Audit Scotland Race Equality Scheme

Introduction and Background to the Race Relations Amendment Act 2000

The Race Relations Act 1976 (as amended by the Race Relations (Amendment) Act 2000) places a general duty on a wide range of public authorities to promote racial equality. This duty means that in everything they do, those authorities should have due regard for the need to:

- Eliminate unlawful racial discrimination
- Promote equality of opportunity, and
- Promote good relations between people of different racial groups.

The duty aims to make the promotion of race equality central to the way public authorities work.

To help public authorities meet this general duty the Act gives them specific duties in relation to service delivery and employment policy.

Audit Scotland

Audit Scotland is a service delivery agency. It provides services to the Auditor General and the Accounts Commission for Scotland. Together, we ensure that the Scottish Executive and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public money.

Audit Scotland arranges the audit of nearly 200 bodies including:

- 13 Scottish Executive departments and executive agencies
- 39 NDPBs
- 52 NHS boards and trusts
- 42 further education colleges
- The water authority
- 32 councils
- 34 police, fire and other boards.

We do not deliver services directly to the public.

We carry out:

- Financial and regularity audits to help ensure that public bodies adhere to the highest standards of financial management and governance
- Performance audits to help ensure that these bodies achieve the best possible value for money.

Most of the audits are undertaken by Audit Scotland staff and about a third of the work is carried out by private firms.

Our functions are:

- Procuring the audit of public bodies for the Accounts Commission and the Auditor General
• producing the Code of Audit Practice for the Accounts Commission and the Auditor General which sets out what each audit should include
• undertaking performance audit and other studies for the Accounts Commission and the Auditor General to assess the economy, efficiency and effectiveness of public services
• developing a new audit of Best Value for the Accounts Commission
• specifying and publishing statutory performance information for the Accounts Commission.
**Audit Scotland’s duties**

Audit Scotland is bound by the
- **general duty to promote race equality**
  This means that when carrying out our functions, we must have regard to the need to eliminate unlawful racial discrimination and to promote equality of opportunity and good relations between persons of different racial groups.

- **employment duty**
  This means that Audit Scotland must undertake ethnic monitoring by race across a range of employment responsibilities and publish the results of that monitoring. Monitoring must cover:
  - staff in post and applications for employment, training and promotion
  - staff who receive training; outcomes of performance assessment, grievance procedures, disciplinary procedures

This Race Equality scheme sets out our action plan for meeting our duties.

**Leading and co-ordinating our diversity and race equality scheme**

The Auditor General for Scotland is the Accountable Officer, and has overall responsibility for our Race Equality Scheme, but he will work closely with the senior management team to oversee it. Co-ordination of the day to day running of the scheme rests with the Director of Corporate Services, who will also chair our Diversity and Equality Working Group (DEWG).

The Senior Management Team, Corporate Management Group and Chief Auditors have a key role in demonstrating Audit Scotland’s commitment to diversity and race equality and supporting the implementation of our scheme. Therefore, specific training and development is planned for them.

The Diversity and Equality Working Group will involve representatives from across Audit Scotland, including our staff trade union. The role of the DEWG will be to develop, monitor and review our equality and diversity policies and race equality scheme and identify actions that need to be taken to improve their scope or implementation.

The Diversity and Equality Working Group will also:
- Consult on the impact of all of our future policy on race equality and diversity
- Monitor policies for adverse impact on race equality
- Publish the results of its work in these areas and ensure that they are available to the public via our website.

We will review our implementation arrangements after 12 months and report to the Senior Management Team.

**Audit Scotland** has a key role to play in supporting the implementation of the Race Relations Amendment Act. The Commission for Racial Equality has made it clear
that they expect audit and inspection agencies to help them monitor compliance with Act by relevant bodies.

Our role in providing or procuring audit services across the public sector in Scotland means that we will have to develop our audit approach to assess public authorities’ compliance with their new duties. The actions that we will take, and the way that we will monitor them, are set out under **Policy and Service Delivery**.

As an employer, we will have to ensure that our policies and practices promote equality and diversity. The actions that we will take, and the way that we will monitor them, are set out under **Employment policy**.
Policy and Service Delivery

We have assessed our functions and policies to identify which are most relevant to the new general duty to promote race equality. Annex 1 sets out our policies in order of relevance to the new duties.

As we do not provide services directly to the public, our main area of influence is in assessing compliance with the Race Relations Amendment Act through the audit process. Our audit approach is developed with the agreement of the Accounts Commission for Scotland and the Auditor General. Our planned actions support their work in promoting race equality.

Our actions are intended to
- ensure that all appointed auditors are aware of the new duties
- ensure that the Code of Audit Practice reflects the new duties
- ensure that our study methodology takes account of race equality and other equalities issues
- incorporate within existing and new audit methodologies a means of assessing implementation of the new duties.
- develop improved statutory performance indicators on equalities issues for consultation.

The action plan below sets out how we intend to ensure that we work through the audit to support the Commission for Racial Equality in assessing compliance with the Act.
**Race Equality Scheme**

**Aim:** Audit Scotland will work, on behalf of the Accounts Commission and the Auditor General to support the Commission for Racial Equality in assessing compliance with the Race Relations Act by the bodies that we audit.

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<thead>
<tr>
<th>Action</th>
<th>Timescale</th>
<th>Responsibility</th>
<th>Monitoring</th>
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<tbody>
<tr>
<td>Audit Scotland will build upon its current equalities work by working with CRE’s Audit and Inspection Group to develop a joint process for assessing progress by public bodies in implementing the RRAA.</td>
<td>November 2002 – May 2003</td>
<td>Audit Scotland – Director of Performance Audit (Education, Environment and Justice)</td>
<td>Progress will be measured by the publication of the new approach, agreed with CRE.</td>
</tr>
<tr>
<td>Audit Scotland will work with equalities bodies to develop new statutory performance indicators, for consultation with audited bodies, which can be used to measure progress on equalities.</td>
<td>1. November 2002 – June 2003 2. November 2003 3. November 2005</td>
<td>Audit Scotland – Director of Performance Audit (Education, Environment and Justice)</td>
<td>Progress will be measured by 1. Reaching an agreed position on proposals for SPIs with CRE. Any SPIs agreed to be included in the 2003 consultation paper. 2. Publication of new direction on SPIs including agreed race equality indicators (subject to 1 and if accepted after consultation). 3. Publication of performance across authorities using new indicators (subject to 1 and 2)</td>
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</tbody>
</table>

1. Audit Scotland will consider how effective the current policy on mainstreaming equalities in Performance Audit studies has been.  
2. As a result of this, Audit Scotland will review its project management framework with a view to building upon and making more explicit the consideration of equalities issues. 3. This work may lead to consultation on topics

1. January 2003  
2. January 2003  
3. At time of next consultation programme – likely to be in second half of 2003.

Audit Scotland – Directors of Performance Audit (joint) | 1. Review of current treatment of equalities issues. 2. Publication of new project management framework. 3. Consideration of topics, specifically relating to equality, in the forward work programme. |
more focused on equalities within the forward studies programme.

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<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Responsible Party</th>
<th>Summary</th>
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<tbody>
<tr>
<td>Audit Scotland will review its letters of appointment of appointed auditors to ensure that the new duties of Audit Scotland and the Accounts Commission are clear.</td>
<td>March 2003</td>
<td>Director of Audit Strategy</td>
<td>Issue letter to appointed auditors setting out new duties if required.</td>
</tr>
<tr>
<td>Audit Scotland will review its code of audit practice to ensure it reflects the new race equality duties</td>
<td>July 2003</td>
<td>Director of Audit Strategy</td>
<td>Revised code of practice, if required.</td>
</tr>
<tr>
<td>Audit Scotland will review its internal and external communications policies to build upon and make more explicit the way in which equalities issues are addressed.</td>
<td>July 2003</td>
<td>Communications Group</td>
<td>Revised guidelines for communications, if required.</td>
</tr>
<tr>
<td>Review of implementation of RRA scheme</td>
<td>November 2003</td>
<td>Director of Corporate Services</td>
<td>Report to SMT</td>
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Audit Scotland Race Equality Scheme

Employment policy

Our aim is to ensure that our employment policies promote equality and diversity and that we monitor the impact of our policies effectively and take action quickly to address any shortcomings.

Objectives
- **Policy** - every HR policy and procedure must seek to promote equality and diversity,
- **Training** - managers and staff live and breathe it through a comprehensive process of training and awareness raising so that it forms part of the fabric of the organisation and is inherent in all decisions taken,
- **Monitoring** - we ensure it is happening through a rigorous process of monitoring and evaluation and benchmarking of progress

*Employment Duty*

Audit Scotland is committed to monitoring its recruitment and employment policies to ensure their accessibility to all people irrespective of race and background

Audit Scotland will monitor, by racial group;

- Staff in post; and
- Applicants for jobs, promotion and training

We will also monitor and analyse
- Grievances,
- Disciplinary action,
- Performance appraisal,
- Number of staff who receive training,
- Number of staff leaving

**What arrangements are Audit Scotland going to put in place to ensure that we meet the employment duty?**

1. **Diversity and Equality Working Group**

A Diversity and Equality Working Group is being established to steer and monitor the development and implementation of diversity and equality policies in Audit Scotland. This group will involve representatives of key parts of the business, including the trade union and staff representatives. The Director of Corporate Services will chair the group.
2. Policy review and development

We shall work to develop policies that promote equality and diversity. Our equal opportunities and diversity policy will be discussed with staff and we will review our recruitment and selection policy.

All Human Resources policies will be reviewed to ensure that they foster diversity and combat discrimination. Those relating to discipline and grievance, training and development, performance development and promotion are of particular importance as these are fundamental in relation to promoting racial equality and we are required to monitor and publish data on them. Annex 2 sets out our assessment of the relevance of our employment policies to the new duties and therefore the order in which we will review them.

A timetable for review of remaining policies will be established in consultation with PCS, our recognised staff trade union, as part of the development of our staff handbook.

3. Training and Awareness Raising

Training is a key aspect of being able to fulfil our duty to promote racial equality because without it managers and staff will not have the understanding of equal opportunities/diversity issues required to fulfil the Act’s primary aim of making racial equality central to the way public authorities work.

This will be provided through a number of means;

- By March 2003, all staff will have attended either management skills development training or job holder training around the introduction of our new Performance Development Scheme. This training includes a specific focus on diversity and equality, and will promote awareness of our race equality scheme to staff.
- By March 2003, all members of the Corporate Management Group and Chief Auditors will have attended training on diversity and equality
- induction training
- awareness raising through communications such as our staff newsletter and the HR Newsletter

4. Monitoring

A baseline position of the ethnic profile of our workforce needs to be established as a prerequisite to monitoring. Our existing staff database in HR does not hold the data required. Therefore staff will be requested to give details of their ethnicity in a questionnaire to be issued to all staff. The classifications of ethnicity within the 2001 UK census will be used.
We are introducing a new HR Information system in February 2003, and this will be used to capture, analyse and report on data for the monitoring requirements laid down in the Race Relations Amendment Act.

5. Reporting and reviewing progress

Employers are required to publish the results of their monitoring annually. It will not therefore be until December of 2003 that the first report will be available. The HR team will report to the DEWG and SMT on a quarterly basis from April 2003.

Reporting to the SMT will provide direction for the organisation by identifying areas for follow up action. Reports will give brief updates under the headings laid down for monitoring.

Progress will be measured by benchmarking against other local authorities and public sector organisations.
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<tr>
<th><strong>Action</strong></th>
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<th><strong>Responsibility</strong></th>
<th><strong>Monitoring</strong></th>
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</thead>
<tbody>
<tr>
<td>Policy development - Audit Scotland will consult with staff on a new Equal Opportunities and Diversity statement.</td>
<td>December / January 2002</td>
<td>Director of Corporate Services</td>
<td>Progress will be measured by the publication of a new equal opportunities and diversity statement.</td>
</tr>
<tr>
<td>Recruitment and Selection policy to be reviewed and Equal Opportunities monitoring form to be revised.</td>
<td>December 2002</td>
<td>Human Resources</td>
<td>Publication of revised Recruitment and Selection policy.</td>
</tr>
<tr>
<td>Policy review – all Human Resources policies to be reviewed in line with development of staff handbook (see section below)</td>
<td>July 2003</td>
<td>Audit Scotland – Human Resources</td>
<td>Targets set within staff handbook project plan will measure progress.</td>
</tr>
<tr>
<td>Discipline &amp; Grievance, Training &amp; Development, Performance Development System</td>
<td>March 2003</td>
<td></td>
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<tr>
<td>Training – all staff will receive briefing/training in equal opportunities and diversity as part of the PDS training. Induction processes will introduce to all new staff the commitment of Audit Scotland to the promotion of diversity issues</td>
<td>October - March 2003</td>
<td>Audit Scotland – Human Resources</td>
<td>Evaluation and feedback from staff.</td>
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<td></td>
<td>2003</td>
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<td>Internal communications such as Human Resources Newsletters and the Audit Scotland staff magazine will further promote awareness of diversity issues</td>
<td>Ongoing</td>
<td></td>
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</tr>
<tr>
<td>Monitoring – an ethnic profile will be established of Audit Scotland’s workforce via a questionnaire to all staff</td>
<td>November 2002</td>
<td>Human Resources</td>
<td>Baseline data compiled by January 2003.</td>
</tr>
<tr>
<td>Human Resources information system to capture and report on data required under the RRAA monitoring requirements.</td>
<td>April 2003</td>
<td>Human Resources</td>
<td>Quarterly reporting on monitoring information.</td>
</tr>
<tr>
<td>Reporting and Reviewing Progress – Reporting on results of monitoring to SMT to take place on a quarterly basis</td>
<td>April 2003</td>
<td>Human Resources</td>
<td>Quarterly reporting on monitoring information</td>
</tr>
<tr>
<td>Results of monitoring to be published annually</td>
<td>December 2003</td>
<td></td>
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<tr>
<td>Staff Handbook – in the process of being developed, due for completion by mid 2003. Will contain a section on equal opportunities and diversity and</td>
<td>July 2003</td>
<td>Human Resources</td>
<td>Completed Staff Handbook published on intranet.</td>
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Diversity and Equality Working Group to be set up to monitor implementation of Audit Scotland’s Race Equality Scheme

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Role</th>
<th>Activity</th>
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<tbody>
<tr>
<td>December 2002</td>
<td>Director of Corporate Services</td>
<td>Quarterly meetings of Equal Opportunities and Diversity Working Group.</td>
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</tbody>
</table>
Annex 1

Audit Scotland Race Equality Scheme

Assessment of statutory functions and related policies relevant to the general duty to promote race equality

High relevance to the general duty

- Specifying and publishing statutory performance information for the Accounts Commission
- Developing new Best Value Audit Guidance for the Accounts Commission through which compliance with the new duties may be assessed
- Undertaking performance audit studies into the economy, efficiency and effectiveness of public services
- Producing the Code of Audit Practice for the Accounts Commission and the Auditor General for Scotland which sets out what each audit should include
- Communications policy

Medium relevance to the general duty

- Procuring the audit for the Auditor General for Scotland and the Accounts Commission
- Governance arrangements

Low relevance to the general duty

- Accommodation policy
- Annual report
- Budgeting and financial procedures
- IT policy
Annex 2

Audit Scotland Race Equality Scheme

Assessment of employment functions and related policies for relevance to the general duty

High relevance to the general duty

- Equality and diversity policy
- Performance development system
- Bullying and harassment policy
- Disciplinary and grievance procedure
- Recruitment, selection and retention (including promotion)
- Training and development
- Transfer/secondment
- Remuneration

Medium relevance to the general duty

- Health and safety, including sickness absence, stress and welfare
- Induction
- Leave
- Probation

Low relevance to the general duty

- Contract of employment
- Data protection
- Freedom of information
- Gifts and hospitality
- Political activity
- Expenses
- Relocation
- Pensions