

Equality Impact Assessment

Date of the assessment

May - August 2022

Name of policy or procedure

Auditor General and Accounts Commission joint work programme 2022-23 and 2023-24

What does this policy or procedure aim to achieve?

The [joint work programme](#) outlines what audit work we plan to deliver during the 2022/23 and 2023/24 financial years on behalf of the Auditor General for Scotland (AGS) and the Accounts Commission. It also considers longer term work programme proposals for 2024/25. The AGS and the Accounts Commission are committed to ensuring public audit plays a role in tackling inequality and protecting human rights.

Interconnected themes

The work programme outlines audit work that supports scrutiny across five interconnected themes:

- Economic recovery and growth - How public money is being used to support economic recovery and the renewal of public services
 - Governance and accountability - How public bodies are ensuring proper and effective use of public money across the public sector and within individual bodies
 - Inequalities and human rights - How Covid-19 is impacting on different groups in society, focusing on the risk of deepening existing inequalities. Helping ensure public bodies address inequalities and protect human rights, recognising the multiple ways people experience disadvantage and poorer outcomes.
 - Policy priorities and commitments - Progress on key policy commitments. Public services' ability to deliver on long-term strategic priorities and outcomes
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- Innovation and transformation - how public bodies are learning through continuous improvement, innovation and by transforming public services

The programme includes the full range of audit products we will deliver including:

- Performance audits and overview reports
- Best Value Assurance Reports
- Annual Audit Reports
- A range of other products such as briefings, blogs, summary reports and roundtables.

Principles

The programme sets out five over-arching principles that guide our planning and delivery:

- Providing assurance and driving improvement - We will use our unique local and national perspective to provide assurance about how Scotland's public services are responding to Covid-19. We will aim to provide insight and learning, and drive improvement, innovation and transformational change as Scotland moves towards recovery and renewal.
- Taking a person-centred approach - Where possible and appropriate, we will capture the needs and concerns of the people who use public services through our audit work.
- Integrating cross cutting issues - We will integrate thinking on issues that cut across policy areas and have an impact on citizens and service users throughout our audit work. For example: prevention, digital, inequality and human rights, climate change, community engagement
- Taking a risk-based and proportionate approach - We recognise the potential impact of audit work on people working in public services who are still responding to Covid-19. We will ensure our audit response is proportionate and risk-based, and that audited bodies have clear advance notice of any planned work.
- Being flexible and agile - We will adapt our work programme as new issues emerge or risks change. We will use a range of approaches to report our audit work.

Developing the work programme

We support the AGS and the Accounts Commission to review the work programme on a quarterly basis to ensure it responds to changing circumstances and emerging risks and issues. To do this we have intelligence gathering and monitoring approaches in place that help us take a strategic view of risks and issues facing the Scottish public sector. Our current analysis is [available on our website](#). One of the strategic risks and issues we have identified is inequalities, including:

- There is still a massive amount of progress to be made to reduce inequalities in wealth, but also health and wellbeing and education. These inequalities affect different groups (including women and girls, BAME people, older people, disabled people) in complex and interacting ways.
- There are profound geographical inequalities both across Scotland and within small areas. Demographic changes (the aging population and shift of population from some parts of Scotland to others) may alter these patterns.

Through our policy clusters¹ we monitor developments, identify risks and propose appropriate audit responses to issues relevant to each cluster's policy coverage. We then discuss these audit responses with the AGS and the Accounts Commission and agree which audit products to deliver.

Embedding equalities in our audit work

Audit Management Framework (Performance audits and overview reports)

Performance audits and overview reports identified in the work programme will be carried out by auditors following Audit Scotland's Audit Management Framework (AMF). The AMF sets out the key steps auditors need to follow at each stage of an audit (planning, evidence, reporting, and post-publication) and contains guidance and advice, including for the consideration of equality issues.

The AMF requires auditors to identify relevant equality issues when scoping and carrying out national performance audits. The framework includes a series of prompts ensuring auditors consider equalities at key stages of the audit, from planning through to post-publication. At the end of the scoping stage auditors are required to produce an 'equalities scoping considerations note' which explains how equalities issues have been considered to this point, and the likely impact of this on the audit's design and delivery.

We have recently updated the AMF (for both performance audits and overviews) to integrate HER considerations into all stages of our audit work. As part of this, we have developed a new [Equalities and Human Rights Audit Guide](#) and updated the [Equalities and Human Rights scoping note](#).

Best value reports

Best Value reports are carried out by auditors following the Local Government Audit Manual. The second part of the manual sets out guidance on the audit assessment of the Best Value themes, one of which is 'fairness and equality'. The manual includes a series of prompts to ensure auditors consider equality issues, as well as outlining how things will look when they are working well. The prompts are grouped under three judgements that auditors are required to make regarding equal opportunities and fairness (the commitment of the council; the extent of embedment; and the extent of promotion).

From 2022/23 BV work in councils will be fully integrated with the annual audit and reported in Annual Audit Reports (AARs), including risk-based, follow up and thematic BV work. This includes the following:

¹ Health, Care and Communities (HCC), Justice, Education, Lifelong Learning and Equalities (JELLE), Public Finances, Investment, Economic impact and Environment (PIEE).

- AARs for each council will be reviewed by the Commission at least once over the five-year audit appointment to provide the Commission with assurance on BV in each individual council.
- The focus of auditors' annual thematic work will be determined by the Commission based on proposals set out in the Controller of Audit's annual assurance and risks report. The agreed focus will be included in the annual planning guidance each year. For the 2022/23 audits thematic work will focus on the extent to which council's address community priorities and inequalities in developing their new plans. This report will publish by summer 2024.

Annual Audit Reports

ISA 250A & Practice Note 10 requires auditors to consider a body's compliance with laws and regulations where non-compliance could have a direct impact on the audit opinion, or where there could be an indirect but material impact on the accounts. An example given is the impact on the accounts of liabilities from legal claims relating to equal pay legislation. Auditors have reported on equal pay issues in annual audit reports over a number of years and continue to do so. However, the scope of this work does not include a detailed review of a body's compliance with equality legislation.

Audit Services Group has guidance for considering equalities in their annual audit reports. The guidance asks two main questions:

- How does the entity demonstrate its compliance with the Equality Act?
- How does the entity advance equalities internally and externally?

Under the questions there are a series of prompts to aid the auditor and a link to the Scottish Human Rights Commission's resource on equalities and human rights impact assessments. This guidance is a standalone document that sits separately from annual planning guidance. It is not clear that answers to the above questions consistently influence the annual audit reports of public bodies.

Other outputs

In addition to the above report types, we are making more use of briefing papers, summary reports, blogs and roundtables. While there is some principles-based guidance already available for these outputs, and more guidance planned, consideration of equality issues is not yet covered. This is being addressed in the project to update the AMF equality guidance, as referenced above.

Evidence and potential impacts

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
General	<p>The themes and topics in the work programme are wide ranging and cover the whole of public services in Scotland. This means our audit work has the potential to effect people who share all nine characteristics protected under the Equality Act 2010 as well as people who experience socio-economic disadvantage. It also has the potential to deliver against the key requirements of the Public Sector Equality Duty:</p> <ul style="list-style-type: none"> • Eliminate discrimination, harassment and victimisation • Advance equality of opportunity • Foster good relations <p>We see the work programme as the key vehicle for delivering on our equality outcome (shared with the Accounts Commission) to support the public sector to address inequalities related to protected characteristics and socio-economic disadvantage, and to protect human rights.</p> <p>When we say ‘potential impact’ below we mean that the piece of work has the potential to impact positively by, for example:</p> <ul style="list-style-type: none"> • Raising awareness of particular issues • Highlighting where inequalities exist • Making recommendations for improvement <p>Examples of the equality impact of our work so far this year include:</p> <ul style="list-style-type: none"> • Additional support for learning – the gap between ambition and reality for our children (Accounts Commission blog) <p>The blog reported on the increasing numbers of children and young people in Scotland’s publicly funded schools who need additional support for learning. It highlighted the difficulties that children, young people and their families can face in accessing appropriate support, and the disproportionate impact of</p>	

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
	<p>Covid on individuals who have disabilities and complex needs. The coverage the blog received from both social and print media shows that it successfully raised awareness of these issues and challenges.</p> <p><i>Likely impact on the following protected characteristics: age; disability; socio-economic disadvantage</i></p> <ul style="list-style-type: none"> • Scotland’s Colleges 2022 (Auditor General for Scotland briefing) <p>The Scotland’s Colleges 2022 report raised awareness of the poorer outcomes experienced by socially disadvantaged and vulnerable students who, for example, were less likely to successfully complete their course than their peers. It reported that while Covid-19 had a detrimental impact in general on learning and student outcomes, this impact has varied across different groups of students, exacerbating existing inequalities.</p> <p><i>Likely impact on the following protected characteristics: age; disability; race; socio-economic disadvantage</i></p>	
Age	<ul style="list-style-type: none"> • The increase in the population of older age groups has been much higher than younger age groups over the last 20 years. The population aged 0 to 15 years has seen the largest percentage decrease due to fewer births every year since 2009. • Scotland is ageing faster than the rest of the UK and trends suggest we will continue to get older as a country, with rural and island populations doing so to a greater extent <p>Source: National Records Scotland (NRS)</p> <ul style="list-style-type: none"> • 77.1% of social care recipients are aged 65 or older • 1 in 4 children in Scotland are living in poverty • 38% of children in lone parent households live in poverty 	<p>The following audit work has the potential to have a positive impact on people from different age groups:</p> <ul style="list-style-type: none"> • NHS in Scotland 2022: Scottish Government’s NHS Recovery Plan • Adult mental health (Performance audit) • Early learning and childcare follow-up (Performance audit) • Digital exclusion and connectivity (Performance audit) • Drugs and alcohol services (Performance audit) • Longer-term planned performance audit work on child poverty into 2024-25

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
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- 29% of children with a disabled family member are in poverty

Disability	<ul style="list-style-type: none"> • In November 2016, 8% of adults aged 16-64 years in Scotland were classed as unable to work due to illness/disability and in receipt of Employment and Support Allowance (this amounted to 270,970 people). • In 2019, it was estimated that 26% of adults (aged 16 years and over) in Scotland had a limiting long-term physical or mental health condition or illness, while 8% of adults self-rated their health as 'bad' or 'very bad'. • The proportion of adults rating their health as 'bad' or 'very bad', or reporting a limiting long-term health condition or illness, increases as area deprivation increases. <p>Source: Scottish Public Health Observatory (ScotPHO)</p> <p>In 2019, there were 23,584 adults with learning disabilities known to local authorities across Scotland.</p> <ul style="list-style-type: none"> • This equates to 5.2 people per 1000 people in the general population. • There were 14,584 people (61.8% of all adults) known to local authorities living in mainstream accommodation. • A further 3,466 (14.7% of all adults) lived in supported accommodation. 	<p>The following audit work has the potential to have a positive impact on people with a disability:</p> <ul style="list-style-type: none"> • NHS in Scotland 2022: Scottish Government's NHS Recovery Plan • Resourcing the benefit service: thematic study • Adult mental health (Performance audit) • Digital exclusion and connectivity (Performance audit)
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	<ul style="list-style-type: none"> • Just under a third of adults with learning disabilities (7,393; 31.3%) known to local authorities live with a family carer. • The life expectancy of people with learning disabilities is substantially shorter than the Scottish average. • Of those adults who lived with a family carer, 5,733 (77.5%) lived with a parent carer. <p>Source: Scottish Commission for People with Learning Disabilities (SCLD): Learning Disability Statistics Scotland, 2019</p>	
<p>Gender reassignment</p>	<p>As of May 2018, around 0.5% of the population of Scotland (24,000 people) were estimated to be transgender.</p> <p>Tran's people suffer disproportionately from mental health conditions. A systematic review concluded that they were twice as likely as the general population to take their own lives, and that a lack of access to health care places particular pressure on trans communities.</p> <p>Source: Scottish Public Health Network (ScotPHN); Health Care Needs Assessment of Gender Identity Services</p>	<p>The following audit work has the potential to have a positive impact on transgender people:</p> <ul style="list-style-type: none"> • Adult mental health (Performance audit)
<p>Pregnancy and maternity</p>	<ul style="list-style-type: none"> • In 2019 there were 49,863 live births recorded across Scotland, slightly fewer than in 2018. 	<p>The following audit work has the potential to have a positive impact on women experiencing pregnancy and maternity:</p> <ul style="list-style-type: none"> • Adult mental health (Performance audit)

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
	<ul style="list-style-type: none"> • The fertility rate in 2019 was 48 births per 1,000 women of child-bearing age. This has fallen from 86 births per 1,000 women in 1971. • Fertility rates in Scotland increased from the lowest level recorded (48 births per 1,000 women) in 2002 to a new peak of 56 per 1,000 in 2008. Since then the fertility rate has declined again, steadily between 2008 and 2014 and much more steeply since then. • In Scotland, as in many other western European countries, many women are having children later: the mean average age of mothers increased from 27 years in 1991 to 31 years in 2018. <p>Source: ScotPHO</p> <p>There are a number of areas where there is a substantial cohort of women of child-bearing age, with many of this group likely to experience pregnancy and maternity. This includes:</p> <ul style="list-style-type: none"> • People accessing social care • Unpaid carers • Social care workers <p>Source: Scottish Government: National Care Service - adult social care: equality evidence review</p>	<ul style="list-style-type: none"> • Sustainable alternatives to custody (Performance audit)
Race	<ul style="list-style-type: none"> • Scotland's population was 96.0% white, a decrease of 2.0% from 2001 • 91.8% of people identified as 'White: Scottish' or 'White: Other British' 	<p>The following audit work has the potential to have a positive impact on people from black and other minority ethnic groups:</p>

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
	<ul style="list-style-type: none"> 4.2% of people identified as Polish, Irish, Gypsy/Traveller or 'White: Other' The population in Asian, African, Caribbean or Black, Mixed or Other ethnic groups doubled to 4% <p>Source: 2011 census</p>	<ul style="list-style-type: none"> Adult mental health (Performance audit) Scotland's Colleges 2023 Longer-term planned performance audit work on child poverty into 2024-25
Religion or belief	<ul style="list-style-type: none"> Scotland became a less religious country in the decade to 2011. Almost two fifths of the population (2 million people) stated they had no religion in 2011, an increase of over half a million people from 2001. The proportion of the population who identified as 'Church of Scotland' fell from 42 to 32 per cent, whereas the proportion who were 'Roman Catholic' stayed the same at 16 per cent. There were increases in the number of people recording non-Christian denominations, with the next largest religious group, 'Muslim', increasing by 80 per cent to 77,000 people. <p>Source: 2011 census</p>	
Sex	<p>In the 2011 census:</p> <ul style="list-style-type: none"> Women outnumbered men by about 150,000. There were 2,728,000 women in Scotland and 2,567,400 men. Women outnumbered men in all council areas except for the Shetland Islands. 	<p>The following planned pieces of work have the potential to have a positive impact on women:</p> <ul style="list-style-type: none"> Criminal courts backlog (Performance audit) Early learning and childcare follow-up (Performance audit)

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
	<p>Scotland's Gender Equality Index 2020 sets a baseline against which Scotland will be able to measure its future progress towards gender equality. It is designed to represent gender equality numerically, with a score of one indicating no gender equality and a score of 100 indicating full gender equality. Scotland's baseline score for 2020 is 73, which indicates there is some way to go before full gender equality is reached.</p> <p>This first release of Scotland's index provides an indication of how close Scotland is to full gender equality across a number of key areas of life for women and men in Scotland, including:</p> <ul style="list-style-type: none"> • Work – 76 • Money – 85 • Time – 84 • Knowledge – 78 • Power – 44 • Health – 99 <p>Women are over-represented among:</p> <ul style="list-style-type: none"> • people who receive social care services (61.5% of social care recipients) • long stay care home residents (68%) • social care workers (83% of social care workers), • unpaid carers (59% of unpaid carers). 	<ul style="list-style-type: none"> • Sustainable alternatives to custody (Performance audit) • Longer-term planned performance audit work on child poverty into 2024-25

Protected characteristic*	Please summarise the evidence you considered	What is the potential impact (positive, neutral and negative) on people who share the characteristic?
Sexual orientation	<p>Source: Scottish Government: National Care Service: equality impact assessment</p> <p>In 2019, 2.7% of adults in Scotland self-identified as lesbian, gay, bisexual or other</p> <p>Mental wellbeing is lower among LGB people in Scotland, compared to those who identify as heterosexual.</p> <p>Source: ScotPHO</p>	<p>The following planned pieces of work have the potential to have a positive impact on LGB people:</p> <ul style="list-style-type: none"> • Adult mental health (Performance audit)
Socio-economic disadvantage	<p>The death rate from all causes in the most deprived areas of Scotland was 1.9 times the death rate in the least deprived areas.</p> <p>The death rates for drug-related deaths (18.4 times as large), alcohol-specific deaths (4.3 times as large), suicides (3.0 times as large) and COVID-19 (2.4 times as large) were all notably higher in the most deprived areas.</p> <p>People in more deprived areas can also expect far fewer years in good health. There is a 20+ year gap in healthy life expectancy between people in the least and most deprived areas.</p> <p>Source: Scotland’s Population 2020 – The Registrar General’s Annual Review of Demographic Trends</p>	<p>The following planned pieces of work have the potential to have a positive impact on people experiencing socio-economic disadvantage:</p> <ul style="list-style-type: none"> • Resourcing the benefit service: thematic study • Adult mental health (Performance audit) • Digital exclusion and connectivity (Performance audit) • Data gaps roundtable and follow-up product • Drugs and alcohol services (Performance audit) • Early learning and childcare follow-up (Performance audit) • Challenges and performance LGO 2023 • Sustainable alternatives to custody

* We have not assessed this policy against evidence for marriage and civil partnerships. The public sector equality duty only covers this characteristic with regard to eliminating unlawful discrimination in employment, which is not relevant to the work programme.

Did you need to obtain further information? If yes, how did you do that?

In January and February 2022 the Accounts Commission consulted over 100 stakeholders on the work programme. Stakeholders included council chief executives, chief officers from Integration Authorities, members of the Strategic Scrutiny Group and third sector representatives. They received 25 responses comprising 16 councils, two Integration Authorities and five other representative bodies including SOLACE Scotland, the Improvement Service and the Scottish Government's department for local government and analytical services. This section summarises the responses they received related to equalities:

- Nine respondents explicitly supported the Commission's priority on inequalities and noted the intersectionality across multiple areas of the work programme.
 - Two respondents questioned why there was no explicit mention of food and fuel poverty. They note that these are key risks for local government, with anticipated impacts on tax and rent arrears as well as increased demand for welfare and support services.
 - One respondent suggested that it would be useful to reflect how inequality is being challenged across all pieces of work. They note that if council services are not accessible to those who are most disadvantaged then the deep-rooted inequalities will never be tackled.
 - One respondent requested clarity on what is meant by a human rights-based approach
- Child poverty
 - Seven respondents supported this work, with one suggesting bringing it forward and one asking for details on the scope.
- Mental health
 - Five respondents supported this, with one suggesting that this should include consideration of children's mental health and another the mental health of prisoners.
- Digital exclusion
 - Supported by three respondents, with two expressing disappointment in its delay.
 - One respondent highlighted that digital transformation is a focus of many transformation plans but digital exclusion is a barrier to adoption of online services.
 - One respondent noted that this cuts across all four of the Commission's strategic priorities and is key to successful recovery (and growth) at an individual, local economy and national level.
- Children with additional support needs
 - Two respondents noted their support for the work on services in this area.

Our dynamic work programme is revised quarterly, and we engage with the Accounts Commission and the AGS on an ongoing basis to review and refresh it. As part of this we monitor commentary at AGS and Commission meetings and break it down by work programme theme. The following are key points from February 2021 to March 2022 related to equality:

- The Accounts Commission regularly challenges auditors to ensure equality features significantly in the work programme, with an emphasis on child poverty, child and adolescent mental health, inpatient mental health services in deprived areas, affordable housing, disabled people, and human rights considerations.
- The AGS has challenged Audit Scotland to define the audit angle around inequalities and determine how well public money is being spent to reduce inequality and deliver better outcomes for people in Scotland. The AGS is supportive of more focus on equalities in the work programme.
- The Fairer Scotland Duty and the United Nations Convention on the Rights of the Child being incorporated into Scots law were highlighted as requiring consideration in terms of their implications for our approach to equalities.

We plan to consult with the Scottish Parliament's Public Audit Committee and other subject committees on the work programme in early 2023. We will incorporate findings from this consultation into the next refresh of this EIA.

Action plan

What recommended steps should we take to improve the policy or procedure and monitor its equality impact?

Capture any action we plan to take to reduce negative impacts and maximise positive impacts. The policy owner should prioritise actions based on their expected impact on helping us deliver the general equality duty and their contribution to our equality outcomes. The EHRSG and People Focus Group can advise on this.

When developing the action plan, policy owners should consider how to maximise the positive impact of the policy or procedure on all people who share the protected characteristics, with the requirement to maximise the core outcomes of the policy or procedure. Actions should be strategic and proportionate.

The action plan should also include ways of monitoring the ongoing impact of the policy or procedure.

Action	Responsibility	Timeline
<p>Public audit's role in tackling inequalities</p> <p>More clearly define the audit angle for tackling inequalities alongside providing assurance on our audit dimensions (financial management, financial sustainability, governance and accountability and value for money). Ensure we carve out a role that is unique, adds value and focuses on reducing inequality and delivering better outcomes.</p>	<p>Carolyn / Jillian with the support of the EHRSG</p>	<p>August 2023</p>
<p>Guidance and professional support</p> <p>Complete review of AMF equalities guidance, equalities considerations scoping note template and equalities guidance for other audit products. Communicate these to staff and provide additional training where required on how to apply them in practice.</p>	<p>Professional Support team</p>	<p>Aug 2022 – Performance audit/overview guidance Dec 2022 – Other products/ updating methodology guide</p>

Guidance and professional support

Explore the possibility of revising and strengthening the guidance that supports financial auditors to embed equalities in their approach, including considering whether future guidance can be embedded in annual planning guidance.

Carolyn / Jillian / Michelle

Initial conversations early 2023

Parliamentary engagement

Engage directly with the Equality and Human Rights Committee to better understand their focus and explore how that might inform our approach to auditing inequalities and human rights.

Jillian / Carolyn

In progress - Ongoing

EHRAG engagement

Continue to engage with the EHRAG on specific audit work to help identify equalities implications and enhance the impact of our reports.

Audit teams

In progress - Ongoing

Service user engagement

Develop our approach to engaging with citizens and service users through our audit work and use this to better understand intersectionality and how it impacts on people's experiences of public services.

Carol Calder and Gemma Diamond

In progress - Ongoing

Ongoing monitoring

Continue to monitor how inequalities features across all our audit work and over time look at what this is telling us about how public services are tackling inequality and improving outcomes.

PABV business management team
EHRSG

In progress - Ongoing

Approval

Date of approval by Executive Team

13 December 2022

