

Strategy and work programme: Work programme update – March 2023

Executive Director of Performance Audit and Best Value

Item 6
Meeting date: 9 March 2023

Purpose

1. This paper introduces the joint Auditor General for Scotland (AGS) and Accounts Commission work programme update.

Recommendations

2. The Commission is invited to:
 - note the progress delivering the work programme from December 2022 to February 2023 (slide 6 of Appendix one)
 - note the planned products up to August 2023 and identify its priorities within these plans (slide 7 of Appendix one)
 - feedback on the audit work in the pipeline to March 2025 (slides 10-20 of Appendix one), noting that this is flexible and can be revisited as part of future work programme updates

Background

3. In April 2021 the AGS and the Commission agreed the joint dynamic work programme. We published this on the Audit Scotland website on 24 May 2021. This is the seventh quarterly update of the programme and the next update will be in June 2023.

Considerations

4. Appendix one presents the work programme update. It aims to provide one report that meets the needs of the AGS and Commission, with clarity on who is producing which products and when. It includes:
 - **What we've delivered:** From December 2022 to February 2023.
 - **What's coming up:** Planned audit products from March 2023 to August 2023, and audit work in the pipeline from September 2023 to March 2025.
5. In this update we have not proposed any new products. This is because we are still developing further proposals for new audit products in 2023/24 and 2024/25, including assessing affordability of the overall product mix for 2023/24. We are working closely with the new Controller of Audit on how best to bring together a strategic overview of the Commission's work programme, developing stronger links between the audit products, and the Commission's assessment of audit risks and its strategic priorities. We aim to come

back to the Commission's strategy seminar in May with more developed proposals for 2023/24 and 2024/25.

Resourcing the work programme

- 6.** We continue to improve and refine our data and reporting in this area. Table 1 outlines audit work for 2022/23 within each portfolio and annual budgets by portfolio as at the end of Q3 (December 2022).
- 7.** The Commission can see from Table 1 how resources are deployed across research and development and the range of audit products within the portfolios, including: performance audits, overviews and briefings. In line with the Commission's feedback in December this now includes both AGS and Commission products. The Commission may wish to consider how this product mix delivers on its aims and priorities and whether it feels the balance is correct in terms of the impact it wants to have.
- 8.** We are currently working up portfolio budget information for 2023/24 as well as full proposals for new products to add to the programme in 2023/24 and 2024/25. We are involving the new Controller of Audit in our developing thinking about how best to present budget and resource information to the Commission. We anticipate this being an important agenda for discussion at the Commission's spring strategy seminar.

Table 1: Planned audit work and budget by portfolio

Portfolio	Planned audit work in 2022/23	AGS budget (£)	Commission budget (£)	Total budget (£)	Connects to Commission strategy
Climate change, environment and energy	Climate change: Scottish Government delivery arrangements (Performance audit) Scotland's councils' approach to climate change Research and development	213,600	118,869	332,469	Aims: Seeking to assure Helping to improve Improving performance reporting Priorities: Communities
Community empowerment	Research and development	6,261	6,261	12,522	To be confirmed if specific audit products agreed
Digital transformation	Digital exclusion (Performance audit) Update on the Scottish Government's R100 programme (Update report) Research and development	68,942	68,168	137,110	Aims: Seeking to assure Helping to improve Priorities: Inequalities
Economic recovery and development	Scotland's economy: Supporting businesses through the Covid-19 pandemic (Briefing) City Region & Growth Deals (Impact briefing) Research and development	143,524	143,524	287,048	Aims: Seeking to assure Helping to improve Priorities: Recovery

Portfolio	Planned audit work in 2022/23	AGS budget (£)	Commission budget (£)	Total budget (£)	Connects to Commission strategy
Education and skills	<p>Children and young people who need additional support for learning (Blog)</p> <p>Scotland's Colleges 2022 (Briefing)</p> <p>Early learning and childcare (Performance audit)</p> <p>Planning for skills (Performance audit)</p> <p>Research and development</p>	214,518	171,513	386,031	<p>Aims: Seeking to assure Helping to improve</p> <p>Priorities: Inequalities Communities</p>
Equalities	<p>Tackling child poverty (Briefing)</p> <p>Research and development</p>	71,295	71,295	142,591	<p>Aims: Seeking to assure Helping to improve</p> <p>Priorities: Inequalities Funding Communities</p>
Health services	<p>Adult mental health (Performance audit)</p> <p>NHS in Scotland 2022: Scottish Government's NHS Recovery Plan (Overview)</p> <p>Research and development</p>	437,374	159,103	596,478	<p>Aims: Seeking to assure Helping to improve</p> <p>Priorities: Inequalities Communities</p>

Portfolio	Planned audit work in 2022/23	AGS budget (£)	Commission budget (£)	Total budget (£)	Connects to Commission strategy
Investment and infrastructure	New ferries for the Clyde and Hebrides (Performance audit) Research and development	129,808	96,405	226,213	To be confirmed if Commission audit products agreed
Justice	Criminal court backlogs (Performance audit) Research and development	336,470	43,009	379,479	To be confirmed if Commission audit products agreed
Local services	Integration Joint Boards: Financial Analysis 2020/21 Financial overview of local government 2020/21 Local government in Scotland Overview 2022 Angus Council BVAR Shetland Islands Council BVAR Comhairle nan Eilean Siar BVAR Local government financial bulletin 2021/22 Best Value support to annual audit teams		751,529	751,529	Aims: Securing public audit Seeking to assure Helping to improve Improving performance reporting Priorities: Inequalities Funding Recovery Communities

Portfolio	Planned audit work in 2022/23	AGS budget (£)	Commission budget (£)	Total budget (£)	Connects to Commission strategy
	Annual Assurance & Risks Report (AARR)				
	Research and development				
Public finances and constitution	Social security: Progress on implementing the devolved benefits (Performance audit)	287,080	163,595	450,675	Aims: Seeking to assure Helping to improve
	Local government budget briefing (Internal)				Priorities: Recovery Funding
	Scotland's financial response to Covid-19 (Performance audit)				
	Scotland's public finances: Challenges and risks (Briefing)				
	Administration of Scottish Income Tax 2021/22				
	AGS budget briefing (Internal report)				
	Covid-19 finances (Update report)				
	Research and development				
Social care	Social care (Briefing)	136,915	136,915	273,830	Aims: Seeking to assure Helping to improve
	Research and development				

Portfolio	Planned audit work in 2022/23	AGS budget (£)	Commission budget (£)	Total budget (£)	Connects to Commission strategy
					Priorities: Inequalities Funding Communities
	Total budget	2,045,787	1,930,187	3,975,975	
	Percentage of total budget	50.9%	48.3%	99.1%	

*Difference of circa £38k is the budget for Audit Scotland products