

MEETING: 10 MARCH 2016

MINUTES OF PREVIOUS MEETING

Minutes of the 424th meeting of the Accounts Commission held in the offices of Audit Scotland at 102 West Port, Edinburgh, on Thursday, 11 February 2016, at 10.15am

PRESENT: Douglas Sinclair (Chair)
Ronnie Hinds (Deputy Chair)
Alan Campbell
Sandy Cumming
Sheila Gunn
Christine May
Stephen Moore
Graham Sharp
Pauline Weetman
Geraldine Wooley
Sophie Flemig
Tim McKay

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Fraser McKinlay, Controller of Audit and Director of Performance Audit and Best Value (PABV)
Angela Canning, Assistant Director, PABV [Item 11]
Mark McCabe, Senior Manager, PABV [Item 11]
Dave McConnell, Assistant Director, ASG [Item 9]
Cathy MacGregor, Audit Manager, PABV [Item 11]
Martin McLauchlan, Senior Auditor, PABV [Item 11]
Gordon Neill, Senior Manager, PABV [Item 9]
Ronnie Nicol, Assistant Director, PABV [Item 9]
Stephen O'Hagan, Senior Manager, ASG [Item 9]

<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 14 January 2016
5.	Minutes of meeting of Audit Scotland Board 3 December 2015
6.	Update report by the Secretary to the Commission
7.	Update report by the Controller of Audit
8.	Local Government Benchmarking Framework – annual report 2014/15
9.	Audit of Best Value: City of Edinburgh Council
10.	Audit of Best Value: City of Edinburgh Council – Commission consider actions
11.	Performance audit: draft report – An Overview of local government
12.	Commission business matters

1. Apologies for absence

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

2. Declarations of interest

The following declarations of interest were made:

- Ronnie Hinds, in item 8, as a former Chair of the Local Government Benchmarking Board, and in item 11, as a former Chief Executive of Fife Council
- Sophie Flemig, in items 9 and 10, as a resident of the City of Edinburgh council area
- Sheila Gunn, in item 11, as a non-executive Director of the Wheatley Group
- Tim McKay, as a former elected member of City of Edinburgh Council and a resident of the City of Edinburgh council area
- Christine May, in item 8, as Vice-Chair of Fife Cultural Trust
- Pauline Weetman, in items 9 and 10, as a resident of the City of Edinburgh council area
- Geraldine Wooley, as a property-owner in the City of Edinburgh council area.

3. Decisions on taking business in private

It was agreed that items 10 to 12 should be taken in private for the following reasons:

- Item 10 progress report, which the Commission is to consider and decide how it wishes to proceed.
- Item 11 proposes a draft performance audit report, which the Commission is to consider and to agree the process for finalising the report.
- Item 12 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.

4. Minutes of meeting of 14 January 2016

The minutes of the meeting of 14 January 2016 were submitted and approved, subject to noting that, in item 10, the actions should be for the Director of Audit Services.

Arising therefrom:

- In relation to item 7, in response to a query from Tim McKay, advice from the Director of PABV was noted that further information on the rationale behind the local government finance settlement and longer-term trends of allocations would be provided in a publication to be published alongside the Local Government Overview.
- In relation to item 9, advice from the Secretary was noted that further discussion on social media would feature at the Commission's annual Strategy Seminar.

5. Minutes of meeting of Audit Scotland Board 3 December 2015

The minutes of the meeting of the Audit Scotland Board 3 December 2015 were submitted and noted.

6. 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:

- In relation to paragraph 26 of the report, agreed that the Director further consider the implications of the Burial and Cremation (Scotland) Bill in relation to the Commission's work programme.

Action: Director of PABV

- In relation to paragraph 43 of the report, noted advice from the Secretary that there would be briefings to the Commission on the progress of discussions and development of new financial powers in relation to the Scotland Bill at the April and October meetings of the Commission.

Thereafter, the Commission agreed to note the report.

7. 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.

8. Local Government Benchmarking Framework – Overview Report 2014/15

The Commission considered a report by the Secretary to the Commission, advising of the publication of the Local Government Benchmarking Framework Overview Report for the year 2014/15.

During discussion, the Commission:

- Noted the report.
- Noted the engagement arrangements between the Commission and the Local Government Benchmarking Board, including a meeting between the Chair and Deputy Chair and the Board in relation to the report.
- Agreed that as part of this engagement, that the following points be articulated:
 - It would be beneficial to set out how the report is being used by practitioners, council officers and by elected members.
 - The Commission continues to have an interest in how the project can reflect outcomes.
 - The Commission continues to have an interest in further development of social care measures, particularly around different client experiences, such as those with disabilities.

Actions: Secretary

- Note that Audit Scotland will be considering further the implications of the report on its work.

Following discussion, the Commission noted the report.

9. Audit of Best Value: City of Edinburgh Council

The Commission considered a report by the Secretary to the Commission seeking its consideration of the Controller of Audit's report of the Best Value audit of City of Edinburgh Council and seeking direction on how to proceed.

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

10. Audit of Best Value: City of Edinburgh Council [in private]

The Commission discussed how to proceed in relation to the statutory report by the Controller of Audit on the audit of Best Value in City of Edinburgh Council.

Following discussion, the Commission agreed:

- To make findings, to be published on 25 February 2016.
- As part of those findings, to note that it will maintain its interest in the progress made by the Council and that the Controller of Audit will continue to monitor progress through the annual audit process

Actions: Secretary

11. Draft report: An overview of local government in Scotland [in private]

The Commission considered a report by the Director of PABV seeking approval of and agreeing the process for the finalising of the draft report *An overview of local government in Scotland*.

This paper invites the Commission to consider the attached draft local government overview report and to agree the process for finalising 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 Chair and Deputy Chair.
- That members with any further comment should convey these to the Secretary.
- To approve the publication and promotion arrangements for the report.
- That, further to this, an Executive Summary be part of the publication.
- To note that there would be opportunity for further discussion on issues around the form, shape and purpose of future such reports at future meetings of the Commission.

Actions: Director of PABV

12. Commission business matters

There being no further business, the meeting was closed.