

Minutes of Meeting of Audit Scotland held in the offices of Audit Scotland, 110 George Street, Edinburgh on Tuesday 9 December 2008 at 10am.

PRESENT: J Baillie (Chair)
R Cleland
I Low
R W Black

IN ATTENDANCE: D McGiffen, Director of Corporate Services
R Frith, Director of Audit Strategy
C Coull, Secretary

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Minutes
3.	Audit Committee
4.	Joint Statement by the Auditor General and the Accounts Commission for Scotland on the Principles of Public Audit
5.	Audit Scotland Corporate Plan 2009/12
6.	2009/10 Budget
7.	SCPA Report on Audit Scotland's Budget Proposal 2009/10
8.	Parliamentary Committee to Review SPCB Supported Bodies
9.	Audit Scotland Annual Report on Disability Equality
10.	Future Meetings

1. Apologies

Apologies for absence were intimated on behalf of Caroline Gardner.

2. Minutes

The minutes of meeting of 19 November 2008 were submitted and approved.

3. Audit Committee

The minutes of meeting of the Audit Committee of 19 November 2008 were submitted and noted.

4. Joint Statement by the Auditor General for Scotland and the Accounts Commission for Scotland on the Principles of Public Audit

There was submitted a report by the Auditor General with attached a draft Joint Statement by the Auditor General and the Accounts Commission on the Principles of Public Audit in Scotland. In part, the statement was designed to provide a strategic context for the Audit Scotland Corporate Plan and would be presented to the Accounts Commission at its December meeting.

Following discussion, during which a number of detailed points were made relating to wording, it was agreed:-

- i. that the need for elected representatives and the public to understand and have confidence in the arrangements for independent scrutiny of public bodies should be included as a fundamental principle;
- ii. that the last sentence in the document should refer to the requirement on Audit Scotland regularly to monitor performance against the Corporate Plan;
- iii. that a revised draft document be emailed to all members of the Board for consideration prior to its submission to the Accounts Commission, and
- iv. once the document had been approved by the Accounts Commission and Auditor General it be sent to appropriate stakeholders as an "exposure draft" for their consideration.

(Action –amendments to Joint Statement – Diane McGiffen)

5. Audit Scotland Corporate Plan 2009/12

There was submitted a report by the Auditor General for Scotland presenting a draft Corporate Plan for Audit Scotland for 2009/12. The plan had been prepared following extensive consultation with clients and stakeholders and would be supported internally by detailed sector plans.

Following considerable discussion it was agreed:-

- i. that the plan should place more emphasis on public engagement and assurance by highlighting the considerable work which was done to that end, and

- ii. to approve the Corporate Plan in principle subject to some minor amendments to wording.

(Action – amendments to Corporate Plan – Diane McGiffen)

6. 2009/10 Budget

There was submitted a report by the Director of Corporate Services referring to the meeting of the Board on 16 September 2008 when the 2009/10 budget had been approved and the Board had requested a further report which included the cost implications of the decisions of the Remuneration Committee in respect of the Reward Strategy. Attached to the report was a copy of the final budget submission to the SCPA.

The Board agreed to note the report and to approve the updated budget.

7. SCPA Report on Audit Scotland's Budget Proposal 2009/10

There was submitted a report by the Director of Corporate Services updating the Board on the consideration by the SCPA of Audit Scotland's budget. Attached to the report was the SCPA report and it was noted that there were a number of specific areas to be covered in a response from Audit Scotland which was required by the end of January.

It was noted that a draft response to the SCPA report was being prepared and it was agreed that a meeting be held on Tuesday 6 January at 10am to consider the draft response and to begin discussion on the future role and focus of the Board.

(Action – draft response to SCPA report; draft discussion paper on role and focus of Board – Diane McGiffen)

8. Parliamentary Committee to Review SPCB Supported Bodies

There was submitted a report by the Director of Corporate Services updating the Board on the Parliamentary Committee reviewing SPCB supported bodies. The Committee had issued a call for evidence and the Auditor General had been requested to make a written submission.

Discussion took place on how Audit Scotland should respond. With regard to those recommendations relating to the terms and conditions of the appointment of the Auditor General, it was agreed that the Auditor General should make a written submission which could be endorsed by Audit Scotland. With regard to the recommendations of the Crerar Review it was agreed that a written submission be made reporting progress and enclosing the exchange of letters between the Cabinet Secretary and Chair of the Accounts Commission.

(Action – draft submission re Crerar – Chair/ Caroline Gardner)

9. Audit Scotland Annual Report on Disability Equality

There was submitted a report by the Director of Corporate Services presenting Audit Scotland's draft report on disability equality for the year from December 2007 to November 2008.

During discussion it was suggested that consideration should be given to the appointments to the Audit Scotland Board.

Thereafter the Board agreed to approve the report.

10. Future Meetings

It was agreed that the next meeting be held on Tuesday 6 January at 10am; that the meetings arranged for 14 January be cancelled; and that the meeting on 18 February commence at 2pm and be followed by a meeting of the Audit Committee.