

Strategy and work programme

2020-25

Who we are

The Accounts Commission is the public spending watchdog for local government. We use our powers to hold local government to account and help it improve, and we assure the public about the performance of their council. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

The Accounts Commission was established in 1975 to secure the audit of local government in Scotland. We expect councils to achieve the highest standards of governance, financial stewardship and value for money in how they use public funds to deliver our services. We ensure that councils publish the right information to enable citizens to assess their council's performance.

We deliver public audit in Scotland along with the Auditor General who audits the remainder of the public sector in Scotland. Audit Scotland was created in 2000 to provide services to the Commission and to the Auditor General.

[Public audit in Scotland](#), our joint publication with the Auditor General and Audit Scotland, sets out the principles for public audit and how it responds to the public policy environment in Scotland in which we operate.

You can find out more about our role, powers and meetings on the [Accounts Commission](#) web pages.

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Our work and our priorities

We expect councils to show how they are making the best use of public resources and are improving local services for the communities they serve. This is fundamental to their Best Value obligations.

Our aims

As the public's independent watchdog for local government, we assure the public over how their money is spent. We also help councils to improve. We operate impartially and independently, and we meet and report in public. Through our audit work we aim to:

- provide assurance over how public money is spent; and support improvement in local government, and by doing so -
- support public scrutiny by informing the public about the quality and value for money of local services.

We do this by:

- engaging with the public and our other stakeholders to ensure the value of our work
- working collaboratively with the Auditor General and Audit Scotland and our other scrutiny partners to better co-ordinate Scotland's public sector audit.
- reporting on the quality and impact of our work.

The local context

In planning our audit work, we need to be responsive to the environment in which councils operate, which sees:

- continued uncertainty in public funding with spending likely to decline in real terms for the foreseeable future
- demographic change – Scotland's population is ageing, and more people are living in poverty, which puts more pressure on services and resources
- increasing expectations over public services and the empowerment of citizens and communities in their relationship with councils
- flexibility in how local public services are delivered, with a greater emphasis on collaborative working and different options for delivering services
- the ongoing implementation of the UK decision to leave the European Union, enhanced devolution to the Scottish Parliament, and ongoing reform of local government.

We recognise these factors place significant pressures on councils as they strive to deliver high-quality services and improve outcomes for local people.

Our audit priorities

In 2016, the Commission established its strategic audit priorities as priority areas on which we ask auditors to report on across Best Value and other audit work in councils.

We review the priorities each year based on our work, to ensure that they reflect current issues and challenges in councils. This year we are continuing our current priorities as they remain relevant to the challenges faced by councils and our expectations of them. These are:

- Having clear priorities with a focus on outcomes, supported by effective leadership and long-term planning.
- The strategic appraisal of options to re-shape services in line with priorities. This should consider good practice, innovation and collaborative working with partners.
- 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 councils' performance in a way that enhances accountability to citizens and communities, helping them contribute better to the delivery of improved outcomes.

The Controller of Audit – who we appoint to report on matters arising from the audit – reports to us annually on progress made by audited bodies against these strategic audit priorities.

Public audit in Scotland

Together, the Commission, Auditor General and Audit Scotland uphold [*Public audit in Scotland*](#). Public audit helps create a strong and effective system of financial accountability and transparency to support the best use of public money.

We are working with the Auditor General to put in place a new Code of Audit Practice setting out how together we will continue to deliver public audit in Scotland through a new round of appointments of auditors from April 2021.

The Commission coordinates local government scrutiny through a strategic group of scrutiny partners including the Care Inspectorate, Education Scotland, and the Scottish Housing Regulator. We engage internally with the Controller of Audit, Audit Scotland and our partners including the audit firms we work with, to plan and deliver our work. We report on progress with our strategy through our Annual Report each year.

In tandem with developing the new Code, we are reviewing our audit of Best Value in councils, including applying Best Value auditing to health and social care integration joint boards.

The current eight-year term of the Auditor General for Scotland (AGS) comes to an end in June 2020. The Chair of the Commission will work closely with the new AGS to take forward public audit in Scotland.

Reporting our work

We design our work to respond to key areas of risk facing local government. Each year we consult with our stakeholders to update our rolling five-year work programme.



We give assurance over public spending, and support improvement in local government. The Commission's current five-year work programme is available on our [website](#). We report our work publicly through a range of audit outputs. Annual audit reports and Best Value assurance reports focus on individual councils; our performance audits and overview reports look across councils and services nationally. We prepare a range of reports and information including:

- **Annual Audit Reports** which report on the financial probity and performance of each council. This work is at the core of how we provide assurance over councils' use of public money. It also covers wider aspects of governance, improvement, and council performance.
- **Best Value** assurance reports on how individual councils are fulfilling their statutory duty of Best Value. These take a deep look at how councils manage public resources, with a focus on improvement, to deliver the best possible outcomes for the public. Annual audit reports also report progress made by councils against their Best Value duty.
- **Local Government Overview reports.** We publish two reports each year bringing together significant issues: our local government performance and challenges report; and our local government financial overview report.
- **Performance audits** to focus on the quality, efficiency and effectiveness in services and the use of resources across local government. These can be reported jointly with the Auditor General for Scotland where there are areas of common interest such as health and social care.
- **Briefing papers** to update the public and stakeholders on issues affecting local government and the Commission's position on what its audit response should be.
- **How Councils Work** series to report on specific topics to share good practice to help councils improve, for example, our recent report on safeguarding public money.
- **Impact reports** are short follow-up reports that track progress with the recommendations from previous performance audits around 18 months after publication.

Our [website](#) includes all our reports and other resources such as podcasts, and our [e-hubs](#) to provide more detailed information resources on the work of the Commission and the Auditor General.

Our work programme 2020-25

We update our five-year **work programme** each year to keep our work relevant to the public and our stakeholders.

We consult widely over our work programme each year, with councils, third sector representatives and trade unions. This helps us plan our work to reflect current risks and issues in local government.

[2019-24 used for illustration only - to be updated]

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

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
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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 (topic and means of reporting, e.g. performance audit or briefing papers, to be confirmed)
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 (topic and means of reporting, e.g. performance audit or briefing papers, to be confirmed)	
		Specific local government services (topic and means of reporting, e.g. performance audit or briefing papers, to be confirmed)		

You can read more about the scope of our planned performance audits in the next year [here](#).



How Councils Work

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

Briefing papers and related products

Here Here To be confirmed To be confirmed To be confirmed

Impact reports

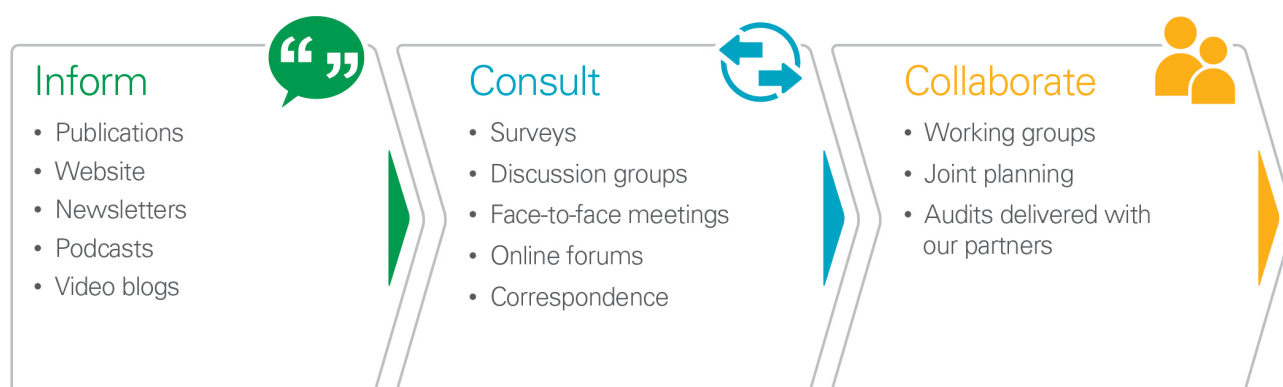
Early learning and childcare To be confirmed To be confirmed To be confirmed To be confirmed

Equal pay

How we engage

We need to understand issues relevant to the people of Scotland to keep our work relevant and help improve our public services.

We engage with the public and a wide range of stakeholders: councils, Scottish Parliament, and the various professional bodies and representative groups we deal with. Our engagement has three main purposes:



Inform – promoting our audits and related information.

The Commission communicates externally with the public and other stakeholders to inform them about our audit work and key messages. We use different channels or tools to do this, for example:

- our performance audits and other major reports each have a promotion plan, for example we use community newsletters to report on Best Value in councils.
- we use social media and podcasts, blogs, animations to share key messages in an accessible way
- we direct councils to report locally on their own performance through our [Statutory Performance Information Direction](#)

Consult – seeking the public and our partners' views on our work

We meet with and consult councils, parliament and other stakeholders to discuss our work and seek their feedback, for example:

- we consult with councils, the third sector, and other stakeholders over our work programme.
- we hold *Council Conversation* events (currently every two years) with leaders and chief executives from all councils to discuss issues at first hand.
- we brief the Scottish Parliament's committees, most notably the Local Government and Communities Committee on reports, helping to inform the budget scrutiny process.
- we meet with individual councils after the publication of each Best Value Assurance report.

Collaborate – working with others to shape and deliver what we do.

We plan and deliver our audits jointly with others, to co-ordinate our work and reflect current public issues, for example

- we coordinate local government scrutiny through a strategic group of scrutiny partners including the Care Inspectorate, Education Scotland, and the Scottish Housing Regulator.
- we use advisory groups of public sector practitioners to plan and deliver our performance audits, and ‘roundtable’ discussions to explore issues.
- we collaborate with other bodies such as the Improvement Service to support learning events, in areas such as elected member development.

Involving the wider public more in our work is an increasing focus for us. We participate in an Equalities and Human Rights Group chaired by Audit Scotland, and our auditors’ work has been informed by a youth panel run by Youth Scotland and Audit Scotland to seek the views of school-age people of various backgrounds.

Who are our stakeholders and how do we engage?

The public covers many and varied groups, for example people who use services, taxpayers and disadvantaged or minority groups. We recognise that the requirements of those we consult with – and how they may use of our work – will be different. We need to use different ways to communicate with and involve them. In turn, this will help to increase the impact of our work.

The potential ‘asks’ or interests of our different audiences are outlined below. We will continue to develop our understanding of the expectations or ‘asks’ of our stakeholders. We will report on significant engagement activities at the end of each year through the Accounts Commission annual report.

	The public Our work is relevant to people who use services, taxpayers, citizens and communities. We use local promotion plans to sign-post our work and promote our messages in different ways.	How good are my services? Does my council offer good value? Does it need to improve?
	Press and broadcast media The media is vital to help us reach the public and communities. We use press releases, video blogs, podcasts and other means to promote our messages.	What has the watchdog found? Where is the council doing well? Where do things need to improve?
	Councils We engage with councils and their partners to keep updated on the issues they face and make clear our role in assurance and improvement.	How do we perform and where do we need to improve? How will your audit add value? Do you recognise the pressures we face?
	Scottish Parliament and Government Our national audit work supports Parliamentary scrutiny of public services. We engage to assure our activities fit with the wider agenda for public service reform.	How well is local government working? How do councils contribute to national priorities? How do they improve outcomes for local people?

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If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or info@audit-scotland.gov.uk

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