

## **Audit Scotland's annual statement on efficiency, effectiveness and economy for 2014/15**

The Public Services Reform (Scotland) Act 2010, section 32(1)(b) requires listed public bodies to publish a statement in relation to efficiency, effectiveness and economy as soon as possible after the end of the financial year.

The following statement sets out the steps that Audit Scotland has taken in 2014/15 to improve its efficiency, effectiveness and economy in the exercise of its functions. Further information on this and our audit work is contained in our Annual Report and Accounts 2014/15 which is on our website at [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

### **Introduction**

Audit Scotland is a statutory body that supports the Auditor General and the Accounts Commission in making sure public money in Scotland is used properly, efficiently and effectively by undertaking audits and investigations of Scottish public bodies.

To ensure objectivity in our work, Audit Scotland is independent of the Scottish Government and ministers. Maintaining our independence from those we audit limits our ability to share services. However, where sharing is possible we have done so.

### **Efficiency, effectiveness and economy improvements during 2014/15**

The Scottish Commission for Public Audit (SCPA), established under Section 12 of the Public Finance and Accountability (Scotland) Act 2000, examines our proposals for the use of our resources and expenditure and reports on them to the Parliament. Our budget proposals can be found on the Scottish Parliaments website.

As our income comes from parliament and the public bodies we audit, reducing our costs will help, albeit in a small way, their cost pressures through, for example, reduced audit fees. We continued to drive down costs this year – these have now fallen by 20 per cent since 2010/11. Over the same period, baseline fees paid by the bodies we audit reduced by 21 per cent, after allowing for inflation.

In 2014/15, we delivered £0.9 million of efficiency savings, against a target of £0.3 million. This was 1.4 per cent of our overall budget.

This year we started to prepare for the move from our two offices in George Street to a single Edinburgh office in the capital's West Port later in 2015. This will bring significant long-term financial savings and exciting opportunities to develop new and more efficient ways of working.

Audit Scotland continues to work with other scrutiny bodies to make sure that the scrutiny of local government is better targeted and more proportionate to identified risks.

Sharing services and resources within the public sector allows economy of scale cost and efficiency savings. Where sharing does not impact our independence we have done this. For example:

- We use the Public Contracts Scotland portal to procure services for Audit Scotland, the Auditor General and the Accounts Commission where it is beneficial to do so.
- We are part of the Government Procurement Shared Services initiative which was set up to provide professional assistance to smaller bodies which don't have a procurement department. This assistance will help improve our procurement

knowledge leading to increased procurement efficiency and effectiveness and legislative compliance.

- We use competitive contracts secured by Scottish Procurement, leading to savings on our utility costs, computer accessories and managed print services.
- This year we worked with Independent Living in Scotland to host an event in November 2014 bringing together representatives of scrutiny bodies in Scotland and disabled people's organisations with whom we later discussed our forward audit work programme.

See also our annual statement on sustainable economic growth.