



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

PUBLIC AUDIT COMMITTEE

Wednesday 23 May 2012

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PUBLIC AUDIT COMMITTEE

8th Meeting 2012, Session 4

CONVENER

*Iain Gray (East Lothian) (Lab)

DEPUTY CONVENER

*Mary Scanlon (Highlands and Islands) (Con)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)
*Colin Beattie (Midlothian North and Musselburgh) (SNP)
*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)
*Mark Griffin (Central Scotland) (Lab)
*Colin Keir (Edinburgh Western) (SNP)
Tavish Scott (Shetland Islands) (LD)
*Humza Yousaf (Glasgow) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Mr Robert Black (Auditor General for Scotland)

CLERK TO THE COMMITTEE

Jane Williams

LOCATION

Committee Room 3

Scottish Parliament

Public Audit Committee

Wednesday 23 May 2012

[The Convener *opened the meeting at 10:00*]

Decision on Taking Business in Private

The Convener (Iain Gray): Welcome to the Public Audit Committee's eighth meeting in 2012. We have received apologies from Tavish Scott. I welcome members of the press and public to the meeting. I remind everybody to switch off their mobile phones.

The first item on our agenda is to decide whether to take agenda items 4 and 5 in private. Do members agree to take those items in private?

Members *indicated agreement.*

Section 22 Report

"The 2006/07 audit of Kilmarnock College"

10:00

The Convener: We come to item 2 on the agenda. I welcome the Auditor General for Scotland, who is accompanied by Russell Frith and Mark MacPherson. The report on Kilmarnock College goes back some years. Colleagues have a paper that explains the chronology. At the time, the Public Audit Committee could not fully consider the report because of a police investigation. That investigation has now been completed and the Kilmarnock College board of management laid its financial statements for the year ending July 2011 on 22 March 2012. Therefore, we are now in a position to consider the Auditor General's report. I ask Robert Black to introduce the report.

Mr Robert Black (Auditor General for Scotland): I can be brief. As you said, convener, the report relates to events more than five years ago—the 2006-07 audit of Kilmarnock College, which is going back some time. The issues in the report related to weak management and governance arrangements at the college as well as weaknesses in processes and record keeping. We have tried to refresh your memory on that in our paper on the issue. We are satisfied that the college acted some time ago—in fact, soon after the events—to address the concerns. The college has strengthened and improved its internal processes and significant changes have been made in the senior management and board composition.

As you say convener, at the time, we could not provide the committee with much detail because of the on-going police investigation. Now that the investigation has been concluded and the auditor has issued a clean audit opinion for the last financial year, which is 2010-11, we are able to bring the report to you. I encourage the committee to see this as the rounding off of a long-standing issue. It was serious at the time, but the matters have been addressed and action has been taken.

The Convener: Do members wish to comment?

Colin Beattie (Midlothian North and Musselburgh) (SNP): I have one point. The paper from the clerk states that, in July 2011, the principal of the college wrote to the committee to update us on the steps that had been taken. I do not remember that letter coming before the committee at that time. That was about 10 months ago. Why has there been such a delay?

The Convener: I think that the committee previously agreed that it would return to the issue

once the accounts had been laid for the year 2010-11. The letter of 21 July 2011 is in the committee's papers. Obviously, I was not a member of the committee at the time but, as far as I can tell, the delay was simply down to the agreement that the committee made about the point at which it would reconsider the issue.

Do any other members want to comment or ask the Auditor General a question?

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): I speak as a long-standing member of the committee and as the constituency member for the college. This process brings to an end a saga that has been on-going for some time and that has given some concern to the college over a period of years. As the Auditor General says in his paper, it brings the matter to an end. The issues date back to 2006 and perhaps before that.

The matter was referred to the police and the procurator fiscal but I understand that no action has been taken. The key thing for the committee is to look at governance arrangements for the college from that point on. Those arrangements have been strengthened by the completely new board that was put in place at Kilmarnock College. The governance arrangements are particularly sound, as reported on by the Auditor General and external auditors. The college is looking forward to this meeting and the committee's conclusions to bring the matter to an end so that it can quite rightly and properly prepare for its future and the new college building for the town. It is with that sentiment that I hope that the committee will note the Auditor General's report—members may of course ask any questions or make any comment that they wish—and bring the matter to a conclusion so that the college can move on.

The Convener: As no one else wants to speak, the suggestion is that the committee notes the Auditor General's report, particularly notes that the measures required to deal with the problems in 2006-07 have now been taken, and draws a line under its consideration of the issue. Is that agreed?

Members *indicated agreement.*

Section 23 Report

“Commonwealth Games 2014—Progress report 2: Planning for the delivery of the XXth Games”

10:06

The Convener: Item 3 is correspondence on the section 23 report. Colleagues will remember that, when we discussed the report, we recognised that it was generally extremely positive about the progress that has been made, but we identified one or two items such as the security budget, for example, on which we wanted further information. We have a response from the Scottish Government on which members might want to comment.

Mary Scanlon (Highlands and Islands) (Con): We were right to highlight the issues that came up about the security budget, Hampden and the athletes village. The response is very thorough and as much as we can expect at this point in time. I look forward to receiving on-going updates on the issue.

Humza Yousaf (Glasgow) (SNP): I agree with Mary Scanlon's points. One of our big concerns was about the development and the various works that are going on at Hampden. I appreciate the thorough response about that. Point 5 of the Government's response says:

“A prototype of the proposed suspended deck solution for raising the field of play will be constructed and tested in the Summer of 2012.”

It would be good to get a report on how that goes, although I do not know whether we are in a position to do that. The developments around Hampden raised the most concern among committee members. It would be good to be kept updated and see how we can be kept updated.

The Convener: My suggestion is that we write back and ask for a report on that to be included in the update on progress that has been promised to us for November 2012. That would seem to fit the timescale.

Humza Yousaf: Yes.

Mary Scanlon: Agreed.

The Convener: I suggest that the committee notes the correspondence, and also notes that we will get an update in November this year and in November 2013. We will ask the clerk to make sure that the issue that Humza Yousaf has just raised is included in the update. Is that agreed?

Members *indicated agreement.*

The Convener: With that, I move the committee into private session and ask members of the press and public to leave.

10:09

Meeting continued in private until 10:21.

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