

# Dynamic work programme – Update

June 2023

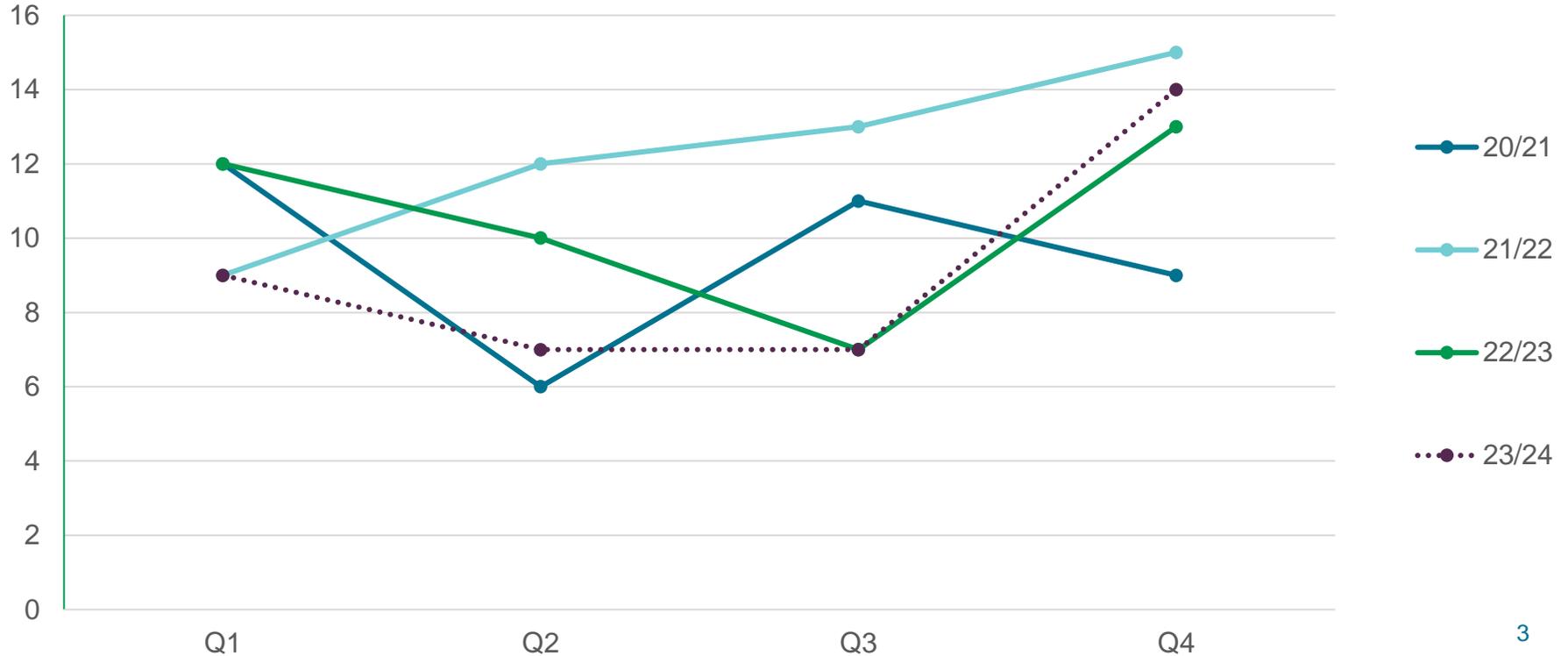
AUDITOR GENERAL 

ACCOUNTS COMMISSION 

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- We delivered 10 audit products between March and May and there are a further 15 products planned between June and December (slides 6-7).
  - This work programme update proposes adding five new products to the programme as well as two delays to planned products (slides 8-10).
  - Slides 11-21 outline how we are continuing to develop the longer-term work programme proposals across the portfolios.
  - A strategic work planning discussion is planned to take place following the August Accounts Commission meeting. We are working closely with the Controller of Audit on how best to support this.
  - We plan to bring resourcing information to this discussion to enable the Commission to take an informed decision on work programme priorities.

# Audit products per quarter since April 2020

## Audit products per quarter since April 2020



## What guides our planning and delivery...

### Providing assurance and driving improvement

We will use our unique local and national perspective to provide assurance about how Scotland's public services are recovering from Covid-19. We aim to provide insight and learning, and drive improvement, innovation and transformational change as Scotland moves towards renewal.

### Taking a person-centred approach

Where possible and appropriate, we will capture the needs and concerns of the people who use public services through our audit work.

### Integrating cross cutting issues

We will integrate consideration of issues that cut across policy areas and have an impact on citizens and service users throughout our audit work and public reporting. We will prioritise developing our audit approach on the following issues: climate change, digital transformation, inequality and human rights, community empowerment.

### Taking a risk-based and proportionate approach

We recognise the potential impact of audit work on people working in public services who are still responding to Covid-19. We will ensure our audit response is proportionate and risk-based, and that audited bodies have clear advance notice of any planned work.

### Being flexible and agile

We will adapt our work programme as new issues emerge or risks change. We will use a range of approaches to report our audit work.



## ECONOMIC RECOVERY AND GROWTH

How public money is being used to support economic recovery and the renewal of public services

- Public finances
- Supporting economic development and growth
- Skills and training
- Infrastructure and investment

## GOVERNANCE AND ACCOUNTABILITY



How public bodies are ensuring proper and effective use of public money across the public sector and within individual bodies

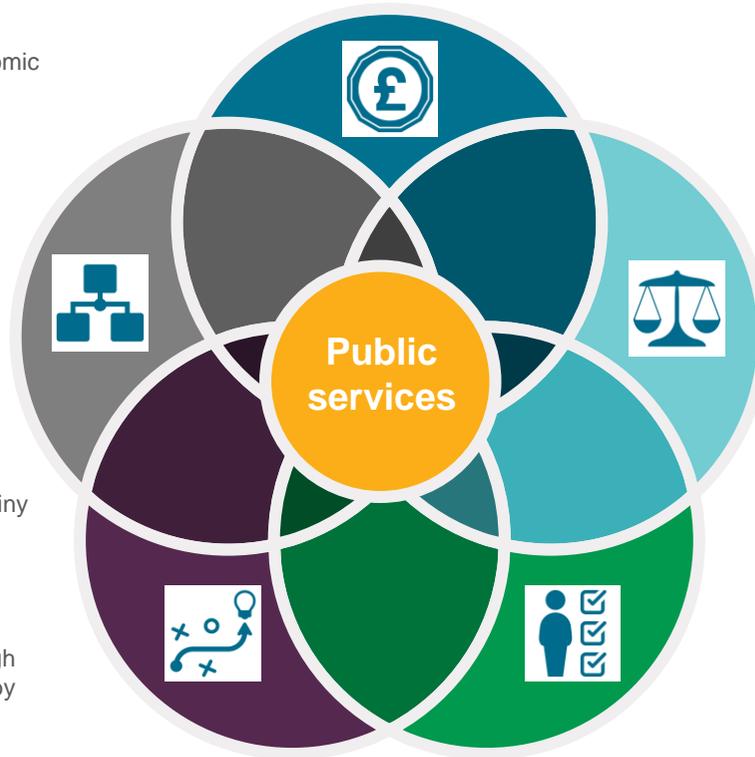
- Collaborative leadership
- Annual audits
- Fraud risks
- Effective scrutiny



## INNOVATION AND TRANSFORMATION

How public bodies are learning through continuous improvement, innovation and by transforming public services

- Local government
- NHS
- Policing
- Best Value
- Service redesign
- Digital transformation
- Workforce planning



## INEQUALITIES AND HUMAN RIGHTS



How Covid-19 is impacting on different groups in society, focusing on the risk of deepening existing inequalities. Helping ensure public bodies address inequalities and protect human rights, recognising the multiple ways people experience disadvantage and poorer outcomes.

- Child poverty
- Children and young people with additional support needs
- Care experienced children and young people
- Mental health
- Housing benefit
- Digital exclusion
- Social security
- Gender pay gap reporting



## POLICY PRIORITIES AND COMMITMENTS

Progress on key policy commitments. Public services' ability to deliver on long-term strategic priorities and outcomes

- Climate change
- Early learning and childcare
- Court backlogs
- Health and social care integration
- Social care
- National Care Service
- Drug and alcohol services
- Community justice
- Community empowerment
- School education
- Housing and homelessness

# What we've delivered: March to May

## Overview reports

Local government in Scotland overview 2023

## Briefings

Integration Joint Boards: Financial analysis 2021/22

## Performance audits

Climate change: Scottish Government delivery arrangements

Criminal court backlogs

## Statutory reports

Ferguson Marine Port Glasgow

## Other audit products

Annual Assurance and Risks Report (Internal report)

Scotland's financial response to Covid-19: Spending update (Web product)

Learning the lessons of Covid-19 has never been more important (Blog)

Encouraging progress on education data but still a long way to go (Blog)

Homelessness affects us all - action is needed (Blog)

Key:

Auditor General for Scotland

Accounts Commission

Joint – Auditor General and Accounts Commission

Audit Scotland

# What's coming up: June to December\*

Performance audits	Best Value	Statutory reports
Early learning and childcare (follow up) (June)	Best Value Legacy report (September)	South Lanarkshire College (June)
Adult mental health (September)	Controller of Audit report: South Ayrshire Council (October)	Scottish Canals (June)
<b>Briefings</b>	Controller of Audit report: Dundee City Council (November)	Glasgow City Council (August)
Colleges product (TBC) (September)	Controller of Audit report: West Dunbartonshire Council (December)	<b>Other audit products</b>
Scottish Government's capital programme (September)		City Region and Growth Deals (Impact briefing) (June)
Scotland's public sector workforce (TBC) (October)		Annual fraud and irregularity report 2022/23 (July)
		Four nations climate change (September)

**Key:**

Auditor General for Scotland

Joint – AGS and Commission

Accounts Commission

Audit Scotland

\*Months in brackets in tables are indicative publication months

# Summary of proposed changes to programme

Change	Detail
Adding	<p><b>Colleges output (AGS):</b> We are proposing adding a short briefing to the programme, drawing on a review of 2021/22 annual audit reports. We will aim to publish this during summer or autumn 2023.</p>
	<p><b>Climate change - Heat in homes (AGS):</b> In February we proposed publishing a briefing in September 2023 focusing on the Scottish Government’s Heat in Buildings strategy. This would look at what progress the Scottish Government is making, what has been delivered against plans and targets and what funding is available and required. It would provide scrutiny on progress against a key pathway to net zero. We’re now proposing to make this a small performance audit instead of a briefing which will push the timescales back to early 2024 (ref: slide 13).</p>
	<p><b>Scotland’s public sector workforce (AGS):</b> We propose adding a short briefing to the programme in October 2023. This will be a scene setting piece, as opposed to a detailed audit, aiming to inform future audit work in this area, including planned work on wider public sector reform. The briefing will set out the Scottish Government’s approach to managing this key plank of its public service reform agenda. It will provide more information on the scale of the challenge and key risks associated with delivering this major programme of change. The target audience is the Public Audit Committee and the Finance and Public Administration Committee. However, it is likely to be of interest to other committees and may generate wider media and public interest, given the continuing pay disputes in the public sector and reported pressures on services and front-line staff.</p>

# Summary of proposed changes to programme

Change	Detail
Adding	<p><b>Primary care (TBC):</b> Primary care is the cornerstone of our health and social care system. Over 90 percent of health interactions take place in primary care. The last time Audit Scotland undertook work in primary care was <a href="#">2009</a> and <a href="#">2007</a>. The new General Medical Services contract (2018) was part of the Scottish Government's plans to transform primary care services through a programme of reform. Yet in 2022 GP's said that demand is substantially exceeding capacity. The 2021/22 Programme for Government committed to increase primary care funding by 25%, over this Parliament. Yet the emergency budget review in November 2022 included a £65m cut from primary care services. We propose a performance audit looking at demand and capacity in primary care and progress with wider primary care reform. The audit will require thorough scoping to ensure we keep it manageable and focus on the areas where we can add most value, aiming to publish in Q3 2024/25.</p> <p><b>Local heat and energy efficiency strategies (LHEES) (AC):</b> We propose undertaking a performance audit on local heat and energy efficiency strategies, to publish in 2025/26. This would focus on the early implementation of the LHEES, which each local authority must have in place by December 2023. It would look at initial progress towards an area-based approach to heat and energy efficiency planning and delivery, and may encompass wider themes such as workforce planning, estate management and equalities.</p>

# Summary of proposed changes to programme

Change	Detail
Delaying	<p><b>Sustainable alternatives to custody (Joint):</b> We propose delaying this planned joint performance audit and continuing to monitor this area. The AGS briefing on <a href="#">sustainable alternatives to custody</a>, published in July 2021, had significant impact and it is not clear what further impact a performance audit would make at this time. The planned joint performance audit on drug and alcohol services will cover aspects of community justice. Our monitoring work suggests that there are ongoing issues of capacity within criminal justice social work linked to increasingly complex caseloads and funding. The ongoing Bail and Release from Custody Bill, now at Stage 3, is likely to impact on the work of criminal justice social work but it will take time before any measures are implemented. We would welcome feedback from the Commission on whether it is content to delay audit work in this area or if there are specific areas of interest it would like us to investigate further.</p>
	<p><b>LGO symposium (AC):</b> We are proposing to pause work on the LGO Symposium planned for June 2023 to allow for the appointment of a new Commission Chair and their input into the direction of this work.</p>

# Audit work in the pipeline – January 2024 to March 2025

# Summary of agreed products: January 2024 to March 2025

Product	Type	Author	Quarter
Local government financial bulletin 2023/24	Briefing	Accounts Commission	Q4 23/24
Administration of Scottish Income Tax 2022/23	Report	AGS	Q4 23/24
BV Controller of Audit report: Orkney Islands Council	BV CoA report	Accounts Commission	Q4 23/24
Climate change: Heat in homes	Performance audit	AGS	Q4 23/24
Administration of Scottish Income Tax 2022/23	Annual report	AGS	Q4 23/24
National Strategy for Economic Transformation	Briefing	AGS	Q4 23/24
BV Controller of Audit report: Dumfries and Galloway Council	BV CoA report	Accounts Commission	Q4 23/24
BV follow up: Shetland Islands Council	BVAR	Accounts Commission	Q4 23/24
NHS in Scotland 2023: Focus TBC	Overview	AGS	Q4 23/24
AGS budget briefing	Internal report	AGS	Q4 23/24
Local government budget briefing	Internal report	Accounts Commission	Q4 23/24
Annual Assurance and Risks Report	Internal report	Accounts Commission	Q4 23/24

# Summary of agreed products: January 2024 to March 2025

Product	Type	Author	Quarter
Digital exclusion	Performance audit	Joint – AGS and Commission	Q4 23/24
LGO Symposium	Event	Accounts Commission	TBC
Integration Joint Boards: Financial and performance analysis 2022/23	Briefing	Accounts Commission	Q1 24/25
BV Controller of Audit report: Clackmannanshire Council	BV CoA report	Accounts Commission	Q1 24/25
BV Controller of Audit report: Moray Council	BV CoA report	Accounts Commission	Q1 24/25
Best Value thematic report – Leadership	TBC	Accounts Commission	Q1 24/25
Drug and alcohol services	Performance audit	Joint – AGS and Commission	Q1 24/25
BV Controller of Audit report: Falkirk Council	BV CoA report	Accounts Commission	Q2 24/25
Annual fraud and irregularity report 2022/2	Annual report	Audit Scotland	Q2 24/25
National Fraud Initiative in Scotland	Other	Audit Scotland	Q2 24/25
Local government financial bulletin 2023/24	Briefing	Accounts Commission	Q3 24/25
Primary care (TBC)	Performance audit	TBC	Q3 24/25
NHS in Scotland 2024	Overview	AGS	Q4 24/25

# In the pipeline:

## January 2024 to March 2025

### Economic recovery and growth

Area of focus	Latest plans
Infrastructure and investment	<p>Reducing emissions from transport will make an important contribution towards the Scottish Government's net zero target. We plan to carry out research and development work on sustainable transport in late 2023, with a view to bringing forward proposals to the Accounts Commission and AGS for future audit work in due course. Our initial thinking is to focus this work on the concept of 20-minute neighbourhoods, which would encompass wider themes around infrastructure investment and local planning. We will explore options for a joint audit in 2024/25 but need to consider this in the context of other priorities relating to transport and infrastructure, including ferries and estates management. We will need to ensure that we have resources available to deliver on the priorities of the AGS and Accounts Commission and may need to re-prioritise work on sustainable transport in response to this.</p>
Supporting economic development and growth	<p>We are considering a performance audit on the Scottish National Investment Bank in 2024/25 which would cover investment to date and an early assessment of what impact this has made, as well as how it is evaluating and monitoring the impact of its investments.</p> <p>We are monitoring place-based economic growth initiatives (local and regional) and are likely to propose we undertake work in 2025/26 to assess how funding is being targeted, and the impact of regional economic activities on outcomes.</p>

# In the pipeline: September 2023 to March 2025

## Economic recovery and growth

Area of focus	Latest plans
Public finances	<p>We have reported on the urgency and severity of the financial challenge ahead for the Scottish Government in <a href="#">Scotland's public finances: challenges and risks</a> published in November 2022. This gained significant media, social media and political engagement.</p> <p>The Scottish Government is undertaking a two-track approach to reform, targeting “short-term efficiencies and wider, deeper, and longer-term reform.” Planned audit work in 2024 will assess how well the Scottish Government’s budget processes manage a tighter financial position while implementing this reform, achieving the Scottish Government’s goals, and maintaining public services.</p> <p>This will follow on from the planned briefing paper on the public sector workforce (and its links to reform) and our annual reporting on Scottish Income tax, where differing economic growth between Scotland and the rest of the UK and diverging tax policy are an increasing feature.</p>
Skills and training	<p>We continue to monitor the impact of our performance audit report on <a href="#">Planning for skills</a> and await the findings and recommendations of the independent review of the skills delivery landscape, due in spring 2023. We will use this, and the Scottish Government’s response to the review, to inform proposals for future audit work, which is likely to begin during 2024/25.</p>

# In the pipeline:

## January 2024 to March 2025

Area of focus	Latest plans
Climate change	<p>We recognise the priority placed on climate change by the AGS and Accounts Commission.</p> <p>Reflecting feedback from previous work programme discussions, we have developed proposals for a programme of climate change audit work up to 2025/26. In addition to the small performance audit on heat in homes planned for Q4 2023/24, we plan to scope audit work on how the public sector is adapting to the impacts of climate change during summer 2023, with a view to undertaking a performance audit on adaptation (likely joint AGS and AC) to publish in 2024/25.</p> <p>We are also proposing undertaking a performance audit for the Accounts Commission on local heat and energy efficiency strategies, to publish in 2025/26.</p> <p>We plan to carry out research and development work on sustainable transport in late 2023, working with the infrastructure and investment team, with a view to bringing forward proposals to the Accounts Commission and AGS for future audit work (ref: Slide 11).</p>
Early learning and childcare	<p>The next joint audit work in this series will look at the impact of the expansion. This is likely to focus on assessing whether the significant investment being made in expanding publicly funded ELC has delivered improved outcomes, is helping to reduce the poverty-related attainment gap and has made a difference in supporting parents and carers to work, train or study. This audit is likely to start in 2025.</p>

# In the pipeline: September 2023 to March 2025

Area of focus	Latest plans
Health and social care	<p>We are monitoring developments in the social care sector on the issues highlighted in the <a href="#">January 2022 joint briefing</a> and the progress with the National Care Service (Scotland) Bill. We anticipate producing a series of products over the next few years that consider the challenges in social care by focusing on particular aspects. Products might focus on: workforce issues; commissioning of services; leadership and governance in IJBs; joint working; service demand and capacity; outcomes and performance; or service user and carer experience. We plan to bring proposals to the Accounts Commission's PAC and to the AGS in August 2023 for discussion. To maintain flexibility and responsiveness we will consider the priorities and focus for this work on a rolling basis alongside the other commitments for the portfolio and cluster and bring forward detailed proposals through future work programme updates.</p> <p>We will develop future IJB financial bulletins to provide a wider picture of IJBs, including leadership, performance and outcomes. This will also be a vehicle for the Accounts Commission to make wider comment about current issues in social care. This work will continue to be supported by independent oversight and public reporting at both national and local level on the current performance of IJBs through ongoing annual audit work in IJBs and related audit reporting (local AARs and national AARR) until such time as a NCS becomes operational and local Care Boards are established.</p> <p>We also remain committed to a longer-term programme of performance audit work on implementation of the NCS, subject to this major programme of change receiving Parliamentary approval. Audit work in this area would draw on the findings of previous audits of major structural reform (e.g. police and fire) and would focus on both the process of implementing the reform and whether they delivered their intended improved outcomes.</p>

# In the pipeline: September 2023 to March 2025

## Policy priorities and commitments

Area of focus	Latest plans
Homelessness	We are likely to propose a report on homelessness during 2024, potentially examining the pathways through the system for homeless people and families. Our work on the picture of homelessness across Scotland would support priorities around inequalities, human rights, access and affordability. In taking a pathways approach, it would be firmly person-centred. Work being undertaken across the UK by the Centre for Homelessness Impact on the impact and cost of temporary accommodation for homeless families would complement our work by providing a wider narrative of one element of the cost of homelessness.
Drug and alcohol services	We plan to start a joint performance audit in July 2023 and publish around June 2024. This will include detailed analysis of spending and will explore what is being delivered in local areas by Alcohol and Drug Partnerships and other partners such as integration authorities and community planning partnerships. It is likely to pick up links with community justice and have a strong third sector focus. We are also considering building in lived experience work and focus on prevention, outcomes, equalities and human rights.
Community justice	We have proposed delaying planned joint work on sustainable alternatives to custody for 2024 and will continue to monitor this area while seeking feedback from the AGS and Commission on their specific interests in future community justice audit work.
School education	We are continuing to monitor progress against the recommendations in the <a href="#">Improving outcomes for young people through school education report</a> through ongoing cluster monitoring and stakeholder engagement. We anticipate carrying out further audit work, but not until 2024 at the earliest.

# In the pipeline: September 2023 to March 2025

Area of focus	Latest plans
Digital exclusion	We are carrying out a joint performance audit on how the public sector is addressing digital exclusion with a view to publishing in March 2024. We are taking a human rights based approach for this audit, which includes considering how we can engage with service users. We will also continue to look at digital exclusion through other audit work, such as overviews and social care.
Poverty	<p>We are developing options for a full performance audit on child poverty, which is likely to start in 2024/25, allowing us to include data on performance against the 2023/24 interim targets for reducing child poverty. Future audit work relating to services for children and young people will also consider links with child poverty.</p> <p>We will continue to monitor the transfer of social security powers to Scotland with a view to considering how this informs and impacts on other audit areas, such as child poverty and inequalities, and whether we should produce any further outputs in this area.</p>
Children and young people with additional support needs	We would like to explore options for delivering a product on children and young people with ASN during 2023/24. Stakeholders have been supportive of a focus on the learner journey from pre-school to post-school for children and young people who need additional support, including looking at transition points. Education Scotland is planning thematic work on ASN and we will explore the potential for joint work. There are concerns about the lack of data in this area and it may be worth considering publishing a shorter, quicker output highlighting the key issues and then doing a full performance audit at a later stage. We would welcome AGS and Commission feedback on their interests in this area.

# In the pipeline: September 2023 to March 2025

## Innovation and transformation

Area of focus	Latest plans
Best Value assurance reporting	<p>Best Value work in councils is now fully integrated with the annual audit and will be reported in Annual Audit Reports, including risk-based, follow up and thematic BV work. Work on the first national BV thematic report drawing on local BV thematic annual audit work starts in October 2023. This report is due for publication in 2024. The theme agreed by the Commission for this first report is leadership.</p>
Local government overview reporting and auditing local services	<p>We have delayed wider discussions about the development of local government overview reporting from 2024 following changes within the Commission and the cancellation of its June strategy seminar. We are currently engaging with the new Controller of Audit about the future of overview reporting, reflecting the Commission's interest in performance and, amongst other things, are considering options for a more specific service focus for this work in future.</p> <p>Our goal is to ensure that the total package of Accounts Commission local government reporting (including the AARR, BV thematic and BV CoA reports) provide sufficient coverage and depth, making best use of the overview approach where that will add greatest value. We have not yet agreed whether we will produce a local government overview (LGO) in 2024 or a more focused performance audit. We will discuss this with the Commission at its strategic work planning discussion following the August Commission meeting.</p>

# In the pipeline: September 2023 to March 2025

## Innovation and transformation

Area of focus	Latest plans
National Health Service	<p>We are developing proposals for a future programme of health and care audits, recognising the ongoing policy focus on health and care, with significant reforms on the horizon and the dominance of spending in this area. This will impact on our reporting on the NHS as we are considering the future format and frequency of the NHS in Scotland report to allow for a shift of some resources to other more focused and thematic health and care audit work.</p> <p>We recognise the whole systems approach required for public health due to the broader factors affecting health and wellbeing, such as housing, income and the education and justice system, and the impact of the broader economy and inequalities. As such we will consult on our proposals in due course with the AGS and, where necessary and relevant, with the Accounts Commission.</p>
Policing	<p>The AGS is interested in Best Value work on policing during the next audit appointment round. We intend to allocate resources to research and development work on policing over summer 2023 to inform the potential scope and approach to this work.</p>