

SCOTLAND EXCEL

To: Scotland Excel Joint Committee

On: 12 June 2015

Report by: The Treasurer and the Clerk

Heading: Local Authority Accounts (Scotland) Regulations 2014

1. Summary

- 1.1. The Local Authority Accounts (Scotland) Regulations 2014 came into force from 10 October 2014 and make a number of changes to the current requirements relating to the preparation, contents and consideration of the Annual Accounts for all local authorities and joint committees.
- 1.2 Under the Regulations, a local authority (under the regulations the definition of a local authority includes joint committees) or committee of that authority whose remit includes audit or governance functions must meet to consider the unaudited Annual Accounts no later than 31st August each year, and must aim to approve the audited Annual Accounts for signature no later than 30th September each year.
- 1.3 The purpose of this report is to seek approval for changes to be made to the Scheme of Delegation and Finance Regulations of Scotland Excel which would enable Scotland Excel to comply with the requirements of the Regulations.

2. Recommendations

- 2.1. The Joint Committee is asked to approve the amendments to the Scheme of Delegation and Finance Regulations as detailed at paragraphs 3.4 and 3.5 of this report.
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3. **Background**

- 3.1 Under the Standing Orders the Joint Committee of Scotland Excel meets twice each year, normally in June and December. Under existing arrangements, the unaudited annual accounts of Scotland Excel are considered at the June meeting and the audited annual accounts are considered and approved at the December meeting.
- 3.2 The Local Authority Accounts (Scotland) Regulations 2014 were laid before the Scottish Parliament on 7 July 2014 and came into force on 10 October 2014. The Regulations apply to the statutory Annual Accounts commencing with the financial year 2014-15. Under the Regulations a local authority (under the regulations the definition of a local authority includes joint committees) or committee of that authority whose remit includes audit or governance functions must meet to consider the unaudited Annual Accounts no later than 31 August each year, and must aim to approve the audited Annual Accounts for signature no later than 30 September each year.
- 3.3 The existing arrangements would prevent Scotland Excel meeting the requirement to approve the audited accounts for signature no later than 30 September each year.
- 3.4 It is proposed that an adjustment is made to paragraph 4.3 of the Scotland Excel Scheme of Delegation to delegate the consideration and approval of the audited Annual Accounts to the Executive Sub-Committee:

Current Paragraph

- 4.3 The matters initially delegated to the Executive Sub-Committee are as follows:-
- a) to approve or endorse as appropriate executive actions recommended by the Director
 - b) to deal with urgent matters relating to staffing or to the structure of Scotland Excel
 - c) the selection process for appointments to the posts of Director or Heads of Service
 - d) to approve the award and extension of contracts or groups of contract in terms of the Standing Orders Relating to Contracts. to consider and determine:-
 - (i) urgent matters relating to contract continuity which cannot be dealt with by the Joint Committee;
 - (ii) approval or homologation of matters where urgency precludes full Joint Committee consideration; and
 - (iii) any other matter referred to the Executive Sub-Committee by the Joint Committee.

Proposed Revision

4.3 The matters initially delegated to the Executive sub-committee are as follows:-

- a) **to consider and approve for signature the audited Annual Accounts of Scotland Excel**
- b) to approve or endorse as appropriate executive actions recommended by the Director
- c) to deal with urgent matters relating to staffing or to the structure of Scotland Excel
- d) the selection process for appointments to the posts of Director or Heads of Service
- e) to approve the award and extension of contracts or groups of contract in terms of the Standing Orders Relating to Contracts. to consider and determine:-
 - (i) urgent matters relating to contract continuity which cannot be dealt with by the Joint Committee;
 - (ii) approval or homologation of matters where urgency precludes full Joint Committee consideration; and
 - (iii) any other matter referred to the Executive Sub-Committee by the Joint Committee.

3.5 Similarly, it is proposed that the undernoted adjustment is made to paragraph 3.19 of the Scotland Excel Financial Regulations Scheme of Delegation to expand the responsibilities of the Executive Sub-Committee to include the consideration of reports by the external auditors in relation to the audited Annual Accounts:

Current Paragraph

3.19 The Joint Committee will consider reports by our external auditors, including reports on the audited annual accounts

Proposed Revision

3.19 The Joint Committee **or Executive Sub-Committee** will consider reports by our external auditors, including reports on the audited annual accounts

3.6 The Directors of Finance of all Scottish Local Authorities have been consulted on these proposals and no objections have been raised.

Implications of the Report

1. **Financial** – none
2. **HR & Organisational Development** - none
3. **Community Planning** – none
4. **Legal** – The report seeks changes to Scotland Excel's constitutional documents to enable it to comply with the requirements of the Local Authority Accounts (Scotland) Regulations 2014.
5. **Property/Assets** - none
6. **Information Technology** - none.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** - none