of assets: Non Profit Distribution and Hub models)”.

3. Decisions on taking business in private

It was agreed that items 11 to 13 be considered in private because:

- Item 11 requires the Commission to consider actions in relation to report by the Controller of Audit. The Commission is then obliged by statute to inform the council in question of its decisions, which the Commission does before making the decision public.
- Item 12 proposes a draft audit report which the Commission is to consider in private before publishing.
- Item 13 may be required if there are any confidential matters that require to be discussed outwith the public domain. The Chair will inform the meeting in public at the start of the meeting if this item is required and what it covers.

No business was notified by members for item 13 and thus the Chair advised that the item would not require discussion.

4. Minutes of meeting of 13 June 2019

The minutes of the meeting of 13 June 2019 were approved as a correct record.

Arising therefrom, the Commission, in relation to item 4, third bullet point, noted advice from the Director of PABV that Audit Scotland’s review of performance in relation to The Institute of Chartered Accountants of Scotland professional qualification was underway, upon which he would report at a later date.

5. Minutes of Performance Audit Committee meeting of 20 June 2019

The Commission considered and approved the minutes of the meeting of the Performance Audit Committee of 20 June 2019 as a correct record.

6. Update report by the Secretary to the Commission

The Commission considered a report by the Secretary 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 6, noted advice from the Secretary that the 'Principles for community empowerment' briefing had been published by the Strategic Scrutiny Group rather than the Accounts Commission.
- In relation to paragraphs 26 and 33, noted advice from Geraldine Wooley about the importance of cross references between the Scottish Government's Digital Start Fund and its Skills Action Plan for Rural Scotland.
- In relation to paragraphs 27 and 52, noted advice from Sophie Flemig about the 'Hard Edges Scotland' research study, commissioned by Lankelly Chase and the Robertson Trust, authored by Heriot-Watt University and published in June 2019, which looks at the complexity of the lives of people facing multiple disadvantage in Scotland.
- In relation to paragraph 37, in response to a query from Pauline Weetman, noted advice from the Controller of Audit that he would report to the Financial Audit and Assurance Committee on progress of a review into health and safety concerns at Buchanan and St Ambrose High School campus, Coatbridge.
- In relation to paragraph 116, in response to a query from Stephen Moore, noted advice from the Secretary that the paragraph referred to two different police investigations ongoing in relation to allegations of fraud at Glasgow College and corruption at Glasgow City Council respectively.

Following discussion, the Commission agreed to note the report.

7. Update report by the Controller of Audit

The Commission noted a verbal update from the Controller on his recent activity.

8. Youth Scotland Panel Update

The Commission considered a report by the Director of PABV providing an update on Audit Scotland's work with the Inform100 youth panel.

The Chair welcomed Mark McGeachie, Head of Partnerships and Sustainability, Youth Scotland, Corinna O'Malley-Hamilton, Youth Advisor, Inform 100 and Adrian McKeachie, Youth Advisor, Inform 100 to the meeting.

Corinna and Adrian provided the Commission with a presentation on their work and the benefit they had received through their participation to date. Commission members then asked questions of the Youth Scotland and Inform 100 representatives on various aspects of their roles and work.

Following discussion, the Committee agreed:

- To note and commend the progress of the Inform 100 youth panel
- That members interested in acting as mentors for the young advisers liaise accordingly with the Secretary, who in turn would liaise with the Director to this end.
Action: Secretary and Director of PABV
- That issues raised in the discussion relating to communication and engagement with young people be discussed with Audit Scotland's Communications Team at a forthcoming session between the Commission and the team.
Action: Secretary and Director, PABV

The Chair thanked the Youth Scotland and Inform 100 representatives for attending.

9. Health and social care integration: update on progress-impact

The Commission considered a report by the Director of PABV providing a summary of the initial impact of the performance audit report *Health and social care integration: update on progress* which was published in November 2018.

Following discussion, the Commission agreed to note the initial impact of the 'Health and social care integration: update on progress' report.

10. Best Value Assurance Report: Perth and Kinross Council

The Commission considered a report by the Secretary to the Commission presenting the Controller of Audit's Best Value Assurance Report for Perth and Kinross Council.

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

11. Best Value Assurance Report: Perth and Kinross Council (in private)

The Commission discussed how to proceed in relation to the Controller of Audit's Best Value Assurance Report for Perth and Kinross Council

Following discussion, the Commission agreed to make findings on the report, to be published on 22 August.

12. Performance audit: draft report: Revenue financing of assets: NPD and hub models (in private)

The Commission considered a report by the Director of PABV seeking approval of the draft performance audit report *Revenue funding of assets: The Non-Profit Distributing (NPD) and hub models*, and of proposed arrangements for publication and promotion of the report.

Following 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, Andrew Cowie and Sheila Gunn.
- To approve the publication and promotion arrangements for the report.

Actions: Director of PABV and Secretary

13. Commission Strategy Seminar March 2019: Taking forward the commission's strategic development objectives (in private)

The Commission considered a paper setting out how Audit Scotland plans to support the Commission in delivering its key development priorities which were agreed at its strategy seminar in March 2019.

Following discussion, the Commission agreed to endorse the proposed approach to taking forward the development priorities identified by the Commission at its Strategy Seminar.

14. Commission business matters

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