

Minutes of Meeting of Audit
Scotland held in the offices of
Audit Scotland, 110 George
Street, Edinburgh on Friday 26
January 2007 at 10.30am

PRESENT: A MacNish (Chair)
J Baillie
R W Black
C Gardner
P Taylor

IN ATTENDANCE: D McGiffen, Director of Corporate Services
R Frith, Director of Audit Strategy
W F Magee, Secretary

<u>Item No</u>	<u>Subject</u>
1.	Minutes
2.	Audit Committee
3.	Accountable Officer's Report
4.	Delegated Decisions
5.	18 George Street
6.	Audit Scotland Corporate Plan 2007-2010
7.	Retirement Policy
8.	Financial and Performance Update
9.	Future Meetings

1. Minutes

There were submitted and approved the minutes of meeting of 19 September 2006.

2. Audit Committee

John Baillie outlined the deliberations of the Audit Committee held earlier in the day and made particular reference to the decision to continue to procure internal audit services from an external firm and to initiate the tender process in view of the expiry of Chiene & Tait's current appointment on 31 March 2007. The Board noted the position.

3. Accountable Officer's Report

There was submitted a report by Robert Black as the Accountable Officer updating the board on progress in Audit Scotland since its last meeting. The report covered the following areas –

- Supporting democratic scrutiny
- Best Value
- Future study programme
- Support to Parliament
- Maximising the value of the audit
- Efficient Government
- Scottish Commission for Public Audit
- Liability for former Ombudsman pensions
- VAT status
- Review of Scrutiny
- Organisational developments
- Benefits Fraud Inspectorate
- Staffing.

The Board noted the report.

4. Delegated Decisions

Audit Scotland noted the following decisions which had been made through correspondence since their last meeting –

- i. appointment of Morris and Spottiswood as contractors for the refurbishment of 18 George Street (paragraph 8 of the minutes of meeting of 19 September 2006 refers);
- ii. appointment of Fabasoft as preferred supplier for the electronic document and records management system.

5. 18 George Street

There was submitted a report by Diane McGiffen providing an update on the progress of the 18 George Street refurbishment project. The Board noted the report.

6. Audit Scotland Corporate Plan 2007-2010

There was submitted a report by Diane McGiffen providing an update on the preparation of the Audit Scotland Corporate Plan for 2007-2010. The report summarised the proposed key messages and timetable for finalising the Corporate Plan and Audit Scotland's budget for 2007-8. Following discussion the Board approved the proposals in the report for the key messages in the Corporate Plan and for a timetable for its approval.

7. Retirement Policy

There was submitted a report by Diane McGiffen outlining the potential impact on Audit Scotland of age discrimination legislation which became effective from 1 October 2006 and proposing a draft retirement policy which accompanied the report. Audit Scotland agreed to approve the retirement policy as submitted.

8. Financial and Performance Update

There was submitted a report by Diane McGiffen updating the Board on Audit Scotland's financial and business performance during the period to 30 September 2006. A further report on performance to 31 December 2006 was circulated at the meeting. The reports also provided an update on Audit Scotland's international activity since the last Board meeting. In discussion a number of points were covered –

- The need to distinguish, in future reports, between expenditure variations which are real departures from budget and those which are only a matter of the timing of expenditure
- The proposed introduction of a planned budget for agency staff for 2007/8
- Continuing progress in developing international activities in Audit Scotland.

Thereafter the Board agreed to note the report.

9. Future Meetings

The Board agreed to remit to the Chair and the Secretary to fix a date for its next meeting which is likely to be towards the end of March.