

# Corporate plan 2012–15

Priorities for 2014



 AUDIT SCOTLAND

# Our 2014 priorities



This document outlines our priorities for 2014 and the key projects Audit Scotland will undertake during the year to deliver our corporate plan for 2012-15. The plan describes the aims of our work and how we will deliver it. It highlights the areas we will focus on to provide assurance to the people of Scotland that public money is spent properly and provides value for money.

## Who we are

Audit Scotland is a statutory body that carries out audits and investigations for the Auditor General for Scotland and the Accounts Commission.

The Accounts Commission is the public spending watchdog for local government. It holds councils in Scotland to account and helps them improve. It operates impartially and independently of councils and of the Scottish Government, and it meets and reports in public. The Accounts Commission expects councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

The Auditor General for Scotland secures the audit of the Scottish Government and other public bodies in Scotland, except local authorities. She investigates whether bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Auditor General is independent of the Scottish Government and the Scottish Parliament.

## What we do

We help the Auditor General and the Accounts Commission to ensure public money in Scotland is used properly, efficiently and effectively. We do this by carrying out financial, performance and Best Value audits of various aspects of how public bodies work. We audit public bodies, with a total spend of about £40 billion a year, and audit the majority of devolved public services in Scotland.

## Our stakeholders

- The Scottish Parliament
- The people in Scotland
- The Scottish Government
- All Scottish public organisations.

## Our resources

- £17.5 million from: audit fees paid by public bodies; bank interest; and miscellaneous income
- £6.4 million direct funding from the Scottish Parliament
- 260 whole-time equivalent staff (as at 31 March 2013)
- Seven private firms of accountants that carry out about half of the annual audits.

## Our history

Audit Scotland was established in 2000 under the Public Finance and Accountability (Scotland) Act 2000. This followed devolution from Westminster to Scotland and the establishment of the Scottish Parliament in 1999.

# Our values



Our values are:

- Independence and integrity
- Valuing people
- Quality
- Cooperation
- Great communication.

We will aim to reflect these values in everything we do.



# Our strategy



## Audit Scotland Strategy map 2012–15

### Our vision

**To be a world-class audit organisation that improves the use of public money**

### Why we exist

**To provide independent assurance to the people of Scotland that public money is spent properly and provides value for money**

### What we do – our priorities Helping to improve by holding to account

<b>Auditing</b> We conduct relevant and timely audits of the way the public sector manages and spends money	<b>Reporting</b> We report our findings and conclusions in public	<b>Recommending actions</b> We identify risks and make clear and relevant recommendations for improvement and follow these up
Annual audits of 200+ public bodies 10–12 performance audits a year 5–8 Best Value audits a year Coordinating scrutiny across local government 32 risk assessments in local government National Fraud Initiative Housing benefit audits Community Planning Partnership audits	Annual audit reports Performance audit and Best Value reports Section 22 and Controller of Audit reports Biennial NFI reports CPP audit reports How Councils Work series	Identifying key areas for improvement Report recommendations Local follow up Self-assessment checklists Tracking and reporting on the impact of our work

### How we do it

<b>Quality &amp; impact:</b> We systematically improve the quality and impact of our work	<b>Knowledge management:</b> We seek out and manage information and intelligence to deliver excellent audits	<b>Innovation:</b> We develop new and improved products to maximise the impact of audit
<b>Value for money:</b> We maximise our efficiency and effectively manage our resources to reduce the costs of audit	<b>Valuing people:</b> We empower and support our people to be engaged, highly skilled and perform well	<b>One organisation:</b> We work together to deliver excellent audits

# Our focus



Our vision to become a world-class audit organisation drives our work and continues to guide our improvement priorities. These include ensuring the quality and impact of our work and valuing our people.

Scotland faces a major decision about its constitutional future in 2014 and Scotland's public sector will continue to face challenging financial conditions and pressures. We will continue to prepare for the implementation of the tax and borrowing powers in the Scotland Act 2012.

Effective independent audit provides assurance about the use of public money and supports better use of scarce resources. Audit is at the heart of everything we do, and we will focus in particular on areas of audit that support:

- governance and financial management
- financial sustainability
- transparency
- value for money.

This year we will conclude the fourth year of our plan to reduce the cost of audit by over 20 per cent. We will continue to prioritise our resources to deliver our core audit products and services with fewer resources.

We will invest in support to make our audits more efficient and effective through our core corporate projects, including streamlining the annual audit and developing our audit intelligence system. We will deliver the next phase of audits of Community Planning Partnerships for the Auditor General and the Accounts Commission, alongside our programme of Performance and Best Value audits.

## Developments

We will continue to invest in three areas to develop the quality and sustainability of our work. These are:

- a review of the expectations of audit to help maximise the impact of our work, focussing on the scope and reporting of audits. This work started during 2013 and we will be considering feedback from stakeholders to help shape our next strategic plan during 2014.
- a streamlined audit planning approach which will be fully implemented during 2014, followed by development of the next phase.
- development of an audit intelligence system to help us make better use of data, guide our work and inform our judgements.

## Valuing our people

We launched our Personal Development and Growth initiative during 2013, and this will be expanded during 2014 to offer compelling development opportunities to colleagues. We are focusing on our healthy working lives initiative to support colleagues and will continue our career development programmes for staff including professional trainees.

## Quality and impact

We will systematically improve the quality and impact of our work. We will continue to develop professional and ethical standards in line with international developments and make sure they inform all of our judgements. Last year, we created a new business group which brings together our work on Performance and Best Value audit. We will create a new quality framework for the work of this group, drawing on best practice from both of the former business groups.

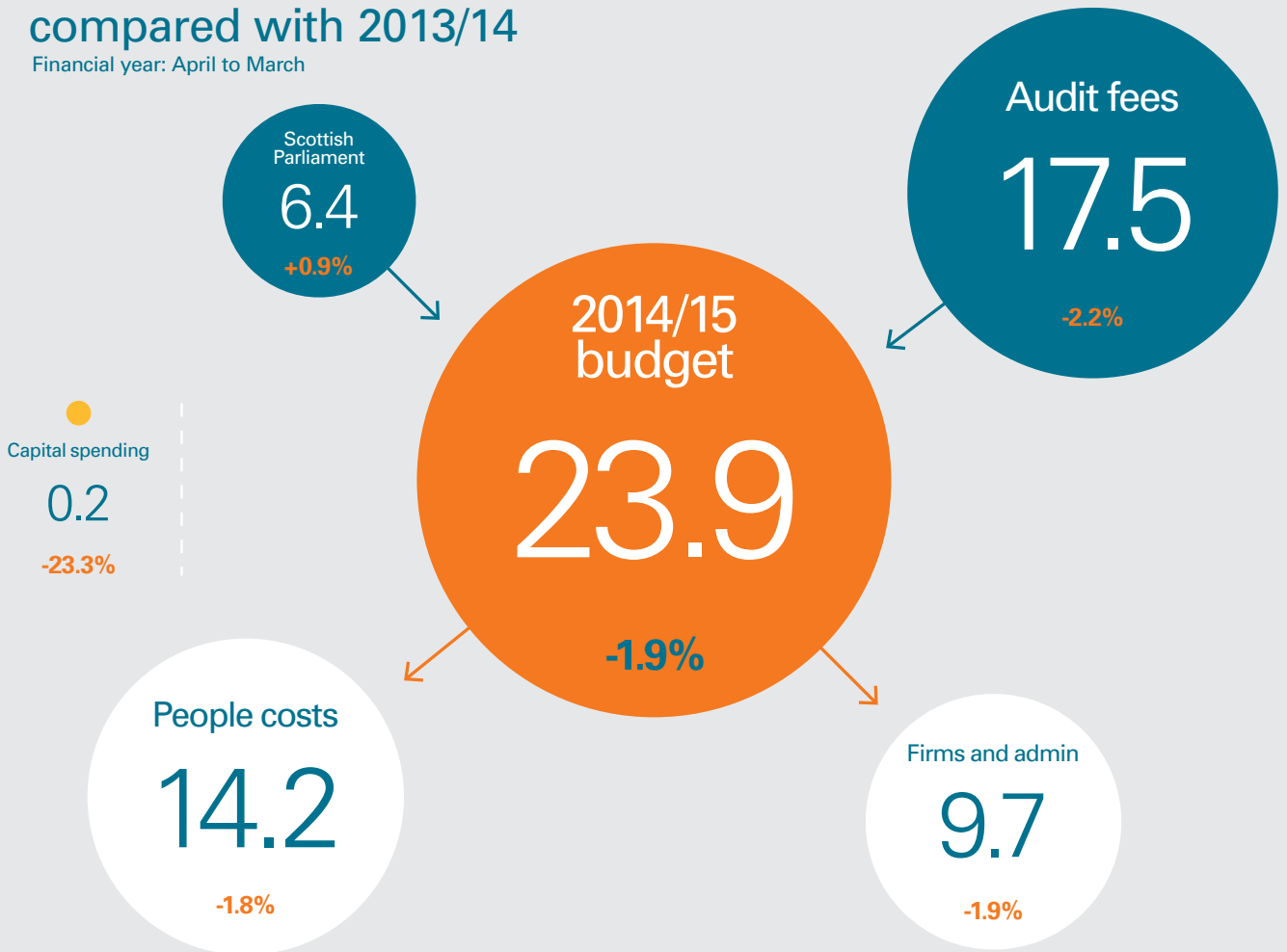
## Our 'one organisation' ethos

We will be bolder in seeking opportunities to strengthen how we work more closely and effectively together across the organisation.

# Our income and expenditure 2014/15 (£ million)

compared with 2013/14

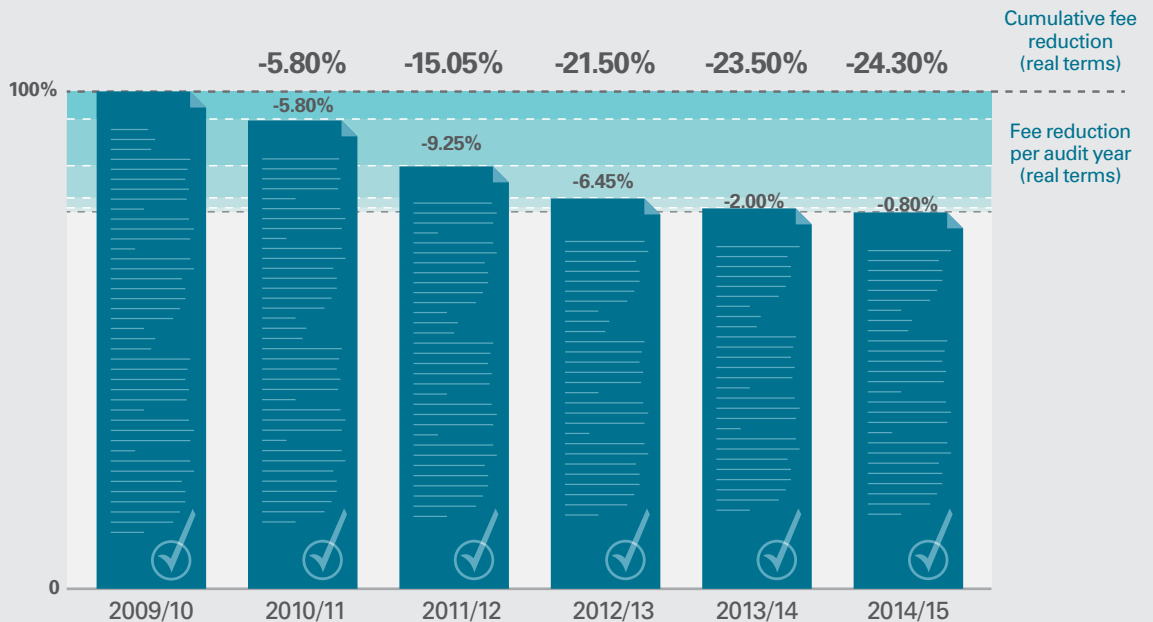
Financial year: April to March



## Audit fees for public bodies

Reductions in fees for audit years 2009/10 to 2014/15

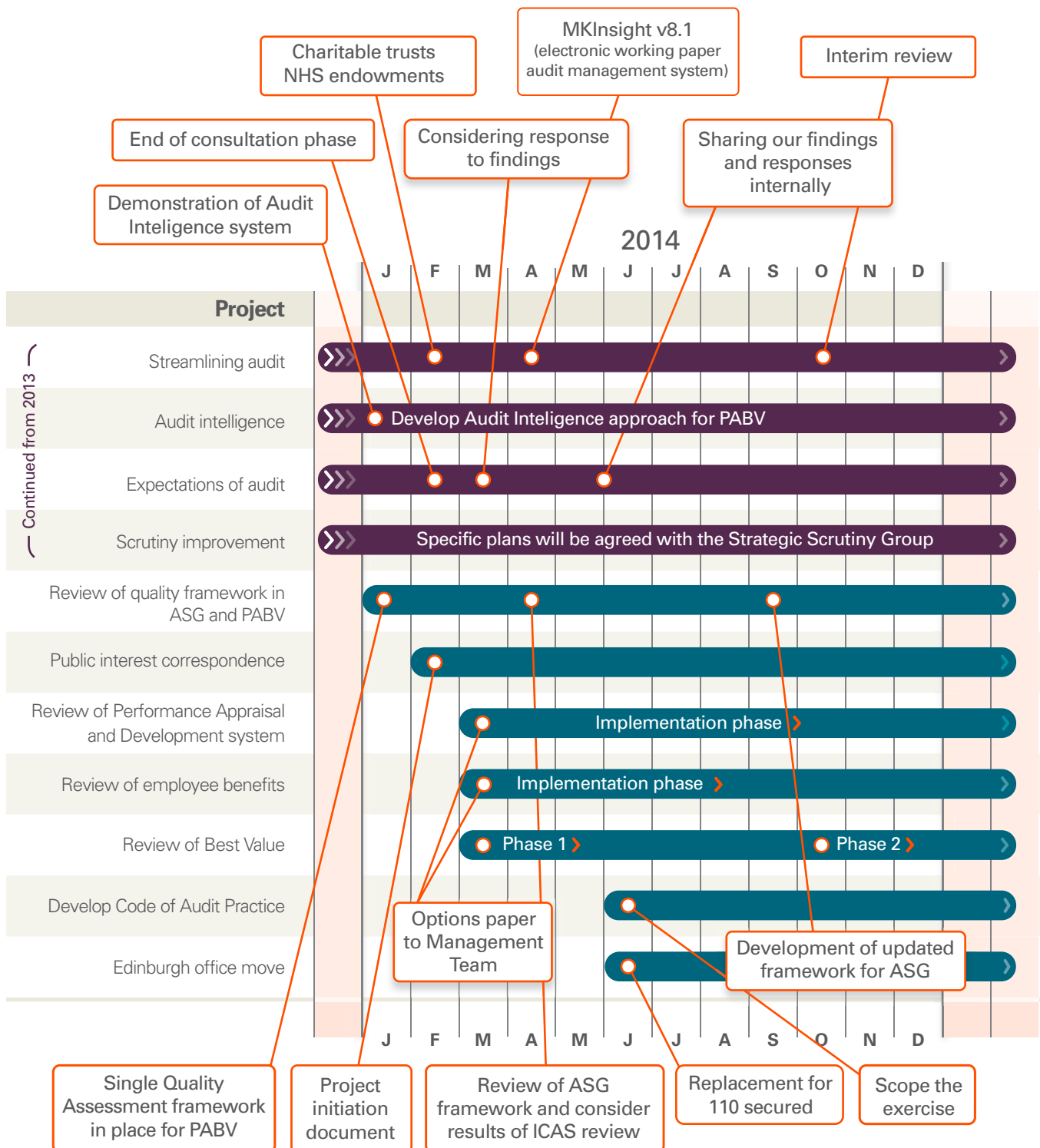
Audit year: November to October



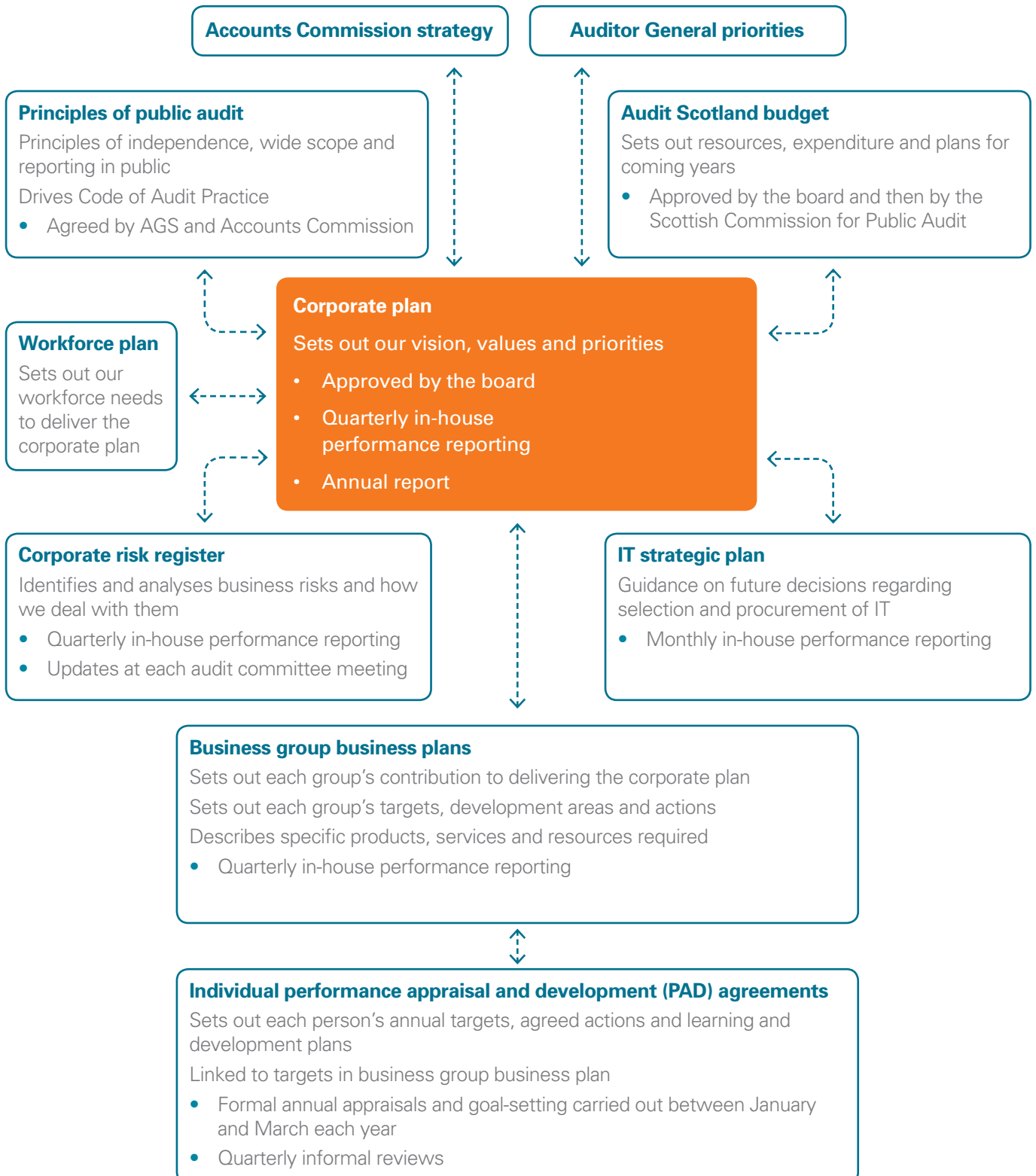
# Our projects 2014



During this year, we will invest in a number of new projects and continue existing ones in order to drive and achieve our priorities. Below are key projects taking place this year.



# Planning framework





# Corporate plan 2012–15

## Priorities for 2014

This report is available in PDF and RTF formats, along with a podcast summary at:

[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 

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