

**Scottish Public Pensions Agency  
NHS Pension Scheme (Scotland)  
Scottish Teachers' Pension Scheme  
Annual Audit Plan 2017/18**



 **AUDIT SCOTLAND**

Prepared for Scottish Public Pensions Agency  
January 2018

## Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- 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.
- 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.



## 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.

---

# Contents

---

<b>Risks and planned work</b>	<b>4</b>
Audit risks	4
Reporting arrangements	8
Audit fee	9
Responsibilities	9
<b>Audit scope and timing</b>	<b>11</b>
Financial statements	11
Materiality	11
Internal audit	14
Audit dimensions	14
Independence and objectivity	16
Quality control	16
Adding Value	16

# Risks and planned work

1. This annual audit plan contains an overview of the planned scope and timing of our audit and is carried out in accordance with International Standards on Auditing (ISAs), the [Code of Audit Practice](#), and any other relevant guidance. This plan identifies our audit work to provide an opinion on the financial statements and related matters and meet the wider scope requirements of public sector audit.

2. The wider scope of public audit contributes to conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.

## Audit risks

3. Based on our discussions with staff, attendance at committee meetings and a review of supporting information we have identified the following main risk areas for Scottish Public Pensions Agency (the agency), NHS Pensions Scheme (Scotland) and Scottish Teachers' Pension Scheme (the schemes). We have categorised these risks into financial risks and wider dimension risks. The key audit risks, which require specific audit testing, are detailed in [Exhibit 1](#).

## Exhibit 1

### 2017/18 Key audit risks

Audit Risk	Source of assurance	Planned audit work
<b>Financial statement issues and risks</b>		
<p><b>1 Risk of management override of controls</b></p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls in order to change the position disclosed in the financial statements.</p> <p>(Agency and schemes)</p>	<p>Owing to the nature of this risk, assurances from management are not applicable in this instance.</p>	<p>Detailed testing of journal entries.</p> <p>Review of accounting estimates.</p> <p>Focused testing of accruals and prepayments.</p> <p>Evaluation of significant transactions that are outside the normal course of business.</p>
<p><b>2 Risk of fraud over income</b></p> <p>The schemes receive a significant amount of income in contributions, from over 1,000 employer bodies, in addition to Scottish Government funding. The extent and complexity of income means that, in accordance with ISA 240, there</p>	<p>Key controls working effectively in Epicor (contribution receipts system).</p> <p>Sound budgetary control and monitoring arrangements in place.</p> <p>Internal audit work in 2016/17 on bank receipts and</p>	<p>System review of Epicor focusing on key controls.</p> <p>Review of work carried out by the agency to migrate data from Epicor 9 to Epicor 10.</p> <p>Sample testing of contributions from other audited bodies (councils, health boards) to</p>

Audit Risk	Source of assurance	Planned audit work
<p>is an inherent risk of fraud. (Schemes only)</p>	<p>collection process. Counter fraud arrangements are well established and working effectively.</p>	<p>ensure consistency with the agency's records.</p>
<p><b>3 Risk of fraud over expenditure</b> The Financial Reporting Council's Practice Note 10 (revised) requires public sector auditors to give consideration to the risk of fraud over expenditure. The extent of expenditure, for example benefits paid, means that there is an inherent risk of fraud. (Agency and schemes)</p>	<p>Key controls working effectively in accounts payable and payroll. Key controls working effectively in Altair and Resourcelink. Counter fraud arrangements are well established and working effectively. Internal audit work in 2017/18 on ability to deliver business as usual.</p>	<p>System review of accounts payable and payroll focusing on key controls for the agency. System review of Altair and Resourcelink focusing on key controls for the schemes. Focused substantive testing on higher risk areas and more complex areas including new awards and deaths for the schemes. Review internal audit work on the agency's ability to deliver business as usual.</p>
<p><b>4 Pension contributions</b> Accurate information on contributions received from employers is required to calculate scheme liabilities and current service costs. The agency needs to prioritise its reconciliation of employers' contributions to annual returns to ensure that income is received timeously and in full. Failure to manage and reconcile contributions income effectively may impact on the schemes' liabilities and actuarial valuations. (Schemes)</p>	<p>Epicor reports are prepared and reviewed regularly for unpaid contributions, overpayments, performance (for employer contributions), and overpayment ageing reports. An ongoing annual reconciliation process is carried out between contributions in Epicor and contributions based on employers' annual returns.</p>	<p>Review the progress of the annual reconciliations during interim audit and financial statements audit to ensure significant variances are being investigated. Sample testing of contributions from other audited bodies (councils, health boards) to ensure consistency with the agency's records.</p>
<p><b>5 Information supporting scheme valuations</b> Decisions taken by the agency for the schemes are reliant on the work of the Government Actuary Department (GAD). The actuarial valuation methodology relies on significant judgements and assumptions in relation to financial, mortality and demographic factors. Pension liabilities are based on extracts of members' data incorporated in GAD's established roll forward methodology. The agency needs to ensure that the implications of</p>	<p>Regular meetings and communication between the agency and GAD. All key meetings are minuted. The agency provides timely and accurate data to GAD.</p>	<p>Review the work of GAD focusing on reliability, professional competence and capability. Meet with GAD to discuss work practices, validation processes and quality review arrangements to determine whether reliance can be taken in relation to GAD's internal processes. Review reports to GAD supporting valuation data. Review PWC's report on public sector pensions which provides an assessment on GAD's actuarial processes and</p>

Audit Risk	Source of assurance	Planned audit work
<p>changes to membership profiles are completed timeously and in full to ensure that accurate information is transferred to GAD.</p> <p>There is a risk that the actuarial information for valuing the schemes could be affected by incomplete or inaccurate information, or the use of unreasonable judgements and assumptions.</p> <p>(Schemes)</p>		assumptions.
<b>Wider dimension risks</b>		
<p><b>6 Financial sustainability and financial management</b></p> <p>The agency prepares rolling three year forecasts for revenue and capital, and uses scenario planning to support work on business cases. The agency is extending this to rolling five year forecasts for revenue and capital.</p> <p>This longer term financial strategy should clearly link to the agency's strategic objectives, corporate plan, workforce plan, digital strategy and annual business plans.</p> <p>There is a risk that the agency's objectives and plans and its financial strategy are not aligned. This could lead to decisions being made without a clear understanding of the longer term financial implications for the agency.</p>	<p>Scenario planning is carried out by the agency to look at movements in key variables to support business cases and to consider alternative funding outcomes.</p>	<p>Monitor progress and work on moving to a five year rolling budget. We will report our conclusions in our annual audit report for the agency.</p>
<p><b>7 Workforce planning</b></p> <p>A workforce plan, with appropriate succession planning for key posts, should be part of the agency's arrangements to support business change. Service redesign is likely to affect the agency's resource requirements.</p> <p>The agency is working on a Target Operating Model (TOM). This will guide decisions on the services the agency provides, the resources required, and how</p>	<p>The workforce plan is being prepared on an incremental basis. Draft sections are to be made available over the period to October 2018 as the TOM is developed and more research and analysis is carried out.</p>	<p>Review the agency's progress in developing its workforce plan and TOM. Review completed sections when available.</p>

Audit Risk	Source of assurance	Planned audit work
<p>the PS Pensions integrated administration and pension payment system will support this work. Workforce planning will be a key element of this project.</p> <p>Without effective workforce planning, there is a risk that changes to service delivery in one area may have unplanned or unintended effects on other areas of the business.</p>		
<p><b>8 Vision and strategic direction</b></p> <p>In April 2016 the SPPA Corporate Board drafted a corporate plan which was expected to cover 2016 to 2019. This was not published. A one year business plan was prepared, but this did not cover the wider strategic objectives for SPPA. The agency plans to issue an updated draft corporate plan to the Management Advisory Board (MAB) in April 2018.</p> <p>The agency's Digital Strategy is also currently being revised. This work has been delayed due to the progress of the PS Pensions Project.</p> <p>There is a risk that without a strategic plan, the agency cannot demonstrate how its objectives will be met in the medium to longer term.</p>	<p>Corporate plan is due to be completed and approved by MAB in July 2018.</p>	<p>Review corporate plan on its completion.</p> <p>Review Digital Strategy on its completion.</p>
<p><b>9 Cyber and data security</b></p> <p>The agency, in common with other public sector bodies, is at risk from cyber attacks and losses of personal data.</p> <p>In late 2017, the Scottish Government issued 'A Cyber Resilience Strategy for Scotland: Public sector action plan 2017-2018' which details a number of key actions which the agency will be required to complete throughout 2018. These include preparing cyber incident response plans, a cyber security strategy and resilience training.</p> <p>General data protection regulations (GDPR) also come into force in May 2018 and strengthen data protection</p>	<p>IT resilience review carried out by an independent expert in cyber security which identifies areas for improvement.</p> <p>Plans in place to achieve Cyber Essentials.</p> <p>The agency is a Scottish Government cyber catalyst body and is seeking to be an exemplar body for cyber security.</p> <p>A GDPR work plan has been prepared by the Head of Security and is updated in the light of new information.</p> <p>Progress update review on compliance with the Public Records Act 2011 to the Keeper of Records completed</p>	<p>Review the IT Resilience review and monitor the agency's actions to address recommendations.</p> <p>Review the governance arrangements put in place to manage cyber resilience arrangements.</p> <p>Review progress in achieving Cyber Essentials.</p> <p>Monitor cyber security updates in the Scottish Public Finance Manual (SPFM) to ensure the agency complies with the new requirements as they are published.</p> <p>Review progress update to the Keeper of Records, including review of any actions which the</p>

Audit Risk	Source of assurance	Planned audit work
<p>regulations and increase fines for breaches.</p> <p>The agency holds a large amount of personal information. There is a risk that a cyber attack or significant data loss could lead to financial and reputational losses for the agency.</p>	<p>in late 2017.</p>	<p>agency has to implement.</p> <p>Monitor progress in preparation for GDPR, including review of the agency's work plan for GDPR implementation.</p>
<p><b>10 PS Pensions Project</b></p> <p>The agency's PS Pensions Project continues to be a red risk on its risk register. The project, with a budget of £5.6 million, aims to deliver a bespoke unified pension administration and payment system for the pension scheme accounts and it is therefore central to the agency's effective operation. There has been a delay in the go-live date and the agency is targeting a reduced scope implementation in October 2018.</p> <p>Due to the size and scale of the project it continues to present significant financial, reputational and service delivery risks to the agency.</p>	<p>Revised governance arrangements have been put in place and their effectiveness will continue to be monitored.</p> <p>Ongoing communication between the agency and the contractor.</p> <p>A number of independent gateway reviews and health checks have been carried out by the Scottish Government and Office of Chief Information Officer.</p>	<p>Monitor the minutes of the PS Pensions Project Board.</p> <p>Review progress of the delivery of the system against target dates.</p> <p>Review any additional health check or gateway reviews carried out and the agency's actions to address recommendations.</p> <p>Review the agency's actions to address recommendations from previous health checks.</p>

## Reporting arrangements

4. Audit reporting is the visible output for the annual audit. All annual audit plans and the outputs as detailed in [Exhibit 2](#), and any other outputs on matters of public interest will be published on our website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).

5. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft management reports will be issued to the relevant officer(s) to confirm factual accuracy.

6. We will provide an independent auditor's report to the Scottish Public Pensions Agency, Scottish Parliament and the Auditor General for Scotland setting out our opinions on the annual accounts for the agency and the schemes. We will provide the Accountable Officer and Auditor General for Scotland with an annual report on the audit containing observations and recommendations on significant matters which have arisen in the course of the audits.

7. Under the Public Finance and Accountability (Scotland) Act 2000 there is a requirement for the resource account of the Scottish Government to be presented to Parliament within nine months of the financial year-end, i.e. 31 December. Management are required to submit the agency's audited financial statements by mid July to meet the consolidation timetable.



## Exhibit 2

### 2017/18 Audit outputs

Audit Output	Target date	Audit and Risk Committee Date
Annual Audit Plan	22 January 2018	22 January 2018
Management Report	30 April 2018	30 April 2018
Independent Auditor's Report for Scottish Public Pensions Agency	23 July 2018	23 July 2018
Annual Audit Report for the agency	23 July 2018	23 July 2018
Independent Auditor's Report for NHS Pension Scheme (Scotland)	21 September 2018	21 September 2018
Independent Auditor's Report for Scottish Teachers' Pension Scheme	21 September 2018	21 September 2018
Annual Audit Report for the schemes	21 September 2018	21 September 2018

## Audit fee

8. The proposed audit fee for the 2017/18 audits are:

- Scottish Public Pensions Agency £24,480 (16/17: £24,180)
- NHS Pension Scheme (Scotland) £63,880 (16/17: £63,120)
- Scottish Teachers' Pensions Scheme £60,700 (16/17: £59,980)

9. In determining the audit fee we have taken account of the risk exposure of the agency and schemes, the planned management assurances in place and the level of reliance we plan to take from the work of internal audit. Our audit approach assumes receipt of the unaudited financial statements, with a complete working papers package on 4 June 2018 for the agency and 16 July 2018 for the schemes.

10. Where our audit cannot proceed as planned through, for example, late receipt of unaudited financial statements or being unable to take planned reliance from the work of internal audit, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises out with our planned audit activity.

## Responsibilities

### Audit and Risk Committee and Accountable Officer

11. Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives.

12. The audit of the financial statements does not relieve management or the Audit and Risk Committee as those charged with governance, of their responsibilities.

### **Appointed auditor**

**13.** Our responsibilities as independent auditor are established by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice (including supplementary guidance) and guided by the auditing profession's ethical guidance.

**14.** Auditors in the public sector give an independent opinion on the financial statements and other specified information accompanying the financial statements. We also review and report on the arrangements within the audited body to manage its performance, regularity and use of resources. In doing this, we aim to support improvement and accountability.

# Audit scope and timing

## Financial statements

**15.** The statutory financial statements audit will be the foundation and source for the majority of the audit work necessary to support our judgements and conclusions. We also consider the wider environment and challenges facing the public sector. Our audit approach includes:

- understanding the business of the agency and the schemes and the associated risks which could impact on the financial statements
- assessing the key systems of internal control, and establishing how weaknesses in these systems could impact on the financial statements
- identifying major transaction streams, balances and areas of estimation and understanding how the agency and the schemes will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing and extent of audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements are free of material misstatement.

**16.** We will give an opinion on the financial statements as to:

- whether they give a true and fair view of the financial position of the agency and the schemes and their expenditure and income
- whether they have been properly prepared in accordance with relevant legislation, the applicable accounting framework and other reporting requirements
- the regularity of the expenditure and income.

## Materiality

**17.** We apply the concept of materiality in planning and performing the audit. It is used in evaluating the effect of identified misstatements on the audit, and of any uncorrected misstatements, on the financial statements and in forming our opinion in the auditor's report.

**18.** We calculate materiality at different levels as described below. The calculated materiality values for the agency and the schemes are set out in [Exhibit 3](#).



## Exhibit 3

### Materiality values

Scottish Public Pensions Agency materiality level	Amount
<b>Planning materiality</b> – This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 1% of gross expenditure for the year ended 31 March 2018 based on the latest audited accounts for 2016/17.	£0.179 million
<b>Performance materiality</b> – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement we have calculated performance materiality at 75% of planning materiality.	£0.134 million
<b>Reporting threshold (i.e. clearly trivial)</b> – We are required to report to those charged with governance on all unadjusted misstatements in excess of the 'reporting threshold' amount. This has been calculated at 5% of planning materiality.	£0.010 million

NHS Pension Scheme (Scotland) materiality level	Amount
<b>Planning materiality</b> – This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 1% of benefits payable for the year ended 31 March 2018 based on the latest audited accounts for 2016/17.	£11.122 million
<b>Performance materiality</b> – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement we have calculated performance materiality at 90% of planning materiality.	£10.010 million
<b>Reporting threshold (i.e. clearly trivial)</b> – We are required to report to those charged with governance on all unadjusted misstatements in excess of the 'reporting threshold' amount. This has been calculated at 1% of planning materiality and capped to £0.100 million in line with Audit Scotland's policies.	£0.100 million

Scottish Teachers' Pension Scheme materiality level	Amount
<b>Planning materiality</b> – This is the calculated figure we use in assessing the overall impact of audit adjustments on the financial statements. It has been set at 1% of benefits payable for the year ended 31 March 2018 based on the latest audited accounts for 2016/17.	£10.876 million
<b>Performance materiality</b> – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement we have calculated performance materiality at 90% of planning materiality.	£9.788 million
<b>Reporting threshold (i.e. clearly trivial)</b> – We are required to report to those charged with governance on all unadjusted misstatements in excess of the 'reporting threshold' amount. This has been calculated at 1% of planning materiality and capped to £0.100 million in line with Audit Scotland's policies.	£0.100 million

19. We review and report on other information published with the financial statements including:

- For the agency: the performance report, accountability report including the governance statement and the remuneration and staff report.
- For the schemes: the report of the managers and the governance statement.

Any issues identified will be reported to the Audit and Risk Committee.



### Timetable



20. To support the efficient use of resources it is critical that a financial statements timetable is agreed with us for the production of the unaudited accounts. An agreed timetable is included at [Exhibit 4](#) which takes account of submission requirements and planned Audit and Risk Committee dates:

---

## Exhibit 4

### Financial statements timetable

 <b>Key stages for the agency</b>	 <b>Date</b>
Working paper checklist provided to clarify working paper expectations	March 2018
Latest submission date of unaudited agency's annual accounts with complete working papers package	4 June 2018
Latest date for final clearance meeting with Director of Finance	27 June 2018
Issue of letter of representation and proposed independent auditor's report Agreement of audited unsigned annual accounts	9 July 2018
Issue of Annual Audit Report including ISA 260 report to those charged with governance	23 July 2018
Independent auditor's report signed	25 July 2018
Latest date for signing of Scottish Government consolidation return	16 July 2018

 <b>Key stages for the schemes</b>	 <b>Date</b>
Working paper checklist provided to clarify working paper expectations	March 2018
Latest submission date of unaudited annual accounts with complete working papers package	16 July 2018
Latest date for final clearance meeting with Director of Finance	30 August 2018
Issue of letter of representation and proposed independent auditor's report Agreement of audited unsigned annual accounts	7 September 2018
Issue of Annual Audit Report including ISA 260 report to those charged with governance	21 September 2018

Independent auditor's report signed

25 September 2018

Latest date for signing of Whole of Government Accounts (WGA) return

28 September 2018

## Internal audit

**21.** Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to rely on the work of internal audit wherever possible and as part of our planning process we carry out an assessment of the internal audit function. Internal audit is provided by Scottish Government Internal Audit Directorate overseen by the Director of Internal Audit.

### Adequacy of Internal Audit

**22.** We are currently undertaking a review of the Scottish Government's Internal Audit department. This will be reported to the Scottish Government Audit and Assurance Committee in March 2018.

### Areas of Internal Audit reliance

**23.** To support our audit opinion on the financial statements we intend to take recognition of the internal audit review:

- Ability to deliver business as usual.

**24.** In respect of our wider dimension audit responsibilities we also plan to consider other areas of internal audit work including:

- PS Pensions project
- Pension Board governance.

## Audit dimensions

**25.** Our audit is based on four audit dimensions that frame the wider scope of public sector audit requirements as shown in [Exhibit 5](#).

### Exhibit 5

#### Audit dimensions



### Financial sustainability

**26.** As auditors we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on the body's financial sustainability in the longer term. We define this as medium term (two to five years) and longer term (longer than five years) sustainability. We will carry out work and conclude on:

- the effectiveness of financial planning in identifying and addressing risks to financial sustainability in the short, medium and long term
- the appropriateness and effectiveness of arrangements in place to address any identified funding gaps
- whether the agency can demonstrate the affordability and effectiveness of funding and investment decisions it has made.

### Financial management

**27.** Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively. We will review, conclude and report on:

- whether the agency has arrangements in place to ensure systems of internal control are operating effectively for the agency and schemes
- whether the agency can demonstrate the effectiveness of budgetary control system in communicating accurate and timely financial performance
- how the agency has assured itself that its financial capacity and skills are appropriate
- whether the agency has established appropriate and effective arrangements for the prevention and detection of fraud and corruption.

### Governance and transparency

**28.** Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision – making and transparent reporting of financial and performance information. We will review, conclude and report on:

- whether the agency can demonstrate that the governance arrangements in place are appropriate and operating effectively for the agency and schemes
- whether there is effective scrutiny, challenge and transparency of decision-making and finance and performance reports
- the quality and timeliness of financial and performance reporting.

### Value for money

**29.** Value for money refers to using resources effectively and continually improving services. We will review, conclude and report on whether:

- the agency can provide evidence that it is demonstrating value for money in the use of its resources
- the agency can demonstrate that there is a clear link between money spent, output and outcomes delivered
- there is sufficient focus on improvement and the pace of it.

## Independence and objectivity

**30.** Auditors appointed by the Accounts Commission or Auditor General must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has in place robust arrangements to ensure compliance with these standards including an annual “fit and proper” declaration for all members of staff. The arrangements are overseen by the Director of Audit Services, who serves as Audit Scotland’s Ethics Partner.

**31.** The engagement lead and appointed auditor for the agency and the schemes is Stephen Boyle, Assistant Director. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of the agency and the schemes.

## Quality control

**32.** International Standard on Quality Control (UK and Ireland) 1 (ISQC1) requires that a system of quality control is established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor’s report or opinion is appropriate in the circumstances.

**33.** The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice (and relevant supporting guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards Audit Scotland conducts peer reviews, internal quality reviews and is currently reviewing the arrangements for external quality reviews.

**34.** As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time and this may be directed to the engagement lead.

## Adding Value

**35.** Through our audit work we aim to add value to the agency. We will do this by ensuring our Annual Audit Report provides a summary of the audit work done in the year together with clear judgements and conclusions on how well the agency has discharged its responsibilities and how well it has demonstrated the effectiveness of its arrangements. Where it is appropriate we will recommend actions that support continuous improvement and summarise areas of good practice identified from our audit work.



# Scottish Public Pensions Agency NHS Pension Scheme (Scotland) Scottish Teachers' Pension Scheme Annual Audit Plan 2017/18

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)

For the latest news, reports and updates, follow us on:



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN  
T: 0131 625 1500 E: [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)  
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)