

MEETING: 7 OCTOBER 2021

MINUTES OF PREVIOUS MEETING

Minutes of the 482nd meeting of the Accounts Commission held via online meeting on Thursday 9 September 2021, at 9.30am.

PRESENT: Elma Murray (Interim Chair)
 Andrew Burns
 Andrew Cowie
 Sheila Gunn
 Christine Lester
 Tim McKay
 Stephen Moore
 Sharon O'Connor
 Pauline Weetman
 Geraldine Wooley

IN ATTENDANCE: Antony Clark, Interim Controller of Audit and Director of Performance Audit and Best Value (PABV), (present for items 7 to 18)
 Carol Calder, Senior Manager, PABV (Item 16)
 Lucy Carter, Policy Manager, PABV (Items 7, 14, 15 and 17)
 Gemma Diamond, Audit Director, PABV and Audit Services (Item 13)
 Carole Grant, Audit Director, Audit Services (Item 12)
 Graeme Greenhill, Senior Manager, PABV (Item 13)
 Ffion Heledd, Audit Manager, PABV (Item 6)
 Peter Lindsay, Senior Audit Manager, Audit Services (Item 6)
 Kenneth McFall, Senior Auditor, Audit Services (Item 6)
 Martin McLauchlan, Audit Manager, PABV (Item 13)
 Fiona Mitchell-Knight, Audit Director, Audit Services (Item 6)
 Paul O'Brien, Senior Manager, PABV (Item 14)
 David Sim, Benefit Performance Auditor, Audit Services (Item 12)

Item Subject

1. Apologies for absence
2. Declarations of interest
3. Order of business
4. Minutes of meeting of 12 August 2021
5. Minutes of meetings of Commission committees of 26 August 2021
6. Best Value Assurance Report: East Dunbartonshire Council
7. Secretary's update report
8. Interim Chair's update report
9. Interim Controller of Audit update report
10. Any other business
11. Best Value Assurance Report: East Dunbartonshire Council (in private)
12. The impact of Covid-19 on Scottish Council's benefit services – a thematic study (in private)
13. Briefing scope: Scotland's economy - Supporting businesses through the Covid-19 pandemic and planning Scotland's economic recovery (in private)
14. Planning guidance 2021/22 (in private)
15. Commission Strategy 2021-26 (in private)
16. Strategic Scrutiny Group update (in private)
17. Best Value Working Group update (in private)
18. Any other private business (in private)

1. Apologies for absence

It was noted that apologies for absence had been received from Paul Reilly. Lucy Carter, Policy Manager, acted as the Secretary for the meeting. Antony Clark, Interim Controller of Audit and Director of Performance Audit and Best Value (PABV) joined the meeting at item 7.

2. Declarations of interest

Christine Lester declared an interest in items 6 and 11, as a Board member of Healthcare Improvement Scotland.

3. Order of business

It is proposed that items 11 to 17 be considered in private because:

- Item 11 requires the Commission to consider actions in relation to a report by the Interim Controller of Audit. The Commission is then obliged by statute to inform the appropriate council 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 proposes a draft scope document which the Commission is to consider in private before publishing.
- Item 14 requires the Commission to consider draft planning guidance in advance of its publication, which may require consideration of confidential policy matters.
- Item 15 requires the Commission to consider a draft strategy document in advance of its publication, which may require consideration of confidential policy matters.
- Item 16 requires the Commission to consider matters in relation to strategic scrutiny planning, which may require consideration of confidential policy matters.
- Item 17 requires the Commission to consider matters in relation to the development of its approach to auditing Best Value, which may require consideration of confidential policy matters.

4. Minutes of meeting of 12 August 2021

The minutes of the meeting of 12 August 2021 were approved as a correct record.

Arising therefrom, the Commission:

- In relation to item 4 (first bullet and seventh sub bullet), noted advice from the Policy Manager, in relation to reporting on good practice in Best Value Assurance Reports that this was to be discussed at future Best Value Working Group meetings - as noted at item 17.
- In relation to item 5 (seventh bullet point), noted advice from the Policy Manager that the Secretary is taking forward discussions on impact reporting with colleagues in Audit Scotland
- In relation to item 6 (fifth bullet point), regarding a query from Sheila Gunn on

councillor safety, noted advice from the Policy Manager that she had discussed the query with COSLA, who advised that they are currently working with the Improvement Service on a guide on handling intimidation that is specific to Scotland and that:

- a [Councillors' guide to handling intimidation | Local Government Association](#) from the Local Government Association in England had been shared with a number of Scottish councils upon request. This has been uploaded on to the Members' SharePoint site.
 - COSLA are also working with the Local Government Associations in England, Wales and Northern Ireland on a guide for councillors regarding online communications and digital citizenship. This is to be published later this month.
- In relation to item 10 (second bullet), noted advice from the Policy Manager that she and the Secretary are working with the Improvement Service on promotional activities on the Commission for new councillors in 2022.
 - In relation to item 10 (fifth bullet), noted advice from the Policy Manager that the Commission Support Team are working with Audit Scotland on a response to the Scottish Government's consultation on the proposed National Care Service.
 - In relation to item 11 (second bullet), noted advice from the Policy Manager that the Director of Audit Services attended the Commission's committee meetings in August.

5. Minutes of meetings of Commission committees of 26 August 2021

The minutes of the meetings of the Financial Audit and Assurance Committee (FAAC) and the Performance Audit Committee (PAC) of 26 August 2021 were approved as a correct record.

Arising therefrom, the Commission, in relation to item 6 (paragraph six), agreed the recommendation from the FAAC that it welcomes the revisions in ISA (UK) 240.

6. Best Value Assurance Report: East Dunbartonshire Council

The Commission considered a report by the Secretary presenting the Interim Controller of Audit's Best Value Assurance Report on East Dunbartonshire Council. In the absence of the Interim Controller of Audit, Fiona Mitchell-Knight, Audit Director, Audit Services introduced the report.

During discussion, the Commission raised several questions and points of clarification from the Interim Controller of Audit on his report in the following areas:

- The strength of evidence that the Council engages effectively with all community groups in East Dunbartonshire (Geraldine Wooley).
- The Community Planning Partnership's meeting arrangements and its planned timescale for improving the use of performance indicators in its Local Outcome Improvement Plan (Andrew Burns).
- Inequalities, recognition of the United Nations Convention on the Rights of the Child (UNCRC) and evidence of preventative work on Child Poverty (Sophie Flemig).
- Performance of the Council's housing services (Sheila Gunn).

- The importance of considering trends in performance over time, especially in relation to the Community Planning Partnership (Andrew Cowie).
- The role of elected members in scrutinising performance, especially in relation to Local Government Benchmarking Framework indicators, and for those indicators that have been affected by Covid-19 (Tim McKay).
- Leadership and financial sustainability of the Integration Joint Board (Christine Lester).
- Performance and underspend in Education Services and performance in employability schemes (Sharon O'Connor).
- How the Council's transformation programme links to its budget and how this is scrutinised by elected members (Pauline Weetman).
- How the Council is using unspent late Covid-19 funding and changes in Council services as a result of Covid-19 (Stephen Moore).
- The overarching ambitions of the Council for its residents (Elma Murray).

Following discussion, the Commission agreed to consider in private how to proceed.

7. Secretary's update report

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.

The Commission noted advice from the Policy Manager that, in line with the approach agreed with Commission members, members had been given the opportunity to provide queries on the Secretary's report in advance of the meeting, a response to which he would circulate to members.

During discussion, the Commission:

- In relation to paragraph 60, Stephen Moore stated his view that that the scope of public inquiry into the Covid-19 pandemic should consider matters in relation to the impact of Covid-19 on vulnerable people, in particular the physical and learning disabled; on people discharged from hospital into care homes; and on the long-term health of people.
- In relation to paragraph 86, noted advice from the Policy Manager that on behalf of the Commission, the Interim Chair will respond to the call for views on funding for culture services from the Constitution, Europe, External Affairs and Culture Committee, and the response will be shared with members.

Action: Secretary

Following discussion, the Commission agreed:

- The proposed approach to responding to the consultation by the Acting Ethical Standards Commissioner on a revised Code of Practice for Ministerial Appointments to Public Bodies in Scotland (paragraph 14).
- To respond to the consultation on the National Care Service (paragraph 35).

- To respond to the Scottish Government's consultation on the minimum income guarantee (paragraph 70), as advised by the Interim Chair following a query from Sophie Flemig.
- The proposed approach to responding to the Scottish Government's consultation on the terms of the Covid-19 inquiry (paragraph 60) and that this will include matters raised by Stephen Moore.
- Not to respond to the consultations highlighted at paragraphs 52 and 59.

Actions: Secretary

- In relation to paragraph 9, following a question from Geraldine Wooley on the Fairer Scotland duty, to work with Audit Scotland colleagues to consider the implications of the Fairer Scotland Duty, as part of its focus on inequalities.

Action: Secretary and Interim Director of PABV

8. Interim Chair's update report

The Commission considered a report by the Interim Chair providing an update on recent and upcoming activity.

9. Interim Controller of Audit's update report

The Commission considered and noted a report by the Interim Controller of Audit providing an update on recent and upcoming activity.

10. Any other public business

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

The live stream of the meeting was stopped at this point.

11. Best Value Assurance Report: East Dunbartonshire Council (in private)

The Commission discussed how to proceed in relation to the Controller of Audit's Best Value Assurance Report for East Dunbartonshire Council.

Following discussion, the Commission agreed to make findings to be published on 29 September.

12. The impact of Covid-19 on Scottish councils' benefit services – a thematic study (in private)

The Commission considered a report by the Audit Director, Audit Services proposing a draft report of the thematic study of the impact of Covid-19 on Scottish councils' benefit services, and proposing arrangements for finalising, publishing, and promoting the report.

During discussion, the Commission noted, following a query from Pauline Weetman on paragraph 8, advice from the audit team that the impact on councils of the expansion of benefit services is recognised by auditors and is being considered as part of 2021/22 annual audit work.

Following discussion, the Commission agreed:

- The draft report.
- Proposals for finalising and publishing the report on 7 October 2021.
- To consider a report at the Commission's November meeting on how the work on benefit services can be taken forward in the future.

Action: Director of Audit Services

13. Briefing scope: Scotland's economy - Supporting businesses through the Covid-19 pandemic and planning Scotland's economic recovery (in private)

The Commission considered a report by the Interim Director of PABV on current activities to scope work on Scotland's financial response to Covid-19, specifically seeking the Commission's approval of a briefing, joint with the Auditor General, on the deployment of business support funding and longer-term planning for economic recovery.

During discussion, the Commission:

- Noted advice from the audit team, following suggestions from Elma Murray and Geraldine Wooley, that it would consider consulting with Chambers of Commerce, the Federation of Small Businesses, Business Gateway and the Economic Development Association Scotland as part of the audit.
- Noted, following a query from Geraldine Wooley, that the audit team would include in its focus how the economy has changed over the period, recognising the difficulties in disentangling the impacts of Covid-19 and the UK's departure from the European Union.
- Noted, following a query from Geraldine Wooley, that as part of the work, the audit team would consider the impact on different sectors, recognising that some sectors (e.g., retail and tourism) have been affected more than others.

Actions: Interim Director of PABV

Following discussion, the Commission agreed:

- The proposed scope of the joint briefing, subject to the audit team considering points raised in discussion.
- That the sponsors for the audit would be Geraldine Wooley and Elma Murray.
- To consider a draft briefing at its meeting in December 2021.
- To note the report.

14. Planning guidance 2021/22 (in private)

The Commission considered a report by the Secretary introducing the consultative draft of audit planning guidance for 2021/22 audits.

During discussion, the Commission:

- In relation to paragraph 7 of the cover report, following a query from Andrew Cowie, noted advice from the Interim Director of PABV and his colleagues that

Audit Scotland were actively monitoring staff wellbeing, both through one-to-one conversations and metrics such as the use of annual leave and flexi-time.

- In relation to paragraph 13 of the cover report, following a query from Geraldine Wooley, noted advice from the Interim Director of PABV and his colleagues that significant audit risks will continue to be considered as part of annual audit work and that risks would be reported through his Annual Assurance and Risks Report.
- In relation to paragraph 13 of the cover report, noted advice from Pauline Weetman that that such planning guidance was an important part of the Commission's strategic planning.
- In relation to paragraph 7 of the cover report and paragraph 78 of the draft guidance, following a query from Tim McKay on handover notes for 2022/23 audits, that there be further discussion on the Commission's interest in the intelligence reported by auditors on Best Value audit work.

Action: Secretary and Associate Director, AQA

Following discussion, the Commission agreed:

- To endorse the draft guidance as a basis for consultation with stakeholders.
- To delegate final sign off of the guidance to the Interim Chair noted that the Interim Chair would present to a conference of appointed auditors in November, setting out the Commission's expectations.

15. Commission Strategy 2021-26 (in private)

The Commission considered a report by the Secretary on a redrafted Commission strategy, reflecting discussions by the Commission in June and by members at the recent Autumn Strategy Seminar.

During discussion, the Commission agreed to clarify the Commission's fourth aim of ensuring councils report performance to their communities, though including a link to the Commission's Statutory Performance Information Direction.

Action: Policy Manager

Following discussion, the Commission agreed:

- Proposals for publishing the Strategy on 23 September, subject to the Policy Manager considering the points raised in discussion.
- Its draft Strategy 2021-26.

16. Strategic Scrutiny Group update (in private)

The Commission considered a report by the Audit Director, PABV on the recent work of the Strategic Scrutiny Group.

During discussion, the Commission:

- Commended the report as a useful update on the potential implications for scrutiny resulting from the National Taskforce for Human Rights Leadership Report to the Scottish Government.

- Noted the positive contributions from Adam Lang, head of Nesta Scotland, to the Strategic Scrutiny Group through his presentation on innovation and risk taking.

Following discussion, the Commission:

- Noted the update on the work of the Strategic Scrutiny Group.
- Agreed that the Interim Chair invite Adam Lang, head of Nesta Scotland to meet members in a private session.

Action: Interim Chair

17. Best Value Working Group update (in private)

The Commission considered a report by the Secretary on the work of the Best Value Working Group (BVWG).

Following discussion, the Commission agreed to note the latest conclusions of the BVWG.

18. Any other private business (in private)

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

Close of meeting

The meeting closed at 12.45pm.