

MEETING: 12 MARCH 2020**REPORT BY: SECRETARY TO THE COMMISSION****ACCOUNTS COMMISSION AND AUDITOR GENERAL ROLLING WORK PROGRAMME:
ANNUAL REFRESH 2020/21 TO 2024/25**

Introduction

1. The purpose of this report is to introduce Audit Scotland's proposals for the annual refresh of the five-year rolling work programme.

Background

2. The Commission's Strategy sets out that the Commission will maintain a five-year rolling programme of work. This programme covers all aspects of the work done on the Commission's behalf by Audit Scotland beyond the financial audit, and thus covers overview reporting, shared risk assessment and scrutiny planning, Best Value Assurance Reports, performance audits, statutory reporting, the *How Councils Work* series, impact reporting, and outputs from programme development activity. The programme is published jointly with the Auditor General. The programme is refreshed on an annual basis, setting out detailed work for the first two years and an indication of likely areas of work for the subsequent three years.
3. The current work programme is set out in Appendix 1.

Commission Strategy

4. The Commission's current Strategy states that its work programme will reflect the following:
 - Ensuring that our overview reporting provides an assessment of the performance of local government that informs discussion and debate about the issues that it faces.
 - Taking forward our new approach to the annual audit and auditing Best Value to clearly set out the Best Value expectations of councils and report on councils' delivery of key public services and their use of public money.
 - Ensuring that our national performance audit work appropriately covers the key areas of public policy and is facilitating improvement in those areas.
 - Ensuring that our work follows the public pound by reporting upon the range of approaches that are used by councils in delivering services and improving communities.
 - In conjunction with our scrutiny partners, continuing to coordinate the audit, inspection and regulation of local government in Scotland.
 - Better reflecting the interests of the citizen, service user and communities in our work, including Best Value auditing, in performance audits and in our joint work with our scrutiny partners.
 - Promoting good practice and innovation in our work and making more effective use of data and analysis in our reports.
5. The Commission's Strategy also sets out a set of strategic audit priorities on which it will use its approach to auditing Best Value to assess how councils are progressing, thus:

- Having clear priorities with a focus on outcomes, supported by effective long-term planning.
 - Demonstrating the effective appraisal of options for changing how services are delivered in line with their priorities.
 - Ensuring that members and officers have the right knowledge, skills and support to design, develop and deliver effective services in the future.
 - Empowering local communities and involving them in the design and delivery of local services and planning for their local area.
 - Reporting the council's performance in a way that enhances accountability to citizens and communities, helping them contribute better to the delivery of improved outcomes.
6. While these strategic audit priorities feature mainly in the integrated approach to the financial audit and auditing Best Value, Audit Scotland is also mindful of these in the rest of its programme development work on behalf of the Commission.

Work programme consultation

7. At its last meeting, the Commission considered my report presenting the responses to the Commission's November 2019 consultation on its work programme for 2020-25. The Commission:
- Noted, in relation to good practice, advice from the Secretary about ongoing discussion with the Improvement Service around articulating respective roles in relation to reporting and promoting good practice.
 - Endorsed the usefulness of briefing papers as a medium for setting out its position on policy areas.
 - Agreed that the points raised in the consultation exercise be considered by Audit Scotland in developing work programme proposals, to be considered at its next meeting.

Proposals

8. Audit Scotland is proposing a refresh of the work programme as set out in Appendix 2.
9. The proposals have been subject to initial high-level discussion between Audit Scotland officials and the Commission Chair.
10. The Commission has in recent years encouraged different features in the direction and development of its work programme. The programme reflects flexibility and responsiveness, thus including significant amounts of work done jointly with the Auditor General. It has an increasingly wide range of outputs beyond performance audits arising from programme development work, such as briefings and other activities. Audits are of varying size depending on the policy area covered. Audit outputs are also increasingly varied with different ways of presenting messages from reports. Promotion of audit work is also becoming increasingly creative and varied.

Recent areas of interest from Commission

11. The Commission may wish to consider a number of areas of interest that have arisen in recent meetings.
12. At its meeting on 10 October, the Commission endorsed the view of the Performance Audit Committee that it consider public health and wellbeing as themes in future refreshes of the

work programme.

13. At its meeting on 12 December, the Commission noted advice from the Secretary in response to a query from Sophie Flemig that the Commission would consider the implications for its work including its stakeholder engagement strategy of a proposed Scottish parliamentary bill implementing the United Nations Convention on the Rights of the Child.
14. At its meeting on 20 February, the Performance Audit Committee agreed:
 - To recommend to the Commission that it consider the following areas for future investigation and reporting in the work programme (including through overview and Best Value auditing work):
 - Interconnectedness between public policy and the citizen (suggested by Stephen Moore)
 - A theme around women and girls (Christine Lester)
 - A theme around corporate parenting (Christine Lester).
 - To recommend to the Strategic Scrutiny Group that it expedite proposed joint scrutiny work on drug and alcohol policy, and recommend to the Commission that it consider featuring such work in its work programme refresh exercise.
 - In relation to the planned performance audit *Scotland's Economic Growth*: the role of councils, agreed to recommend to the Commission:
 - Not to proceed with at this time.
 - Meantime, that the Director continue to monitor councils' economic development services, with a view to programming a performance audit at a later point in the 2020-2025 programme, with the scope to be determined nearer the time.
 - That such consideration includes inclusive growth.
15. As the attached paper identifies, Audit Scotland addresses the Commission's strategy in its refresh proposals. The proposals also address areas of interest that the Commission has identified in its work since publishing the current work programme.
16. It is important for the Commission to assure itself at today's meeting, in agreeing proposals for the refresh of the work programme, that these and indeed any other policy areas of interest are covered appropriately either by performance audits, other outputs from programme development work, or by ongoing monitoring through policy cluster work.

Conclusion

17. The Commission is invited to
 - Consider the attached draft work programme as proposed by Audit Scotland, including detailed proposals for 2020/21 and 2021/22, particularly the points in paragraph 57 of the attached paper.
 - Consider recent areas of interest from the Commission, as set out in paragraphs 21 to 23.

Paul Reilly
Secretary to the Accounts Commission
6 March 2020

APPENDIX 1: Current Accounts Commission work programme

2019/20	2020/21	2021/22 provisional	2022/23 provisional	2023/24 provisional
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Annual audit

For 32 councils, 32 joint boards, 30 health and social care integration boards, and 11 pension funds.



Overview reporting

Local government financial overview	Local government financial overview	Local government financial overview	Local government financial overview	Local government financial overview
Local government overview	Local government overview	Local government overview	Local government overview	Local government overview



Auditing Best Value

7 BV Assurance reports:	7 BVARs:	6 BVARs:	End of five-year appointment cycle	New appointment cycle
<ul style="list-style-type: none"> • Highland • Midlothian • N Lanarkshire • Perth and Kinross • Scottish Borders • S Lanarkshire • Stirling 	<ul style="list-style-type: none"> • Aberdeenshire • Argyll and Bute • City of Edinburgh • Dundee City • Falkirk • Moray • N Ayrshire 	<ul style="list-style-type: none"> • Aberdeen City • Angus • East Dunbartonshire • Eilean Siar • Shetland Islands • South Ayrshire 	Approach to Best Value audit in councils to be agreed	Approach to Best Value audit in councils to be agreed
Progress reported in other 25 annual audit reports	Progress reported in other 25 annual audit reports	Progress reported in other 26 annual audit reports		

2019/20	2020/21	2021/22 provisional	2022/23 provisional	2023/24 provisional
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Performance audits (* joint with Auditor General)

Themes: **Education and economy** **Resources and infrastructure** **Health and wellbeing**

City Deals*	Commonwealth Games legacy*	City Deals 2*	Housing for an older population*	Health and social care 3*
Early learning and childcare – impact and follow-up*	Waste management*	Community justice*	Mental health*	Specific local government services
Educational outcomes*	Outcomes for children with additional support needs*	Digital services: learning or justice (joint or AGS)	Progress in addressing child poverty*	
Affordable housing*	Social care sustainability*	Early learning and childcare series*	Replacing Structural Funds*	
EU withdrawal*	Digital progress in local government	Improving outcomes for looked after children and young people*	Strategic capital investment (joint or AGS) *	
Revenue financing of assets (NPD / Hub models) *	Supporting economic growth: the role of local authorities	Workforce planning post-EU withdrawal*	Specific local government services	
		Specific local government services		



Scrutiny co-ordination and shared risk assessment

National scrutiny plan



How Councils Work

No reports planned To be confirmed To be confirmed To be confirmed To be confirmed



Benefits administration audit

Annual report To be confirmed To be confirmed To be confirmed To be confirmed

Thematic reports:

- Overpayments
- Resourcing

2019/20	2020/21	2021/22 provisional	2022/23 provisional	2023/24 provisional
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Briefing papers

Drug and alcohol policy	Teacher workforce planning	To be confirmed	To be confirmed	To be confirmed
Public health				
EU withdrawal				
Cyber security				



Impact reports

Equal pay	To be confirmed	To be confirmed	To be confirmed	To be confirmed
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APPENDIX 2: WORK PROGRAMME REFRESH PROPOSALS

(see attached Audit Scotland paper)