

PERFORMANCE AUDIT COMMITTEE**MEETING: 26 MAY 2022****REPORT BY: SECRETARY TO THE COMMISSION****MINUTES OF PREVIOUS MEETING**

Introduction

1. This paper provides updated information on the previous minute of the Committee.

Updated information

2. At its meeting on 10 March 2022, the Commission approved the attached minute as a correct record.
3. The Commission also agreed the Committee's recommendations thus:
 - That it consider its definition of and approach to human rights (paragraph 4 of the minute).
 - That it consider how to apply a 'stress testing' approach to public services in relation to the financial and social impact of Covid-19 (paragraph 4).
 - That it consider public involvement and participation in audit work (paragraph 4).
 - That it consider the effect on its audit reporting and its responsibilities of the United Nations Convention on the Rights of the Child (paragraph 4).
 - That it continue to monitor the effect of the planned reform of social care on relationships between local government, Scottish Government and the third sector (paragraph 4).
 - That its work be provided to public inquiries at Scottish and UK levels into the impact of the Covid-19 pandemic (paragraph 5).
 - That Stephen Moore has authority to agree the final blog on additional support needs (paragraph 7).
 - That Andrew Burns and Sophie Flemig have authority to agree the approach to the briefing paper on child poverty, along with the Auditor General (paragraph 7).

Conclusion

4. The Committee is asked to note:
 - The attached minute.
 - Any other updates provided at today's meeting.

Paul Reilly
Secretary to the Commission
13 May 2022

**MINUTES OF MEETING OF PERFORMANCE AUDIT COMMITTEE
OF 24 FEBRUARY 2022**

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held via online meeting on Thursday 24 February 2022, at 11.15am.

PRESENT: Christine Lester (Chair)
Andrew Burns
Sophie Flemig
Sheila Gunn
Stephen Moore
William Moyes

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Antony Clark, Interim Director of Performance Audit and Best Value (PABV)
Douglas Black, Audit Manager, PABV (item 7)
Fiona Brannigan, Senior Auditor, PABV (item 6)
Corrinne Forsyth, Senior Auditor, PABV (item 7)
Mark MacPherson, Senior Manager, PABV (item 7)
Ashleigh Madjitey, Audit Manager, PABV (Item 5)
Carolyn McLeod, Audit Director, PABV (item 7)
Tricia Meldrum, Senior Manager, PABV (item 7)
Mark Roberts, Audit Director, PABV (item 4)
Richard Robinson, Senior Manager, PABV (Item 5)
Sally Thompson, Audit Manager, PABV (item 6)

| <u>Item no.</u> | <u>Subject</u> |
|-----------------|--|
| 1. | Apologies for absence |
| 2. | Declarations of interest |
| 3. | Minutes of meeting of 25 November 2021 |
| 4. | Cluster briefing: Themes and impact on the work programme |
| 5. | Emerging messages: Performance audit – Scotland’s financial response to Covid-19 |
| 6. | Scope: Local government climate change briefing |
| 7. | Forthcoming Justice, Education and Lifelong Learning cluster outputs |
| 8. | Risk assessment and implications for the work programme |
| 9. | Any other business |

1. Apologies for absence

It was noted that Sharon O'Connor had submitted her apologies for being unable to attend the meeting in relation to item 6.

2. Declarations of interest

No declarations of interest were made.

3. Minutes of meeting of 25 November 2021

The minutes of the meeting of 25 November 2021 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein, subject to noting that Sheila Gunn had been present at the meeting.

4. Cluster briefing: themes and impact on the work programme

The Committee considered a report by the Interim Director of PABV proposing consideration of themes emerging from policy cluster briefings that it considered over the past year, potential future themes for briefings, and how the themes that have emerged through the briefings might be reflected in the forward work programme.

Following discussion, the Committee:

- Agreed, in response to a point from Stephen Moore, to recommend to the Commission that it consider its definition of and approach to human rights.

Action: Secretary and Interim Director of PABV

- Agreed, in response to a point from Stephen Moore, to recommend to the Commission that it consider how to apply a 'stress testing' approach to public services in relation to the financial and social impact of Covid-19.

Action: Secretary and Interim Director of PABV

- Agreed, in response to a point from Sophie Flemig, to recommend to the Commission that it consider public involvement and participation in audit work.

Action: Secretary and Interim Director of PABV

- Agreed, in response to a point from Sophie Flemig, to recommend to the Commission that it consider the effect on its audit reporting and its responsibilities of the United Nations Convention on the Rights of the Child.

Action: Secretary and Interim Director of PABV

- Agreed, in response to a point from Sophie Flemig, to recommend to the Commission that it continue to monitor the effect of the planned reform of social care on relationships between local government, Scottish Government and the third sector.

Action: Secretary and Interim Director of PABV

- Agreed, in response to a point by Andrew Burns, that further briefings be considered relating to the impact on councils and integration joint boards of economic and financial risks and issues as noted in the report.

Action: Interim Director of PABV

5. Emerging messages: Performance audit – Scotland's financial response to Covid-19

The Committee considered a report by the Interim Director of PABV proposing the

emerging messages from the performance audit, in conjunction with the Auditor General, on Scotland's financial response to Covid-19, providing an update on progress made to the audit to date and proposing the next steps.

During discussion, the Committee:

- Agreed, in response to a point made by Stephen Moore and William Moyes, to recommend to the Commission that its work be provided to public inquiries at Scottish and UK levels into the impact of the Covid-19 pandemic.

Action: Secretary

- Agreed, in response to a point from William Moyes, the importance of the public as the core audience in the promotion of the report.

Action: Secretary and Interim Director of PABV

Following discussion, the Committee:

- Endorsed the emerging messages set out in the report, subject to the audit team addressing in conjunction with the sponsors, Sophie Flemig and Sheila Gunn, the points raised in discussion.
- Agreed that a draft audit report be brought to the Commission meeting in April 2022, prior to publication in June 2022.

Actions: Interim Director of PABV

6. Scope: Local government climate change briefing

The Committee considered a report by the Interim Director of PABV seeking approval of the proposed scope of a briefing on local government's strategic approach and commitments for addressing climate change and moving towards net zero.

Following discussion, the Committee approved the scope and timing of the briefing, to be published in August 2022, subject to the audit team addressing in conjunction with the sponsors, Andrew Burns and Sharon O'Connor, the points raised in discussion.

Action: Interim Director of PABV

7. Forthcoming Justice, Education and Lifelong Learning cluster outputs

The Committee considered a report by the Interim Director of PABV proposing governance arrangements for two upcoming Justice, Education and Lifelong Learning cluster outputs, namely a blog on additional support needs and a joint briefing with the Auditor General for Scotland on child poverty.

Following discussion, the Committee:

- Agreed the aims and proposed approach to the blog on additional support needs as set out in the report.
- Agreed the potential aim and areas to cover in the briefing paper on child poverty as set out in the report, to be agreed with the sponsors Andrew Burns and Sophie Flemig and the Auditor General.
- Agreed to recommend to the Commission that Stephen Moore has authority to agree the final blog on additional support needs.
- Agreed to recommend to the Commission that Andrew Burns and Sophie Flemig have authority to agree the approach to the briefing paper on child poverty, along with the Auditor General.

Actions: Interim Director of PABV

8. Risk assessment and implications for the work programme

The Committee considered a report by the Secretary providing an updated assessment on business and audit risk.

Following discussion, the Committee:

- Agreed the assessment of the controls in place in relation to business risk, subject to:
 - Ensuring, reflection and reporting of the readiness of the Commission and the public sector to a future significant event like the Covid-19 pandemic (in relation to item 5 above) (point raised by Sheila Gunn).

Action: Secretary

- Agreed the assessment of the audit response in place in relation to audit risk.

Action: Secretary

- Agreed that thought be given on how to introduce an assessment of mitigation into future risk reporting. (point raised by Sophie Flemig).

Action: Secretary

- Agreed that future reporting of audit risk include reference to work by scrutiny partners and the Improvement Service (Stephen Moore).

Action: Secretary

- Agreed that there was no specific action required to inform the next refresh of the work programme at the Commission's March meeting.

- Agreed nevertheless that the Interim Director of PABV reflect on the audit risk reassessments set out above in relation to the work programme.

Action: Interim Director of PABV

9. Any other business

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

10. Close of meeting

The meeting finished at 12.45pm.