

## Audit Scotland report: Public audit in Scotland 2023-2028

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**Date of meeting** 8 September 2023

**Date of report** 14 August 2023

### Report by Chief Executive

#### 1. Object of report

To advise the committee on the issue of an Audit Scotland report titled '*Public audit in Scotland 2023-28*' and outline the purpose of public audit and how this will be delivered.

#### 2. Background to report

The Auditor General for Scotland and the Accounts Commission for Scotland are responsible for securing the independent audit of the accounts and performance of public sector bodies in Scotland.

The Auditor General is a Crown appointment, independent of Scottish Government and Scottish Parliament. The Auditor General is responsible for auditing the Scottish Government, central government agencies, Scottish Parliamentary Corporate Body and Commissioners and ombudsmen, non-departmental public bodies, NHS bodies, colleges and some public corporations.

The Accounts Commission holds local government bodies to account and operates independently of ministers and the Scottish Government. The Commission appoints a Controller of Audit to consider the results of audits of local government accounts and make recommendations.

Audit Scotland is Scotland's national public sector audit agency and supports the Auditor General and the Accounts Commission in delivering their work programmes, appointing auditors and undertaking two-thirds of the annual audits of public bodies.

The full report (previously issued to members) can be found at: [https://www.audit-scotland.gov.uk/uploads/docs/report/2023/as\\_ac\\_230620\\_public\\_audit\\_scotland.pdf](https://www.audit-scotland.gov.uk/uploads/docs/report/2023/as_ac_230620_public_audit_scotland.pdf)

#### 3. Outline of findings

Public audit in Scotland informs and assures the public about where and how public money is spent, reports on how services perform, and helps public bodies improve. The tripartite structure provides a unique and valuable oversight across the whole of the public sector in Scotland, enabling a consistent and holistic approach to issues across organisational and sectoral boundaries.

The Auditor General and Accounts Commission are responsible for appointing auditors to public bodies and ensuring the delivery of audits. On their behalf, Audit Scotland's

independent Audit Quality and Appointments team (AQA) procures auditors from private firms to supplement Audit Scotland's own audit teams. Audit appointments are for five years, based on rotation principles. AQA and Audit Scotland's Corporate Finance team set and manage audit fees, reflecting market rates and costs of delivery.

Members will be aware that SPT and SCTS are now audited directly by Audit Scotland. The desired outcomes of public audit include:

- (i) Public services in Scotland work better together to target resources more effectively;
- (ii) Financial planning and management are more effective across Scotland's Public Services;
- (iii) Public bodies deliver clearer and more transparent reporting; and
- (iv) Audit recommendations have a positive impact for people in Scotland.

SPT governance supports these outcomes.

#### 4. Committee action

The Committee is asked to note the contents of this report and the Audit Scotland report titled '*Public audit in Scotland 2023-28*'.

#### 5. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>None.</i>
Financial consequences	<i>None.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None.</i>
Risk consequences	<i>None.</i>
Climate Change, Adaptation & Carbon consequences	<i>None.</i>

**Name** Neil Wylie  
**Title** **Director of Finance & Corporate Support**

**Name** Valerie Davidson  
**Title** **Chief Executive**

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