

MEETING: 11 MARCH 2021

MINUTES OF MEETING OF PERFORMANCE AUDIT COMMITTEE OF 25 FEBRUARY 2021

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held via online meeting on Thursday 25 February 2021, at 11.45am.

PRESENT: Christine Lester (Chair)
Andrew Cowie
Sophie Flemig
Tim McKay
Elma Murray
Stephen Moore

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Michelle Borland, Business Manager, Performance Audit and Best Value (PABV) (Item 4)
Elaine Boyd, Associate Director, Audit Quality and Appointments (AQA) (Item 8)
Antony Clark, Audit Director, PABV (Items 5, 6 and 7)
John Gilchrist, Manager, AQA (Item 8)
Christopher Lewis, Senior Auditor, PABV (Item 7)
Carolyn McLeod, Audit Director, PABV (Item 5)
Mark MacPherson, Senior Manager, PABV (Item 5)
Jillian Matthew, Senior Manager, PABV (Items 6 and 7)
Tricia Meldrum, Senior Manager, PABV (Item 5)
Mark Roberts, Audit Director, PABV (Item 4)
Rebecca Seidel, Senior Manager, PABV (Item 5)
Kathrine Sibbald, Audit Manager, PABV (Item 7)
Owen Smith, Senior Manager, AQA (Item 8)

<u>Item no.</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Minutes of meeting of 26 November 2020
4.	Work programme update
5.	Policy briefing: Justice, Education and Lifelong Learning cluster
6.	Policy briefing: Health, Care and Communities cluster
7.	Social care sustainability – update
8.	* Audit delivery and quality update
9.	Any other business

* This item was considered in a joint session with the Financial Audit and Assurance Committee. Only the points raised by members of the Performance Audit Committee are contained in this minute.

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declarations of interest

No declarations of interest were made.

3. Minutes of meeting of 26 November 2020

The minutes of the meeting of 26 November 2020 were noted, having previously been approved as a correct record by the Commission.

Arising therefrom, the Committee noted advice from the Committee Chair, in relation to items 5 and 6, that arising from the ongoing Commission review of its committees, the Secretary was discussing with the Performance Audit and Best Value team options for future briefing of policy cluster business to the Committee, to be considered further by the Committee in due course.

4. Work programme update

The Committee considered a report by the Audit Director, PABV, providing an update on the progress of the local government annual audit programme, the joint Commission and Auditor General for Scotland short-term work programme for 2020/21, Best Value assurance work, and wider Covid-19 development work.

During discussion, the Committee:

- Noted advice from the Director of Audit Services on progress with the two outstanding local government financial statements audits (namely Falkirk Council and the West of Scotland Archaeology Service), meaning that all audits will have been signed off by the end of February.
- Noted advice from the Committee Chair that the Best Value Working Group had agreed at its 16 February meeting to recommend to the Commission a revised schedule of Best Value Assurance Reports taking account of continued restrictions and operational challenges.
- Noted advice from the Secretary, in response to a query from Andrew Cowie, that he would update the Committee on progress with the ongoing housing benefit audit on the impact of Covid-19 on benefit services.
- Noted advice from Mark MacPherson, in response to a query from Andrew Cowie, that he would update the Committee on the outcome of the consideration by Edinburgh Partnership on 15 December of the published Best Value Assurance Report on City of Edinburgh Council.

Action: Director of PABV

Following discussion, the Committee noted the report.

5. Policy briefing: Justice, Education and Lifelong Learning cluster

The Committee considered a report by the Senior Managers, PABV, introducing a briefing for the Justice, Education and Lifelong Learning policy cluster.

During discussion, the Committee:

- Noted advice from Mark MacPherson, in response to a point by Stephen

Moore, that he would prepare a paper for the Commission on proposals for future work on community justice matters.

Action: Director of PABV

- Noted advice from Elma Murray that she would expect work programme development proposals and Commission strategic messages to incorporate clear acknowledgement of:
 - growing evidence of increasing inequalities – such as child poverty – caused by the Covid-19 pandemic.
 - the Commission’s strategic interest in the wellbeing of young people, including in relation to matters such as employability and mental health.

Action: Director of PABV

- Noted advice from Elma Murray that future development of the work programme will require to reflect on the strategic priorities of a new Parliament and Government following the May 2021 parliamentary election.
- Noted further advice in this regard from Elma Murray that she was progressing the development of the Commission’s approach to Parliamentary engagement, thus being related to an ongoing review by Audit Scotland to the tripartite parliamentary engagement strategy in this regard (i.e. Accounts Commission, Auditor General and Audit Scotland), upon which she would report further to the Commission in due course.
- Noted advice from Tricia Meldrum, in response to a point by Sophie Flemig on the sustainability of private and third sectors providers of funded early learning and childcare, that data on early learning and childcare availability and take-up would be important considerations in work programme development, and reported appropriately to the Committee to assist its deliberations in this regard.

Action: Director of PABV

Following discussion, the Committee noted the briefing.

6. Policy briefing: Health, Care and Communities cluster

The Committee considered a report by the Senior Managers, PABV, introducing a briefing for the Health, Care and Communities policy cluster.

During discussion, the Committee:

- Noted advice from Antony Clark, in response to a query from Andrew Cowie, that PABV would continue to monitor the impact of city and growth deals, with a view to informing future proposed work and reporting in this regard.

Action: Director of PABV

- Noted advice from Antony Clark, in response to a query from Andrew Cowie, that PABV would provide disaggregated statistics on deaths caused by suicide, assault and self-harm.

Action: Director of PABV

- Noted advice from Antony Clark, in response to a query from Elma Murray, that he would continue to monitor and report appropriately to the Commission on additional costs incurred by public bodies as a result of the Covid-19

pandemic.

Action: Director of PABV

- Noted advice from Jillian Matthew, in response to a query from Elma Murray, that PABV would be reviewing the implications for work programme development of the recently published reports by the Citizens Assembly Scotland and the Social Renewal Advisory Board.

Action: Director of PABV

- Noted, in relation to a point by Stephen Moore, that work programme activity in relation to care services should reflect that such matters extend beyond the care of older people.

Action: Director of PABV

- Noted, in relation to a point by Stephen Moore, the importance that a new approach to auditing Best Value in integration joint boards reflect the need for regular public assurance.

Following discussion, the Committee noted the briefing.

7. Social care sustainability – update

The Committee considered a report by the Audit Director, PABV providing an update on current activities to scope work on social care sustainability.

During discussion, the Committee:

- Agreed, in response to a point by Elma Murray, that the Commission maintain a close interest in the proposed review by the Care Inspectorate of the oversight of the social care market, including commissioning and procurement matters.

Action: Director of PABV

- Noted advice from Elma Murray on discussions that she had with Alan Miller, Independent Co-Chair of the Scottish Taskforce for Human Rights Leadership, the report of which would be published in coming weeks, which would inform further engagement in this regard with the Strategic Scrutiny Group as well as informing the Commission's new equality outcomes, to be considered at its April meeting.

Following discussion, the Committee:

- Noted ongoing document review and engagement work by the audit team.
- Noted that the team is considering with the sponsors, Christine Lester and Stephen Moore, the implications of the report of the Independent Review of Adult Social Care report and the Scottish Parliament's Health and Sports Committee inquiry report into adult social care.
- Noted that the team will work with the sponsors and Auditor General to consider the potential options for the work and bring a further paper to the Committee for consideration.
- Noted the report.

8. * Audit delivery and quality update

The Committee considered a report by the Associate Director, Audit Quality and

Appointments (AQA) on audit delivery for 2019/20 audit work and progress by AQA on actions agreed at previous Accounts Commission meetings.

During discussion, the Committee:

- Noted advice from the Director of Audit Services, in response to a point by Andy Cowie on revised audit deadlines to reflect pressures associated with the Covid-19 pandemic, that any proposal to the Commission in this regard would include reflection of matters such as quality of audit, stakeholder acceptability, timeousness and public assurance.
- Noted advice from the Director of Audit Services, in response to a query from Sharon O'Connor, that she would keep the Committee updated on matters associated with key staff leave arrangements in councils and other public bodies.

Following discussion, the Committee noted the report, including:

- The results of audit delivery for 2019/20 audits.
- The updated position on AQA actions arising from previous Commission consideration of AQA business.

9. Any other business

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

Close of meeting

The meeting finished at 1.05pm.