

## **Audit Scotland's annual statement on sustainable economic growth for 2011/12**

The Public Services Reform (Scotland) Act 2010, section 32(1)(a) requires listed public bodies to publish a statement on sustainable economic growth as soon as possible after the end of the financial year.

The following statement sets out the steps that Audit Scotland has taken in 2011/12 to promote and increase sustainable growth through the exercise of its functions. Further information on this and our audit work is contained in our annual report 2011/12 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.

### **Sustainable economic growth and contribution to the Scottish Government's National Performance Framework**

Audit Scotland contributes to sustainable economic growth in Scotland by holding public bodies to account and helping them to improve. This is achieved by carrying out performance, Best Value and financial audits of public bodies to provide assurance that money and resources are being used properly, efficiently and effectively and to highlight areas for improvement.

We audit public bodies, with a total spend of about £45 billion a year. In 2011/12, we completed 211 financial audits and 27 performance and Best Value audits.

Our annual financial audit reports cover the full range of audit work done in the year, providing the audited bodies and stakeholders with a comprehensive and independent view of financial management, governance and performance in public bodies. Auditors review the financial position and sustainability of public bodies and promote good financial management and planning.

We carry out performance audits across the public sector to help public bodies improve the quality of their services, do more with their money, and find more efficient and effective ways of working to the same or better standards. Our audit reports carry recommendations for public bodies to help them improve, and we publish good practice checklists and case studies. They also identify potential savings for example our overview of the criminal justice system identified savings of about £40 million and our cardiology services report over £4 million.

Examples of how, through the exercise of our audit function, we help sustainable economic growth include:

- By reviewing the performance of economic development partnerships and reporting our findings. In our audit report, *The role of community planning partnerships in economic development* we highlight that community planning partnerships have a pivotal role in joining up the delivery of local services to drive local economic development. There were examples of partnerships helping bring jobs and other economic benefits to their communities. Partners also need to continue to improve

how they work together to ensure they are making the best use of resources.

- By reviewing the Scottish Government's performance on reducing greenhouse gas emissions. Our report, *Reducing Scottish greenhouse gas emissions*, examined the Scottish Government's plans to reduce emissions by 42 per cent by 2020, compared with 1990 and some of the risks and challenges associated with meeting this target. Audit Scotland's contribution to its reduction in greenhouse gases is covered at the end of this statement.
- By co-ordinating work to tackle fraud through the NFI which in Scotland involved 81 bodies, including councils, police forces, fire and rescue services, health boards, the Scottish Public Pension Agency and the Student Award Agency for Scotland. Data on deceased persons, public sector employees and pensioners, benefit applicants, council tax records, failed asylum-seekers, disabled parking permits, expired visas, personal alcohol licences and students was compared to look for potential inconsistencies that might suggest fraud or error. These 'matches' were then followed up to identify fraud and error, stop overpayments and, where possible, recover the sums involved. This fourth NFI exercise has resulted in outcomes worth £19.8 million and £78 million since it was first introduced.

All our reports are published on our website at [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

Audit Scotland also contributes to sustainable economic growth and the Scottish Government's National Performance Framework as an employer. For example:

- In 2011/12, we were awarded the 'Two Ticks' accreditation from Job Centre Plus for the second year running and received 'Two Ticks' accreditation from the Digital Accessibility Centre for our website's accessibility. This is awarded to employers that make a commitment to supporting people with disabilities.
- This year staff received an average of 8.26 days training and personal development to increase knowledge, skills, efficiency and effectiveness. We also have 29 trainees and staff working towards professional qualifications thereby increasing the skills base of Audit Scotland, and Scotland in general.
- We continued to focus management and professional medical support to staff well-being and attendance this year, resulting in a further reduction in our staff sickness absence. In 2011/12, our sickness absence was on average 4.77 days per employee down from 4.89 days in 2010/11 and 8.82 days in 2009/10 and compared with a public sector average of 9.1 days.

In addition to the above we have contributed to the national performance framework by implementing a wide range of measures to reduce our impact on the environment. We set a target of reducing our carbon footprint by 20 per cent, or 107 tonnes of CO<sub>2</sub>, by 2014. In 2011/12, we reduced our CO<sub>2</sub> emissions by 33.8 tonnes through changes to our IT practices and by up to 66 tonnes a year by rationalising our Edinburgh offices.

Not all of the work that we do is carried out by Audit Scotland staff. We contribute to economic activity by appointing firms of accountants to carry out audits on behalf of the Auditor General and the Accounts Commission and specialists to contribute to performance audits. This amounts to about £6 million a year.