

AUDIT COMMITTEE

Tuesday 4 September 2001
(*Afternoon*)

Session 1

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2001.

Applications for reproduction should be made in writing to the Copyright Unit,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by The
Stationery Office Ltd.

Her Majesty's Stationery Office is independent of and separate from the company now
trading as The Stationery Office Ltd, which is responsible for printing and publishing
Scottish Parliamentary Corporate Body publications.

CONTENTS

Tuesday 4 September 2001

	Col.
SCOTTISH AMBULANCE SERVICE	790
SCOTTISH ENTERPRISE SKILLSEEKERS TRAINING	791
NATIONAL HEALTH SERVICE IN SCOTLAND	793
FINANCIAL REPORTING ADVISORY BOARD	794
SCOTTISH EXECUTIVE ACCOUNTS	795

AUDIT COMMITTEE

† 12th Meeting 2001, Session 1

CONVENER

*Mr Andrew Welsh (Angus) (SNP)

COMMITTEE MEMBERS

*Scott Barrie (Dunfermline West) (Lab)
*Margaret Jamieson (Kilmarnock and Loudoun) (Lab)
*Paul Martin (Glasgow Springburn) (Lab)
Mr Lloyd Quinan (West of Scotland) (SNP)
Mr Keith Raffan (Mid Scotland and Fife) (LD)

*attended

THE FOLLOWING ALSO ATTENDED:

Mr David Davidson (North-East Scotland) (Con)
Russell Frith (Audit Scotland)
Mr Arwel Roberts (Audit Scotland)

CLERK TO THE COMMITTEE

Callum Thomson

SENIOR ASSISTANT CLERK

Anne Peat

ASSISTANT CLERK

Seán Wixted

LOCATION

Committee Room 3

† 11th Meeting 2001, Session 1—held in private.

Scottish Parliament

Audit Committee

Tuesday 4 September 2001

(Afternoon)

[THE CONVENER *opened the meeting at 14:00*]

The Convener (Mr Andrew Welsh): I welcome everybody back after the recess—we can now get down to some serious auditing. There are apologies from Keith Raffan. I welcome our colleague David Davidson, who is sitting in and—if he so wishes—participating. He is perhaps a trailer for forthcoming attractions. I make the usual announcement about mobile phones and pagers: if members have them, will they please turn them off.

As this is our first meeting since Nick Johnston's resignation as deputy convener, I thank him for his work. He was especially involved in the work on Holyrood. On behalf of the committee, I express thanks to Nick for his past work and wish him well for the future.

Scottish Ambulance Service

The Convener: The first item is a further response from the Scottish Executive on the priority-based dispatch system for the Ambulance Service in Scotland. On 6 March, we considered a progress report. The response represents the substantive report on priority-based dispatch, together with the review of operations rooms, which was the main thrust of our report. I am happy to say that the response seems to be broadly positive. The Executive says that it is persuaded to proceed with proposals that would result in prioritisation being facilitated, as part of a wider re-engineering of the critical underlying operation room functions. Like the previous commitment to review emergency ambulance performance, the proposals seem to be sensible and are welcome.

I am happy to note the progress made on the recommendations in our report. Although departmental approval has been qualified regarding priority-based dispatch, the action builds on our recommendations. The action is within the wider context. I am happy to note the proposals on improved mapping and vehicle location systems, pre-arrival software, improved planning of non-emergency services and improved communication with hospitals and clinical staff. That is all real progress, as are the proposals on the redeployment of staff from existing emergency rooms, and those on call handlers and non-emergency central functions at major hospital sites. I throw that positive note in the response to the committee for its comments.

Scott Barrie (Dunfermline West) (Lab): The response from the health department is welcome—it is a certain vindication of our work that the department is so seriously considering our recommendations. It is heartening, when it said that it would come back with an updated report, that it has done so. We have in the past been critical of departments for saying that they would do something and not following it up. We should give credit where credit is due—it is good that the department is taking on board our recommendations and progressing them satisfactorily.

The Convener: I heartily agree. Our job is not only to criticise, but to encourage. I am happy that our recommendations are being taken seriously and acted upon, and that progress is being made. On section 8, I would like to know what results have been achieved so far on the monitoring of incident service times. I also wonder when we can expect the monitoring of patient report forms to be fully implemented. Those are small points, but we should keep them in mind when we are considering the response.

Scottish Enterprise Skillseekers Training

The Convener: Item 2 on our agenda relates to our report on the Scottish Enterprise skillseekers training programme. At our meeting on 6 March we considered a preliminary response from the Executive. At that meeting we agreed that we would address points arising from the response when considering the Executive's more substantive response. That response deals first with the roll-out of Scottish Enterprise's corporate training programme and the benefits to be had from it, and secondly with Scottish Enterprise's commitment to improving its system of management information and to ensuring that that information is disseminated.

The more substantive response that we have received appears to be positive. It indicates that the corporate training system will bring about better monitoring of cost-effectiveness and better management information. I am happy to note that £2.75 million has been freed up for priority areas as a result of better management. Do members have any comments?

Scott Barrie: Our report on the skillseekers training programme was far more critical than our report on the Scottish Ambulance Service—with good reason. It is heartening that Scottish Enterprise has responded positively and addressed the deficiencies that we identified in its management information systems. We were told that Scottish Enterprise was in the process of making changes to those systems, but at the time of the Auditor General's inquiry they had not been fully implemented. It is good to see that what we were told in evidence has borne fruit. Scottish Enterprise has developed information systems that are much better than those it had previously.

The Convener: There has been a solid improvement.

Paul Martin (Glasgow Springburn) (Lab): I raised the issue of tracking young people to ensure that training was being provided effectively and that best value was being obtained. There is no reference to that in Scottish Enterprise's report.

The Convener: Both Paul Martin and Keith Raffan highlighted that issue and we should keep an eye on it. The tracking of trainees and the extent to which encouragement to complete training is given are issues that are not addressed specifically in the report.

Mr Arwel Roberts (Audit Scotland): I take the point that Paul Martin makes about the need to track the individuals who are involved in the programme. I invite the committee to let Audit

Scotland monitor developments in that area. We can come back with additional information as and when it appears.

The Convener: Thank you. When the annual departmental report appears we will have an opportunity to review progress. However, there has been a promising and positive move forward.

National Health Service in Scotland

The Convener: Agenda item 3 relates to our report entitled "Overview of the National Health Service in Scotland 1999/2000". The committee made a number of recommendations, many of which will be considered again in the next Auditor General for Scotland overview report. At this point we should note the comments relating to the Common Services Agency—on post-payment verification checks, for instance. Although proposals regarding the matter have been presented to the AGS, it is understood that the AGS would like to consider it further. The committee might want to revisit the issue when preparing its next report. Is that agreed?

Members *indicated agreement.*

Financial Reporting Advisory Board

The Convener: Agenda item 4 relates to a letter that we have received from the Minister for Finance and Local Government on the Financial Reporting Advisory Board. The letter, dated 30 May, was written in response to a joint letter from the conveners of this committee and the Finance Committee to the minister. The Finance Committee is due to consider the matter at its meeting on Tuesday 11 September.

The minister's reply addresses the two issues that we raised in our original letter. First, we asked that the FRAB report be received by the Audit Committee and Finance Committee of the Scottish Parliament as well as by the Committee of Public Accounts and the Treasury Committee of the House of Commons. Secondly, we asked that the independent economist on FRAB be appointed after discussion with the chief economist at the Scottish Executive. Do members find the arrangement proposed by the minister acceptable?

Members *indicated agreement.*

Scottish Executive Accounts

The Convener: Agenda item 5 is on the format of Scottish Executive accounts. At our meeting on 27 June 2000, we agreed that the Scottish Executive's accounts for 1999-2000 should follow the template that was suggested by the Executive, but that the format for the 2000-01 accounts should be discussed.

We requested and received a shadow set of accounts showing percentage changes. We have a letter from the Minister for Finance and Local Government with a mock-up of the accounts, and a letter from Mr Russell Frith, the director of audit strategy at Audit Scotland. Does Mr Frith wish to comment before we discuss the matter?

Russell Frith (Audit Scotland): Yes. The committee raised the issue when it had only a skeleton set of accounts without numbers. The Executive agreed to provide a set with full numbers and the further information that the committee requested. The minister has given a fairly detailed explanation of why he feels that the additional information might not provide as much clarity as was first thought, and I agree with him.

The way in which the information is presented tends to confuse rather than to inform further, and might lead to some erroneous or misleading follow-ups to information—particularly when large percentage changes are produced from small numbers. Such changes are unimportant, whereas a smaller percentage change in a much larger number might be much more worthy of consideration.

The Convener: The figures can be confusing enough, so we seek enlightenment. The easier they are to read, the better.

Scott Barrie: I remember that we were in the chamber when we debated the matter and that the committee was slightly larger. That point was made, although we did not have figures that illustrated it clearly. The old adage about "lies, damned lies and statistics" comes to mind. One can get statistics to say anything. Percentages can be misleading when a large increase in a small budget is being considered.

The minister mentions in his letter a 7,000 per cent increase. That appears to be huge, but when it is explained, it might or might not be noteworthy. If we are serious about the procedures being understandable not only to us, but to people outwith the parliamentary process, we should keep them as simple as possible. We want explanations about large variances, rather than large percentage differences.

The Convener: Those points were worth

making. The correspondence between the Executive and the committee has helped to clarify the situation. Is the committee satisfied with the Executive's response?

Members indicated agreement.

The Convener: We have reached the end of the meeting. The Audit Committee's next meeting will be at 2 pm on Tuesday 18 September in the Hub.

The clerk to the committee is leaving to become clerk to the Transport and the Environment Committee. We will be notified of our new clerk once an appointment has been made. The Transport and the Environment Committee is gaining someone special. I thank Callum Thomson for his work. Clerks are often the unsung heroes of our committee system. They work quietly behind the scenes to ensure that committee business is conducted efficiently and effectively. Callum has done that and more for us. I congratulate him especially on the excellent work that was done on committee reports. We all wish Callum success in his new appointment and thank him for his work.

Scott Barrie: Callum is the second clerk whom we have seen off. I hope that that does not reflect on the committee.

The Convener: Yes, that is rather too many clerks, but we treat them so well and give them so much experience that they have to be promoted.

I close the meeting and thank members for attending.

Meeting closed at 14:13.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, 375 High Street, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Wednesday 12 September 2001

Members who want reprints of their speeches (within one month of the date of publication) may obtain request forms and further details from the Central Distribution Office, the Document Supply Centre or the Official Report.

PRICES AND SUBSCRIPTION RATES

DAILY EDITIONS

Single copies: £5

Meetings of the Parliament annual subscriptions: £500

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

WHAT'S HAPPENING IN THE SCOTTISH PARLIAMENT, compiled by the Scottish Parliament Information Centre, contains details of past and forthcoming business and of the work of committees and gives general information on legislation and other parliamentary activity.

Single copies: £3.75

Special issue price: £5

Annual subscriptions: £150.00

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at the Document Supply Centre.

Published in Edinburgh by The Stationery Office Limited and available from:

The Stationery Office Bookshop
71 Lothian Road
Edinburgh EH3 9AZ
0131 228 4181 Fax 0131 622 7017

The Stationery Office Bookshops at:
123 Kingsway, London WC2B 6PQ
Tel 020 7242 6393 Fax 020 7242 6394
68-69 Bull Street, Birmingham B4 6AD
Tel 0121 236 9696 Fax 0121 236 9699
33 Wine Street, Bristol BS1 2BQ
Tel 01179 264306 Fax 01179 294515
9-21 Princess Street, Manchester M60 8AS
Tel 0161 834 7201 Fax 0161 833 0634
16 Arthur Street, Belfast BT1 4GD
Tel 028 9023 8451 Fax 028 9023 5401
The Stationery Office Oriel Bookshop,
18-19 High Street, Cardiff CF12BZ
Tel 029 2039 5548 Fax 029 2038 4347

The Stationery Office Scottish Parliament Documentation
Helpline may be able to assist with additional information
on publications of or about the Scottish Parliament,
their availability and cost:

Telephone orders and inquiries
0870 606 5566

Fax orders
0870 606 5588

The Scottish Parliament Shop
George IV Bridge
EH99 1SP
Telephone orders 0131 348 5412

sp.info@scottish.parliament.uk

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers