

Architecture and Design Scotland

2018/19 Annual Audit Report



 AUDIT SCOTLAND

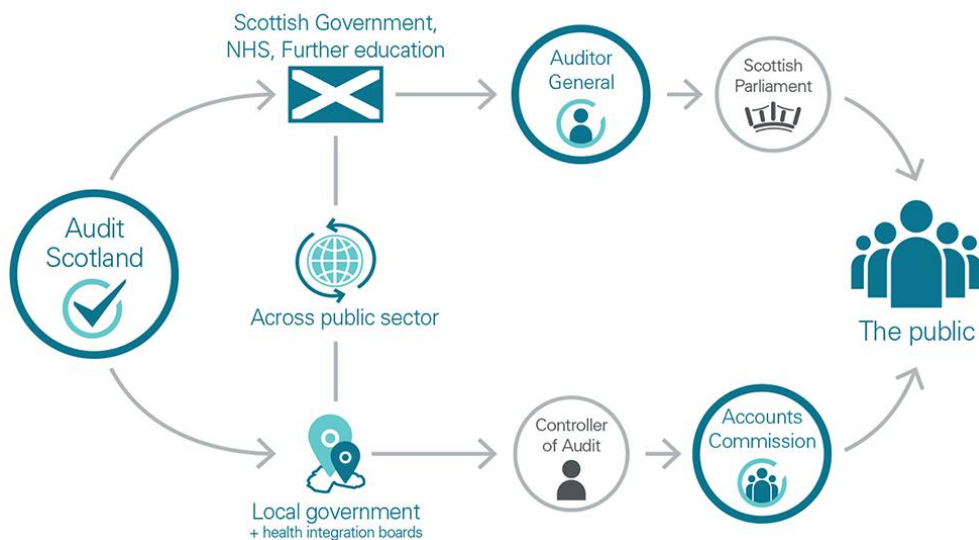
Prepared for Architecture and Design Scotland and the Auditor General for Scotland

29 August 2019

Who we are

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

- 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.
- 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.



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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Key messages

2018/19 annual report and accounts

- 1** The financial statements of Architecture and Design Scotland (A&DS) give a true and fair view, were properly prepared and expenditure and income were in accordance with any applicable enactments and guidance.
- 2** The Performance Report, the Governance Statement and the audited part of the Remuneration and Staff Report were all consistent with the financial statements.
- 3** A prior year restatement has been processed due to a material change in A&DS' accounting policy for grant-in-aid.
- 4** A material audit adjustment was required due to the incorrect recognition of a rental prepayment of £52,000.
- 5** A&DS should review the processes in place regarding accounting for income and expenditure to reduce the risk of transactions being recorded in the incorrect financial year.

Financial sustainability and governance statement

- 6** A&DS reported a deficit of £95,006 in 2018/19 against the targeted breakeven position. As a result, the general reserves balance decreased from £238,230 at the start of the financial year to £143,224 as at 31 March 2019.
- 7** A&DS should continue to develop their five year forecast with the Management Team and respond proactively to any projected shortfall.
- 8** A&DS should continue to review the content and format of their risk registers to ensure they capture the significant risks being faced by the organisation and clearly report the proposed mitigating actions being taken.

Introduction

1. This report summarises the findings from our 2018/19 audit of Architecture and Design Scotland (A&DS).
2. The scope of our audit was set out in our Annual Audit Plan presented to the Audit Committee on 11 February 2019. This report comprises the findings from:
 - an audit of the A&DS annual report and accounts
 - consideration of the financial sustainability and Governance Statement.
3. The main element of our audit work in 2018/19 has been:
 - an audit of A&DS annual report and accounts for the year ended 31 March 2019 including the issue of an independent auditor's report setting out our opinions
4. Our standard audits are based on four audit dimensions that frame the wider scope of public sector audit requirements. These are:
 - financial sustainability
 - financial management
 - governance and transparency
 - value for money.
5. The [Code of Audit Practice 2016](#), (the Code) includes provisions relating to the audit of small bodies. Where the application of the full wider audit scope is judged by auditors not to be appropriate to an audited body then the annual audit work can focus on the appropriateness of the disclosures in the governance statement and the financial sustainability of the body and its services.
6. As highlighted in our 2018/19 Annual Audit Plan (paragraph 25), due to the volume and lack of complexity of the financial transactions, and nature and size of A&DS, we have applied the small body provisions of the Code to the 2018/19 audit of A&DS.

Adding value through the audit

7. We add value to A&DS through the audit by:
 - identifying and providing insight on significant risks, and making clear and relevant recommendations for improvements that have been accepted by management
 - reporting our findings and conclusions in public
 - sharing intelligence and good practice through our national reports ([Appendix 4](#)) and good practice guides
 - providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance and financial sustainability.

8. In so doing, we aim to help A&DS promote improved standards of governance, better management and decision making and more effective use of resources.

Responsibilities and reporting

9. A&DS has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing an annual report and accounts that are in accordance with the accounts direction from the Scottish Ministers. The A&DS annual report and accounts includes the following:
- Performance Report
 - Accountability Report (which includes the Corporate Governance Report and Remuneration and Staff Report and Parliamentary Accountability Report)
 - Financial statements and supporting notes.
10. A&DS is also responsible for establishing appropriate and effective arrangements for governance, propriety and regularity that enable the board to successfully deliver its objectives.
11. Our responsibilities as independent auditor are established by the Public Finance and Accountability (Scotland) Act 2000 and the [Code of Audit Practice 2016](#), and supplementary guidance and International Standards on Auditing in the UK .
12. As public sector auditors we give independent opinions on the annual report and accounts. Additionally, we conclude on:
- the suitability and effectiveness of corporate governance arrangements
 - the financial position and arrangements for securing financial sustainability.
13. In doing this we aim to support improvement and accountability. Further details of the respective responsibilities of management and the auditor can be found in the [Code of Audit Practice 2016](#) and supplementary guidance.
14. This report raises matters from the audit of the annual report and accounts and consideration of the audit dimensions. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.
15. Our annual audit report contains an agreed action plan at [Appendix 1](#). It sets out specific recommendations, responsible officers and dates for implementation. It also includes any outstanding actions from last year and steps being taken to implement them.
16. We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services and therefore the 2018/19 audit fee of £8,120 as set out in our Annual Audit Plan remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.
17. This report is addressed to both A&DS and the Auditor General for Scotland and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.
18. We would like to thank all management and staff for their cooperation and assistance during the audit.

Part 1

Audit of 2018/19 annual report and accounts



Main judgements

In our opinion A&DS's financial statements give a true and fair view and were properly prepared; expenditure and income were in accordance with applicable enactments and guidance.

The Performance Report, the Governance Statement and the audited part of the Remuneration and Staff Report were all consistent with the financial statements.

A prior year restatement has been processed due to a material change in A&DS's accounting policy for grant-in-aid.

A material audit adjustment was required due to the incorrect recognition of a rental prepayment of £52,000.

A&DS should review the processes in place regarding accounting for income and expenditure to reduce the risk of transactions being recorded in the incorrect financial year.

The annual report and accounts are the principal means of accounting for the stewardship of its resources and its performance in the use of those resources.

Audit opinions on the annual report and accounts

- 19.** The annual report and accounts for the year ended 31 March 2019 were approved by the board on 12 September 2019. We reported, within the independent auditor's report:
- an unqualified opinion on the financial statements
 - an unqualified opinion on the regularity of expenditure and income
 - the Performance Report, the Governance Statement and the audited part of the Remuneration and Staff Report were all consistent with the financial statements and properly prepared in accordance with the accounts direction
 - we have nothing to report in respect of those matters which we are required by the Auditor General to report by exception.

Submission of annual report and accounts for audit

- 20.** We received the unaudited annual report and accounts on 3 June 2019 in line with our agreed audit timetable.
- 21.** The working papers provided with the unaudited financial statements were of a good standard and finance staff provided support to the audit team which helped ensure the final accounts audit process ran smoothly.

Risk of material misstatement

22. [Appendix 2](#) provides a description of those assessed risks of material misstatement in the annual report and accounts and any wider audit dimension risks that were identified during the audit planning process. It also summarises the work we have done to gain assurance over the outcome of these risks.
23. We have no issues to report from our work on the risks of material misstatement highlighted in our 2018/19 Annual Audit Plan.

Materiality

24. Misstatements are material if they could reasonably be expected to influence the economic decisions of users taken based on the financial statements. The assessment of what is material is a matter of professional judgement and involves considering both the amount and nature of the misstatement.
25. Our initial assessment of materiality for the annual report and accounts was carried out during the planning phase of the audit. On receipt of the unaudited report and accounts, we reviewed our planning materiality and concluded they remained appropriate. These are summarised in [Exhibit 1](#). We assess the materiality of uncorrected misstatements both individually and collectively.

Exhibit 1 Materiality values

Materiality level	Amount
Overall materiality – This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It was set at 1% of gross expenditure for the year ended 31 March 2019.	£18,700
Performance materiality – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality, this would indicate that further audit procedures should be considered. Using our professional judgement, we have calculated performance materiality at 50% of overall materiality.	£9,300
Reporting threshold (i.e. clearly trivial) – We are required to report to those charged with governance on all unadjusted misstatements in excess of the ‘reporting threshold’ amount.	£1,000

Source: Annual Audit Plan 2018/19

Significant findings from the audit in accordance with ISA 260

26. International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of the body’s accounting practices covering accounting policies, accounting estimates and financial statements disclosures.
27. The significant findings are summarised in [Exhibit 2](#). Where a finding has resulted in a recommendation to management, a cross reference to the Action Plan in [Appendix 1](#) has been included.

Exhibit 2

Significant findings from the audit of financial statements

Issue	Resolution
<p>1. Incorrect recognition of a prepayment of rent costs</p> <p>Our audit testing highlighted that management had recognised a prepayment for office rental costs in the 2018/19 financial statements although no advance payment was made prior to 31 March 2019.</p> <p>This was discussed with management and an adjustment was agreed to derecognise both the prepayment and a corresponding current liability. The impact was a £52,000 reduction in both assets and liabilities in the Statement of Financial Position. The adjustment had no impact on A&DS' result for the year.</p> <p>In accordance with ISA 260 requirements, this has been highlighted as a material adjustment to the financial statements.</p>	<p>The adjustment has been processed within the audited financial statements.</p> <p>As noted in paragraph 29, we highlighted two additional errors (£6,830 for prepaid train tickets and £5,000 for part of a grant not recognised in correct period) in financial statements that related to the recognition of items in the incorrect financial year. All errors were corrected in the audited financial statements, however we recommend that A&DS should review the processes in place regarding accounting for income and expenditure to reduce the likelihood of future errors (Appendix 1, recommendation 1).</p>
<p>2. Restatement of grant-in-aid</p> <p>Prior to 2018/19, A&DS had an accounting policy to include grant-in-aid received as income within the financial statements, in the Statement of Comprehensive Net Expenditure. Subsequently, advice was issued by the Scottish Government stating grant-in-aid should instead be accounted for directly through the Statement of Changes in Taxpayers' Equity.</p> <p>In accordance with accounting requirements, this material change in policy has been applied to relevant sections 2018/19 annual accounts, including a restatement of the 2017/18 comparative figures. This change was correctly accounted for by management.</p> <p>The impact of this change is presentational, there is no change to A&DS' underlying financial position. It has been highlighted as significant finding due to the material change in accounting policy.</p>	<p>The restatement has been processed, no further action is required.</p>

How we evaluate misstatements

- 28.** It is our responsibility to request that all misstatements, other than those below the reporting threshold, are corrected. The final decision on making the correction lies with those charged with governance considering advice from senior officers and materiality. The only material adjustment to the unaudited accounts was the adjustment for the derecognition of both the prepayment and current liability of £52,000 for a rent invoice received but not paid by 31 March 2019. [Exhibit 2](#).

Other Findings

29. From the audit work we performed, we noted two additional errors (£6,830 for prepaid train tickets and £5,000 for part of a grant not recognised in the correct period) that occurred as a result of transactions being recorded in the incorrect financial year. Other than the early recognition of a prepayment and corresponding liability highlighted in exhibit 2, these errors were not material, and all have been corrected in the audited annual accounts. However, management should review A&DS' processes for accounting for income and expenditure to reduce the risk of transactions being recorded in the incorrect financial year.



Recommendation 1

A&DS should review the processes in place regarding accounting for income and expenditure to reduce the risk of transactions being recorded in the incorrect financial year.

Follow up of prior year recommendations

30. We have followed up actions previously reported and assessed progress. Five agreed actions were raised in 2017/18. These have now been addressed.

Part 2

Financial sustainability and governance statement



Main judgements

A&DS reported a deficit of £95,006 in 2018/19 against the targeted breakeven position. As a result, the general reserves balance decreased from £238,230 at the start of the financial year to £143,224 as at 31 March 2019.

A&DS should continue to develop their five year forecast with the Management Team and respond proactively to any projected shortfall.

A&DS should continue to review the content and format of their risk registers to ensure they capture the significant risks being faced by the organisation and clearly report the proposed mitigating actions being taken.

Financial management is about financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.

Financial performance in 2018/19

31. The main financial objective for A&DS is to ensure that the financial outturn for the year is within the budget allocated by Scottish Ministers. A&DS reported a deficit of £95,006 in the 2018/19 audited accounts. This had an impact on the reserves balance, resulting in a closing balance of £143,224 as at 31 March 2019.
32. Additional funding received from the Scottish Government and from other public sector bodies for specific projects was £11,188 in 2018/19.

Internal Budget Reporting

33. The internal management accounts reports prepared and presented to the A&DS Board are on a cash basis. To comply with statutory requirements, the annual accounts must be prepared on an accruals basis. This can make it challenging to compare and scrutinise expenditure between different periods. In addition, reporting the management accounts on a cash basis means that there is not a clear link to the year-end outturn position within the financial statements.

Short term financial planning

34. A&DS is funded directly by grant-in-aid received from the Scottish Government. The A&DS Board approved the 2019/20 draft budget in February 2018 with a resource allocation of £1.76 million which is unchanged from the 2018/19 budget allocation.

Medium to long term financial planning

35. We reviewed the financial planning systems and assessed how effective they are in identifying and addressing risks to financial sustainability across the medium and long term.
36. Management are currently in the process of drafting a 10-year corporate strategic plan to follow on from the current long term plan which covers the period to 2020.
37. A&DS receives funding from the Scottish Government on an annual basis through grant-in-aid. A&DS' expenditure is largely made up of fixed costs and it is therefore challenging for management to respond to potential decreases in funding or increases in cost drivers (e.g. payroll inflation). An adverse change in income or expenditure could impact the available resources A&DS has to allocate towards projects (as one of the main variable costs) and hence prevent A&DS from meeting its strategic objectives.
38. Management carry out scenario planning forecasting over a 5 year period to assess the impact of any reduction in funding on the ability of A&DS to achieve financial balance.
39. Whilst recognising the constraints which are in place, A&DS should continue to develop their five year forecast with the Management Team responding proactively to any projected shortfall,



Recommendation 2

Whilst recognising the constraints which are in place, A&DS should continue to develop their five year forecast with the Management Team responding proactively to any projected shortfall.

Risk management

40. A&DS currently has a Strategic Risk Register and a Corporate Risk Register, both of which are presented to the Management Team, Audit Committee and Board on a regular basis. We reviewed the risk management arrangements and concluded that A&DS should continue to review the content and format of their risk registers to ensure they capture the significant risks being faced by the organisation and clearly report the proposed mitigating actions being taken.



Recommendation 3

A&DS should continue to review the content and format of their risk registers to ensure they capture the significant risks being faced by the organisation and clearly report the proposed mitigating actions being taken.

Framework Document

41. A&DS' Framework Document sets out the framework under which it operates and A&DS' relationship with the Scottish Government. They include details on the overall aims of A&DS, the responsibilities of those charged with governance and the financial authority of A&DS.

42. We highlighted in our 2017/18 AAR that the Framework Document had not been updated since 2008, despite a requirement that this is reviewed by the Directorate every 2-3 years.
43. A&DS has been following this up with the Scottish Government for twelve months. Although a revised Framework Document was not in place during the 2018/19 audit, A&DS confirmed that a final updated Framework Document was issued on 5 August 2019.

Governance Statement and Performance Report

44. In our 2017/18 annual audit report we highlighted that management should review the content of the Performance Report and Governance Statement to improve the information presented.
45. Our review of the governance statement and performance report within the 2018/19 annual report and accounts concluded that both are consistent with the financial statements and properly prepared in accordance with the accounts direction.
46. We recognise that management have responded to our 2017/18 recommendation and have made a number of improvements. There is still scope to improve the quality of the content in both the governance statement and performance report.

EU Withdrawal

47. There remains significant uncertainty surrounding the terms of the UK's withdrawal from the European Union (EU). EU withdrawal will inevitably have implications for the devolved government in Scotland and for audited bodies. It is critical that public sector bodies are working to understand, assess and prepare for the impact on their business in three broad areas:
 - Workforce – the extent to which potential changes to migration are likely to affect the availability of the people and skills needed to deliver services.
 - Funding – the extent to which potential changes to existing EU funding programmes are likely to affect the finances of public bodies and the activity that such funding supports.
 - Regulation – the extent to which potential changes to EU regulations are likely to affect the activities of some public bodies.
48. A&DS' risk register highlights that withdrawal from the EU could potentially impact their workforce. Due to the nature of the A&DS' funding and primary activity, the direct impact of any changes to funding and regulation as a result of withdrawal from the EU are expected to be limited.

Appendix 1

Action plan 2018/19



No.	Issue/risk	Recommendation	Agreed management action/timing
1	<p>Accounting Processes for Income and Expenditure</p> <p>Audit adjustments related to income and expenditure were recorded in the incorrect financial year.</p> <p>Risk</p> <p>There is a risk that A&DS' processes for recording income and expenditure do not adequately classify transactions into the correct period.</p>	<p>A&DS should review the processes in place regarding accounting for income and expenditure to reduce the risk of transactions being recorded in the incorrect financial year.</p>	<p>The three audit adjustments related to:</p> <p><u>a) Office Rent of £52k</u> – purchase invoice was received dated prior to 31 March 2019 and processed to trade creditors but not paid until after 1 April 2019. Audit Scotland requested adjustment to remove this transaction from both trade creditors and prepayments at 31 March 2019.</p> <p>A&DS investigated the correct accounting treatment of this transaction and were aware of conflicting guidance which was discussed with Audit Scotland staff. Audit Scotland shared their view with their Professional Support team who agreed the Audit Scotland recommendation was the correct accounting treatment. A&DS have adjusted the transaction in line with the advice from the Technical Department.</p> <p>We will review all trade creditors at 31 March 2020 and exclude from prepayments on the basis that they have not been paid.</p> <p><u>b) Prepaid train tickets of £6k</u> – A&DS purchase train tickets in advance for staff to travel between our two offices. Tickets are purchased in blocks and are purchased in bulk when ticket prices are anticipated to increase. Every year we have had a quantity of pre-purchased train tickets but never been asked by auditors</p>



No.	Issue/risk	Recommendation	Agreed management action/timing
			<p>to process as a prepayment in any previous audit.</p> <p>We have processed the adjustment in 2018/19 and will also do so again in 2019/20.</p> <p>c) Other income £5k – other grant income of £11k from Forestry Commission Scotland related to £6k in respect of the Materials Library from 1 April 2019 to 31 March 2020 and £5k in respect of the Timber Exhibition which ran from January to June 2019.</p> <p>We will ensure other income is closely scrutinised to ensure it is accounted for in the correct accounting periods within the Annual Report and Accounts.</p> <p>Responsible officer – Lynne Lineen.</p> <p>Agreed date 31 May 2020.</p>
2	<p>Financial planning</p> <p>A&DS' expenditure is largely made up of fixed costs and it is therefore challenging for management to respond to potential decreases in funding or increases in cost drivers (e.g. payroll inflation).</p> <p>Risk</p> <p>There is a risk that changes in income or expenditure streams could impact A&DS' ability to achieve financial balance.</p>	<p>A&DS should continue to develop their five year forecast with the Management Team and respond proactively to any projected shortfall.</p>	<p>A&DS already produce five year forecasts and discuss this with the Management Team and Board. We are constrained as we only have our grant funding confirmed for one year ahead. Also, in terms of salary forecasting we align to Scottish Government and they currently are only agreeing one year pay deals. In terms of expenditure, rent is one of our largest outgoings and we are continuing to request information from GCC re rent but having difficulties getting prompt accurate information for forecasting. Therefore, these factors which are largely out of our direct control all severely constrains us in forecasting over five years, however we continue to forecast as best we can with available information</p> <p>Responsible officer – Lynne Lineen</p> <p>Agreed date – 31 May 2020</p>



No.	Issue/risk	Recommendation	Agreed management action/timing
3	<p data-bbox="256 409 552 432">Strategic Risk Register</p> <p data-bbox="256 454 616 607">The Strategic and Corporate Risk Register does not clearly capture the significant risks and proposed mitigating actions.</p> <p data-bbox="256 629 316 651">Risk</p> <p data-bbox="256 674 616 790">There is a risk that A&DS fail to put in place appropriate mitigating actions for significant risks identified.</p>	<p data-bbox="659 409 1018 651">A&DS should continue to review the content and format of their risk registers to ensure they capture the significant risks being faced by the organisation and clearly report the proposed mitigating actions being taken.</p>	<p data-bbox="1054 409 1374 432">Narrative on agreed action</p> <p data-bbox="1054 454 1426 819">Our internal auditors carried out work to review A&DS risk management including our risk registers in late 2016. They concluded there were no fundamental issues and three significant issues, all of which have been actioned by A&DS. We will continue to review risk management as part of the ongoing management of our business.</p> <p data-bbox="1054 842 1362 898">Responsible officer – Sue Reynolds</p> <p data-bbox="1054 920 1321 947">Agreed date - ongoing</p>

Appendix 2

Significant audit risks identified during planning

The table below sets out the audit risks we identified during our planning of the audit and how we addressed each risk in arriving at our conclusion. The risks are categorised between those where there is a risk of material misstatement in the annual report and accounts and those relating our wider responsibility under the [Code of Audit Practice 2016](#).

Audit Risk	Assurance procedure	Results and conclusions
Risks of material misstatement in the financial statements		
<p>1 Management override of controls</p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls to change the position disclosed in the financial statements.</p>	<p>Detailed testing of journal entries.</p> <p>Review of accounting estimates.</p> <p>Focused testing of accruals and prepayments.</p> <p>Evaluation of significant transactions that are outside the normal course of business.</p>	<p>Errors were noted in accruals and prepayments that impacted expenditure, these were corrected within the audited accounts.</p> <p>This includes the material adjustment for the prepayment of 2019/20 rent (£52,000) which has been reported as required in the ISA 260.</p> <p>None of the errors noted were due to management overriding controls.</p>
<p>2 Risk of fraud over income</p> <p>ISA 240 presumes a risk of fraud over income.</p> <p>A&DS receives a material amount of income in addition to Scottish Government funding. The extent and complexity of income means that, in accordance with ISA240, there is an inherent risk of fraud.</p>	<p>Analytical procedures on income streams.</p> <p>Detailed testing of revenue transactions focusing on the areas of greatest risk.</p>	<p>An error was identified relating to the overstatement of deferred income. This resulted in a non-material adjustment being accepted and processed in the accounts by management.</p> <p>There was no indication the error was fraudulent.</p>
<p>3 Risk of fraud over expenditure</p> <p>The risk of fraud over income presumed by ISA 240 is expanded to include fraud over expenditure in the public sector by the Code of Audit Practice.</p> <p>The risk of fraud over expenditure also applies due to the variety and extent of expenditure made by A&DS in delivering services.</p>	<p>Analytical procedures on income streams.</p> <p>Detailed testing of revenue transactions focusing on the areas of greatest risk.</p>	<p>Errors were noted in accruals and prepayments that impacted expenditure. Management adjusted for these in the audited accounts.</p> <p>There was no indication the errors were fraudulent.</p>

Audit Risk	Assurance procedure	Results and conclusions
Risks identified from the auditor's wider responsibility under the Code of Audit Practice		
<p>4 Financial sustainability</p> <p>Grant-in-aid funding from the Scottish Government has remained largely static in cash terms over the past 8 years.</p> <p>A&DS faces a number of pressures (e.g. pay inflation) that are increasing costs.</p> <p>A&DS may have to make savings in the future to achieve financial balance and this could impact on its ability to provide services.</p>	<p>Review of A&DS scenario planning papers presented to the Board.</p>	<p>A&DS reported a deficit in 2018/19 and therefore the level of reserves has decreased.</p> <p>A&DS should continue to develop their five year forecast with the Management Team responding proactively to any projected shortfall (recommendation 2 in 2018/19)</p>

Appendix 3

Summary of national performance reports 2018/19

		 2018/19 Reports	
Local government in Scotland: Challenges and performance 2018		Apr	
Councils' use of arm's-length organisations		May	 Scottish Fire and Rescue Service: an update
Scotland's colleges 2018		Jun	
		Jul	 The National Fraud Initiative in Scotland 2016/17
Forth Replacement Crossing		Aug	 Major project and procurement lessons
Children and young people's mental health		Sept	 Superfast broadband for Scotland: further progress update
NHS in Scotland 2018		Oct	
Health and social care integration: update on progress		Nov	 Local government in Scotland: Financial overview 2017/18
		Dec	
		Jan	
		Feb	
		Mar	 Local government in Scotland: Challenges and performance 2019

Central Government relevant reports

[Scottish Fire and Rescue Service: an update](#) – May 2018

[Scotland's colleges 2018](#) – June 2018

[The National Fraud Initiative in Scotland 2016/17](#) – July 2018

[Forth Replacement Crossing](#) – August 2018

[Major project and procurement lessons](#) – August 2018

[Superfast broadband for Scotland: further progress update](#) – September 2018

Architecture and Design Scotland

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Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
T: 0131 625 1500 E: info@audit-scotland.gov.uk
www.audit-scotland.gov.uk