

MEETING: 14 MAY 2015

MINUTES OF MEETING HELD ON 16 APRIL 2015

Minutes of the 415th meeting of the Accounts Commission held in the offices of Audit Scotland at 18 George Street, Edinburgh, on Thursday, 16 April 2015, at 10.15am

PRESENT: Douglas Sinclair (Chair)
Ronnie Hinds (Deputy Chair)
Alan Campbell
Sandy Cumming
Tim McKay
Christine May
Stephen Moore
Linda Pollock
Colin Peebles
Graham Sharp
Pauline Weetman

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 7 to 9]
Fiona Selkirk, Audit Manager, PABV [Item 9]
Claire Sweeney, Assistant Director, PABV [Item 10]

<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 12 March 2015
5.	Update report by the Secretary to the Commission
6.	Update report by the Controller of Audit
7.	National Scrutiny Plan 2015/16
8.	Shared risk assessment and Best Value work 2015/16
9.	Equalities outcomes and mainstreaming – progress report [<i>in private</i>]
10.	World class programme development [<i>in private</i>]
11.	Commission extranet [<i>in private</i>]
12.	Commission business matters [<i>in private</i>]

The Chair welcomed John Maclean, Chair of Audit Scotland, who was observing the meeting.

1. Apologies for absence

It was noted that apologies for absence had been received from Colin Duncan.

2. Declarations of interest

The following declarations of interest were made:

- Christine May, in item 5, as Vice-Chair of Fife Cultural Trust.
- Linda Pollock, in item 7, as a member of the board of the Care Inspectorate.

3. Decisions on taking business in private

It was agreed that items 9 to 12 should be taken in private as they contained draft reports and confidential issues.

4. Minutes of meeting of 12 March 2015

The minutes of the meeting of 12 March 2015 were submitted and approved, subject to, noting, in relation to paragraph 1, that apologies for absence from Colin Peebles had been noted.

5. 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:

- noted advice from the Secretary that:
 - in paragraph 15, first sentence, “Commission” should read “Committee”.
 - in paragraph 54, fourth sentence, “205” should read “20%” and “finding” should read “target funding proportions”.
 - in relation to paragraph 33 (COSLA conference), the Commission would address in its stakeholder engagement strategy how it engages with those councils that have left COSLA.
- Noted thanks from the Chair to Graham Sharp and Pauline Weetman for briefing the Public Audit Committee on 1 April on the Commission’s report *Borrowing and treasury management in councils*.

Thereafter the Commission agreed to note the report.

6. 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.

7. National Scrutiny Plan 2015/16

The Commission considered a report by the Director of Performance Audit and Best Value introducing the National Scrutiny Plan for Local Government 2015/16 and its related commentary report. The report outlined the outcomes of the recent shared risk assessment process in each of Scotland’s 32 councils.

Following discussion, the Commission agreed:

- To endorse the National Scrutiny Plan 2015/16 and the commentary report.
- That future publications incorporate:
 - in the Plan, a clearer depiction of the Commission's role in reporting.
 - in the commentary report, a clearer depiction of the role of the annual audit.

8. Shared risk assessment and Best Value work 2015/16

The Commission considered a report by the Director of Performance Audit and Best Value, reporting on the shared risk assessment (SRA) process and setting out proposed Best Value related audit work arising from the SRA process.

Following discussion, the Commission agreed:

- To endorse the proposed Best Value audit activity arising from the recent SRA process.
- To note the proposal to bring the Moray Council Best Value follow-up audit report to the Commission's September 2015 meeting.

9. Equalities outcomes and mainstreaming – progress report [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 Secretary to the Commission introducing a draft report setting out the progress by the Commission in relation to fulfilling its duties under the Equality Act 2010.

During discussion, the Commission agreed:

- A number of changes to the draft report.

*Action: Chair of Audit Scotland
Diversity and Equalities Steering Group*

- That a sub-group, consisting of Sandy Cumming, Christine May and Pauline Weetman, be established to consider how the Commission responds to the Scottish Government's 50/50 by 2020 plan, a pledge to make public appointments within public bodies more diverse.

Action: Secretary

- To note advice from the Secretary about the potential of diversity and equalities featuring appropriately in the ongoing review by the Commission of its approach to auditing Best Value.
- To approve the draft report and proposals for publication.

Action: Secretary

10. World Class programme development [in private]

The Commission agreed that this item be held in private to allow it to consider issues around audit programming.

The Commission considered a report by the Director of Performance Audit and Best Value setting out Audit Scotland's vision to deliver world class programme development.

Following discussion, the Commission agreed:

- To endorse the proposed approach.
- To note advice from Ronnie Hinds, as Chair of the Performance Audit Committee, about the committee's role in programme development.
- To agree to further dialogue with Audit Scotland about ensuring a more dynamic audit programming and thus fit with the policy environment.

11. Commission extranet [in private]

The Commission agreed that this item be deferred to its next meeting.

12. Commission business matters [in private]

The Commission agreed that the Chair's update on Commission business matters be held in private to allow it to discuss issues of a confidential nature relating to the operations of the Commission.

The Chair briefed the Commission on matters of interest.