

Equality outcomes

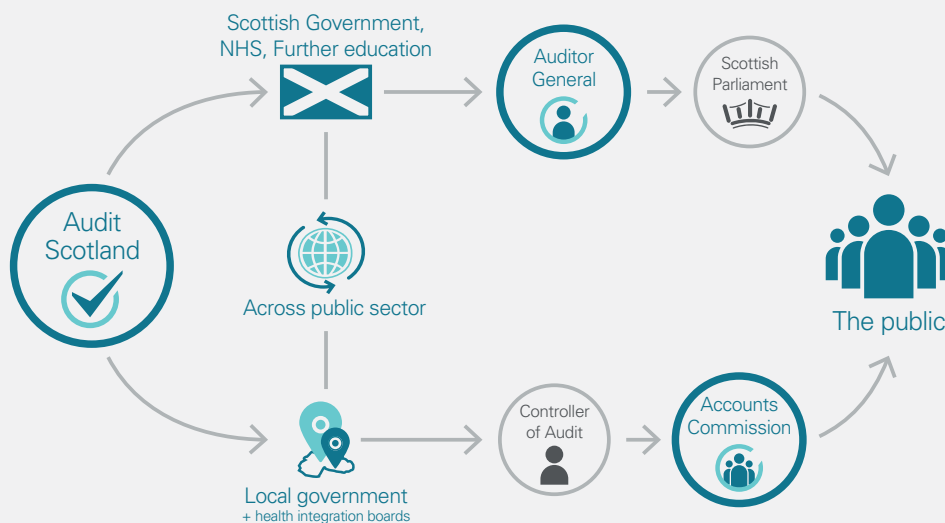
2017-19



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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Summary

The equality outcomes

The vision for Audit Scotland

To be a world class audit organisation that improves the use of public money

This vision will be supported through equality outcomes:

1. Audit work will reflect how public services meet the diverse needs of all citizens and communities.

This will be done by:

- consulting with stakeholders on how to reflect equality and diversity in audit work
- ensuring that staff are sensitive to the diverse needs of stakeholders when performing audit work
- analysing data to help understand who uses public services and use this to inform audit work
- reflecting equality and diversity issues in audit work programmes, in a way which is consistent with the audit duties
- publishing information and reports in formats that are accessible to all
- reporting audit findings in a style that reflects the audience
- reporting on diversity and equality issues where appropriate
- supporting other public bodies in their scrutiny of diversity and equality.

2. Audit Scotland will promote, understand and support a diverse and inclusive workforce.

This will be done by:

- having a culture where people feel valued and where they are treated with equity and fairness
 - seeking feedback from staff on how the organisation can support diversity and equality in how things are done
 - supporting the wellbeing of staff
 - ensuring policies are written in plain language, adhere to current legislation and are accessible to all
 - ensuring key policies are subject to a rigorous equality impact assessment
 - ensuring a flexible approach to working practices
 - continuing to monitor against the Audit Scotland equal pay statement and ensure reward strategies are fair
 - encouraging staff to disclose personal information to improve the extent of workforce information
 - looking at ways to attract those from under-represented groups
 - continuing to monitor recruitment and selection processes and implement improvements in response to feedback.
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Introduction

Background

1. Under the [Equality Act 2010 \(Specific Duties\) \(Scotland\) Regulations 2012](#), Audit Scotland and the Accounts Commission for Scotland are both listed as public bodies which must adhere to those regulations. Audit Scotland is a statutory body that carries out audits and investigations for the Auditor General for Scotland and the Accounts Commission. This report has been prepared to cover the reporting obligations of both Audit Scotland and the Accounts Commission.

2. Audit Scotland's vision is to be a world class audit organisation that improves the use of public money. Embracing an open culture and embedding equality are important steps in making this vision a reality. Audit Scotland and the Accounts Commission are committed to equality of opportunity and to a culture that respects difference. As an employer, Audit Scotland wants all staff to feel valued and to be treated fairly. In addition audit work can be designed to highlight where Scottish public bodies can improve their practices and help reduce inequality.

3. The Equality Act 2010 covers nine protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief; gender and sexual orientation. The public sector equality duty came into force across the United Kingdom in April 2011 and applies to all the bodies the two organisations audit. This introduced a general duty that public bodies should have due regard, when carrying out their activities – in shaping policy, in delivering services and in relation to their own employees – to the need to:

- eliminate discrimination, harassment, victimisation or any other prohibited conduct
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

4. A number of specific duties underpin the general duty, including the development of equality outcomes. An equality outcome is a high-level, strategic goal that aims to drive an organisation's development as a body that genuinely values equality and diversity. Outcomes are the changes that result for individuals, communities, organisations or society as a consequence of the action organisations have taken.¹ In the next section of this paper, the refreshed equality outcomes are outlined, as are the plans to deliver them.

The role of the Auditor General and the Accounts Commission

5. Over 220 public bodies in Scotland spend over £40 billion of public money each year. This includes the Scottish Government, councils, NHS boards and a wide variety of other public organisations. The role of the Auditor General for Scotland and the Accounts Commission is to help make sure that public money is spent

¹ *Equality Outcomes and the Public Sector Equality Duty: A Guide for Public Authorities, Scotland*, Equality and Human Rights Commission Scotland, July 2016.

properly, efficiently and effectively. The Auditor General is independent, reports to the Scottish Parliament and is the accountable officer for Audit Scotland. The Accounts Commission is independent of local authorities and of government and can make reports and recommendations to Scottish ministers. Audit Scotland provides the Auditor General and the Accounts Commission with the services they need to carry out their duties.

6. Audit Scotland carries out a wide range of work on behalf of the Auditor General and the Accounts Commission. This includes:

- annual audits in individual public bodies of their annual accounts and supporting financial transactions. There are also audits to review and report on the arrangements within public bodies to manage their performance and use of resources
- preparing public reports which highlight significant issues arising from the annual audits
- audits of Best Value in local authorities which focus on the arrangements in place for ensuring sound governance, good management and public reporting on performance
- national performance audits which examine whether organisations are providing value for money in the delivery of public services
- managing the national fraud initiative which brings together auditors and public bodies to identify public sector fraud and error
- auditing housing benefits services.

7. The role that Audit Scotland has, and the work it undertakes across the Scottish public sector, allows Audit Scotland to encourage and promote equality in public services and organisations. Audit Scotland can also highlight where improvement is needed in meeting the general duty. This requires auditors to: understand the diversity of the Scottish population; reflect this in their audits of how public money is being used and highlight where equality may be at risk because of the current financial climate.

8. You can find more information about the roles of the Auditor General, Accounts Commission and Audit Scotland on the website www.audit-scotland.gov.uk. The website has a range of information about the Audit Scotland approach to improving equality including equality mainstreaming reports, an equal pay statement and equality impact assessments.

Equality outcomes

9. Audit Scotland's [Corporate Plan 2015-18](#) (May 2015) sets out key priorities and highlights that a strategic improvement programme has been developed which has three main objectives:



10. Promoting, encouraging and embedding equality is an intrinsic part of building a better organisation.

11. To develop the refreshed equality outcomes and ensure that they are meaningful to staff and become embedded in how they work, range of activities was carried out. This included examining a range of information such as staffing and pay statistics, and recruitment and promotion results. Summaries of those results are available in the [Equality outcomes and mainstreaming: Progress report 2015-17](#) (April 2017). The results of the Audit Scotland latest [Equal pay review 2016](#) (February 2017) are on the Audit Scotland [website](#).

12. During 2016, Audit Scotland's Diversity and Equality Steering Group (DESG) gave presentations to staff in each business group to help raise awareness of the public sector equality duty. This was a great opportunity for staff to provide feedback on how they think Audit Scotland is addressing equality as an employer and in the work undertaken, and where they think more can be done. In addition, each of Audit Scotland's four business groups (Audit Services, Performance Audit & Best Value (PABV), Audit Strategy and Corporate Services) developed its own diversity and equality action plan for 2016/17 which were presented to and monitored by the DESG during the year.

13. An Equality and Human Rights Advisory Group (EHRAG) has been established, comprised of people from a range of external stakeholder organisations that represent all of the protected characteristics to help shape the approach to equality in audit work ([page 8](#)).

14. More specifically, the objectives for the group are to help auditors consider:

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

15. 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.

The Equality and Human Rights Advisory Group is comprised of representatives from a range of equality organisations



[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.

16. The Audit Scotland annual staff survey highlights areas that staff think the organisation is doing well and where it can do more.² While not explicitly related to equality issues and the protected characteristics, the results point to areas where changes in culture and the way things are done can have a positive effect on people's experiences at work.

17. This annual survey is helpful in identifying what is important to the people working in Audit Scotland and highlighting areas for improvement.

18. During 2016/17, a short life working group was established as a sub-group of the DESG in order to review and refresh the existing equality outcomes.

19. The working group reviewed existing equality outcomes, taking into consideration relevant legislation and guidance including:

- Equality and Human Rights Commission (EHRC) Scotland publications:
 - [Improving Equality Outcomes Project Report](#) (March 2015)
 - [Measuring Up? Report 4: Performance - a report of public authorities performance in meeting the Scottish Specific Equality Duties](#) (September 2015)
 - [Measuring Up? Report 4: Practice - a report of public authorities practice in meeting the Scottish Specific Equality Duties](#) (September 2015)
 - [Equality Outcomes and the Public Sector Equality Duty: A guide for public authorities in Scotland](#) (July 2016).
- A review of selected Scottish public bodies' equality outcomes
- The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

20. The group also engaged with EHRAG members and commissioned an external consultant to review the existing equality outcomes and provide advice in light of recent guidance relating to setting and updating equality outcomes.

21. This has led to the development of two revised equality outcomes for Audit Scotland and the Accounts Commission. Previously there were three equality outcomes, but as a result of the review, equality outcomes two and three, both of which related to our workforce, were merged and refreshed. The rest of this section sets out what these are, what they are intended to improve, and the plans to demonstrate progress in achieving these outcomes. The outcomes apply to all the protected characteristics.

Equality outcome 1: Audit work reflects how public services meet the diverse needs of all citizens and communities

Why this outcome was agreed

22. A wide range of audit activity is carried out and it covers a significant number of public bodies in Scotland. Many of these organisations provide services directly to the public. This means they should make sure that their services meet the needs of the individuals who make up Scotland's diverse population. Auditors therefore need to:

- analyse data about the profile of the Scottish population and the people who use public services

² The latest staff survey was in October and November 2016. The response rate was 74 per cent (210 staff out of 284).

- gather evidence about how public bodies are delivering services
- examine how public bodies consider the needs of different groups using these services when planning and organising services.

23. Audit staff need to be sensitive to the diverse needs of stakeholders when carrying out audit work; recommendations can potentially lead to change in practices in public bodies.

24. Arrangements are already in place to take account of equality in annual audits, Best Value audits and performance audits. Staff feedback highlighted that one cannot be complacent and that there was room to improve how equality issues within public bodies are examined and reported on. Equality groups also see Audit Scotland and the Accounts Commission as potentially powerful voices in promoting and encouraging equality, and highlighting organisations and services where improvement is needed.

25. The EHRAG, comprising people from a range of stakeholder organisations representing the protected characteristics, are helping shape the approach to equality in audit work. In 2016 EHRAG members reviewed the proposed performance audit work programme for the next two years, identifying potential equality issues. During 2017 EHRAG members will review the remainder of the proposed future performance audit work programme. In addition, auditors will refer to the equality evidence data published by the Scottish Government by policy area and protected characteristics, where appropriate, as part of their audit work.³

26. Equality prompts have been developed to ensure equality is considered at the appraisal and scoping stage of each performance audit. PABV staff will also seek feedback on the inclusion of equality issues at the audit review stage. This approach will be subject to evaluation.

27. Audits of public bodies in Scotland are undertaken by Audit Scotland's Audit Services staff or by private firms. Every five years audit appointments are made by the Accounts Commission (for local government) and the Auditor General for Scotland (for other sectors). An audit procurement exercise was undertaken by Audit Scotland in 2015/16 covering the five year period 2016-2021, providing the Accounts Commission and the Auditor General with high quality, cost effective auditors. As part of this exercise, the Scottish Government EU tender template was used and included questions for audit providers requesting disclosure of any finding of unlawful discrimination or complaint upheld following a formal investigation by the EHRC or its predecessors on grounds or alleged unlawful discrimination. Appointed auditors were issued with letters of audit appointment which require auditors to avoid unlawful discrimination on the grounds of gender, race, sexual orientation, disability, religion or belief, age or other grounds.

The Audit Scotland Quality Framework is currently being revised to support delivery of a high quality audit service, supported by evidence and providing confidence to all stakeholders on the work of public sector audit in Scotland. Consideration will be given to whether the scope of such a framework should assess how well Equality outcome 1 is evidenced in audit work.

³ Equality evidence data can be found on the Scottish Government website at www.gov.scot/Topics/People/Equality/Equalities

What this will look like and how this is demonstrated

Outcome 1: Audit work reflects how public services meet the diverse needs of all citizens and communities

What this will look like	How this will be done	How this is demonstrated
Use feedback from stakeholders on how to reflect equality and diversity in audit work which is carried out by staff sensitive to the diverse needs of stakeholders	<ul style="list-style-type: none"> Engage with EHRAG members and stakeholders on regular basis about the future performance audit work programme Consult with EHRAG members on performance audits which have a focus on equality issues 	<ul style="list-style-type: none"> Record of engagement with EHRAG members and stakeholders about the future performance audit work programme Record of engagement with EHRAG members in post-project reviews of performance audits Obtain feedback from EHRAG members about how well the needs of protected groups have been addressed Produce an EIA for the future performance audit work programme
Use data analysis to inform audit work and help understand who uses public services	<ul style="list-style-type: none"> Analyse data about how different groups are using public services and how public bodies are using public money to reduce inequality 	<ul style="list-style-type: none"> Audit reports will comment on how public money is being used to help reduce inequality
Audit work programmes to incorporate equality and diversity issues in a way which is consistent with our audit duties	<ul style="list-style-type: none"> Local Area Networks (LANs) will consider whether any equality issues have been identified as part of the annual Shared Risk Assessment (SRA) process The revised approach to auditing Best Value in local government bodies includes an equal opportunities audit programme which will be applied where considered appropriate 	<ul style="list-style-type: none"> Annual review of the draft council Local Scrutiny Plans and evidence templates Annual audit reports provide comment on audited bodies' compliance with reporting in line with the Act Where included within the scope of a Best Value audit, it will be duly reported
Publish all information and reports in formats that are accessible to all	<ul style="list-style-type: none"> Continue to keep up-to-date with developments around sharing information in an accessible way 	<ul style="list-style-type: none"> Accreditation with accessibility organisations
Report all audit findings in a style that reflects the audience	<ul style="list-style-type: none"> Review all audit findings before annual audit reports are issued as part of current internal quality review processes Use an editor function to ensure audit reports are written in plain language 	<ul style="list-style-type: none"> Client feedback on annual audits monitored as part of the quality review process and through annual impact reports Positive feedback from readers about clarity of audit reports
Report on diversity and equality issues where appropriate	<ul style="list-style-type: none"> The revised approach to auditing Best Value in local government bodies includes an equal opportunities audit programme which will be applied where considered 	<ul style="list-style-type: none"> Where included within the scope of a Best Value audit, it will be duly reported Annual audit reports provide comment on audited bodies'

What this will look like	How this will be done	How this is demonstrated
	<p>appropriate</p> <ul style="list-style-type: none"> The LANs will consider whether any equality issues have been identified as part of the annual SRA process Seek views from EHRAG members when developing performance audits that cover equality issues 	<p>progress in relation to mainstreaming equality</p> <ul style="list-style-type: none"> Annual review of the draft council LSPs and evidence templates Positive feedback from EHRAG members about how equality issues have been covered in performance audits
<p>Support other public bodies in their scrutiny of diversity and equality</p>	<ul style="list-style-type: none"> Review the findings of EHRC Scotland work in relation to how public authorities in Scotland have responded to the requirements of the Equality Act 2010. 	<ul style="list-style-type: none"> The LANs will consider the results of this work as part of the SRA process Review the results of this work for central government, local government and health bodies and consider whether specific work on equality should be proposed for the performance audit programme

Equality outcome 2: Audit Scotland promotes, understands and supports a diverse and inclusive workforce

Why this outcome was agreed

28. Audit Scotland wants to continue to widen engagement on this topic with staff, and to encourage more staff with protected characteristics to get involved. This is important to make sure that their needs are being met. Where appropriate action will be taken following the annual staff survey.

29. It is important to understand the profile of Audit Scotland's 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 (290 headcount at December 2016), Audit Scotland works hard at this and also recognises that size limits some actions and some levels of data analysis.

30. Although Audit Scotland's workforce is largely reflective of the Scottish population, with certain exceptions, it aims to make it more reflective by addressing those areas where there is lower representation, e.g. disability and the 16-24 year old age group. Action has been taken to address this, including establishing a modern apprentice role and introducing a school leaver scheme for individuals to train towards the Association of Accounting Technicians (AAT) qualification. In addition, the Disability Confident Employer 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. In recent years, other media, e.g. Twitter and Facebook, has been increasingly adopted to promote communication to a wider audience.

31. There has been an increase in the number of staff disclosing information about their protected characteristics but it would be helpful for this to be more complete.

32. This equality outcome links to one of Audit Scotland's three strategic objectives of building a better organisation. Building a better organisation is a corporate programme which aims to change the way people work together, internally and externally. The main focus of the programme is to ensure staff actively participate in identifying and creating ways of working that will make life easier, more

enjoyable and deliver quality results for themselves, the audited bodies, stakeholders and ultimately the people of Scotland.

33. A new approach to how and where we work was recently introduced – Time, Place and Travel (TPT). The approach creates greater choice for individuals to consider when and where to work ensuring audit work can be done efficiently and effectively. This should improve productivity and deliver greater impact in audit work, while simultaneously improving work-life balance.

34. The Audit Scotland approach to career and reward was recently reviewed leading to a revised reward system being introduced from April 2017. Staff and trade union representatives were widely consulted. The new reward system is deemed to be workable, fair for all, affordable and in line with the culture of Audit Scotland.

35. This equality outcome was agreed as it reflects and encapsulates the changes recently made as well as the continued efforts to make Audit Scotland not only world class but a fair and diverse organisation.

What this will look like and how this is demonstrated

Outcome 2: Audit Scotland promotes, understands and supports a diverse and inclusive workforce

What this will look like	How this will be done	How this is demonstrated
Staff feel valued and are treated with equity and fairness	<ul style="list-style-type: none"> Staff participation in the building a better organisation corporate programme Continue annual staff survey 	<ul style="list-style-type: none"> Improvement in staff survey results on Personal Growth and Fair Deal
Staff feedback on how to support diversity and equality is embedded in how things are done	<ul style="list-style-type: none"> Hold events with staff to seek their views on equality issues, e.g. lunchtime seminars with invited speakers, workshops to discuss equality issues and equality presentations at team meetings Consider conducting a survey of staff which focuses on equality 	<ul style="list-style-type: none"> Reports on feedback from staff events/survey
Staff feel that their wellbeing is a priority for Audit Scotland	<ul style="list-style-type: none"> Staff participation in the building a better organisation corporate programme Continue annual staff survey Conduct annual health checks with the occupational health provider Offer free, fully confidential counselling sessions for staff 	<ul style="list-style-type: none"> Improvement in staff survey results on Wellbeing
Staff recognise that policies are written in plain language, adhere to current legislation and are accessible to all	<ul style="list-style-type: none"> Carry out EIAs on new or significantly revised policies Seek views from EHRAG members when developing EIAs Ensure training is available for staff on writing in plain language 	<ul style="list-style-type: none"> Programme of completed EIAs reviewed by the DESG and published on website Relevant EIAs reviewed by EHRAG members as appropriate
There is a rigorous process for conducting EIAs when	<ul style="list-style-type: none"> Ensure staff are aware of the updated guidance to be used 	<ul style="list-style-type: none"> Programme of completed EIAs reviewed by the DESG

What this will look like	How this will be done	How this is demonstrated
new policies are introduced or existing policies are updated.	<p>when conducting EIAs</p> <ul style="list-style-type: none"> • Ensure staff are aware of the 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 updated guidance 	<p>published on website</p> <ul style="list-style-type: none"> • Relevant EIAs reviewed by EHRAG members as appropriate • Positive feedback from staff about the updated guidance
A flexible approach to working practices operates	<ul style="list-style-type: none"> • Monitoring of uptake and refusal of flexible working arrangements • Seek feedback from staff on how TPT is working for them • Continue annual staff survey 	<ul style="list-style-type: none"> • Annual review of flexible working arrangements • Mid-year review of TPT approach based on staff feedback • Improvement in staff survey results on Wellbeing
The reward system is fair and the gender pay gap and equal pay review results confirm this	<ul style="list-style-type: none"> • Carry out and publish results of gender pay gap and equal pay review • Continue annual staff survey 	<ul style="list-style-type: none"> • Annual review of results of gender pay gap and equal pay review • Improvement in staff survey results on Fair Deal
Information on workforce to be improved by encouraging staff to disclose personal information	<ul style="list-style-type: none"> • Continue to encourage staff to record, confidentially, information about protected characteristics • Analyse and monitor workforce statistics to identify any under-represented groups in workforce and record in annual progress report 	<ul style="list-style-type: none"> • Increase in number of staff recording information about protected characteristics • More comprehensive information is available about staff profile • Report reviewed by DESG and conclusions and areas for improvement recorded and monitored by DESG
Increase the number of job applications from people in under-represented groups	<ul style="list-style-type: none"> • Improve engagement with equality groups representing all protected characteristics and seek views about how people from under-represented groups may be attracted to work with Audit Scotland (particularly people with a disability) • Examine ways to encourage greater awareness about Audit Scotland among people with protected characteristics 	<ul style="list-style-type: none"> • Increase in under-represented groups applying, being shortlisted and getting appointed (particularly people with a disability)
Improve recruitment and selection processes and in response to feedback	<ul style="list-style-type: none"> • Continue to gather and report on statistics relating to applicants, shortlisted candidates and successful candidates 	<ul style="list-style-type: none"> • Review report on workforce statistics and highlight areas for investigation • Increase in under-represented groups applying, being shortlisted and getting appointed (particularly people with a disability)

How progress will be reported

36. The Diversity and Equality Steering Group will monitor the work being done in each business group to help achieve the equality outcomes. On an annual basis, the Steering Group will review outcomes and consider whether they are still fit for purpose. Any proposals for change will be included in the annual progress report to Management Team.


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2017-19

This report is available in PDF and RTF formats, along with a podcast summary at:

www.audit-scotland.gov.uk 

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500

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ISBN 978 1 911494 20 1

This publication is printed on 100% recycled, uncoated paper