

MEETING: 14 JANUARY 2021

REPORT BY: DIRECTOR OF PERFORMANCE AUDIT AND BEST VALUE

CLIMATE CHANGE: INTERNAL BRIEFING AND DEVELOPING PLAN

Purpose

1. This paper invites the Accounts Commission to consider the internal briefing on climate change, provide initial input into plans for audit activity and advise on what role the Commission would like in developing and delivering these plans.

Background

2. Climate change is generally considered the greatest challenge of our time. Governments across the globe are working to reduce global warming. World leaders will be in Scotland for COP26 in November to try to agree more ambitious targets and action. In Scotland, climate change has become an increasing priority for national and local government. The Scottish Government and a majority of councils have declared a climate emergency and a new target of net-zero emissions by 2045 at the latest.
3. Successful action on climate change needs strong leadership, collaboration and co-ordination to ensure action is embedded at all levels of government and in all policy and service areas. Early and decisive efforts to tackle climate change and its impact must take place across all public and private sector activity.
4. Audit Scotland has not carried out any specific audit work in this area since the joint Accounts Commission and AGS report, *Protecting and improving Scotland's environment*, published in January 2010. Although action to address climate change does increasingly feature in BVARs and sustainable development is one of the seven themes in the draft updated BV guidance.

Draft plan

5. Recently, a small team in PABV has been looking at developing an audit approach to climate change, thinking about how we can increase the prominence of climate change in all our work and ensure cross cutting links and connections are made. The team has had positive initial discussions with key stakeholders, including COSLA, the Scottish Government and the Committee on Climate Change. COSLA welcomed audit work in the area and has offered to put us in contact with key contacts in several councils.
6. The audit team is developing a plan to increase the prominence of climate change and ensure it is integrated into our work programme for the short, medium and longer term. The team propose that:
 - In the short-term we produce a series of alternative outputs (briefings, graphics and / or blogs) in the run up to COP26 and work internally across the organisation to discuss plans for the medium and longer-term.
 - In the medium term (2022-2025) we will work with colleagues to include climate change in the integrated annual audits and to incorporate it into performance audits and overviews as appropriate. We could also produce specific climate change outputs.

- From 2025 onwards, climate change will be fully integrated into all our audit work (integrated audit reports, performance audits, overviews and alternative outputs).

Discussion

7. The audit team want to hear the Commission's views on our proposed approach to auditing climate change and how we engage with the Commission going forward. Specifically:
 - Are there particular areas of interest?
 - Thoughts on the draft plan outlined
 - What level of input would you like?
 - How best do we engage with the Commission going forwards to allow for Commission ownership and input and also fluidity as we develop and deliver our plans? Would a 'link person(s)' / 'sponsor(s)' be a good option?

Next steps

8. The audit team is having a similar discussion with the AGS at the end of January. We will incorporate Commission member and AGS views into our plans and feedback as appropriate.

Conclusion

9. The Commission is asked to:
 - a) Consider the internal briefing paper.
 - b) Provide thoughts on the general proposed approach and plan.
 - c) Advise preferred approach for ongoing involvement going forwards.

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