Diversity, equality and inclusion strategy 2025–29

ACCOUNTS COMMISSION

AUDIT SCOTLAND

Prepared by Audit Scotland
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Contents

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Foreword

Our strategy sets out a shared vision for diversity, equality and inclusion in public audit – to be leaders in the Scottish public sector, with a workforce that's representative of Scotland's people, and with a positive culture of inclusion, delivering audit work that tackles inequalities and supports human rights.

We're building on strong foundations. Through our 2021–25 equality outcomes, we increased coverage of equalities and human rights in our reporting, supported by improved audit methodology. We delivered more targeted publications and undertook significant external engagement to ensure our audit work informs our equality and human rights policy. All while fostering a more diverse workforce and an inclusive culture within Audit Scotland.

Looking forward, our 2025–29 strategy sets out our equality outcomes for the next four years, and details how we will mainstream equality and human rights through our work and improve our employee information and impact assessments. It also embodies our shared values including equality, integrity and respect.

Our new strategy recognises the challenging context in Scotland – deepening inequalities, rising living costs, demographic shift, with increasing pressures on public services. We know that public audit can help drive improvement, by supporting collaboration across public services, more targeted public spending and improved public services. This is key to delivering the outcomes in Public audit in Scotland and ensuring public money is well spent to meet the needs of Scotland's people.

This strategy is about more than legal obligations. Collectively, we believe it is what we should be doing for our colleagues, for our work and to help improve public services. Through our holistic approach to diversity, equality and inclusion, we aim to improve the life chances of people who are at the heart of our work and of the public services we audit.

Stephen Boyle
Auditor General for Scotland

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Chair, Audit Scotland Board

Introduction

What we mean by diversity, equality and inclusion

1. Diversity, equality and inclusion (DEI) can be defined as follows:

- **Diversity** refers to who is represented. It can be thought about in terms of people with a wide range of backgrounds and characteristics. For example, those protected under the Equality Act 2010, as well as wider characteristics such as social backgrounds, neurodiversity and caring responsibilities.
- **Equality** is about how we treat people and is defined by treating people the same. We should also think about **equity**, which is about treating people fairly, considering their unique circumstances, and adjusting treatment accordingly so that the result is equal.
- **Inclusion** refers to how people experience the social and physical environment. It is about the degree to which people feel heard, valued and able to make meaningful contributions.

2. McKinsey has produced a helpful explainer on the meaning of these terms. They explain that the terms are often grouped together because they are interconnected, and that it is when combined that their true impact emerges.

Why have a diversity, equality and inclusion strategy?

It's the right thing to do

3. People are at the heart of our work and of the public services we audit:

- **Colleagues** – We want all colleagues to be seen and heard and to feel safe and included. To have equal opportunity to develop, progress, and be recognised at work.
- **People in Scotland** – We want to help ensure citizens have access to the services they need regardless of their background, characteristics or attributes.

4. This is becoming increasingly critical because of deepening gaps in inequalities for some groups of society, a rising cost of living, and increasing pressures on public services.

5. The Equality and Human Rights Commission's 'Is Scotland Fairer?' report in 2023 highlighted trends that indicate progress in some areas but persisting or worsening inequalities in others. For example:

- Most ethnic minority groups experience a lower quantity and quality of work and worse living standards than White British people, despite outperforming White Scottish pupils at school leaving age.
- While an increased proportion of disabled people are employed, they are likely to earn less and experience worse living standards than non-disabled people.
- The numbers of recorded hate crimes aggravated by transgender identity, sexual orientation and disability have all increased.
- People living in the most deprived areas continue to have a lower healthy life expectancy and poorer mental health.
- On the other hand, people aged 16–19 are more likely to be in education, employment or training than previously, ethnic minority representation in the Scottish Parliament has improved, and the proportion of women on public boards has risen to at least 50%.

It will help us in our work

6. A more diverse and inclusive workforce leads to **better outcomes for staff, clients and the public**.

7. Research shows an effective diversity, equality and inclusion strategy has a positive impact on an organisation's productivity, recruitment and retention, engagement, reputation and results.

8. When people feel like they belong, they are happier in their work and provide mutual support to their colleagues. A diversity, equality and inclusion strategy helps us to deliver fair work – work that offers effective voice, opportunity, security, fulfilment and respect.

9. A diverse workforce helps us improve our scrutiny and critical thinking by bringing a range of perspectives and approaches. These perspectives enhance our understanding of the needs of people using public services.

10. It will also help us **deliver our strategy for public audit** – live our values, deliver priorities and achieve outcomes.

It's the law

11. The **Equality Act 2010** sets out personal characteristics that are protected by law and behaviour that is unlawful. It aims to support a fairer society, improved public services and more effective businesses. It includes three aims or 'needs' of the general Public Sector Equality Duty, to which we must have due regard:

- **eliminate discrimination, harassment, victimisation** and any other conduct that is prohibited by or under the Act.
- **advance equality of opportunity** between people who share protected characteristics and people who don't.
- **foster good relations** between people who share protected characteristics and people who don't.

12. Under the additional requirements of the Public Sector Equality Duty that apply specifically to Scotland, we must consider how we can positively contribute to a more equal society, by advancing equality and good relations through every aspect of our day-to-day work. This means:

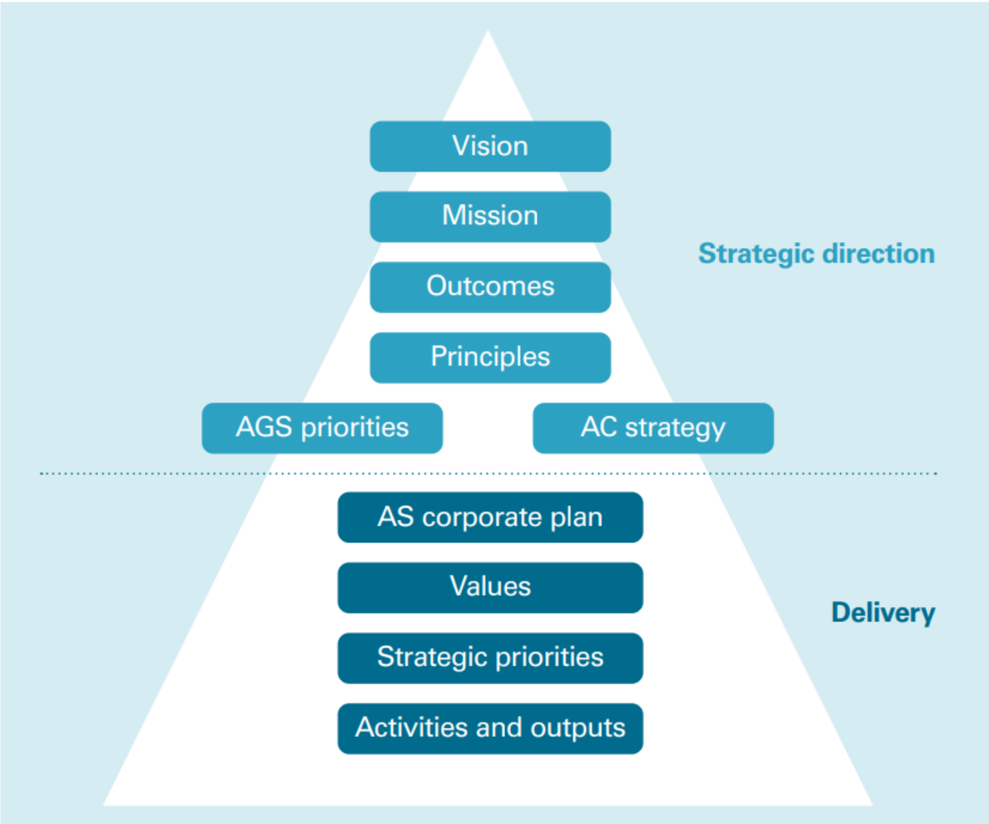
- taking effective action on equality
- making the right decisions, first time around
- developing better policies and practices, based on evidence
- being more transparent, accessible and accountable
- delivering improved outcomes for all.

13. In addition, while we are not a listed body for the purposes of the Fairer Scotland Duty, we strive to meet the requirements of that Duty.

Strategic context

Public audit in Scotland

14. Public audit in Scotland sets out a shared vision, mission and outcomes for public audit. This is informed by the Accounts Commission's strategy and supported by Audit Scotland's Corporate Plan, as shown below.



Public audit outcomes

15. Public audit in Scotland sets out the changes we want to deliver during 2023–28 and the impact we want to have on public services and on the outcomes that people and communities in Scotland experience.

16. Our vision for public audit in Scotland is that public money is well spent to meet the needs of Scotland's people. Our mission is to provide clear, independent and objective assurance on how effectively public money is being managed and spent.

17. Two of our outcomes for public audit have equalities dimensions:

- **Public services in Scotland work better together to target resources more effectively** – Tackling inequalities requires a whole systems approach and better collaboration. Public audit can play a role in challenging and influencing spending decisions and by sharing good practice and making recommendations.
- **Our recommendations have a positive impact for people in Scotland** – We want our work to make a genuine difference to people, including making progress in policy areas where we know there are persistent inequalities.

Accounts Commission strategy 2021–26

18. The Accounts Commission's 2021–26 strategy sets out that the Commission will use its statutory powers to shine a spotlight on and support improvement around inequalities.

19. It notes the contribution local government makes to tackling poverty and lessening the impacts of inequalities on different communities and commits to reporting on service performance in relation to those impacts.

Audit Scotland Corporate Plan 2023–28

20. Audit Scotland's corporate plan strategic priorities make specific commitments about equalities and human rights:

- **Dynamic performance audit programme** – Strengthening our focus on how well public bodies are working together to address inequalities.
- **Enhanced audit approaches** – Developing methodology for mainstreaming equality and human rights into audit reporting.
- **Developing our people and our business** – Leading by example with our organisational response to tackling inequalities.

21. This is underpinned by how we want to work, and our values of equality, integrity and respect. Our equality value sets out that we will:

- treat all people fairly and support them to have the best chance to progress and succeed
- broaden our culture of diversity and inclusion, so people are valued and engaged
- apply our standards of quality and professionalism to all our work
- embed equality in all we do and support public bodies to address inequalities.

Our journey so far

22. From 2021 to 2025 our focus was on the following equality outcomes:

- Our work supports the public sector to address inequalities including protected characteristics and socio-economic disadvantage, and to protect human rights.
- We will increase the diversity of people into Audit Scotland and their progression through every level of our organisation.
- We will broaden our culture of diversity and inclusion, so all employees feel valued, engaged and contribute.

23. Key progress highlights include:

- More than 70 per cent of performance audit products reference social and economic factors and protected characteristics. References in recommendations has increased each year from 8 per cent in 2021/22 to 26 per cent in 2023/24.
- Expanded publications range, tailored to meet the different communications needs of our audiences.
- Significant external engagement on equality and human rights policy.
- Developing approaches to integrating service user involvement and human rights into our audit methodology.
- Increase in applications from ethnic minorities (13.8 per cent in 2019/20 to 24.6 per cent in 2022/23) and disabled people (3.4 per cent in 2019/20 to 7.1 per cent in 2022/23).
- Gender pay gap decreased from circa ten per cent in 2020/21 to just over six per cent in 2022/23.
- Six active diversity network groups led by colleagues. These regularly seek feedback from colleagues, support each other and support our organisation to understand their needs and design and deliver polices that take these into account.

24. We identified the following key areas for improvement to be taken forward through this strategy:

- **Equalities and human rights in the annual audit** – Developing clear guidance for appointed auditors to maximise the time they spend on equality and fairness during the appointment round and improving our monitoring of this coverage to identify good practice and learning to inform future planning.
- **Employee information** – Encouraging more colleagues to disclose information about their protected characteristics to help inform our planning and understanding our progress with diversity, equality and inclusion initiatives.
- **Employee network groups –** Building our culture of inclusion by promoting our staff diversity network groups and supporting them to increase their membership, and ensuring they are empowered to deliver awareness raising activities and to support people who share protected characteristics.

Our vision

We are **diversity, equality and inclusion leaders** in the Scottish public sector, with a **workforce that is representative** of Scotland's people, and with a **positive culture of inclusion**, delivering **audit work that tackles inequalities and supports human rights**.

Delivering our vision

Setting equality outcomes

Setting targeted, evidence-based outcomes that aim to deliver practical improvements for people.

Mainstreaming equality

Taking specific actions to make diversity, equality and inclusion part of every aspect of our day-to-day business.

Improving employee information

Fostering a culture of sharing information about our characteristics to inform our activities and decision-making.

Impact assessing our work

Using impact assessments as a continuous improvement tool to make our policies and practices fairer.

Our values

Values

Equality | Independence | Innovation | Integrity | Respect

Equality outcomes

What is an equality outcome?

25. Equality outcomes are specific, measurable goals that can help us focus our activity to:

- make positive changes for people, communities or society
- bring practical improvements in the life chances of people who experience discrimination and disadvantage.

26. Equality outcomes should aim to further one or more of the three needs in the Public Sector Equality Duty (paragraph 12). They can be:

- **short-term** – improved service delivery, changes in knowledge, skills and attitudes
- **long-term** – changes in behaviours, decision-making or social and environmental conditions.

Our equality outcomes

27. This section sets out our agreed equality outcomes for 2025–29. For each outcome we have set out our rationale and evidence base, actions we will take to achieve the outcome, and what success looks like.

Equality outcome 1: Disability

All colleagues have increased awareness about different disabilities and how to support disabled people in their roles, with more disabled people securing employment within Audit Scotland and feeling supported to progress within the organisation.

What are the issues we are trying to address?

- In 2022/23, 7.1 per cent of all applicants to Audit Scotland disclosed that they were disabled. This fell to 5.7 per cent in 2023/24. This is compared to 20.7 per cent of the Scottish working age population.
- Colleague disclosure rates for disability are low. In 2022/23, 6.2 per cent of colleagues declared that they had a disability; 57.6 per cent did not disclose whether they had a disability.
- Some disabled colleagues say they don't feel comfortable discussing their disability or any adjustments they need, or that there are barriers to progression due to their disability, or both.

What actions will we take to address this?

- Work with disabled colleagues to develop training on disability awareness and the policies and guidance in place to support colleagues with disabilities, including neurodiversity awareness, adjustments and other support.
- Implement an employee passport scheme, providing guidance and training for all colleagues and line managers, supporting them in agreeing formal adjustments for disabled colleagues and those with fluctuating or long-term health conditions.
- Use our reverse mentoring scheme to pair disabled colleagues in more junior positions with senior employees, to build confidence and understanding, and help remove barriers to progression.
- In partnership with disabled colleagues and external organisations, adapt our recruitment processes to improve the support and advice available to disabled candidates (internal and external).

What will success look like?

- All colleagues have received training in disability awareness, and understand the challenges faced by and support available to disabled colleagues.
- Disabled colleagues feel more supported by their colleagues and the organisation, and more comfortable in declaring their disability.
- There are more people with disabilities occupying senior roles within the organisation.

- Audit Scotland attracts an increased proportion of job applicants with a disability, including for senior roles.

Equality outcome 2: Ethnicity

An increased proportion of minority ethnic applicants secure employment with Audit Scotland, and ethnic minority colleagues feel included and able to progress within the organisation.

What are the issues we are trying to address?

- In 2023/24, 42.9 per cent of all applicants were from a minority ethnic background. This was an increase from 2022/23 where 25 per cent of applicants were from a minority ethnic background and this has steadily increased from 14 per cent in 2019/20.
- During the same period, the percentage of minority ethnic employees has stayed relatively constant at around 7 per cent, compared to approximately 5.8 per cent of Scotland's working age population (according to the latest official Scottish Government statistics available at the time of producing this strategy).
- While we are attracting an increasing number of applications from minority ethnic people, the proportion of minority ethnic colleagues has remained relatively static. Evidence suggests that people from minority ethnic backgrounds are less likely to be successful through our recruitment process.
- People from minority ethnic backgrounds are under-represented in bands four and Executive Team within Audit Scotland.

What actions will we take to address this?

- Adapt recruitment training to reflect learning from specialist guidance, including ensuring it addresses the topic of unconscious bias. All recruitment decisions should be made on merit.
- With advice from external organisations, improve the support and advice we offer people from ethnic minorities when applying for a job with Audit Scotland and in progressing to more senior levels within the organisation.
- With support from ethnic minority colleagues, increase the cultural awareness of all colleagues, including of the challenges faced by ethnic minorities in the workplace, and identify ways to enhance inclusion.
- Use our reverse mentoring scheme to pair minority ethnic colleagues in more junior positions with senior employees, to improve cultural awareness and understanding of the barriers to progression.

What will success look like?

- More people from minority ethnic backgrounds are successful in being appointed for jobs at Audit Scotland.
- Ethnic minorities are better represented at senior levels within our organisation.
- All colleagues are more culturally aware, understanding the challenges faced by those from ethnic minorities, and can support efforts to enhance inclusion.

Equality outcome 3: Women

Women are supported to continue and advance their careers in Audit Scotland, at all stages of life, and women occupy an increased proportion of senior roles in the organisation.

What are the issues we are trying to address?

- Our reporting as at 31 March 2024 showed:
  - women made up the majority of Audit Scotland's workforce at 55 per cent, compared to about 51 per cent of the Scottish working age population
  - women had higher levels of representation in every pay band except for band four and Executive Team, where male representation was higher.
- There is a risk that women are less likely to be successful through our recruitment process for more senior posts.

What actions will we take to address this?

- Introduce and promote 'women in leadership' training to band 2 and band 3 colleagues.
- Advertise senior opportunities on women focused recruitment boards, such as STEM Women.
- Promote our flexible working practices, the statutory right to make a flexible working request from day one, and menopause support, in our recruitment activity and internally to all colleagues.
- Promote the support available for returning from maternity leave, including colleagues at all bands available to mentor or 'buddy' those returning from a period of leave.

What will success look like?

- Women are better represented at senior levels within our organisation.

- Women at all levels are given the support they need to progress in their career irrespective of personal circumstances.
- All colleagues and line managers are aware of flexible working options and policies and understand how to ensure arrangements are in place that enable an appropriate work-life balance.

Equality outcome 4: Audit

Our scrutiny of spending decisions considers impacts on people who use public services from an equalities and human rights perspective. In doing so, our reporting and recommendations support public bodies to tackle inequalities in Scotland and are more person-centred and relevant to protected and minority groups.

What are the issues we are trying to address?

- We do not always mention specific protected characteristics in our audit reports; some are not mentioned at all.
- Between 2021/22 and 2023/24, 33 outputs (40 per cent) by our Performance Audit and Best Value team referenced protected characteristics. Of those, 91 per cent mentioned age being a factor, 67 per cent sex and/or disability, 27 per cent race/ethnicity and 6 per cent sexual orientation.
- Inequalities due to gender reassignment, marriage/civil partnership, pregnancy/maternity and religion/ beliefs were not mentioned in any output.
- There is a risk we may be inadvertently excluding some groups from our audit reports that are facing inequalities or not giving sufficient attention to those more at risk, including people facing socio-economic disadvantage. We are not including the voices of people who use public services consistently in audit work.

What actions will we take to address this?

- Redevelop our equalities scoping note to prompt colleagues to:
  - consider all protected characteristics as part of equality considerations at key stages of the audit, recognising not all characteristics will be relevant or applicable
  - consider the impact of spending and budget decisions on equalities and human rights, including from a socio-economic perspective
  - identify existing relevant lived experience evidence and where gaps may be.

- Embed lived experience and public participation in our performance audit reporting with:
  - prompts and guidance for colleagues woven through our Audit Management Framework
  - ongoing internal communications and learning and development to empower colleagues to draw upon existing, or where necessary commission new, engagement work.
- Identify relevant equality issues across our performance audit work programme, taking a risk-based approach and aiming to include a wider range of protected characteristics in our reporting.

What will success look like?

- More of our reports consider the impact of spending decisions by public bodies on equalities and human rights, including in relation to protected characteristics, socio-economic backgrounds and intersectionality.
- More of our reports reflect evidence from those with lived experience, such as people who use public services.
- More of our reports contain recommendations to support public bodies to tackle inequalities.
- External stakeholders and people with lived experience consider our coverage of equalities and human rights to be effective, and that our recommendations have impact.

Mainstreaming equality and human rights

What is equality mainstreaming?

28. Mainstreaming equality is about making the Public Sector Equality Duty part of every aspect of our day-to-day business. This includes:

- Our functions – To deliver public audit
- Our policies and practices – How we deliver our work
- Our corporate systems – Both digital and human systems
- Our planning – Strategic and operational planning
- Our reporting – Our delivery and performance.

Our areas of focus for mainstreaming

29. This section sets out our areas of focus for mainstreaming. For each area of focus we have set out our rationale, actions we will take, and what success looks like.

Audit approach and delivery

Why are we focusing on this?

- Auditor guidance should reflect legislation and other relevant developments.
- Our style guide includes guidance on using people first language. The social model of language is used within public sector in Scotland. Better guidance is needed as to when each is most appropriate.
- Annual planning guidance requires auditors to take a risk-based approach to covering equality and fairness, reporting at least once during the five-year audit appointment. However, there is currently limited guidance and support for appointed auditors to ensure consistent coverage of equalities within Annual Audit Reports.

What actions will we take to improve?

- Review and update guidance in the Audit Management Framework to ensure it helps further the needs of the Public Sector Equality Duty and Fairer Scotland Duty, is up to date and relevant.
- Develop language guidance so that language is sensitive and appropriate towards those with protected characteristics.
- Develop new equalities guidance for appointed auditors, with a focus on further the needs of the Public Sector Equality Duty and Fairer Scotland Duty, to support the annual planning guidance for 2025/26 audits and beyond.
- As part of Best Value audit work across all sectors, take a risk-based approach to evaluating and reporting on the performance of audited bodies in meeting their Best Value equality and fairness duty, identifying and reporting on good practice and making recommendations for improvement where appropriate.

What will success look like?

- Quality reviews show audit teams effectively reflecting guidance on equality and human rights in scoping documents and reports.
- More of our Annual Audit Reports identify good practice and make recommendations about equality and human rights.

Accessibility of audit outputs

Why are we focusing on this?

- It is essential our reports and communications are accessible, and our messages reach the widest possible audience, including relevant target audiences.
- Technology, behaviour and societal expectations are continually evolving so we must ensure we are using the most appropriate methods and keeping up to date.

What actions will we take to improve?

- Make use of innovative approaches to publishing and disseminating outputs and key messages to maximise accessibility and target key audiences.

What will success look like?

- Our reports are available in alternative formats wherever possible, tailored to the main target audiences. Consideration of appropriate formats is made at the earliest possible stage of an audit.

- Alternative formats are downloaded or accessed by increasing numbers of people, demonstrating greater awareness among target audiences of the variety of formats available.

Human rights and child rights

Why are we focusing on this?

- A new human rights bill for Scotland is due to be introduced in the next parliamentary session (delayed from initial timescales). We will have duties as a listed authority and a scrutiny body.
- The United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (UNCRC) came into force in July 2024. We are not a listed authority but have a role in commenting on how public bodies are implementing it.

What actions will we take to improve?

- Increase our knowledge and awareness of human rights and the implications of the UNCRC.
- Build on knowledge and experience gained through testing human rights-based approaches in some performance audits.

What will success look like?

- There is increased awareness and understanding of human rights and child rights among staff.
- There is increasing coverage of human rights and child rights in our performance audits.

Learning and development

Why are we focusing on this?

- Our annual wellbeing survey results indicate stress levels have been rising. Absence data supports this.
- During 2023/24, there were 129 attendances at instructor-led DEI training opportunities and 262 attendances at e-learning opportunities with a DEI focus.
- There were 240 attendances at corporate induction sessions for our diversity network groups and 232 attendances at workshops that focused on designing our new values charter.
- We want to broaden the range of DEI learning and development opportunities and increase engagement with these.

What actions will we take to improve?

- Develop and communicate inclusive and accessible learning pathways that:
  - improve colleague awareness and knowledge on equality and human rights
  - support managers and colleagues to tackle bullying and harassment in the workplace
  - promote a culture of inclusion
  - support inclusive leadership.

What will success look like?

- More colleagues take up opportunities for training in areas that are related to equality and human rights.
- Staff survey results show a reduction in the number of colleagues reporting bullying and harassment.

Widening access to careers at Audit Scotland

Why are we focusing on this?

- Only 7.2 per cent of our workforce is aged 16–24, compared to 17 per cent of Scotland’s working-age population.
- In recruitment, 34.6 per cent of applicants for vacancies in 2023/24 were aged 16–24 (down from 42.4 per cent in 2020/21).
- We are keen to have a diverse workforce, which includes attracting and retaining younger colleagues.
- Apprenticeships can offer hands-on training for specific roles which can help ensure that individuals from underrepresented groups receive the support they need to thrive in the workplace.

What actions will we take to improve?

- Widen access to careers in public audit for younger people by integrating a variety of apprenticeship models into our future workforce planning arrangements.

What will success look like?

- A wider range of entry routes is available for roles across all departments of Audit Scotland.
- We receive more applications from young people, and there is an increased proportion of employees in younger age groups.

Fostering a culture of inclusion in Audit Scotland

Why are we focusing on this?

- Staff network groups give staff a voice to influence organisational policy and provide a safe space for people who share protected characteristics.
- Supportive environments and feedback loops for staff network groups have a positive impact on employee engagement and retention.

What actions will we take to improve?

- Support and empower our staff diversity network groups by:
  - encouraging leadership group members to sponsor and be active within the diversity network groups
  - encouraging a larger percentage of the Audit Scotland population to be involved with the diversity network groups as an ally or as active members
  - supporting our diversity network groups to share good practice outside Audit Scotland and be involved in external groups
  - retaining and improving accreditations for our diversity network groups.

What will success look like?

- Feedback from staff network groups indicates increased satisfaction with their involvement in and sense of influence over organisational policy development and decision-making.

Improving our employee information

Why we collect information

30. Under the Public Sector Equality Duty, we must gather information on the composition of our employees and the recruitment, development and retention of our employees. This includes the number of and relevant protected characteristics of our employees. We should use this information to help us better perform the Duty.

31. We collect information about people who work at Audit Scotland through our human resources system. This information plays a critical role in helping us understand where we are making progress against the Public Sector Equality Duty, informing planned activity and making better decisions around diversity, equality and inclusion. We have used this information to inform this strategy.

How we want to improve our information

32. As part of the strategy, we want to improve the quality of our employee information so that we have the best possible information to inform our activities and our decision-making. This includes increasing our focus on:

- **Intersectionality:** Improving our understanding of the overlapping inequalities experienced by individuals with multiple protected characteristics and/or socio-economic disadvantage, helping us to design targeted approaches for specific groups.

  Intersectionality means recognising that people's identities and social positions are shaped by multiple factors including age, sex, disability, race, religion or belief, sexual orientation and socio-economic background.

- **Benchmarking:** Allowing us to identify realistic targets for representation in our workforce, identify areas for improvement and learn from good practice in the wider public sector.

What actions we will take

- Gather and review data annually on the composition, recruitment, development and retention of our employees, exploring intersectionality in our data, and agree actions to help us better meet the needs of the Public Sector Equality Duty, reporting:
  - annually through our annual diversity report and gender pay gap report
  - every four years through our equal pay report.
- Promote the value and benefits of improved information on the composition of our workforce, with our leadership group actively encouraging all staff to provide information and highlighting examples of how it is used.

Assessing the impact of our work

Why we assess our impact

33. Under the Public Sector Equality Duty, we are expected to assess the impact of applying any proposed new or revised policy or practice against the needs of the Duty. We should also take account of the results of impact assessments and publish our assessments.

34. Assessing the impact of our policies and practices against the needs of the Public Sector Equality Duty is an important continuous improvement tool. Equality Impact Assessments (EIAs) can help us identify:

- where policies can have a positive impact on people who share protected characteristics and how we might **enhance the positive impact**
- where policies might have a negative impact on people who share protected characteristics and how we might **mitigate the negative impact** to ensure the policy or practice is fairer.

How we want to improve our impact assessment approach

35. As part of this strategy, we want to improve our approach to impact assessment to ensure:

- These are more open, transparent and evidence based. We do not consistently publish our EIAs.
- We more routinely monitor delivery against impact assessment action plans and implement agreed improvements. We do not currently have corporate oversight of the number of EIAs that have been completed, when they are due to be reviewed or of progress against EIA action plans.
- Our activity is more directly linked to the Public Sector Equality Duty. It is not always clear through our existing EIA approach and process how the actions we set out help fulfil the Duty.

What actions we will take

- Develop a register of Equality Impact Assessments (EIAs) and a mechanism for monitoring publication, EIA action delivery and EIA refreshes.
- Review how well we are fulfilling the duty to integrate the Public Sector Equality Duty into our impact assessment approach, consider evidence and take account of the results.

Monitoring delivery and performance against this strategy

36. This strategy includes 30 actions that we will aim to deliver during the strategy period. We have a delivery plan that underpins this strategy, which prioritises the actions and includes responsibilities and timeframes. Audit Scotland's Equality and Human Rights Strategy Group will review progress against the delivery plan annually as part of our operational planning process.

37. Exhibit 1 sets out our performance measurement framework for this strategy, including performance measures, the direction we want them to go in and the frequency of data collection. We will report performance against the strategy through Audit Scotland's quarterly and annual performance reporting. We will also publish an external progress report against the strategy in April 2027 and April 2029.

Exhibit 1
Performance measurement framework

Ref	Performance measure	Direction	Frequency
01	Number of colleagues attending disability awareness training.	Majority	Annually
02	Feedback from colleagues: • on the support they receive and their opportunities for progression (disabled colleagues and women) • on their levels of cultural awareness and their understanding about challenges faced by disabled colleagues and ethnic minority colleagues / how well supported they are to take action to support inclusion (all colleagues) • on their levels of awareness about human rights and child rights (all colleagues).	Improved	Annually
03	Proportion of applicants to Audit Scotland: Disability/ Young people.	Increase	Annually

Ref	Performance measure	Direction	Frequency
04	Percentage of colleagues disclosing whether they have a disability.	Increase	Annually
05	Proportion of employees at Audit Scotland: Race/ Young people.	Increase	Annually
06	Proportion of people in more senior roles: Disability/ Race/ Women.	Increase	Annually
07	Feedback from our Equality and Human Rights Advisory Group, other stakeholders and people with lived experience on the effectiveness of our coverage and impact of our recommendations.	Positive	Annually
08	Proportion of performance audit reports that: • consider the impact of spending decisions by public bodies on equalities and human rights • include recommendations which support public bodies to tackle inequalities • reflect lived experience • cover human rights and child rights.	Increase	Annually
09	Number of quality reviews reporting effective application of guidance on equality and human rights in scoping documents and reports.	Increase	Annually
10	Number of Annual Audit Reports identifying good practice/ making recommendations about equality and human rights.	Increase	Annually
11	Downloads of alternative formats of our audit products.	Increase	Six-monthly
12	Awareness of our audit products among target audiences.	Increase	Six-monthly
13	Number of attendees and attendances at training opportunities related to equality and human rights.	Increase	Six-monthly
14	Number of colleagues reporting bullying and harassment.	Reduce	Annually
15	Number of entry routes available for roles across all departments of Audit Scotland.	Increase	Annual
16	Feedback from staff network groups on their levels of influence and engagement with organisational policy development and decision-making.	Positive	Annual

Appendix 1

Risks and opportunities

Risks of not having a DEI strategy

- Not being able to recruit or retain staff if not sufficiently inclusive or seen as an attractive employer.
- A lack of diversity in our workforce leading to a lack of understanding of societal culture and the needs of stakeholders, public services, and citizens. This could make us look out of touch, irrelevant, and have less impact.
- Staff not feeling able to be themselves at work or to share information about their background or culture.
- Commenting on protected characteristics in our work that are not represented in our workforce.
- Not being equipped to effectively audit risks in relation to current equality and human rights duties and legislation.
- If we target outcomes and actions at specific characteristics, there is a risk of criticism if we don't deliver.
- If we are bolder in our audit approach about focusing on tackling inequalities, there is a risk of backlash from audited bodies.

Opportunities for having a DEI strategy

- To be an employer of choice because of our approach and reputation.
- To create a culture of openness and understanding about people's difference that encourages sharing of experiences which will be of value to other staff.
- Ensure public audit takes a lead role in strengthening and influencing work to tackle inequalities across the public sector 'ecosystem'.
- Increase our impact and improve outcomes for people in Scotland, particularly the most vulnerable and those facing inequalities.
- Increase innovation and improve how we work with a more diverse workforce to try new approaches, learn, share ideas and think differently.

Appendix 2

Consultation on the draft strategy

We consulted widely on the draft strategy, including with:

- **Senior leadership** – The Accounts Commission, the Audit Scotland Board, Audit Scotland's Executive Team and our Equality and Human Rights Strategic Group.
- **Our diversity network groups** – Our Disability Confident Working Group and our Race, Ethnicity and Cultural Heritage network group.
- **All Audit Scotland colleagues** – We delivered a staff survey and consultation workshops. There were 26 responses to the survey and a similar number attended the workshops.
- **External stakeholders** – Including our strategic partners Business in the Community, our Equalities and Human Rights Advisory Group, the Scottish Human Rights Commission and the Equality and Human Rights Commission.

The consultation sought feedback on the **context and rationale** for the strategy, our **draft equality outcomes**, and our approach to delivering the Public Sector Equality Duty (**mainstreaming**).

We received a lot of positive feedback on the draft strategy, and we also heard suggestions and discussion on issues such as:

- The need for a vision for diversity, equality and inclusion in Audit Scotland, a strong evidence base, and more clarity about our dual internal and external focus.
- Setting targets and measures of progress, distinguishing between outcomes and activities, and ensuring a targeted approach to addressing inequalities in our audit work.
- An onus on non-disabled people to remove barriers, analysis of data trends in recruitment and retention, and broader application of an employee passport scheme.
- Support for staff in terms of career development and advocacy, guidance for covering equalities in audit work, and concerns about security and rights in relation to providing diversity information.

Much of this feedback is reflected in this final version of the strategy.

Appendix 3

Further reading

Research

The business case for diversity, equity and inclusion – Forbes, 2023

Business case for inclusion and diversity: A quick guide – Inclusive Employers

Diversity wins: How inclusion matters – McKinsey & Company, 2020

Other references

Equality, diversity and inclusion in the workplace – Chartered Institute of Personnel and Development, 2024

Equality and human rights monitor 2023: Is Scotland fairer? – Equality and Human Rights Commission, 2023

The Public Sector Equality Duty (PSED) – Equality and Human Rights Commission, 2022

The ethics of diversity – Institute of Business Ethics, 2020

What is diversity, equity, and inclusion? – McKinsey & Company, 2022

Diversity, equality and inclusion strategy 2025–29

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