

Equality outcomes and mainstreaming

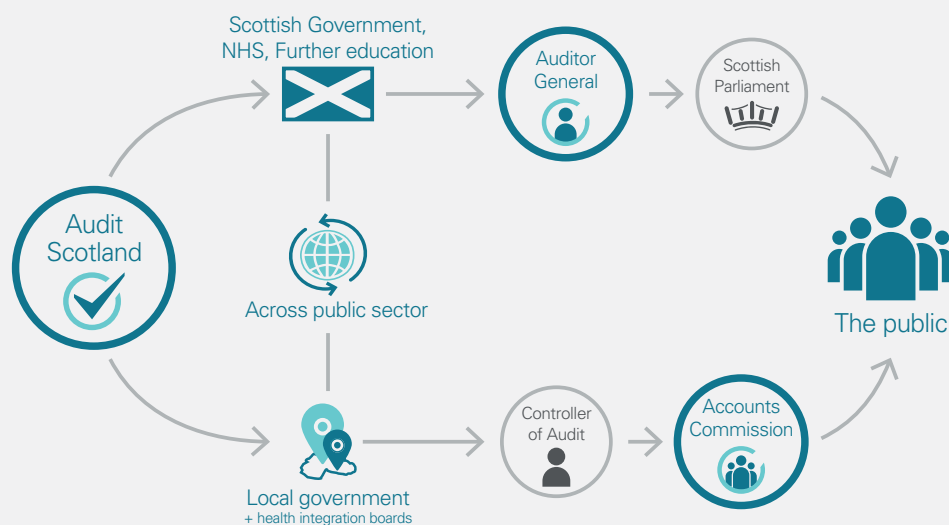
Progress report 2015-17



Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- **Audit Scotland** is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.
- The **Auditor General** is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The **Accounts Commission** is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.



About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

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Executive summary

1. This report sets out how Audit Scotland and the Accounts Commission, working with the Auditor General for Scotland, are addressing their responsibilities under the [Equality Act 2010](#). It summarises the progress made in mainstreaming equality and achieving equality outcomes over the last two years.

Engagement with external equality organisations

2. To help shape the approach to equality in audit work, an Equality and Human Rights Advisory Group (EHRAG) has been established. The group is made up of people from a range of stakeholder organisations that represent all of the protected characteristics under the Equality Act ([page 13](#)). The objectives of the group are to help both organisations to consider the following questions:

- what are the equality issues Audit Scotland and the Accounts Commission need to know about that will affect their work
- what needs to be done differently
- how can the group help or get involved?

Embedding equality in audit work

3. Over the past two years, Audit Scotland has been working with the Accounts Commission to develop a new approach to Best Value audits. Over the next five years, as part of that new approach, consideration will be given to each council's commitment to ensuring that equal opportunities are integral to all services and activities ([page 11](#)). Conclusions will be made on:

- how committed the council is to equal opportunities
- to what extent equal opportunities is embedded in service delivery
- to what extent the council promotes equal opportunities in the community.

4. A Shared Risk Assessment (SRA) process has been developed to enable scrutiny bodies to work together to draw up proportionate and risk-based scrutiny programmes for Scotland's 32 councils. The SRA process considers the council's commitment to delivering better public services, ensuring that equal opportunities are integral to all its services and activities ([page 12](#)). This includes the extent to which:

- members and officers promote equal opportunities
- equal opportunities are considered in policy development
- equal pay audits are carried out and acted upon to eliminate areas of discrimination
- equality outcomes and progress against them, gender pay gap and equal pay information is published.

5. The Auditor General and the Accounts Commission have a rolling programme of national performance audits. Audit Scotland's Audit Management Framework (AMF) requires staff to identify equality issues where relevant when scoping national performance audits. Examples of performance audits that have explored particular aspects of equality are included on [pages 16 and 17](#). During 2016/17, this was strengthened by including prompts in the AMF at all stages of the audit. For example, audit teams are asked to consider:

- have they planned meetings, surveys or focus groups, and other evidence gathering, to be accessible
- are the methods used to present data user friendly
- what are the best ways to promote the report to different or specific audiences
- are lessons learned about equality and diversity in the audit shared with colleagues?

6. This year all four business groups within Audit Scotland produced action plans to support the three equality outcomes and further embed equality within their work. Significant progress was recorded against the Performance Audit and Best Value (PABV) group's plan ([pages 14 to 15](#)).

People, policies and practices

7. Audit Scotland's website has been awarded 'two ticks' accreditation for web accessibility by the Digital Accessibility Centre (DAC). Audit Scotland aims to provide information in a variety of formats for all audiences, including reports in a range of formats and podcasts available in MP3 as well as in transcript form ([page 18](#)).

8. Over the last two years, significant changes have been made to office accommodation in Edinburgh, Inverness and Glasgow. In each case, the aim was to ensure that the new accommodation met business requirements as well as fully complying with regulations and guidance for accessibility ([page 18](#)). Key features in the new Edinburgh and Inverness offices include accessible entrance and lifts, with tactile braille buttons and hearing induction loops in meeting rooms and reception in the Edinburgh office.

9. Audit Scotland has been working to raise awareness of equality within the organisation and to ensure staff are representative of the Scottish population. Where there was under representation, work has been undertaken to improve this. In particular, the staff profile at Audit Scotland is now close to the Scottish population ([pages 19 to 22](#)). In relation to gender, 52 per cent of all staff are female and 48 per cent male, and the number of female Accounts Commission members has increased from 25 to 42 per cent. A higher proportion of Audit Scotland staff are from ethnic minorities (seven per cent) compared to the Scottish population (3.4 per cent). This has increased from four per cent in 2015.

10. Audit Scotland has been a Living Wage employer since November 2015. It is one of 600 organisations in Scotland that signed up to the scheme to become accredited as official Living Wage Employers, giving employees at least £8.45 per hour ([page 24](#)). Audit Scotland ensures everyone directly employed by them is covered by the scheme, increasing the salary bands of student placements and Modern Apprenticeships. Consideration is always given to Fair Work Practices when awarding contracts. This has ensured, for example, that the cleaning contracts for the three offices are with firms whose staff are paid the Scottish Living Wage.

Introduction

Roles

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

- The Auditor General for Scotland secures the audit of the Scottish Government and other public bodies in Scotland, except local authorities. The Auditor General is independent of the Scottish Government and the Scottish Parliament.
- 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, the Scottish Government and the Scottish Parliament, and it meets and reports in public.

12. Audit Scotland helps the Auditor General and the Accounts Commission to ensure public money in Scotland is used properly, efficiently and effectively. This is done by carrying out financial, performance and Best Value audits of various aspects of how public bodies work. Public audit in Scotland covers over 220 public organisations including the Scottish Government, the NHS in Scotland and local councils. These organisations spend over £40 billion of public money annually.

Audit Scotland

13. As at December 2016, Audit Scotland employed 290 people (based on headcount). Many staff are based in the headquarters in Edinburgh, and others are in offices in Glasgow, Inverness and Aberdeen. Some staff are also based in client sites across Scotland while they are carrying out annual audit work. A board oversees the work of Audit Scotland. Audits are undertaken by Audit Scotland's Audit Services Group or by private firms. Audit appointments are made by the Accounts Commission for local government and the Auditor General for Scotland for other sectors.

14. Audit Scotland has four business groups that work closely in partnership with each other:



Audit Strategy provides technical guidance to auditors; manages the National Fraud Initiative (NFI); and oversees the appointment of private firms and the quality of all audit work undertaken by Audit Scotland and the firms.



Audit Services carries out audits in public bodies to give assurance on financial statements, performance, and efficient use of resources. Its annual audit reports for each audited body cover the full range of audit work done in a public body during the year.



Performance Audit & Best Value carries out performance audits across the public sector for the Auditor General and the Accounts Commission. It also undertakes best value audits in local government and leads on coordinating audit, inspection and regulation in local government on behalf of the Accounts Commission.



Corporate Services provides Audit Scotland's finance, human resources, communications, IT and business support services.

15. A Diversity and Equality Steering Group (DESG) oversees the implementation of the strategy for embedding diversity and equality in all audit work ([Appendix 1, page 34](#)). This includes:

- raising awareness of equality issues among staff
- helping to ensure the requirements of the Equality Act 2010 are met
- working with business groups to help mainstream equality in everything that is undertaken.

16. The Auditor General is the accountable officer for Audit Scotland and is responsible for making sure that the duties set out in the Equality Act are met. You can find more information about Audit Scotland, the Auditor General and the Accounts Commission at www.audit-scotland.gov.uk.

Corporate aims and priorities

17. The Audit Scotland [Corporate plan 2015-18](#) sets out its vision, values and priorities:

Our vision is to be a world-class audit organisation that improves the use of public money.

18. In shaping this vision and priorities for the coming years, the focus is on the devolved powers and financial climate in which public bodies now operate. Public bodies' budgets are under increasing pressure from cuts, or smaller annual increases, in funding; rising demand for services; and increasing costs, such as pensions. This presents increased risks for public bodies to achieve financial balance while providing high quality services to meet the needs of the population. Audit Scotland aims to be as efficient and effective as possible through continuous improvement.



**Corporate plan
2015-18**

⬇ May 2015

How public audit makes a difference



19. The objective is to maximise the difference the audit work makes to public services, the people that they serve, the outcomes that those people experience and the use of public money.

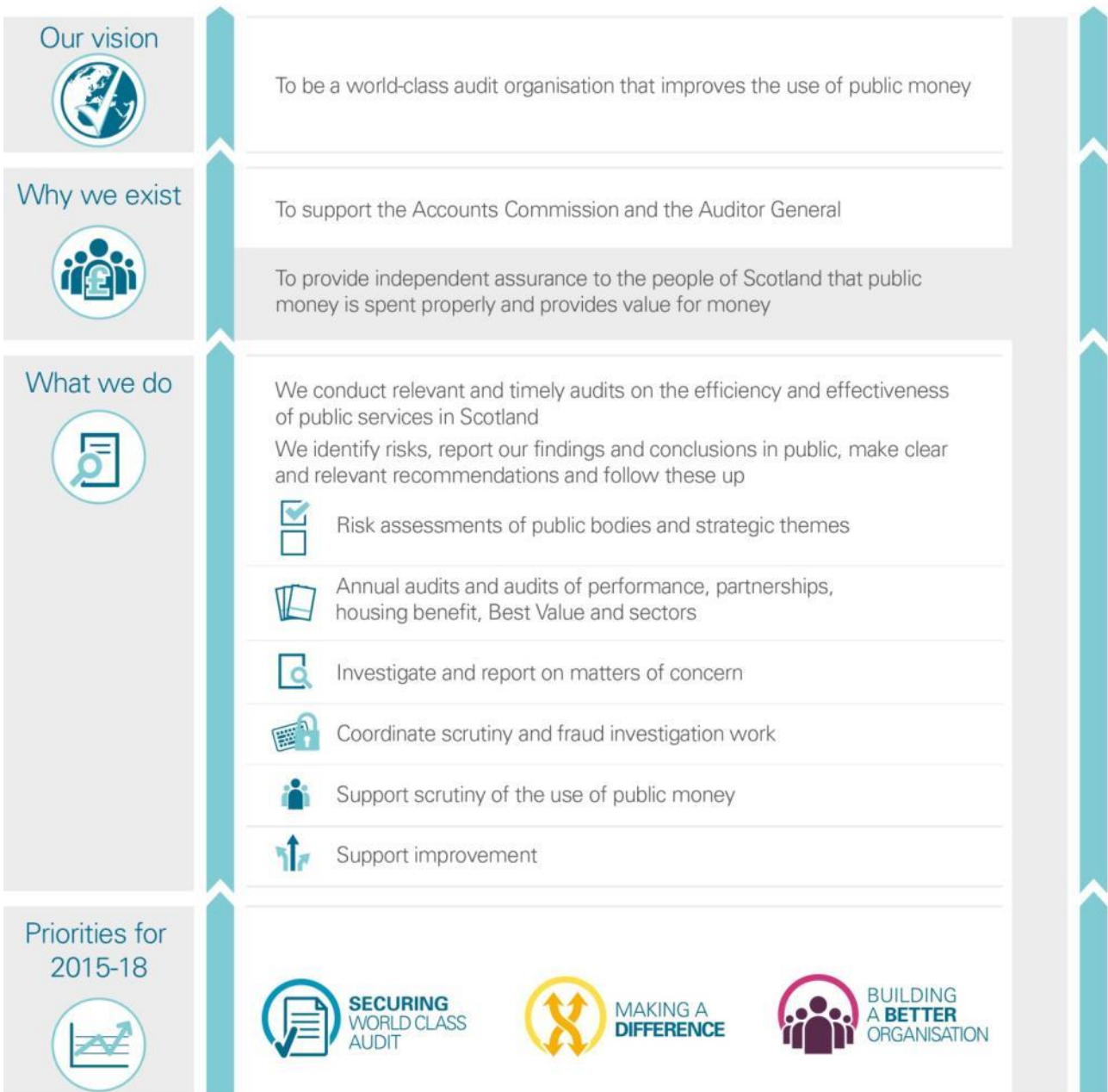
20. Audit Scotland is committed to considering diversity and equality in its audit work. It will continue to report on diversity and equality issues and ensure the results of the audit work is accessible to people with disabilities and those for whom English is not their first language.

21. The Audit Scotland strategy map 2015-18 captures the vision and how Audit Scotland aims to deliver it through its work and the strategic *Becoming World Class* improvement programme. Building on an extensive consultation with stakeholders and members of the public in 2014 about what public audit needs to deliver, a strategic implementation programme was developed to help achieve the vision of being a world-class organisation. The programme has three main objectives:



22. The values reflect discussions with staff about the values and qualities most important to them as part of the 'building a better organisation' (BaBO) objective.

Strategy map 2015-18



Equality outcomes

23. During 2012/13, three equality outcomes were developed in consultation with staff and equality networks. This is a statutory duty for all public sector bodies. The outcomes also support Audit Scotland's vision to be a world-class organisation, the corporate plan and values. They are underpinned by indicators to allow measurement of progress against them. Equality outcomes and progress against them are detailed in [Equality outcomes \(page 28\)](#) of this report. The Audit Scotland Management Team reviews performance against key indicators on a quarterly basis and the Diversity and Equality Steering Group considers relevant data as it becomes available throughout the year. A summary of progress is published annually on the Audit Scotland [website](#). The equality outcomes are currently being reviewed and updated, for a new publication in April 2017.

About this report

24. This report sets out how Audit Scotland and the Accounts Commission, working with the Auditor General, are addressing their responsibilities under the Equality Act 2010. It summarises the progress made in mainstreaming equality and achieving the equality outcomes. Under the Act, public bodies have to consider all individuals when carrying out their day-to-day work – in shaping policy, in delivering services and in relation to their own employees. The general equality duty in the Act requires public bodies to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act
- advance equality of opportunity among all people
- foster good relations between different people when carrying out their activities.

25. A range of equality information is published on the Audit Scotland [website](#), in line with the specific duties. A summary of how compliance with these duties is ensured is set out in [Appendix 2 \(page 35\)](#).

Mainstreaming equality

In audit work

26. Many of the organisations subject to audit provide services directly to members of the public. These organisations should design their services to meet the needs of Scotland's diverse population. Audit Scotland and the Accounts Commission aim to embed this expectation into the range of audit work undertaken to ensure that public money is spent properly and provides value for money. To do this, the audits need to be designed to:

- analyse data about the profile of Scotland's population and the people who make use of public services where appropriate
- gather evidence about how public bodies are delivering services
- examine how public bodies consider the needs of different groups when planning and organising services.

27. The Auditor General, the Accounts Commission and Audit Scotland have agreed four audit dimensions that frame the wider scope of audit work. Equality is a feature of all the audit dimensions and a core part of all aspects of the audit work. The following section sets out how equality is being addressed and highlights where more can be done.

The four audit dimensions



Reporting by public bodies on equality performance

28. Audit Scotland supports the Accounts Commission to hold local government to account and assure the public about the performance of their council. Each year, auditors review whether local government bodies have complied with the requirements of the Equality Act to publish a report on the progress made in achieving their equality outcomes. The findings are reported in annual audit reports.

29. The Accounts Commission's [Strategy and annual action plan 2016-21](#), includes a number of priorities that aim to improve performance reporting, including information on equality and diversity:

- Working with the newly appointed auditors and through the new [Code of Audit Practice 2016](#) to ensure the approach to the financial audit and auditing Best Value clearly sets out the Best Value expectations of councils and reports on councils' improvement and their use of public money.
- Better reflecting the interests of the citizen, service user and communities in audit work, including Best Value auditing, in performance audits and in joint work with scrutiny partners
- Promoting good practice and innovation by making more effective use of data, benchmarking, and information and analysis contained in reports, working with other stakeholders as appropriate, such as the Improvement Service.

30. The Accounts Commission has encouraged councils to develop a comprehensive set of performance data. It is working with councils to help further enhance the scope and use of the [Local Government Benchmarking Framework](#). The framework supports evidence-based comparisons between similar councils so that they can work and learn together to improve their services. It includes a measure on the gender pay gap with data on the difference between men's and women's earnings, a key measure under the Public Sector Equality Duty.

31. In other sectors, bodies are required to report specific equality information in their annual reports. Auditors check that these requirements have been met and report on any significant deficiencies.

Best Value audits examine public bodies' consideration of equality

32. Over the past two years Audit Scotland has been working with the Accounts Commission to develop a new approach to Best Value audits. This has provided an opportunity to refresh the approach to considering equality issues in the course of this work. During 2015/16, the audit framework for the new approach to auditing Best Value in local government was established. The Accounts Commission agreed the overall framework for the new approach in June 2016 and auditors began using it for their audit work in October 2016.

33. A key feature of the new approach is that it integrates Best Value into the wider scope of annual audit, which will influence audit planning and reporting. Best Value will be assessed comprehensively over the five year audit appointments, both through the ongoing annual audit work, and also through discrete pieces of work looking at specific issues. Conclusions and judgements on Best Value will be reported through:

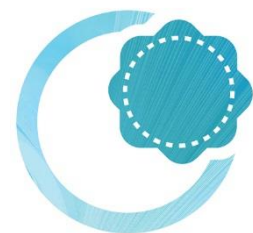
- the Annual Audit Report for each council, which provides a rounded picture of the council
- an Annual Assurance and Risks report that the Controller of Audit provides to the Commission highlighting issues from across all 32 council annual audit reports
- a Best Value Assurance Report (BVAR) for each council considered by the Accounts Commission at least once in a five-year period.

34. The new approach will ensure Best Value audits include consideration of equal opportunities issues. Over the five-year audit appointment, each council's commitment to ensuring that equal opportunities are integral to all services and activities will be considered. Judgements will be reached on:

- how committed the council is to equal opportunities



**Strategy and
annual action
plan 2016-21**
⬇️ May 2016



**Corporate plan
2015-18**
⬇️ May 2015

- to what extent equal opportunities is embedded in service delivery
- to what extent the council promotes equal opportunities in the community.

35. The [Best Value toolkit on equality](#) helps auditors establish the extent to which public bodies' arrangements for equality are designed to achieve and are delivering Best Value. Organisations may download and use the toolkit for self assessment. Between April 2016 and February 2017, there were 764 downloads of the toolkit from the Audit Scotland website.

Equality is embedded in annual audit planning frameworks

36. A Shared Risk Assessment (SRA) process has been developed to enable scrutiny bodies to work together to draw up proportionate and risk-based scrutiny programmes for Scotland's 32 councils. The SRA process results in a Local Scrutiny Plan for each council, setting out scrutiny risks and responses over the coming financial year. Planned scrutiny activity across all councils is collated in the National Scrutiny Plan.

37. The SRA process is carried out for each council by the Local Area Network (LAN). The LAN comprises representatives of all the main scrutiny bodies that engage with councils. The role of the LAN is to ensure that information and intelligence held by each audit and inspectorate body is shared, enabling external scrutiny to be coordinated and targeted on areas of greatest risk.

38. Equal opportunities are considered by the SRA process. The risk assessment considers the council's commitment to delivering better public services, ensuring that equal opportunities are integral to all its services and activities. This includes the extent to which:

- members and officers promote equal opportunities
- equal opportunities are considered in policy development
- equal pay audits are carried out and acted upon to eliminate areas of discrimination
- equality outcomes and progress against them, gender pay gap and equal pay information is published.

39. In other sectors ongoing risk assessment processes are undertaken to identify emerging issues to help the targeting of audit work. This enables auditors to comment on non-compliance with the Equality Act in annual audit reports where they become aware of an issue.

Consideration of equality in the programme of performance audits

40. The Auditor General and the Accounts Commission have a rolling programme of national performance audits which aims to be flexible and responsive to the changing public sector environment. Stakeholders and other interested parties are invited to suggest topics for the programme at any time, and engagement with equality organisations is improving as the future programme is developed.

Equality and Human Rights Advisory Group

41. To help shape the approach to equality in audit work, an Equality and Human Rights Advisory Group (EHRAG) has been established. The group is made up of people from a range of stakeholder organisations that represent all of the protected characteristics. It was recognised that representation from a disability group was a gap and steps have been taken to include appropriate representation as soon as possible. The group intends to meet twice yearly and to be used as a resource between meetings to inform audit work as appropriate on an on-going basis.

42. The objectives for the group are to help auditors consider the following questions:

- what are the equality issues Audit Scotland and the Accounts Commission need to know about that will affect their work
- what needs to be done differently
- how can the group help or get involved?

Equality and Human Rights Advisory Group members



[Scottish Trades Union Congress \(STUC\)](#)



[Scottish Secular Society](#)



[Interfaith Scotland](#)



[Close the Gap](#) – a partnership project working in Scotland on women's participation in the labour market



[Council of Ethnic Minority Voluntary Sector Organisations \(CEMVO\)](#)



[Mental Welfare Commission for Scotland \(MWCS\)](#)



[Scottish Human Rights Commission \(SHRC\)](#)



[Coalition for Racial Equality and Rights Scotland \(CRER\)](#)



[Equality Network](#) – aims to bring about equality and improve the human rights situation of lesbian, gay, bisexual, transgender and Intersex (LGBTI) people in Scotland



[Young Scot](#)



[MECOPP](#) – supports ethnic minority carers



[Saheliya](#) – a specialist mental health and well-being support organisation for black and minority ethnic (BME) women and girls (12+) in Scotland.



[Roshni](#) – an organisation working extensively with minority ethnic communities and partners across Scotland.






43. An Equality Impact Assessment is carried out annually on the performance audit programme to ensure equality is taken into consideration. As part of this exercise the EHRAG met to consider and highlight relevant issues on the current programme. The group also provided useful input on the proposed work programme for 2017/18 and 2018/19. For example:




- In relation to future work on Arm's Length External Organisations (ALEOs), the group highlighted that it is unclear whether ALEOs are subject to the Public Sector Equality Duty and if accountability sits with the ALEO or the council with regard to equal pay and the gender pay gap, and the consideration of equality in procurement and commissioning.
- In relation to work being undertaken on digital progress in local government and health, the group advised there should be a focus on how digital services can improve services and lead to better outcomes for people. However, it can also lead to exclusion of certain groups of people who do not use computers or other digital technology. An important consideration of the audit work should look at what public bodies are doing to overcome this issue and ensure equal access.

Diversity and equality action plan


44. This year all of the four business groups within Audit Scotland produced action plans to support the three equality outcomes and further embed equality within their work. Significant progress was recorded against the Performance Audit and Best Value (PABV) group's plan, which is shown below.

Performance Audit and Best Value Diversity and Equality Action Plan, 2016/17

Action	Progress
Embedding equality in PABV	
Reinforce PABV commitment to diversity and equality within Business Plan	 Completed
Include diversity and equality as a quarterly agenda item for PABV Strategic Management Meetings	 Completed
Raise awareness of diversity and equality in wider team	 Completed
Ensure relevant staff understand when and how to carry out equality impact assessments	Email to all staff and blog issued Feb 2017 A number of PABV colleagues have undertaken EIA training.
PABV Programme	
Consult with key equality groups and stakeholders as part of the annual programme planning activity	 Ongoing Equality and Human Rights Advisory Group established. Terms of reference agreed and two meetings held.
Complete an Equality Impact Assessment on an annual basis for the overall work programme	 Completion underway The completed assessment will be considered by the Steering Group in April prior to publication on the web-site.

Action	Progress
Strengthen diversity and equality considerations during audit appraisal process (update template/specific guidance)	 Completed Audit appraisal template updated to include a prompt for equality consideration and rolled out to staff Feb 2017
Review extent of equality considerations in Shared Risk Assessments, including clarifying the role of EHRC as a potential source of data and intelligence.	 Completed The SRA evidence template includes prompts for auditors to consider the council's commitment to ensuring equal opportunities is integral to all its services and activities. 32 SRAs have been completed and are currently in draft We continue to hold routine meetings with the EHRC to discuss areas of shared interest however EHRC is unable to share data and intelligence for individual bodies.
Undertake an Equality Impact Assessment for the new approach to Best Value Audit	 In progress Plan to complete in 2017/18.

Audit Work

Review PABV Audit Management Framework (AMF) to ensure that equality is considered appropriately at each key stage within the audit	 Completed Equality prompts agreed for the AMF and rolled out to staff Feb 2017 Pilot ongoing in Self-directed Support and Early Learning and Childcare performance audits.
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Equality is embedded in the Audit Management Framework

45. Audit Scotland's Audit Management Framework (AMF) requires staff to identify equality issues where relevant when scoping national performance audits. This year this has been strengthened by including prompts in the AMF at all stages of the audit. For example, audit teams are asked to consider:

- have they planned meetings, surveys or focus groups, other evidence gathering, to be accessible
- are the methods used to present data user friendly
- what are the best ways to promote the report to different or specific audiences
- are lessons learned about equality and diversity in the audit shared with colleagues?

46. Some performance audits explore particular aspects of equality. Examples are included from recently published audits, or currently in progress.



The Scottish Fire and Rescue Service

May 2015

47. In the report on the Scottish Fire and Rescue Service (SFRS), there was reference to the gender balance across the organisation. Of the 12 board members, two were women. Two of the strategic leadership team of nine were women and 13 per cent of all staff members were women. The Scottish Government expects all public bodies' boards to have an equal number of men and women by 2020 Vision and this will require careful succession planning by the Scottish Government and the SFRS.



The Moray Council: the Audit of Best Value and Community Planning – progress report

October 2015

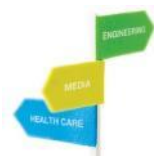
48. The Moray Council Best Value Best Value report published in September 2013, recommended that the council needed to maintain the momentum on the improved leadership of equality, and improve member take-up of training on equality. Also, that the council improve how it measured and reported on equality outcomes. In the progress report, it recorded that the council had developed three clear equality outcome measures in consultation with the Moray Equalities Forum and it was improving how it monitored progress against them. The council had also increased training for members on equality and the use of Equality Impact Assessments (EIAs). Elected members commented that there is now a good awareness of the need to complete EIAs.



Social work in Scotland

September 2016

49. The audit included questions about the provision of services for people who had specific equality needs, such as gender, ethnicity, faith or sexual orientation. The audit advisory group included members from organisations representing people with a disability. Focus groups and interviews with service providers, users and carers informed some of the report findings in relation to equality issues and examples of their experiences were included in the report.



Scotland's colleges 2016

August 2016

50. The audit included analysis of student participation data to identify changes with respect to a range of demographics including gender, age, ethnicity and disability. It reported that over the eight year period to 2016, student numbers overall had decreased by 41 per cent and part-time students by 48 per cent. Most of the reductions in student numbers had been among women and people aged over 25. The report highlighted that the potential impact of a policy change on these groups was not assessed prior to implementation.



Changing models of health and social care

March 2016

51. This audit looked at how health and social care services are taking into account the needs of the local population in the redesign of services, particularly the affect of the ageing population. GPs are central to developing new types of care, but pressures are building in general practice. The report highlighted that there has been a 37 per cent increase in female GPs over the last ten years. Female GPs are more likely to work part-time (74 per cent compared to 25 per cent of male GPs) and this affects the capacity of the workforce.



Scotland's NHS workforce: The current picture

February 2016

52. A report on workforce planning and workforce pressures in hospitals is to be published in [Summer 2017](#). In advance of this report, a briefing was published providing key information on the shape of the current NHS workforce. It highlights that there is a trend towards an increasingly ageing workforce with 38 per cent of NHS staff aged over 50, compared with 34 per cent in 2012. It also highlights that 17 per cent of NHS staff are from a minority ethnic group, compared to four per cent of the overall population, and less than one per cent of NHS staff are recorded as having a disability.



Equal pay

Planned Summer 2017

53. This audit intrinsically looks at gender inequality. It takes into account the wider context of a known gender pay gap in the UK. Examining equal pay issues in local government as one aspect of this wider issue will provide some context for the continuing work by other organisations on the gender pay gap.



Self Directed Support (SDS)

Planned Summer 2017

54. SDS aims to improve the impact that care and support has on people's lives. The team recognised that it was critical to consider equality in the audit, particularly ensuring that service users' views were incorporated. Views of anyone who uses self-directed support, and their carers, was sought, encouraging feedback from people from a range of ages and backgrounds, and with all types of support needs. People were also encouraged to share their stories of self-directed support in an [online survey](#) during February. Following lots of support from the health and social care sector, coverage in the disability press and a radio interview, 109 completed responses were received. Social media posts were viewed over 40,000 times on Twitter and Facebook



Early learning and childcare

Planned Autumn/Winter 2017

55. This audit plans to look at whether there are local services for children with specific needs, for example children with a disability. It will also examine whether specific equality issues affect take up of funded places.

In Audit Scotland policies and practices

56. Policies and activities internal to Audit Scotland and the Accounts Commission should not be discriminatory, and diversity and equality issues should be fully considered when developing new policies and approaches or when subject to significant change. Both organisations aim to ensure that policies and procedures promote diversity and equality, and that staff embed equality into their behaviours, actions and decision-making.

The staff handbook contains all staff policies, procedures and guidance

57. The Audit Scotland Human Resources team oversees and regularly updates policies and procedures, which are included in a staff handbook available on the Intranet. This includes policies on equality and diversity, ethics and conduct.

Communicating clearly and accessibly

The Audit Scotland website

58. The website has been awarded 'two ticks' accreditation for web accessibility by the Digital Accessibility Centre (DAC). This means that DAC has reviewed the website in line with government standards to ensure maximum ease of use for people with visual impairments, dyslexia, mobility impairments and learning disabilities.

59. Text on the website can be converted into spoken text using Browsealoud software. Text can also be converted into many other languages. This facilitates access to the website for people with dyslexia, low literacy, English as a second language, and those with mild visual impairments. Accessibility is also considered in terms of text size, use of images, contrast and colour.

Providing information in various formats

60. Information is provided in a variety of formats for all audiences. This includes:

- reports provided in PDF and RTF format, but they can also be provided in alternate formats and/or languages such as large print or Braille
- podcasts available in MP3 as well as in transcript form
- animations viewed via YouTube where subtitled versions are available and accessibility standards are applied, such as font size and colour contrast (for example, the animation on transforming health and social care can be viewed on the health and social care hub on the [website](#))
- [the accessibility policy on our website](#) has been recently updated.

Equality is considered in procurement and tendering procedures

61. Equality and diversity is embedded within the procurement process. The procurement guidance states a business case should be prepared for every procurement and state whether any ethical or equality considerations apply and how these will be addressed. When shortlisting, Audit Scotland follows the principles of procurement and the shortlisting method must be objective and non-discriminatory. When choosing suppliers, they must comply with current equality legislation in relation to employment. Suppliers are requested to take reasonable steps to ensure that this extends to any third parties acting on their behalf delivering the contract.

62. Equality is considered when audit work is procured. This includes a procurement exercise carried out every five years to appoint external auditors. This was last carried out in 2016. For example, the current letters of audit appointment require auditors to avoid unlawful discrimination on the grounds of gender, race, sexual orientation, disability, religion or belief, age or other grounds. The Living Wage principles of Audit Scotland also extend to its procurement practices ([paragraph 93](#)).

Our properties aim to meet the needs of staff and visitors

63. Over the last two years, significant changes have been made to office accommodation in Edinburgh, Inverness and Glasgow. In each case, the aim is to ensure that the new accommodation meets business requirements as well as fully complying with regulations and guidance for accessibility.

64. At the end of 2015, the move from two separate buildings, with a number of accessibility issues and with staff spread across a number of floors, to a more accessible and modern open plan headquarters office all on one floor was a major project. Audit Scotland staff were fully involved in the design of the new office throughout the project. Learning from this project was applied to the move to a new office in Inverness in October 2016 and the current refurbishment of the Glasgow office in 2017.

65. Key features in the new Edinburgh and Inverness offices include:

- accessible entrance and lifts, with tactile braille buttons in the Edinburgh office
- accessible toilets on each floor
- contrasting colours and textures internally, enabling people to recognise different areas within the office
- a space layout which ensures access routes between desks wide enough to provide access for all
- hearing induction loops in meeting rooms and reception in the Edinburgh office.

Assessment of how policies and activities affect different groups

66. Equality Impact Assessments (EIA) are carried out to consider the impact that various policies, strategies, activities and approaches to audit work have on different groups, both within and outside the two organisations. Procedures are in place to make sure that any issues particular to one protected characteristic are properly addressed in any assessment of impact on equality. Staff involved in developing or changing a policy or practice carry out the EIA and send these to the DESG for discussion and approval. All our EIAs are published on the Audit Scotland website. Examples include an [EIA](#) of the move to the new Edinburgh office and an [EIA](#) of the audit allocation to Audit Services Group staff, an exercise undertaken every five years.

For employees

67. It is important to understand and foster diversity within the workforce. Audit Scotland regularly monitors the make up of its workforce in order to ensure that policies and practices are not discriminatory. However, being a relatively small-sized organisation it is limited in the levels of data analysis that can be produced. The organisation believes that equality is about creating fair opportunities for all and strives to put this principle into practice into day to day work.

Raising awareness of equality

68. As part of induction to Audit Scotland, all new members of staff are required to complete an e-learning course, which aims to raise awareness about the importance of equality and diversity. It covers equality legislation and it is designed in such way so that the members of staff are encouraged to think about, reflect and challenge their perceptions. It includes real life examples and quizzes, and a test at the end of the training, which aims to help staff understand equality and diversity concepts and issues. New managers are required to complete a more detailed version of the training course, which also covers managing diversity.

69. Equality and diversity features in the Audit Scotland Personal Development and Growth learning framework. In addition, there is an Intranet page dedicated to equality and diversity. It is regularly updated and provides information about legislation and the protected characteristics, relevant articles and links to other organisations' websites for further information.

70. The need to maintain efforts to raise awareness of equality issues is recognised. A communications plan has been agreed by the DESG, to help raise awareness of the group's work, both internally and externally. This includes regular updates on the Audit Scotland intranet, blogs, presentations to colleagues, updates on equality action plans and external developments.

71. Members of the DESG regularly engage with colleagues in their respective business areas to promote the work of the group and get feedback. DESG is also considering how best to measure and monitor awareness on a continuing basis.

Staff are encouraged to disclose diversity information to help the monitoring of employment practices to ensure they are not discriminatory

72. When recruiting new staff, all applicants are encouraged to fill out an equal opportunities monitoring questionnaire. The form is filled out voluntarily and is not a part of the selection process. It helps to ensure that equal opportunity is provided to all individuals, regardless of their characteristics. This includes age, gender, sexual orientation, disability, ethnic background, religion or belief, and marital or civil partnership status. The information provided is confidential and only viewed by members of the Human Resources (HR) team. Inclusion of this information helps the organisation to respond effectively to the needs of minority groups.

73. Employees can update personal information held in the electronic HR system, including protected characteristics, at any time through a self-service portal. HR staff hold data on the age and marital status of all staff for calculating pension contributions. All new staff are asked to state whether they consider themselves as having a disability or not, so that reasonable adjustments can be put in place if required. Three per cent of the Audit Scotland workforce has stated that they have a disability. This is considerably less than the Scottish population, of which 20 per cent report having a disability.

74. Audit Scotland is active in its duty to monitor and report specific information about staff under the Equality Act. This helps ensure that policies and practices are not discriminatory and that the organisation is responsive to the needs of its workforce. Employees are asked to update their diversity information annually. This is voluntary and not all staff chose to disclose all of this information, but it has steadily improved compared to previous years.

75. The following section provides an analysis of Audit Scotland staff data with regards to the protected characteristics. The data is as at 31 December 2016, rather than March 2017, in order to comply with the April 2017 publication deadline for this report.

Gender

76. The overall staffing profile of Audit Scotland in terms of gender is similar to that of the Scottish population. Based on recent national population data, 51 per cent of people in Scotland are female and 49 per cent are male.² The Accounts Commission has five female members (42 per cent) and seven male members (58 per cent). At Audit Scotland:

- 52 per cent of staff are female and 48 per cent are male
- the leadership group has five females (42 per cent) and seven males (58 per cent)
- the management team has three females (60 per cent) and two males (40 per cent)
- the Board is made up of two females (40 per cent) and three males (60 per cent).

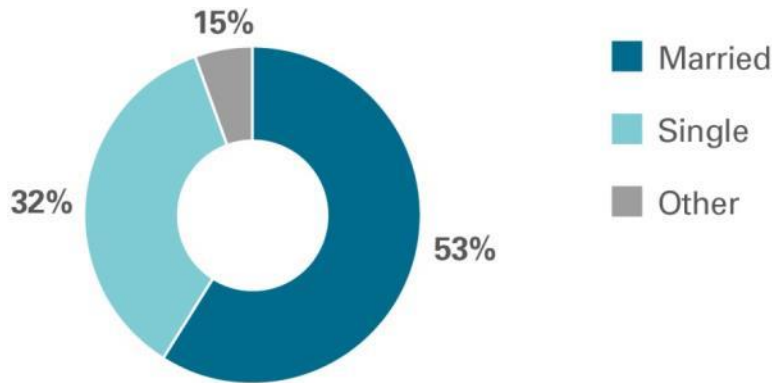
77. The percentage of female staff has increased from around 50 per cent in previous years. A detailed gender breakdown of our staff is provided in the [Equal pay review 2016](#) report published on the Audit Scotland website in February 2017. Further information is provided on [page 24](#).

¹ Scottish Government Equality data. Available at: <http://www.gov.scot/Topics/People/Equality/Equalities/DataGrid> [Accessed 17 Feb. 2017].

² *Mid-2015 population estimates Scotland*, National Records Scotland, April 2016.

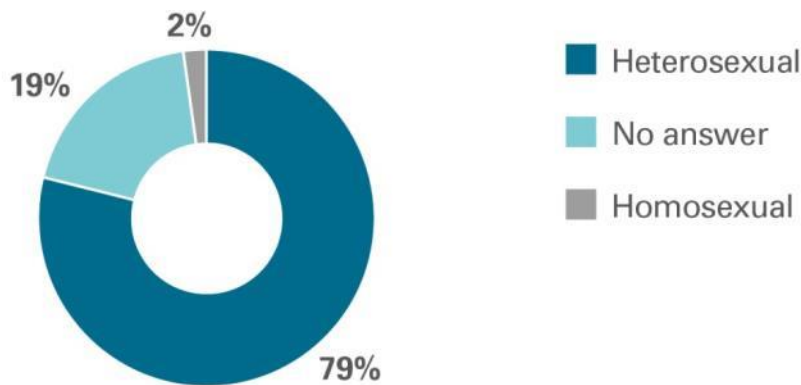
Marriage and Civil Partnership

78. The majority of staff at Audit Scotland are married (53 per cent) and around a third are single (32 per cent). The remaining 15 per cent are in a civil partnership, living with a partner, widowed or separated. (100 per cent of staff provided this information.) The percentage of staff that are single has been increasing steadily from 23 per cent in 2013.



Sexual orientation

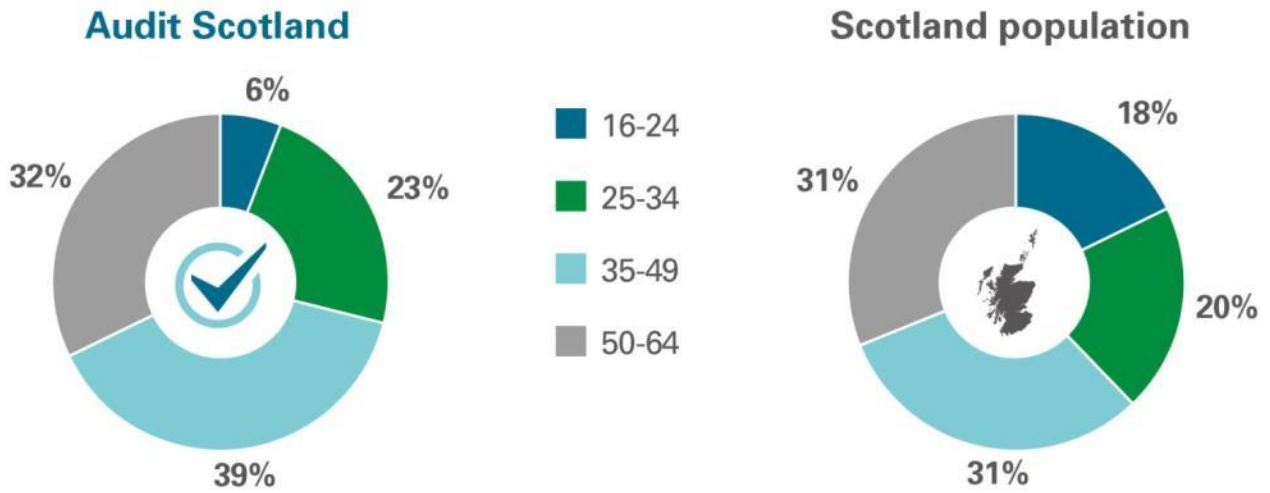
79. The majority of staff are heterosexual and two per cent are homosexual. Scottish Government data from 2014 suggests that 1.6 per cent of the Scottish population considers themselves as LGBT.³ This suggests that the workforce of Audit Scotland is close to the Scottish population with regards to sexual orientation. Around a fifth of staff have not provided information on their sexual orientation. It is difficult to comment on trends given the high percentage of staff not responding, but the percentage of staff providing this information has been increasing each year.



Age

80. The table below shows how the percentage of Audit Scotland staff within different age groups compares to the Scottish population aged 16 to 64. (100 per cent of staff provided this information.) The percentage of staff aged 16 to 24 is less than the rest of the population, but a proportion of this age group will be in higher education. The percentage of staff aged 50 to 64 is around the same as the population. There is a slightly higher percentage of staff in both the 25 to 34 and 35 to 49 age groups. Since 2015, the percentage of staff in the 16 to 24 and 35 to 49 age groups have reduced slightly and the percentage of staff aged 50 to 64 has increased from 26 to 34 per cent. One per cent of staff are aged over 64.

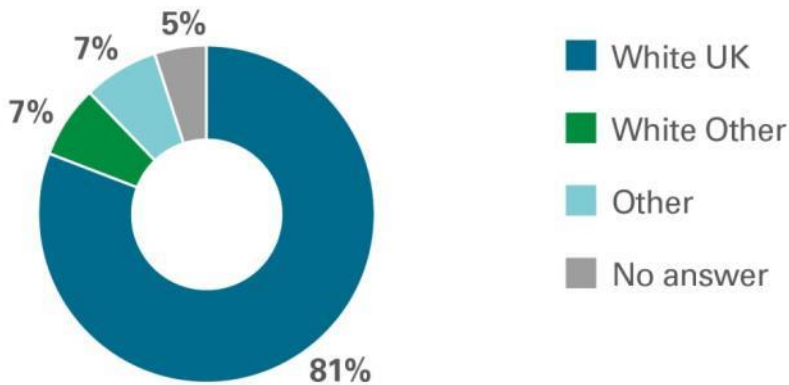
³ Scottish Government data Equality data. Available at: <http://www.gov.scot/Topics/People/Equality/Equalities/DataGrid> [Accessed 17 Feb. 2017]



81. There has been activity underway to attract younger people into the organisation: the recruitment of a modern apprentice in Business Support Services; and recruitment is underway for two school leavers to undertake training under the auspices of the Association of Accounting Technicians, from October 2017. This may provide an alternate entry point for a full accountancy qualification and lift the restriction from graduate-entry level only.

Ethnicity

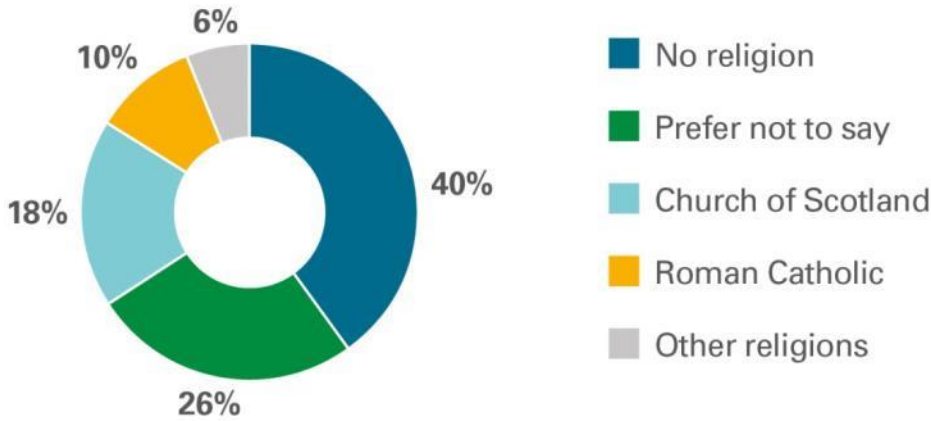
82. Although most of the Audit Scotland workforce is of British White ethnicity (81 per cent), a higher proportion are from ethnic minority groups (seven per cent) compared to the Scottish population (3.4 per cent).⁴ This has increased from four per cent in 2015. Five per cent of staff did not provide information on their ethnicity.



Religion or belief

83. The majority of staff within Audit Scotland do not associate themselves with any religion (40 per cent), which is slightly less than the Scottish population (44.5 per cent). Just under a fifth of staff associate with the Church of Scotland, which is less than the Scottish population (29 per cent). Ten per cent of staff associate with the Roman Catholic Church, whereas for the overall Scottish population this figure is 15 per cent. However, a quarter of staff did not disclose information making it difficult to assess whether Audit Scotland is representative of the Scottish population in terms of religion and belief. This is higher than in previous years, when around five per cent of staff did not disclose this information.

⁴ Minority ethnic groups include Asian people and people from all other non-white groups.



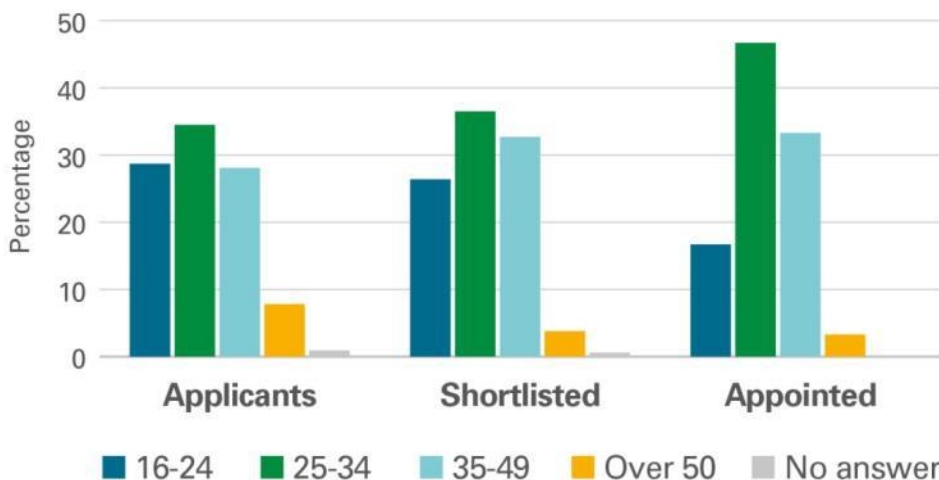
Recruitment

84. Audit Scotland is committed to ensuring that its recruitment process is inclusive and accessible to all. Candidates are assessed solely on the basis of their competency to do the job. In 2016, it became a Disability Confident Employer. This recognises its commitment to encouraging job applications from disabled people and supporting employees who have a disability.

85. The data in this section covers the full financial year of from 1 April 2016 to 31 March 2017. During 2016/17, Audit Scotland received a total of 894 applications for various posts that were advertised during the year. Just over half of applicants were female (54 per cent), which was similar to the percentage of those that were appointed (53 per cent).

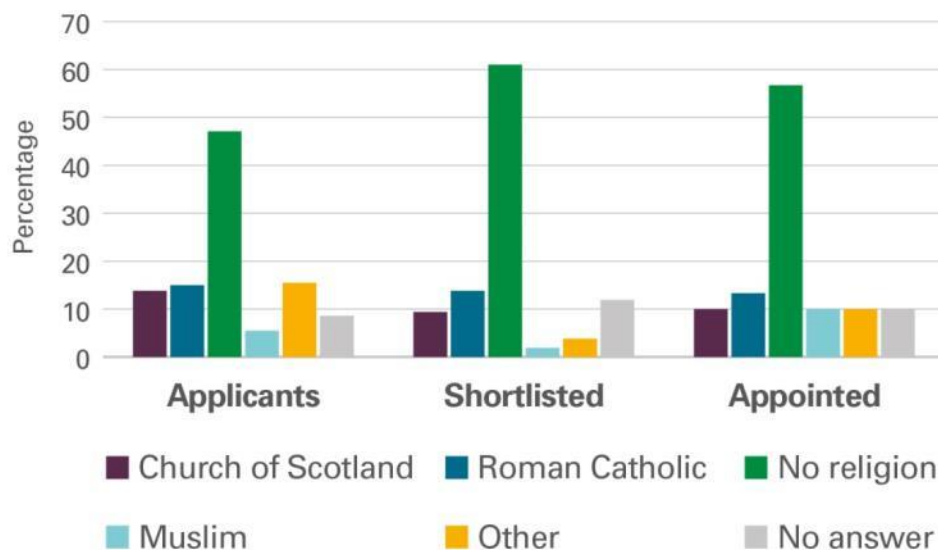
86. The number of applicants with disabilities in 2016/17 was very small and no appointments were made of candidates with disabilities. In order to improve this figure, recruitment adverts have been placed in the Enable magazine and in the Living with Disability magazine, which are aimed at people with disabilities. The recent accreditation as a Disability Confident employer should help.

87. Applicants from the age group 25 to 34 represent the highest number of all applicants (34 per cent), followed by applicants from the age group 16 to 24 (29 per cent). The least number of applications were received from people aged over 50 years (eight per cent), three per cent of whom were appointed.



88. People who do not associate themselves with any religion represent the biggest group of all applicants (47 per cent), those shortlisted (61 per cent), and those appointed (56 per cent). A considerable number of applicants associated themselves with a religion other than Church of Scotland, Roman Catholic or

Muslim (15 per cent), and nine per cent of those appointed did not disclose information on their beliefs.



89. Heterosexual people represent the majority of all applicants and of those people who were shortlisted (90 per cent), and of those appointed (96 per cent of applicants).

Promotions

90. In 2016/17, 29 members of staff received either a temporary acting up allowance or a permanent promotion. Of these, 59 per cent were female and 41 per cent were male (an increase from 44 per cent last year). Eight members of staff received a temporary acting up allowance, of which 12.5 per cent were male and 87.5 per cent were female. Twenty one members of staff received a permanent promotion, 48 per cent of whom were male and 52 per cent were female.

Training

91. Audit Scotland aims to ensure that training is accessible to all. In 2016/17, a number of internal and external training sessions were provided on a variety of topics. In total, there were 509 training spaces, 56 per cent were allocated to females and 44 per cent were allocated to males. Attempts are made to ensure that training sessions do not take place on those days when part-time staff tend to be absent. Two per cent of all of the training spaces were taken up by people with disabilities.

Leavers

92. In 2016/17, a total of 35 members of staff left the organisation, 38.5 per cent were female and 61.5 per cent were male. This includes 13 resignations and the rest were a combination of expiry of temporary contracts, voluntary early releases and retirements.

Equal pay and living wage principles

93. Audit Scotland is committed to the principle of equal pay for work of equal value for all employees and aims to eliminate any bias in reward systems. An equal pay review is carried out and gender pay gap information published every two years. The most recent [report](#), for the two years up to the end of March 2016, was published in February 2017. The key messages included:

- Overall, there is no significant gender pay gap across Audit Scotland. On average male colleagues earn 4.5 per cent more than female colleagues.
 - when comparing males and females doing work of equal value (eg, by pay grade) there are no significant pay gaps of concern, in fact in some grades, females on average earn more than males

- the overall pay gap can be attributed to a lack of representation of females at higher levels within the organisation.
- Although the gender distribution across Audit Scotland is almost 50:50 when taken as a whole, there are significantly more women than men in the two most junior grades and a higher proportion of males than females in the two most senior grades.
- Progress continues to be made in reducing pay gaps because of the benefits of earlier pay modernisation in 2009, the impact of the Voluntary Early Release Arrangement (VERA), and intelligent management of pay practise in accordance with pay policy.
- An earlier pay gap identified across the cohort of professional trainees, caused by an imbalance in recruitment across each gender, has improved.

94. Audit Scotland has been a Living Wage employer since November 2015 demonstrating its commitment to tackling in-work poverty:

- It is one of more than 600 organisations in Scotland that signed up to the scheme to become accredited as an official Living Wage Employer, giving workers at least £8.45 per hour.
- Everyone directly employed by Audit Scotland is covered by the scheme, which has led to increasing the salary bands of student placements and Modern Apprenticeships.
- The Living Wage principles extend to procurement practices. Consideration is always given to Fair Work Practices when awarding contracts, including the Living Wage and Scottish Living Wage. This has ensured, for example that the cleaning contract for the three offices are with firms whose staff are paid the Scottish Living Wage.
- In February 2017, a Modern Apprenticeship scheme for a school leaver was launched, covered by the Scottish Living Wage guarantee.

“Adopting the Scottish Living Wage has been important to colleagues and is consistent with our values and principles of fairness. We’ve worked hard to apply it to those who work with us directly or through contracts and we’re proud to be part of the Scottish Living Wage family.”

Diane McGiffen,
Chief Operating Officer, Audit Scotland

Staff value a flexible and family friendly approach to work

95. At the start of 2017, a new policy was introduced to provide more flexibility to all staff in the way that they work. *Time, Place, Travel* provides greater choice for individuals to consider the best times and places to work so that the job can be done well and quickly. The aim is to improve productivity and increase the impact in audit work, while improving the balance of the working and personal lives of staff. The policy is designed to be straightforward, transparent and above all fair for individuals, teams, managers, clients and the public.

96. A survey of all staff was undertaken before introducing the new *Time, Place, Travel* policy. Of those that responded (just over a third), 90 per cent said it will have a positive or no impact on their team or clients.

97. The latest staff survey shows that the majority of staff are happy with the balance between their work and home life and that work does not interfere with their responsibilities at home. Some quotes from staff include:

"The organisation has a really modern approach to flexible working and I really appreciate how this helps me to achieve a really good work life balance, childcare and account for any unexpected family situations."

"Flexible work practices make this a good place to work."

"We still have the best/most flexible working conditions of any organisation I am familiar with."

The staff survey highlights areas where improvement is required

98. The annual staff survey, carried out through Best Companies, helps to identify where improvement is required. The BaBO work has been driven by these survey results. Key themes from previous surveys include:

- better resource management
- open and transparent development opportunities
- removing barriers between business groups
- improving the appraisal process
- making sure there are the right people with the right skills in place, irrespective of grade.

99. As a direct response to the issues raised, during 2016 Audit Scotland colleagues worked together to improve: resourcing, job design, reward and personal development. Outcomes from this work include developing new job profiles across the organisation, introducing a new performance appraisal system and the new *Time, Place, Travel* policy, empowering colleagues and teams to decide when, where and how they work.

Building a better organisation (BaBO)

100. As part of the Audit Scotland aim to become a world class audit organisation, BaBO aims to help the organisation to:

- develop career paths
- empower colleagues to get wider work experience
- reduce unnecessary administrative burden and rules
- focus more on the careers of the majority of colleagues.

101. So far, through the BaBo work, Audit Scotland has:

- ensured that equality has informed every aspect of the proposals for improving the career opportunities for staff and an updated reward package for staff



- ensured that the proposals did not lead to unfairness or discrimination to any protected group
- commissioned an external equality and diversity consultant to conduct an EIA of the reward work
- successfully assessed policies against the public sector equality duties
- concluded that the proposals to change the reward package for staff should help to eliminate discrimination and advance equality
- suspended performance related pay
- introduced 3D, a new approach to agreeing future performance objectives, learning and career development
- introduced **Time, Place, Travel** as a new approach to flexible working.

The incorporation of equality issues into developing a new reward package for staff

102. An external consultant from the Institute of Employment Specialists (IES) was commissioned to help Audit Scotland develop a new reward package for staff. Based on the contributions of management, trade unions and staff representatives, IES developed a set of success criteria to judge the appropriateness of the proposed options for the redesign of the reward system. This included that the new system must be clear and transparent, deliver fair and consistent treatment to staff, and that it should support diversity objectives. IES aimed to ensure that the reward system would not discriminate against any employment group and that it would enhance diversity by offering more opportunities of advancement to a wider range of staff.

103. In November 2016, an independent Equality Impact Assessment for the career and reward proposals was carried out. The report concluded that there was no evidence that the proposals would lead to unfairness or discrimination to any staff who share protected characteristics. In particular, the:

- base pay structure consisting of four bands of career families should enable a higher amount of career progression compared with the existing structure which has a greater degree of hierarchical rigidity
- revised method of pay progression, accompanied by the clear intention to support staff in career development, and the implementation of the *Time, Place and Travel* Principles, should have a positive impact on all staff
- the flexible benefits package should result in a more tailored approach to meeting the needs of staff who share protected characteristics.

Equality outcomes

Outcome 1: Embedding equality in our work

We will recognise the diversity of the Scottish population and raise the profile of equality by embedding this in all aspects of our audit work on how public money is being used.

Why this outcome was agreed

104. Audit Scotland and the Accounts Commission carry out a wide range of audit activity and the work covers almost every public body in Scotland. Many of these organisations provide services directly to members of the public. This means they should make sure that their services meet the needs of the individuals who make up Scotland's diverse population.

105. The audits therefore need to ensure that data is analysed about the profile of the Scottish population and the people who make use of public services; gather evidence about how public bodies are delivering services; and examine how public bodies consider the needs of different groups using these services when planning and organising services. Recommendations made can potentially lead to change in practices in public bodies. It is also important to remember that the people who read the reports and take action on recommendations come from a diverse population.

Progress to date

106. Equality issues are now considered as an integral part of much of the audit work, resulting in public reporting on how public bodies use public money that reflects these issues. Engagement with stakeholders on equality and diversity is an important aspect of the work, as is the accessibility of the reporting. Given that a substantial proportion of the work undertaken by Audit Scotland is for the Accounts Commission, reference to 'we' in the following section includes both organisations.

How we planned to achieve this	Steps we planned to take	Summary of progress
Consult with our stakeholders on how to reflect equality and diversity in our work	<p>Engage with equality groups on an annual basis about our work programme</p> <p>Consult with relevant equality groups on performance audits which have a focus on equality issues</p>	<p>Set up an Equality and Human Rights Advisory Group</p> <p>Engaged with a wide range of equality groups on our forward work programme</p> <p>Our Social work audit advisory group included members from organisations representing people with a disability</p>
Analyse data to help us understand who uses public services and use this to inform our audit work	Analyse data about how different groups are using public services and how public bodies are using public money to reduce inequality	A number of performance and Best Value audits have used data analysis to consider equality issues (pages 16 and 17)

How we planned to achieve this	Steps we planned to take	Summary of progress
<p>Reflect equality and diversity issues in audit work programmes, in a way which is consistent with our audit duties</p>	<p>Local Area Networks (LANs) will consider whether any equality issues have been identified as part of the annual Shared Risk Assessment (SRA) process</p> <p>The Best Value toolkit on equality will be applied where considered appropriate</p>	<p>EIA carried out on our forward work programme of performance audits</p> <p>Equality issues considered in the course of annual SRA process in discussion with scrutiny partners</p> <p>BV toolkit is available on our website for use by public bodies in reviewing their own arrangements (page 12)</p>
<p>Publish information and reports in formats that are accessible to all</p>	<p>Continue to keep up-to-date with developments around sharing information in an accessible way</p>	<p>We publish information in a wide range of formats and actively work to ensure material is usable by people of all abilities</p> <p>We hold 'two ticks' accreditation from the Digital Accessibility Centre</p> <p>Text on our website can be converted into spoken text and other languages using Browsealoud software</p>
<p>Report audit findings in a style that reflects the audience</p>	<p>Review all audit findings before annual audit report is issued as part of current internal quality review processes</p> <p>Editor function to ensure audit reports are written in plain language</p>	<p>Annual audit report templates are continually reviewed and revised to ensure findings are presented in the most accessible way</p> <p>An external plain language editor function has been implemented for all performance audit reports.</p> <p>We produce alternative outputs alongside our audits, eg data displayed using Tableau, health and social care animation</p>
<p>Report on diversity and equality issues where appropriate</p>	<p>The BV toolkit on equality will be applied where considered appropriate</p> <p>The LAN will consider whether any equality issues have been identified as part of the annual SRA process</p> <p>Seek views from equality groups when developing performance audits that cover equality issues</p>	<p>Equality issues considered in the course of annual SRA process in discussion with scrutiny partners</p> <p>We have developed a new approach to Best Value to ensure audits include consideration of equal opportunities issues (pages 11 and 12)</p> <p>A number of performance and Best Value audits have considered equality issues</p> <p>Our Social work audit advisory group included members from organisations representing people with a disability</p>

How we planned to achieve this	Steps we planned to take	Summary of progress
Support other public bodies in their scrutiny of diversity and equality	EHRC Scotland review how councils have responded to the requirements of the Equality Act 2010	<p data-bbox="936 306 1361 495">EHRC were unable to provide data on the performance of individual councils for legal reasons and therefore it was not possible to incorporate this into the SRA process.</p> <p data-bbox="936 506 1353 663">Consequently we revised our SRA process and local audit teams gather evidence to determine the degree of compliance with the Equality Act</p>

Priorities for action

107. We need to build on existing approaches to ensure that we understand which aspects are most effective, and apply these more widely. This will help us to involve a wider range of perspectives in developing our work programme. We need to explore how we can make better use of data. We have an internal Data Analytics Group that looks at data available, how we can best use it and investigate tools that we can use to analyse it effectively. As we review our approaches to make them more efficient we need to ensure that an appropriate focus on equality in our work is maintained and enhanced.

Outcome 2: Meeting people's needs and supporting a culture of diversity

We will have policies and practices that are fair, transparent, meet people's needs and support a culture of diversity

Why this outcome was agreed

108. In Audit Scotland steps were taken to engage staff about equality issues and helpful feedback was received. However it is recognised that more could be done to widen this engagement and to encourage more staff with protected characteristics to get involved. This is important to make sure that their needs are being met. The results from previous staff surveys highlighted the need to improve results in the Wellbeing and Fair Deal categories. Staff also highlighted that they find the process of carrying out an Equality Impact Assessment quite complicated and would welcome more user-friendly guidance and paperwork.

Progress to date

109. The now well-established annual staff survey helps Audit Scotland to understand how people feel about their work and the culture of the organisation. This has helped the organisation to address and respond to concerns about wellbeing. Policies are regularly reviewed to consider implications from an equality and diversity perspective. Audit Scotland responds positively to requests for flexible working that suit both individuals and our business. Given that Audit Scotland is the body which employs the staff, reference to 'we' in the following section relates solely to Audit Scotland.

How we planned to achieve this	Steps we planned to take	Summary of progress
Have a culture where people feel valued and where they are treated with equity and fairness	Continue staff survey	Staff survey completed annually Our latest staff survey results show that there is work to do to ensure that everyone feels valued and treated equally
Seek feedback from staff in how we can support diversity and equality in how we do things	Hold events with staff to seek their views on equality issues, eg lunchtime seminars with invited speakers, workshops to discuss equality issues Consider conducting a survey of staff that focuses on equality	Reviewed staff survey results from an equality perspective Training sessions for staff by DESG members, inviting discussion and contributions Staff actively involved in applying the revised Audit Management Framework and identifying equality issues at the scoping stage of performance audits
Support the wellbeing of our staff	Continue staff survey	A programme of work implemented to promote wellbeing, including a Carers' policy, providing fruit in the office, an annual health check for staff and other benefits such as access to therapy sessions if required
Ensure our policies are written in plain language, adhere to current legislation and are accessible to all	Carry out EIA on new or significantly revised policies Ensure training is available for staff on writing in plain language	Programme of completed EIAs published on our website Plain writing training available to staff
Ensure key policies are subject to a rigorous EIA	Update and refresh our guidance for staff on conducting EIAs Establish a system where all key policies are put forward for an EIA at the point when a new policy is being developed or an existing one is being revised Gather feedback from staff using the new guidance	Refreshed EIA guidance and form launched Through presentations from DESG staff are identifying areas for EIAs
Ensure a flexible approach to working practices with managers assessing the needs of individuals and accommodating requests with due regard to protected characteristics	Monitoring of uptake and refusal of flexible working arrangements Continue annual staff survey	23% of colleagues are on flexible working patterns, of those 66 people: 80% are female and 20% are male Overall fairly positive results in staff survey on wellbeing with a slight improvement from last year

How we planned to achieve this	Steps we planned to take	Summary of progress
Continue to monitor against our Equal pay statement and ensure our reward strategies are fair	Carry out and publish equal pay review Continue staff survey	Equal pay reviews carried out regularly and results published on our website (latest report February 2017) BaBO consultations with staff EIA of BaBO Reward proposals Generally staff are happy with the pay and benefits they receive for the work they do. This has remained constant over recent years

Priorities for action

110. It will be important to ensure that all relevant aspects of the Becoming World Class change programme makes use of the new more user-friendly approach for EIAs. There will be review of how the approach to equality and diversity can be further developed to ensure that it is world class. This will include considering how to better monitor how people's needs are met and support a culture of diversity. The internal communications strategy for Diversity and Equality has recently been reviewed to increase awareness, and to consider how this might be measured.

111. In future a more holistic approach to the wellbeing of staff at Audit Scotland is to be adopted. To do this the overall health of colleagues will be considered after the next round of staff health checks (April 2017); the approach to Healthy Working Lives will be developed and the commitment to support people who are carers will continue. From this a programme of activity will be developed that focuses on the health and wellbeing issues that matter most to staff.

Outcome 3: Diversity within our workforce

We will understand and support diversity within our workforce

Why this outcome was agreed

112. Audit Scotland wants to understand the profile of its staff to help identify where policies and practices may be falling short and at risk of acting in a discriminatory way. As a relatively small organisation it works hard at this and also recognises that size limits some actions and level of data analysis.

Progress to date

113. While there has been a gradual move in the workforce to being more reflective of the Scottish population, there are still some protected characteristics where Audit Scotland has lower representation, for example disability. Two Ticks accreditation has helped to generate greater awareness about the organisation among people with disabilities through using the disability symbol on adverts and regular appearance in a variety of disability publications and websites. There is a need to explore other media to see if a wider audience can be attracted.

114. There is increased understanding about diversity within the current workforce. Data is routinely reviewed to help inform employment practices, including recruitment and selection, performance appraisal and training to see if there is any evidence of discrimination. In some areas there is evidence that the workforce has become more representative of the wider Scottish population (gender, ethnicity), but in other areas it has become less representative (disability, age). Given that Audit Scotland is the body which employees the staff, reference to 'we' in the following section relates solely to Audit Scotland.

How we planned to achieve this	Steps we planned to take	Summary of progress
Encourage staff to share personal information with us so that we can improve the extent of our workforce information	<p>Continue to encourage staff to record information about protected characteristics</p> <p>Analyse and monitor workforce statistics to identify any under-represented groups in our workforce and record in annual progress report</p>	<p>There have been improvements in the completeness of data, but some gaps still remain</p> <p>Workforce statistics are monitored regularly and publicly reported each year</p>
Look at ways to attract those from under-represented groups	<p>Improve engagement with equality groups representing all protected characteristics and seek views about how we can attract people from under-represented groups to work with Audit Scotland (particularly people with a disability or from a minority ethnic group)</p> <p>Examine ways to encourage greater awareness about Audit Scotland among people with protected characteristics</p>	<p>We monitor data on the participation and success of people with protected characteristics in the recruitment process</p> <p>We are looking at ways to broaden awareness and attraction to all sections of the community, eg we hold recruitment adverts in the Enable magazine and in the Living with Disability magazine, which are aimed at people with disabilities</p> <p>Where vacancies arise, we take action to actively address gaps, eg greater representation of 16-24 age group</p>
Continue to monitor our recruitment and selection processes and implement improvements in response to feedback	Continue to gather and report on statistics relating to applicants, shortlisted candidates and successful candidates	Workforce statistics are monitored regularly and publicly reported each year on our website

Priorities for action

115. Available data on employment practices will continue to be monitored and staff will be encouraged to share information confidentially so that the profile of the organisation is well understood. Further work is required to identify new ways to attract those from under-represented groups, such as disability (although there may be an element of under-reporting if staff do not recognise or report certain conditions or limitations as a disability). Audit Scotland can learn from other organisations that do these things well.

Monitoring and reporting on progress

116. The DESG monitors progress against the action plan throughout the year and prepares an annual report (last published in June 2016 - [Equality update 2015/16](#)). Audit Scotland and the Accounts Commission have refreshed the equality outcomes and the DESG will review the content of the current action plan to reflect these.

Appendix 1

Diversity and Equality Steering Group members

Group member	Business group/ Role
Gillian Woolman	Audit Services (Chair)
Lilian Brown	Business Support Services (Secretariat)
Liz Ribchester	Performance Audit & Best Value (PCS Union representative)
Claire Richards	Performance Audit & Best Value
Jillian Matthew	Performance Audit & Best Value
Joanna Mansell	Communications, Corporate Services
Lorraine Gillies	Performance Audit & Best Value
Maggie Gebicka	Human Resources, Corporate Services
Paul Reilly	Secretary to the Accounts Commission
Peter Lindsay	Audit Services
Ross Reid	Audit Services
Tim Bridle	Audit Strategy
Tom Reid	Audit Services
Zahrah Mahmood	Audit Services

Appendix 2

Meeting the specific duties of the Equality Act

Duty	Equality Act reference	Summary of requirements	Frequency	Last published
Mainstreaming progress	Section 3	Publish a report on the progress made to make the equality duty integral to the exercise of functions	At least every 2 years	This report April 2017
Equality outcomes	Section 4(1)&(2)	Publish a set of equality outcomes having involved protected characteristic groups/ individuals and used available evidence	At least every 4 years	April 2013
Progress against equality outcomes	Section 4(4)&(5)	Publish a report on the progress made to achieve the equality outcomes	At least every 2 years	This report April 2017
Equality Impact Assessments	Section 5	Conduct EIAs for new/revised policies and publish these	Ongoing	Ongoing on our website
Gather and use employee information	Section 6(1)&(2)	Gather information on staffing mix & recruitment, development & retention against protected characteristics	Annual	This report April 2017
Include employee information in mainstreaming report	Section 6(3)	Include employee information and progress made in gathering & using this in mainstreaming report	At least every 2 years	This report April 2017
Gender pay gap information	Section 7	Publish percentage difference between hourly pay rates for men and women	At least every 2 years	February 2017
Statement on equal pay policy and occupational segregation	Section 8	Publish equal pay policy and analysis of employment by grade/role for gender, disability & race	At least every 4 years	February 2017

Appendix 3

Equal pay policy statement 2015

Audit Scotland is committed to promoting and embedding equality of opportunity and diversity in employment. We believe this extends to the way we reward our people and that reward should be applied fairly and equitably. We are committed to the principle of equal pay for all our employees and aim to eliminate any bias in our reward systems. This includes equality on the basis of age, disability, gender, gender re-assignment, marriage or civil partnership, maternity or pregnancy, race, religion or belief and sexual orientation.

To achieve equality of financial reward for employees doing equal work, Audit Scotland operates a reward system that is transparent, based on objective criteria and free from bias.

Audit Scotland uses an analytical job evaluation system to assess the relative value of all jobs across our organisation. This provides evidence in support of the allocation of each job within our pay grading structure.

It is important that employees have confidence in our processes so we will continue to work with the recognised trade union, PCS, to ensure equality within our reward policy and practice.

Our objectives are to:

- ensure that there are no unfair, unjust or unlawful practices that impact on reward
- where any inequality may arise, investigate promptly and take appropriate remedial action where required.

In support of this commitment to equal pay, Audit Scotland will:

- review our reward policy and practice (in line with EHRC guidance) so that trends and any anomalies are identified, investigated and resolved
- plan and implement actions in partnership with trade union/employee representatives
- provide training and guidance for those involved in determining pay and the job evaluation process
- inform employees of how reward practices work and how their own reward is determined.
- respond to grievances and other concerns on equal pay as a priority
- ensure our work in this area is fully aligned with the commitments we have made in our equality and diversity reporting
- discuss and agree changes to reward policy with trade union representatives, where appropriate
- carry out regular monitoring of the impact of these practices.

Appendix 4

Diversity and equality monitoring data

We have 100 per cent complete data for age, gender and marital status. For other characteristics, some staff have not provided a response or prefer not to provide the information. Generally the level of disclosure is increasing, except for religion and belief. Completion of this information is voluntary.

A. Audit Scotland staff profile

The data presented in this table is as at 31 December 2016

Equality strand	Dec 2016 (290 staff)	March 2016 (287 staff)	March 2015 (278 staff)	March 2014 (269 staff)	Scottish Population (Apr 2016) ¹	Comments
Ethnicity	An increase in the percentage of minority ethnic group employees to 7% ² No response rate 5%	A slight increase in the percentage of ethnic minority group employees to 4.9% No response rate 5.2%	An increase in ethnic minority group to 4% of all staff	Same as previous year – 3.3% of all staff	91% of the population are White British 5.5% are White non-British 3.4% are Asian & other minority ethnic groups	Audit Scotland has a higher representation of ethnic minority employees compared to the Scottish population
Gender	48% of staff are male and 52% are female	49.5% of staff are male and 50.5% are female	50.4% of staff are male and 49.6% are female	49.4% of staff are male and 50.6% are female	49% of the population are male and 51% are female	Audit Scotland's overall gender profile continues to be very similar to that of the Scottish population
Age	16-24 (6%) 25-34 (23%) 35-49 (39%) 50-64 (31%) 65+ (1.0%)	16-24 (5.9%) 25-34 (23.3%) 35-49 (39.7%) 50-64 (30.0%) 65+ (1.0%)	16-24 (7.2%) 25-34 (22.3%) 35-49 (45.7%) 50+ (26.4%)	16-24 (4.1%) 25-34 (23.8%) 35-49 (45.7%) 50+ (26.4%)	16-24 (18%) 25-34 (20%) 35-49 (31%) 50-74 (31%)	Compared to the Scottish population aged over 16+, we have less in the 16-24 age group and more in the 35-49 age group

Equality strand	Dec 2016 (290 staff)	March 2016 (287 staff)	March 2015 (278 staff)	March 2014 (269 staff)	Scottish Population (Apr 2016) ¹	Comments
Disability	Disability reduced slightly to 3%	Disability increased slightly to 3.5%	Disability remains the same at 3%	Disability remains the same at 3%	23% of the population report having a long-term limiting health condition or disability	The percentage of staff reporting a disability has remained at around 3%, considerably less than the Scottish population
Flexible working	23.4% of staff are employed on a flexible working contract	23.7% of staff	19.1% of staff	17.5% of staff	n/a	Around a quarter of our staff work flexibly, similar to the previous year
Sexual orientation	79% heterosexual /straight 2% gay or bisexual 19% preferred not to say/ no response	77.7% heterosexual /straight 2.8% gay or bisexual 19.1% preferred not to say/ no response	74.5% heterosexual /straight 2.9% gay or bisexual 22.7% preferred not to say/ no response	69.1% heterosexual /straight 2.6% gay or bisexual 28.2% preferred not to say/ no response	95.9% heterosexual /straight 1.6% gay or bisexual 2.4% preferred not to say/ no response	Of the 81% of staff that responded, the percentage of staff who are gay or bisexual is similar to the Scottish population
Religion or belief	40% no religion or n/a 18% Church of Scotland 10% Roman Catholic 6% another religion 5.5% prefer not to say 20.5% no response	37.6% no religion or n/a 19.2% Church of Scotland 10.1% Roman Catholic 5.2% prefer not to say 3.1% other Christian 3.1% another religion 21.6% no response	35.5% no religion or n/a 18.7% Church of Scotland 8.6% Roman Catholic 5.4% prefer not to say 3.2% other Christian 2.9% another religion 25.9% no response	31.2% no religion or n/a 17.5% Church of Scotland 7.8% Roman Catholic 5.2% prefer not to say 3.3% other Christian 3% another religion 32% no response	44.5% no religion or n/a 29.2% Church of Scotland 15% Roman Catholic 10.7% Other religions 0.7% prefer not to say	Of the 74% of staff that responded, the percentage of staffs' beliefs is similar to the Scottish population

Equality strand	Dec 2016 (290 staff)	March 2016 (287 staff)	March 2015 (278 staff)	March 2014 (269 staff)	Scottish Population (Apr 2016) ¹	Comments
Marital status	54% married/civil partnership	54.4% married/civil partnership	54.3% married/civil partnership	56.1% married/civil partnership	n/a	Marital status percentages have remained fairly similar
	32% single	31.7% single	29.1% single	25.7% single		
	3.5%	2.8%	3.6%	3.7%		
	co-habiting	co-habiting	co-habiting	co-habiting		
	4.4% divorced or separated	4.2% divorced or separated	4.7% divorced or separated	4.8% divorced or separated		
	5.5% unmarried partner	5.6% unmarried partner	6.1% unmarried partner	7.4% unmarried partner		
	1% widowed	1.4% other or no response	2.2% other or no response	2.2% other or no response		

Notes:

1. Scottish population figures from Scottish Government Equality data. Available at: <http://www.gov.scot/Topics/People/Equality/Equalities/DataGrid>

Age data from: *Mid-2015 population estimates Scotland*, National Records Scotland, April 2016.

2. Minority ethnic groups include Asian people and people from all other non-white groups.

B. Recruitment and selection

The following table is our position in terms of protected characteristics and internally and externally advertised vacancies between 1 April 2016 and 31 March 2017. During this period, there were a total of appointments (21 from external campaigns and 9 from internal recruitment).

These results should be interpreted carefully as there are a percentage of applications where no information has been provided (1-2 per cent for ethnicity, gender, age and disability; up to five per cent for sexual orientation; up to ten per cent for religion).

Equality strand	2016/17	2015/16	2014/15	2013/14
Ethnicity	<p>Of the applications received (894), 15.7% were from ethnic minorities. 5.7% of all shortlisted applicants and 13.3% of all appointments made were ethnic minorities</p> <p>As a % of applications received, 6.4% minority ethnic group applicants were shortlisted and 2.9% appointed (compared to 20.2% and 3.5% of white applicants)</p>	<p>Of the applications received (1,035), 15.1% were from ethnic minorities. 8.6% of all shortlisted applicants and 6.4% of all appointments made were ethnic minorities</p> <p>As a % of applications received, 12.2% minority ethnic group applicants were shortlisted and 2.6% appointed (compared to 22.9% and 6.7% of white applicants)</p>	<p>Of the applications received (826), 18.2% were from ethnic minorities. 10.3% of all shortlisted applicants and 4.3% of all appointments made were ethnic minorities</p> <p>As a % of applications received, 15.3% minority ethnic group applicants were shortlisted and 1.3% appointed (compared to 29.5% and 6.8% of white applicants)</p>	<p>Of the applications received (834), 16.2% were from ethnic minorities. 10.1% of all shortlisted applicants and 6.7% of all appointments made were ethnic minorities</p> <p>As a % of applications received, 15.6% minority ethnic group applicants were shortlisted and 2.2% appointed (compared to 26.2% and 6.1% of white applicants)</p>
Gender	<p>Applications received: males (44.3%) and females (54.4%). 17.5% of the applications received from females were shortlisted and 3.3% appointed. This compares to 18.4% and 3.5% for males</p>	<p>Applications received: males (46.7%) and females (52.3%). 22% of the applications received from females were shortlisted and 7% appointed. This compares to 20.1% and 4.8% for males</p>	<p>Applications received: males (62.5%) females (34.3%). 27.9% of applications received from females were shortlisted and 6% appointed. This compares to 26.2% and 5.6% for males</p>	<p>Applications received: males (51.9%) females (46.5%). 26% of applications received from females were shortlisted and 5.7% appointed. This compares to 23.3% and 5.3% for males</p>
Age	<p>Applications received:</p> <p>16-24 (29%)</p> <p>25-34 (34%)</p> <p>35-49 (28%)</p> <p>50+ (8%)</p> <p>The highest % of applications shortlisted from those received were 25-34, followed by 16-24. The highest % appointed from those received were</p>	<p>Applications received:</p> <p>16-24 (23%)</p> <p>25-34 (36%)</p> <p>35-49 (32%)</p> <p>50+ (8%)</p> <p>The highest % of applications shortlisted from those received were 25-34, followed by 35-49. The highest % appointed from those received were</p>	<p>Applications received:</p> <p>16-24 (23%)</p> <p>25-34 (33%)</p> <p>35-49 (33%)</p> <p>50+ (8%)</p> <p>The highest % of applications shortlisted from those received were 16-24, followed by 25-34. The highest % appointed from those received were for those in the age range</p>	<p>Applications received:</p> <p>16-24 (17%)</p> <p>25-34 (35%)</p> <p>35-49 (36%)</p> <p>50+ (11%)</p> <p>The highest % of applications shortlisted from those received were 16-24, followed by 25-34. The highest % appointed from those received were</p>

Equality strand	2016/17	2015/16	2014/15	2013/14
	also for those in the age range 25-34, followed by 35-49	for those in the age range 25-34, followed by 35-49	25-34, followed by 16-24	for those in the age range 25-34, followed by 16-24
Disability	2.8% of applicants declared themselves as having a disability. As a % of applications received, 8% of those with a disability were shortlisted and 0% appointed. This compares to 18% and 3.5% for those without a disability	3% of applicants declared themselves as having a disability. As a % of applications received, 22.6% of those with a disability were shortlisted and 3.2% appointed. This compares to 21.2% and 6.1% for those without a disability	2.8% of applicants declared themselves as having a disability. As a % of applications received, 21.7% of those with a disability were shortlisted and 0% appointed. This compares to 26.8% and 5.9% for those without a disability	2.5% of applicants declared themselves as having a disability. As a % of applications received, 23.8% of those with a disability were shortlisted and 0% appointed. This compares to 24.6% and 5.6% for those without a disability
Religion or belief	N/a or no religion (47%), Church of Scotland (14%), Roman Catholic (15%). As a % of applications received, the highest % of those shortlisted were those with no religion followed by Roman Catholic and Church of Scotland. As a % of those appointed, the highest % were those with no religion, followed by Roman Catholic and Muslim.	N/a or no religion (50.2%), Church of Scotland (12.3%), Roman Catholic (15%). As a % of applications received, the highest % of those shortlisted were Roman Catholic, followed by Other Christian then Church of Scotland. As a % of those appointed, the highest % were Roman Catholic, followed by Church of Scotland and Muslim.	N/a or no religion (41.5%), Church of Scotland (14.5%), Roman Catholic (12.8%). As a % of applications received, the highest % of those shortlisted were Jewish, followed by Sikh then Church of Scotland. As a % of those appointed, the highest % were Jewish, followed by Roman Catholic then Church of Scotland.	N/a or no religion (45.2%), Church of Scotland (15.5%), Roman Catholic (12.6%). As a % of applications received, the highest % of those shortlisted and appointed were Church of Scotland, followed by Roman Catholic then Other Christian.
Sexual orientation	Applications: 90% heterosexual /straight, 5.5% no information/ prefer not to say, and 4% gay or bisexual	Applications: 91.4% heterosexual /straight, 4.3% prefer not to say, 0.8% no information and 3.1% gay or bisexual	Applications: 88.7% heterosexual/ straight, 5.1% prefer not to say, 2.7% no information and 3.5% gay or bisexual	Applications: 91.2% heterosexual/ straight, 4.1% prefer not to say, 0.8% no information and 3.8% gay or bisexual

C. Promotions

Between 1 April 2016 to 31 March 2017, 21 employees were permanently promoted and 8 employees were in receipt of an acting up or additional responsibility allowance.

The following table shows all promotions, acting up and additional responsibility opportunities by gender over the last five reporting periods.

	2016/17		2015/16		2014/15		2013/14	
	No	%	No	%	No	%	No	%
Male	12	41	25	51	22	56.4	22	66.7
Female	17	59	24	49	17	43.6	11	33.3

Of the 21 promotions in 2016/17, 48 per cent were female, and of the eight receiving an acting up or additional responsibility payment, the majority were female (87.5 per cent).

D. Training

In total, we had 509 training spaces, 56 per cent were allocated to females and 44 per cent were allocated to males. We try to ensure that all of our training sessions do not take place on days that part-time staff does not work. Two per cent of all of the training spaces were taken up by people with disabilities

E. Leavers

During 2016/17, 13 people resigned from the organisation (there were 35 leavers in total including the expiry of temporary contracts, voluntary early releases and retirements).

The table below shows resignations only by gender. Just under 40 per cent of resignations were from women. Resignations were received from staff across all age bands as follows: 16-24 (15 per cent), 25-34 (38.5 per cent), 35-49 (38.5 per cent) and 50+ (8 per cent).

	2016/17		2015/16		2014/15		2013/14	
	No	%	No	%	No	%	No	%
Male	8	62	5	33	13	59.1	9	60
Female	5	38	10	67	9	40.9	6	40

Equality outcomes and mainstreaming

Progress report 2015-17

This report is available in PDF and RTF formats,
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