Finance Committee

Public Services Reform (Scotland) Bill

Submission from the Accounts Commission

New powers for Ministers

The Bill contains quite wide ranging provisions to permit changes to the public sector landscape to be brought in by Statutory Instrument rather than primary legislation. Both the Accounts Commission for Scotland and Audit Scotland are included in the extensive list of bodies to which these may be applied.

While we recognise that the provisions are designed to provide an efficient way of making future changes to the public sector landscape, there is a potential risk that such changes could reduce the transparency of public policy-making, and the independence of these bodies in the way in which they conduct their activities. This risk is mitigated, but not eliminated, by the safeguards built into the Bill including requirements to consult affected bodies, a requirement for an explanatory paper to Parliament including information on representations received and a requirement that such secondary legislation is subject to an affirmative vote in the Parliament.

User involvement

The Accounts Commission for Scotland is one of the listed bodies for a new duty to include service users in both the design and operation of scrutiny arrangements and in the governance of the scrutiny body. While we agree with this in principle, given the extensive nature of the services which we scrutinise, we shall consider how best to implement this.

Co-operation

We welcome the provisions requiring listed bodies to co-operate and co-ordinate scrutiny activities. We look forward to working closely with the Scottish Government to develop guidance to underpin this.

Governance of Audit Scotland Board

Audit Scotland (which provides services both to the Accounts Commission for Scotland and to the Auditor General for Scotland) exists to serve the public interest and its Board needs to command the maximum public confidence. The Accounts Commission therefore welcomes the greater transparency and openness that should be engendered by the Parliament taking a greater role in the appointment of non-executive members of the Audit Scotland Board; the proposal that the Scottish Commission for Public Audit (SCPA) should make the appointments of the three non-executive members of the Board; and the clarification of the terms for which the appointments will run.
Whilst we believe that the present informal arrangement whereby the Chair of the Accounts Commission has also been the Chair of the Audit Scotland Board has worked well in practice we also recognise that Parliament may prefer one of the non executive members with no connection to either the Auditor General or the Accounts Commission to undertake that role.

For further public assurance that appointments are demonstrably free from political bias, we suggest that the Public Appointments and Public Bodies etc (Scotland) Act 2003, which provides for the creation of the Office of the Commissioner for Public Appointments in Scotland (OCPAS) and its oversight of the public appointments made by Scottish Ministers, be extended to cover also appointments to the Audit Scotland Board. This would provide clear independent assurance of the fairness of the process.

John Baillie
Chair, Accounts Commission