

Scottish Forestry

2019/20 Annual Audit Report



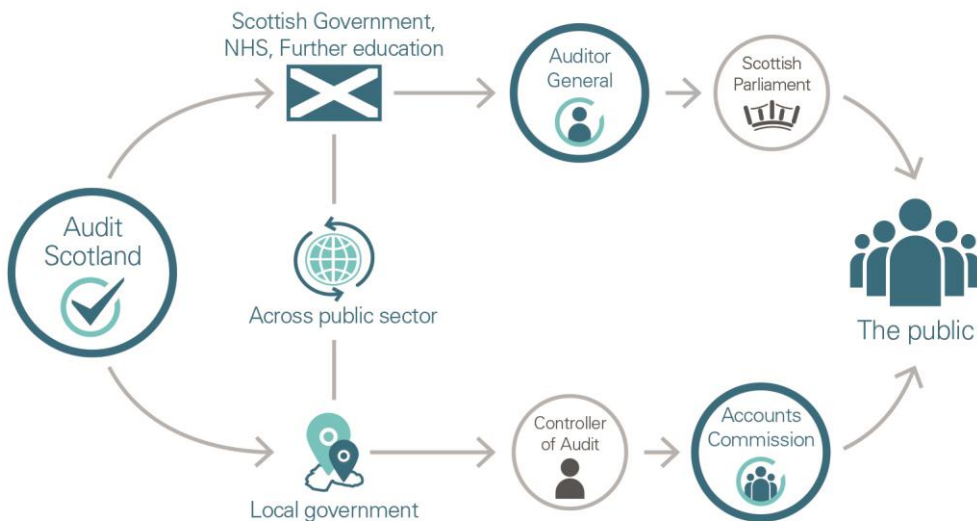
Prepared for Scottish Forestry and the Auditor General for Scotland

28 August 2020

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.

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Key messages

2019/20 annual report and accounts

- 1 The financial statements of Scottish Forestry give a true and fair view of the financial position as at 31 March 2020 and of its net operating expenditure.
- 2 The expenditure and income in the financial statements were incurred or applied in accordance with applicable enactments and guidance.
- 3 The annual report and accounts have been properly prepared in accordance with the financial reporting framework.

Financial management

- 4 Scottish Forestry had appropriate and effective arrangements in place for financial management, remaining within its overall resource budget for 2019/20.
- 5 Systems of internal control operated appropriately and effectively in 2019/20 with scope for improvements in some areas.

Financial sustainability

- 6 Scottish Forestry recognises the need to identify budget savings during 2020/21 to ensure a balanced financial position is achieved. It continues to evaluate the longer terms effects of Covid-19 on its business and finances.
- 7 A long-term financial plan is yet to be developed which aligns to the corporate plan.

Governance and transparency

- 8 Scottish Forestry had appropriate governance arrangements in place during the year which continue to develop. It made changes to its operating environment and governance arrangements in response to the impact of Covid-19.
- 9 The performance report included in the annual report and accounts meets the requirements of the FReM, with scope for further development to provide an accessible account of overall performance.

Value for money

- 10 Scottish Forestry had appropriate arrangements to support performance management.
- 11 Scottish Forestry met nine out of its eighteen performance objectives. There is scope to enhance objective setting though the use of measurable targets.

Introduction

1. The [Forestry and Land Management \(Scotland\) Act 2018](#) received Royal Assent on 1 May 2018 with all provisions becoming operational from 1 April 2019.

2. Scottish Forestry was established on 1 April 2019 as an executive agency of the Scottish Government and all activities, assets and liabilities were transferred from Forestry Commission Scotland on this date. This is our first Scottish Forestry Annual Audit Report following the devolution of forestry.

3. The scope of our audit was set out in our Annual Audit Plan presented to the Audit and Assurance Committee in March 2020. This report comprises the findings from:

- an audit of Scottish Forestry's annual report and accounts
- consideration of the four audit dimensions that frame the wider scope of public audit set out in the [Code of Audit Practice 2016](#) as illustrated in [Exhibit 1](#).

Exhibit 1 Audit dimensions



Source: *Code of Audit Practice 2016*

4. The main elements of our audit work in 2019/20 have been:

- a review of Scottish Forestry's key financial systems
- an audit of the Scottish Forestry's 2019/20 annual report and accounts including the issue of an independent auditor's report setting out my opinions

- consideration of the four audit dimensions.

5. In common with all public bodies, Scottish Forestry has had to respond to the global coronavirus (Covid-19) pandemic. This impacted on the final month of the year and will continue to have significant impact in 2020/21. For Scottish Forestry, this has meant changes to their key operations and processes with staff now predominantly homeworking and delays in planting inspections.

6. Our planned audit work has had to adapt to new emerging risks as they relate to the audit of the financial statements and the wider dimensions of audit. We had regular discussions with management following the lockdown in March 2020 to discuss the impact on Scottish Forestry's work and the year-end audit.

7. As we undertook our audit planning work prior to the pandemic, we reviewed our assessment of audit risks and the planned audit work again in May 2020 and concluded that they remained relevant.

Adding value through the audit

8. We add value to Scottish Forestry through the audit by:

- identifying and providing insight on significant risks, and making clear and relevant recommendations
- reporting our findings and conclusions in public
- sharing intelligence and good practice through our national reports ([Appendix 3](#)) and good practice guides
- providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.

Responsibilities and reporting

9. Scottish Forestry has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing an annual report and accounts that are in accordance with the accounts direction from the Scottish Ministers.

10. Scottish Forestry is also responsible for establishing appropriate and effective arrangements for governance, propriety and regularity that enable the board to successfully deliver its objectives.

11. Our responsibilities as independent auditor are established by the Public Finance and Accountability (Scotland) Act 2000 and the [Code of Audit Practice 2016](#), and supplementary guidance and International Standards on Auditing in the UK. As public sector auditors we give independent opinions on the annual report and accounts.

12. Additionally, we conclude on the appropriateness and effectiveness of the performance management arrangements, the suitability and effectiveness of corporate governance arrangements, the financial position and arrangements for securing financial sustainability. Further details of the respective responsibilities of management and the auditor can be found in the [Code of Audit Practice 2016](#) and supplementary guidance.

13. This report raises matters from our audit. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.

14. Our annual audit report contains an agreed action plan at [Appendix 1](#). It sets out specific recommendations, the responsible officer and dates for implementation. It also includes an update on outstanding actions raised previously with Forestry Commission Scotland and progress against these.

Auditor Independence

15. Auditors appointed by the Auditor General for Scotland must comply with the [Code of Audit Practice](#) and relevant supporting guidance. When auditing the financial statements auditors must comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies.

16. We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services and therefore the 2019/20 audit fee of £50,000 as set out in our Annual Audit Plan remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

17. This report is addressed to both Scottish Forestry and the Auditor General for Scotland and will be published on Audit Scotland's website www.audit-scotland.gov.uk in due course.

18. We would like to thank the management and staff who have been involved in our work for their cooperation and assistance during the audit particularly given the current challenges presented by the impact of Covid-19.

Part 1

Audit of 2019/20 annual report and accounts



Main judgements

The financial statements of Scottish Forestry give a true and fair view of the financial position as at 31 March 2020 and of its net operating expenditure.

The expenditure and income in the financial statements were incurred or applied in accordance with applicable enactments and guidance.

The annual report and accounts have been properly prepared in accordance with the financial reporting framework.

The annual report and accounts are the principal means of accounting for the stewardship of resources and performance.

Our audit opinions on the annual report and accounts are unmodified

19. The Audit and Assurance Committee agreed on 19 August 2020 that the annual report and accounts for the year ended 31 March 2020 should be passed to the Accountable Officer for signing. The Accountable Officer then approved the annual report and accounts on 27 August 2020. We reported within the independent auditor's report that:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- expenditure and income were regular and in accordance with applicable enactments and guidance
- the audited part of the remuneration and staff report, performance report and governance statement were all consistent with the financial statements and properly prepared in accordance with the relevant legislation and directions made by Scottish Ministers.

20. The working papers provided to support the accounts were of a good standard and the audit team received support from finance staff which helped ensure the final accounts audit process ran smoothly.

The annual report and accounts were signed off later than intended because of Covid-19

21. Scottish Forestry and Audit Scotland staff worked from home for the duration of the audit because of the Covid-19 pandemic. We kept in regular communication with management throughout and revised the initial planned audit timetable.

22. The unaudited annual report and accounts were received on 9 June 2020 which was slightly later than agreed. This had no impact on the audit.

23. The working papers provided with the unaudited financial statements were generally of a good standard and finance staff provided good support to the audit team which helped ensure the final accounts audit process ran smoothly.

24. Our audit identified a number of presentational and disclosure issues in the unaudited financial statements, in particular within the performance report and governance statement. These were discussed with finance staff and subsequently amended in the audited financial statements.

Overall materiality is £1.179 million

25. The assessment of what is material is a matter of professional judgement. It involves considering both the amount and the nature of a misstatement in the financial statements.

26. On receipt of the unaudited annual report and accounts we reviewed our materiality calculations and concluded that they remained appropriate. We updated these to reflect the reported outturn at 31 March 2020 as shown in [Exhibit 2](#) below.

Exhibit 2 Materiality values

Materiality level	Amount
Overall materiality	£1.179 million
Performance materiality	£0.884 million
Reporting threshold	£60,000

The main risks of material misstatement and our related work

27. [Appendix 2](#) provides our assessment of risks of material misstatement in the annual report and accounts and any wider audit dimension risks. These risks influence our overall audit strategy, the allocation of staff resources to the audit and indicate how the efforts of the audit team were directed. [Appendix 2](#) also identifies the work we undertook to address these risks and our conclusions.

28. We undertook our planning work and issued our 2019/20 annual audit plan in March 2020, prior to the Covid-19 pandemic. In line with auditing standards and professional advice, including the [Financial Reporting Council's Covid-19 bulletin](#) published in March 2020, we reviewed our assessment of audit risks and the planned audit work in May 2020 and concluded that they remained relevant. There have not been any changes to audit risks or our audit approach, and there was no significant impact on the timing of our audit.

29. We have no issues to report from our work on the risks of material misstatement.

Findings to report on the annual report and accounts

30. International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of the body's accounting practices.

31. The significant findings are summarised in [Exhibit 3](#).


32. The Accounts Direction, which is issued by Scottish Ministers and included as an appendix in the annual report and accounts, has not been formally issued and signed due to the impact of Covid-19 and subsequent closure of Scottish Government buildings. We received confirmation from the Scottish Government that the appropriate version of the Accounts Direction had been correctly included in the annual report and accounts.

Qualitative aspect of the audit

33. Qualitative aspects of the audit include our consideration of accounting policies, significant disclosures, or misstatements.

34. As noted above, all activities, assets and liabilities were transferred from Forestry Commission Scotland to Scottish Forestry on 1 April 2019. This was treated as a transfer by absorption in the 2019/20 annual report and accounts, in line with the 2019/20 Government Financial Reporting Manual (FReM). Net assets were transferred into Scottish Forestry's financial statements as at 1 April 2019 with the carrying value recorded as a non-operating gain/loss from the transfer of function, through net expenditure. We identified several improvements in the way this was presented in the financial statements which were subsequently amended.

Exhibit 3 Significant findings from the audit of financial statements

Issue	Resolution
<p>1. Grant Accrual</p> <p>The 2019/20 financial statements include an accrual of £47.3 million relating to grants due to be paid but not yet claimed by 31 March 2020. £44.7 million of this relates to the Forestry Grant Scheme, information for which is held on the Casebook system. In 2018/19, £35.6 million was accrued for Forestry Grant Scheme grants not claimed in year.</p> <p>The Casebook system continues to be developed but does not currently have the functionality to list individually, all grants accrued in 2019/20. The accrual has been based on 2019/20 commitments, plus the 2018/19 Forestry Grant Scheme accrual, less payments made in year.</p>	<p>We have assessed the methodology used when calculating the accruals figure and judged it to be reasonable.</p> <p>We tested a sample of grants committed to but not paid at year end and agreed each to schedule of works evidencing the commitment. No issues were identified.</p> <p>In addition, we selected a sample of grant payments made after the year end and agreed these back to a report showing the grants committed to in 2019/20. No issues were identified.</p> <p>Specific assurance was sought and obtained from the Accountable Officer that he considers the grant accrual is fairly stated.</p> <p> Recommendation 1 (refer Appendix 1, action plan)</p>
<p>2. EU income - grants</p> <p>The 2019/20 financial statements include accrued income of £21.6 million relating to EU funding income for grants.</p> <p>The accrual is the EU funding element of the committed grant funding under the Scottish Rural Development Programme. All forestry payments are made by the Scottish Government's Rural Payments and Inspections Division (RPID). They are the accredited paying agency in Scotland for all European Commission Common Agricultural (CAP) grants.</p>	<p>We have tested a sample of 2019/20 grant claims and each was agreed back to the original grant claim and processed correctly.</p> <p>We have considered the annual review which Internal Audit undertake as part of the assurance work which Scottish Government RPID provides to the European Commission (EC) for European Fund for Agricultural Development. Reasonable assurance was provided on the work carried out.</p> <p>Specific assurance was sought and obtained from the Accountable Officer that he considers accruals for EU income are fairly stated.</p>

Issue	Resolution
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Management expect this to be fully repaid and there are currently no identified potential EU disallowances arising from recent EU audits.



[Recommendation 2](#)
(refer [Appendix 1](#), action plan)

Source: Audit Scotland

Identified misstatements

35. There were no misstatements above our reporting thresholds identified from our audit.

Other matters arising from the audit of the accounts

36. Financial commitments. Note 16 in the annual accounts records Scottish Forestry's Scotland's financial commitments to the payment of future instalments under a range of EU funded programmes. These commitments total £89.63 million and include:

- Scottish Rural Development Plan 2007 – 2013 (woodland creation and replanting): £16.95 million
- Scottish Rural Development Plan 2014 – 2020 (forestry grants for woodland creation and replanting): £72.36 million.

37. Cash and cash equivalents. The statement of financial position discloses a year-end cash balance of £25.2 million. This cash balance reflects funding drawn down in respect of the locally funded element of the Forestry Grant Scheme, which had not yet been paid out to grant claimants and reflects the increased activity in this area. Amounts payable have been appropriately recognised as expenditure.

Part 2

Financial management



Main judgements

Scottish Forestry had appropriate and effective arrangements in place for financial management, remaining within its overall resource budget for 2019/20.

Systems of internal control operated appropriately and effectively in 2019/20 with scope for improvements in some areas.

Financial management is about financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.

Scottish Forestry operated within its budget in 2019/20

38. The main financial objective for Scottish Forestry is to ensure that the financial outturn for the year is within the budget allocated by Scottish Ministers.

39. Scottish Forestry has reported an outturn of £53.6 million remaining within its overall budget for 2019/20 with an underspend of £4.6 million. The financial performance against Departmental Expenditure Limits (DEL) is shown in [Exhibit 4](#).

Exhibit 4 Performance against DEL in 2019/20

Performance	Initial budget £m	ABR budget	SBR budget £m	Outturn £m	Over/(under) spend £m
Resource DEL	43.2	53.2	58.2	53.6	(4.6)

Source: Scottish Forestry's 2019/20 Annual Report and Accounts

40. During the 2019/20 autumn and spring budget revisions the Scottish Government increased the initial budget by £15 million largely for timber transport projects, new cross border arrangements and additional funding for woodland grants to help meet the increased planting target.

41. This underspend of £4.6 million was attributed to:

- an increase in EU receipts as a result of a change in the co-financing rate from 45.0% to 52.9% on 1st January 2020 together with increased planting activities (£3.5 million additional income)
- other administration costs were underspent by £1.1 million as a result of organisational savings together with the impact of Covid-19

- programme costs were overspent by £1.2 million which was a result of the increased planting targets
- other savings resulted from an underspend on staff costs (£0.4 million), other programme costs (£0.5 million) and an over-recovery of other income (£0.4 million).

42. From our review of budget monitoring reports, review of committee papers and attendance at committees we confirmed that senior management and non-executive advisers receive regular, timely and up to date financial information on the financial position.

Scottish Forestry records net liabilities in the statement of financial position

43. The Statement of Financial Position summarises what is owned and owed by Scottish Forestry. This shows taxpayers' equity – an accounting measurement of the amount invested that has continuing public benefit.

44. The financial statements show that Scottish Forestry had net liabilities of £3.2 million. This position is largely as a result of the low baseline value of property, plant and equipment. This is not considered an issue in relation to the going concern of the organisation, as all funding is received from the Scottish Government on an ongoing basis

Financial system controls are operating effectively in most areas, but there were some weaknesses

45. As part of our audit we identify and inspect the key internal controls in those accounting systems which we regard as significant to produce the financial statements. Our objective is to gain assurance that the systems of recording and processing transactions provide a sound basis for the preparation of the financial statements.

46. Our management report presented to the Audit Committee on 19 August 2020 concluded our findings from the review of systems of internal controls. We concluded that generally Scottish Forestry's controls were operating satisfactorily. However, we did identify four areas where improvements were required. Management have provided responses to each of the points together with timescales for action.

Standards of conduct and arrangements for the prevention and detection of fraud and error are appropriate

47. Scottish Forestry is responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities. Furthermore, it is responsible for ensuring that its affairs are managed in accordance with proper standards of conduct by putting effective arrangements in place.

48. We reviewed the arrangements in place to maintain standards of conduct, for example, the Staff Handbook and Civil Service and Members' Codes of Conduct. There are established procedures for preventing and detecting any breaches of these standards including any instances of corruption.

49. Appropriate arrangements are in place for the prevention and detection of fraud, error and irregularities. We are not aware of any specific issues that we need to bring to your attention.

National Fraud Initiative

50. The National Fraud Initiative (NFI) is a counter-fraud exercise across the UK public sector which aims to prevent and detect fraud. Computerised techniques are

used to compare information about individuals held by different public bodies, and on different financial systems, to identify 'matches' that might suggest the existence of fraud or irregularity.

51. The most recent NFI exercise is based on findings from information submitted jointly by the former Forestry Commission Scotland and Forest Enterprise Scotland in 2018. We note that the updating of the NFI system is complete and all required information and outcomes have been recorded.

52. All high-risk recommendations were investigated, and no instances of fraud were identified as a result of this exercise. Going forward Scottish Forestry and Forestry and Land Scotland will provide separate data submissions.

53. Audit Scotland published [The National Fraud Initiative 2018/19](#) in July 2020. It noted that since the previous NFI report in June 2018, outcomes valued at £15.3 million have been recorded. The cumulative outcomes from the NFI in Scotland since the first exercise in 2006/07 are now £143.6 million. NFI outcomes in Scotland have fallen by £2.4 million to £15.3 million in the 2018/19 exercise, despite an increase in participating bodies. Reduced levels of outcomes could be due to less fraud and error in the system, strong internal controls or less effective detection of fraud and error.

54. The report recommended that all participants should be aware of emerging fraud risks, for example due to Covid-19, and take appropriate preventative and detective action. In addition, all audit committees together with staff leading the NFI should review the NFI self-appraisal checklist to ensure they are fully informed of the planning and progress in the 2020/21 NFI exercise.

Part 3

Financial sustainability



Main judgements

Scottish Forestry recognises the need to identify budget savings during 2020/21 to ensure a balanced financial position is achieved. It continues to evaluate the longer terms effects of Covid-19 on its business and finances.

A longer-term financial plan is yet to be developed which aligns to the corporate plan.

Financial sustainability looks forward to the medium and longer term to consider whether a body is planning effectively to continue to deliver its services or the way in which they should be delivered.

Further work is required to identify budget savings to ensure a balanced financial position is achieved

55. The Scottish Government's 2020/21 budget was published in February 2020. Scottish Forestry's core budget for 2020/21 was increased by £4.3 million to £47.5 million, an increase of 9.9% from the 2019/20 core budget allocation. This includes a net increase in funding for woodland grants of £4.7 million to recognise increased planting targets. This also includes a reduction in programme and running costs of £0.5 million in respect of staff and administration costs.

56. Scottish Forestry are currently estimating a year end overspend of £0.2 million, with particular pressures on staffing costs. Work is continuing to reduce this expenditure pressure to ensure a balanced position is achieved. Further work continues to reflect the impact of Covid-19 on the business and the finances.

A longer-term financial plan is yet to be developed

57. Longer term planning had been deferred by the former Forestry Commission Scotland, pending the establishment of Scottish Forestry. Currently the Scottish Forestry 2020-23 corporate plan includes limited financial information for 2020/21.

58. The Scottish Government (SG) published an initial five-year Medium-Term Financial Strategy (MTFS) in May 2018. The five-year outlook for the Scottish budget, set out in the MTFS, provides useful context for bodies' financial planning.

59. Scottish Government's plan to maximise the contribution of forestry and woodland to Scotland's economy by continuing to stimulate and enable woodland creation across Scotland, means increasing planting targets and pressure on resources for Scottish Forestry.

60. A medium to long term financial plan, linked to the Corporate Plan would allow Scottish Forestry to better understand its financial position and the associated impact on the Agency's ability to achieve its strategic objectives. Management should now ensure that a longer-term financial strategy is developed for Scottish Forestry, supported by clear and detailed financial plans.



Recommendation 3

Scottish Forestry should develop a medium to longer term financial strategy, supported by clear and detailed financial plans which align with the objectives in the Corporate Plan. This should help identify future challenges and potential savings plans in the medium term. (Appendix 1, action plan point 3)

Part 4

Governance and transparency



Main judgements

Scottish Forestry had appropriate governance arrangements in place which continue to develop. It made changes to its operating environment and governance arrangements in response to the impact of Covid-19.

The performance report included in the annual report and accounts meets the requirements of the FReM, with scope for further development to provide an accessible account of overall performance.

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.

Governance arrangements

61. Scottish Forestry's governance arrangements are set out in its Framework Document which was finalised in April 2019. Scottish Forestry is led by a Senior Executive Team (SET), with the Chief Executive assisted by five function heads. The Chief Executive is the accountable officer for the agency meaning they have a personal responsibility for maintaining a sound system of risk management and internal control.

62. Scottish Forestry has put in place the core governance arrangements, including establishing a Strategic Advisory Group (SAG) and an Audit and Assurance Committee (AAC) to support the Chief Executive in the delivery of their responsibilities. A new Chief Executive was appointed in December 2019 taking over from the previous Chief Executive, who led the establishment of Scottish Forestry.

63. Work continued during the year to update a range of policy documents. In the interim, the policies applicable to Forestry Commission Scotland were rolled forward and have been subject to ongoing review and update. These policies included whistleblowing and delegation schemes.

64. The Forestry and Land Management (Scotland) Act 2018 states 'The Scottish Ministers must appoint an officer to be known as the chief forester'. They have responsibility for the development, communication and promotion of professional standards among forestry staff in Scottish Forestry and Forestry and Land Scotland. This role had been previously combined with the former Chief Executive but the newly appointed Chief Executive was unable to take up this role. Following a recruitment process, a new Chief Forester was appointed in July 2020. However, this post has been vacant for over 6 months.

Corporate and Business Planning

65. Per Scottish Forestry's Framework Document, the agency is required to have both a corporate plan and annual business plan in place. Scottish Forestry's Business Plan 2019-20 was published in July 2019 and was recognised to be an interim document until the Corporate Plan and supporting Business and Cost

Centre plans could be finalised. As part of the corporate planning process, a corporate plan was due to be finalised by October 2019.

66. The Corporate Plan was due for publication in March 2020. However, due to Covid-19, this was delayed until June 2020. The plan sets out Scottish Forestry's corporate objectives and its priorities to ensure these are achieved.

67. The Corporate Plan is supported by an annual Business Plan. The 2020-21 Business Plan is a combined Business Plan and Recovery Plan and includes actions Scottish Forestry will take to restart its business following the Covid-19 shut down. This expands on the priorities and provides detail on how Scottish Forestry will make progress towards achieving the strategic objectives. The Business Plan is supported by a number of lower level Cost Centre plans.

68. In 2019 the Scottish Government published its Scotland's Forestry Strategy 2019-29 which sets out a 50-year vision for Forestry in Scotland. Scottish Forestry is leading the co-ordination of the delivery, monitoring and reporting of the strategy, including the development of the Forestry Strategy Implementation Plan. Scottish Forestry published its Forestry Strategy Implementation Plan 2020-22 which provides a baseline for the initial delivery of the Forestry Strategy.

69. Scottish Forestry recognises the need for these plans to be kept under review in order to prioritise plans that will support the forestry sector recovery from the impacts of the coronavirus pandemic and contribute towards the delivery of the Forestry Sector Restart and Resilience Plan.

Internal Audit reviewed corporate governance arrangements

70. During the year, Internal Audit carried out a Corporate Governance Health Check. This concluded an overall reasonable assurance opinion, but highlighted the following points:

- there is good information available regarding the regulations and policies of Scottish Forestry. However, awareness of these policies required to be more deeply embedded among staff within the organisation
- there are issues around the collation of management information and the reporting of such to the relevant boards.

The performance report should be further improved

71. In addition to the opinion on the performance report covered in Part 1 of our Annual Audit Report, we also consider the qualitative aspects of the performance report. The purpose of a performance report is to provide information on the main objectives and strategies, and the principal risks that it faces. It is required to provide a fair, balanced and understandable analysis of performance and is essential in helping stakeholders understand the financial statements. The performance report is an opportunity for the organisation to 'tell its story' about what it has achieved with the funding made available to it.

72. Scottish Forestry developed its performance report following recommendations made previously to Forestry Commission Scotland. The performance report clearly reflects the eighteen objectives outlined in the 2019/20 Business Plan together with progress towards achievement. In addition, there are links to the National Performance Framework (NPF) which help provide a picture of Scottish Forestry's contribution to the Scottish Government's wider strategic aims and objectives.

73. From our review of the annual report presented for audit, we concluded that there was scope to provide a more informative and more easily understandable picture of performance in 2019/20. We discussed some amendments to the narrative and concluded that Scottish Forestry's performance report met the requirements of the FReM.

74. Annex 5 of the FReM gives additional guidance for narrative reporting. It refers to the use of trend analysis, balanced reporting, plain English, use of infographics and advises the preparer to go beyond the minimum requirements. In our view, Scottish Forestry's performance report could be enhanced by using diagrams and tables and by linking better the individual sections. Further guidance can be found in Audit Scotland's 2019 report: [Good Practice Note on Performance Reports in Central Government](#).



Recommendation 4

Scottish Forestry should review the content and presentation of its performance report to ensure it takes full advantage of the opportunity to communicate directly to stakeholders about its activities. (Appendix 1, action plan point 4)

Assurances are provided to the accountable officer

75. HM Treasury's Financial Reporting Manual (the FReM) requires the inclusion of a governance statement within the annual report and accounts. Guidance is set out within the Scottish Public Finance Manual (SPFM) for the content of the governance statement and provides assurances around the achievement of the organisation's strategic objectives.

76. The SPFM does not provide a format for the annual governance statement but sets out minimum requirements for central government bodies. The Chief Executive receives assurances from each of the five functional heads of service. The checklists provided have been tailored to address specific internal control processes and are at a fairly low level, for example employee expenses. The SPFM provides a checklist, which was updated in 2020, and which could be adapted and applied by Scottish Forestry. This would provide closer alignment to the format used by Scottish executive agencies and would also provide assurance to the Chief Executive of the presence of the highest level internal control processes. The checklists should reflect the level of detail and coverage of the SPFM example.



Recommendation 5

The example assurance checklist provided in the SPFM should be reviewed and applied to Scottish Forestry. This will provide better alignment to the process applied by the Scottish Government and will provide a more complete picture of the internal control process in operation. (Appendix 1, action plan point 5)

Covid-19 has affected governance

77. The agency reviewed its governance structure in light of the Covid-19 pandemic. During the early stages of lockdown, Scottish Forestry established a Covid-19 Resilience Group who reported to the Senior Executive Team three times per week.

78. From May 2020 Scottish Forestry formed the SF Covid Strategic Response and Recovery Group (SCRRG), a sub-committee of the Senior Executive Team. The role of this group is to provide effective strategic leadership of the organisation through the pandemic and ensure that Scottish Forestry is operating safely and effectively, and in line with Scottish and UK government guidelines. It meets weekly and includes all SET members and the Covid-19 Resilience Group now reports to this group.

79. By the end of March Scottish Forestry had transitioned to predominantly home-based working. As a result of changes to operations, Scottish Forestry requested Internal Audit undertake a review of revised controls over the Forestry Grant Scheme. Internal Audit concluded that arrangements put in place are appropriate and satisfactory in ensuring administration of the scheme is continued efficiently and in line with Covid-19 restrictions.

80. Audit Scotland published a briefing paper in July 2020 [Covid-19: Emerging Fraud Risks](#). The paper sets out a range of fraud risks emerging from the Covid-19 crisis, and what public bodies might do to help reduce these risks. It aims to raise awareness of these new fraud risks with public bodies and their auditors; and support them in identifying and managing these risks and ensure that sound governance and controls are in place.

81. Overall, Scottish Forestry is proactive in dealing with the changed operating environment. The scale and pace of change as a result of Covid-19 poses a risk to the key financial controls within the finance department. Management should ensure that new processes are effective and that there is sufficient, well-documented governance to inform and support all decisions.



Recommendation 6

Scottish Forestry should ensure that internal controls remain effective during this period of uncertainty and new ways of working. (Appendix 1, action plan point 6)

The approach to risk management is developing

82. The approach to risk management has been evolving during 2019/20. The risk register has been redesigned and the organisation's risk appetite has been agreed. The revised risk register reflects strategic level risks and are assigned a score based on the risk appetite. Project and cost centre risks are held in local risk registers. The governance statement refers to the need to embed risk management into the organisational culture and day to day processes. The revised approach to risk management was approved by the AAC in March 2020.

83. We shall review the developing risk management arrangements as part of our 2020/21 audit.

Openness and transparency remain a focus for attention

84. There continues to be a focus on how public organisations demonstrate the best use of public money. Openness and transparency in how a body operates and makes decisions is key to supporting understanding and scrutiny. Transparency means that the public have access to understandable, relevant and timely information about how the board is taking decisions and how it is using resources such as money, people and assets.

85. We note that some papers and all minutes of the SAG and SET are available on the website together with the minutes of the November 2019 AAC. All meetings are held in private. Management should consider the openness and transparency of the organisation against best practice and the Scottish Government's values of Open Government which aim to foster openness, transparency and citizen participation. Openness and transparency could be improved by extending the availability of meeting agendas and papers to the public with confidential information withdrawn or redacted as appropriate.

Part 5

Value for money



Main judgements

Scottish Forestry had appropriate arrangements to support performance management.

Scottish Forestry met nine out of its eighteen performance objectives. There is scope to enhance objective setting though the use of measurable targets.

Value for money is concerned with using resources effectively and continually improving services.

Scottish Forestry had appropriate arrangements in place to support performance management

86. [Ministerial guidance to Accountable Officers](#) for public bodies and the [Scottish Public Finance Manual](#) (SPFM) sets out the accountable officer's duty to ensure that arrangements are in place to secure best value. The guidance sets out the key principles of best value and the requirement to have a systematic approach to self-evaluation and continuous improvement.

87. The Chief Executive of Scottish Forestry is the designated Accountable Officer. The Scottish Forestry framework agreement requires the Accountable Officer to report annually, within the annual report and accounts, the steps taken during each financial year to improve efficiency, effectiveness and economy. The narrative within the annual report and accounts provides this further information.

Scottish Forestry achieved nine out of its eighteen performance objectives

88. Scottish Forestry's performance is monitored by the Senior Executive Team and the Strategic Advisory Group. The business plan set out four corporate themes with eighteen objectives underpinning these. The 2019/20 annual report and accounts highlights action taken and records that nine of the objectives were achieved while nine were in progress. During the year the woodland creation: planting target of 10,000ha was amended by the Cabinet Secretary to 12,000ha. The revised target was not met.

89. We concluded that Scottish Forestry had overall arrangements in place which support performance management.

90. We noted that many of the objectives do not have measurable outcomes against which performance can be measured. We have therefore recommended that the use of key performance indicators with measurable targets could enhance the transparency of performance reporting. This has been acknowledged by Scottish Forestry in the 2020/21 Business Plan which notes that that work is ongoing to produce a suite of KPI and Performance Measures which will support effective tracking progress against each of its priorities.

National performance audit reports

91. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. In 2019/20 several reports were published which are of direct interest to the body. These are outlined in [Appendix 3](#).

92. We provide regular progress reports and updates to the Audit and Assurance Committee where we refer to national performance audit reports which may be of interest to members.

Appendix 1

Action plan 2019/20



No.	Issue/risk	Recommendation	Agreed management action/timing
1	<p>Grant System Reporting</p> <p>The Casebook Grants System does not have the full functionality to provide a detailed listing of all grants accrued.</p> <p>Risk. There is a risk that inaccurate information is reported, resulting in a misstatement in the Financial Statements.</p>	<p>Scottish Forestry should continue to develop the Casebook grants system to ensure a whole suite of management information is available to support both the expenditure during the year and the year-end accrual.</p>	<p>Development of the Casebook grant claims functionality required to provide accruals reporting has been prioritised and work is now at an advanced stage. A new steering group has been set up to monitor progress and ensure that this functionality is delivered and tested in time to support preparation of the 2020/21 financial accounts</p> <p>Responsible officer: Brendan Callaghan/John Dougan – Head of Operational Delivery/Development</p> <p>Agreed date: March 2021</p>
2	<p>EU income</p> <p>The 2019/20 Financial Statements includes £21.6m accrued income relating to the EU funding element of Forestry Grant Scheme claims.</p> <p>Risk. Given the significance of the EU income accrual and the complex regulatory environment surrounding EU funding, there is a risk that some funding may be disallowed.</p>	<p>Scottish Forestry should ensure that all relevant grant conditions are met, together with the retention of required evidence.</p>	<p>Claims processing will include checking against grant conditions and supporting evidence and paperwork will be retained as per normal procedures.</p> <p>Responsible officer: Brendan Callaghan – Head of Operational Delivery</p> <p>Agreed date: Ongoing</p>
3	<p>Medium to Long term financial planning</p> <p>Scottish Forestry have yet to develop a longer-term financial plan.</p> <p>Risk. In the absence of longer-term financial planning there is a risk that financial limitations are not identified, impacting on the ability to achieve objectives.</p>	<p>Scottish Forestry should develop a medium to longer term financial strategy, supported by clear and detailed financial plans which align with the objectives in the Corporate Plan. This should help identify future challenges and potential savings plans in the medium term.</p>	<p>Annual SG spending reviews have continued to be applied annually making longer - term financial planning more difficult.</p> <p>Senior Management has continued to engage with SG officials within the spending review process ensuring suitable budget plans.</p> <p>Scottish Forestry is also continuing to engage in</p>



No. **Issue/risk**

Recommendation

Agreed management action/timing

			<p>ongoing SG spending review exercises covering 2020 – 2024. This includes budgets for various levels of Woodland Creation and associated resources. We will use the information from these models to facilitate improvements in Medium/Long term planning.</p> <p>Responsible officer: Ross MacHardie – Head of Finance & Business Support</p> <p>Agreed date: March 2021</p>
<p>4</p>	<p>Performance report</p> <p>The performance report could be enhanced by using diagrams and tables and by linking better the individual sections.</p> <p>Risk. There is a risk that the information provided in the performance report is unclear or misstated leading to a lack of clarity.</p>	<p>Scottish Forestry should review the content and presentation of its performance report to ensure it takes full advantage of the opportunity to communicate directly to stakeholders about its activities.</p>	<p>Work has been undertaken to complete and publish Scottish Forestry Corporate and Business Plans. Work has also commenced on cost centre plans.</p> <p>We are now also in a position to allow development and implementation of KPI's and Management Information.</p> <p>This will be utilised when producing the performance report for 2020-21 following consideration of key information to be used and how this is best presented.</p> <p>Responsible officer: Ross MacHardie – Head of Finance & Business Support</p> <p>Agreed date: March 2021</p>
<p>5</p>	<p>Governance statement</p> <p>The assurance checklists do not contain the same coverage and level of detail covered by the SPFM example.</p> <p>Risk. There is a risk that key issues are not identified and highlighted to the Chief Executive as part of the assurance process.</p>	<p>The example assurance checklist provided in the SPFM should be reviewed and applied to Scottish Forestry. This will provide better alignment to the process applied by the Scottish Government and will provide a more complete picture of the internal control process in operation.</p>	<p>A process to review and receive notification on SPFM updates will be established. Assurance checklists will be amended to better align with SPFM guidance and templates.</p> <p>Responsible officer: Ross MacHardie – Head of Finance & Business Support</p> <p>Agreed date: Ongoing</p>
<p>6</p>	<p>Impact of Covid-19</p> <p>The scale and pace of change as a result of Covid-19 poses a risk to the key financial</p>	<p>Scottish Forestry should ensure that internal controls remain effective during this period of uncertainty and new ways of working.</p>	<p>The current purpose and format of Finance Support Visits is being reviewed. This review will consider the requirement to test the effectiveness of revised</p>



No.	Issue/risk	Recommendation	Agreed management action/timing
	<p>controls within the finance department.</p> <p>Risk. There is a risk that new processes and controls introduced during the pandemic are ineffective.</p>		<p>financial controls and processes as a result of Covid-19.</p> <p>The Head of Finance will complete Covid-19 Internal Controls and Risk Assessment and will continue to liaise with SGIAD on this issue.</p> <p>Responsible officer: Ross MacHardie – Head of Finance & Business Support</p> <p>Agreed date: Ongoing</p>

Follow up of prior year recommendations

1	<p>Year-end bank reconciliations</p> <p>Management were unable to provide a listing of the £560,000 unreconciled items included in the year-end bank reconciliation. A retrospective review was undertaken, and we were subsequently provided with evidence of the reconciling items and follow up of these.</p> <p>Risk. There is a risk that reconciling items are not investigated and followed up appropriately, leading to discrepancies between the bank balance and the financial ledger.</p>	<p>Management should ensure that a clear audit trail of reconciling items on the periodic bank reconciliations and the follow up of these is retained.</p>	<p>Complete</p> <p>From testing of the 2019/20 year end bank reconciliation and a sample of reconciling items no issues were identified and sufficient evidence was obtained.</p>
2	<p>EU income – grants</p> <p>Issues have been identified in previous years in relation to the audit of EU grant claims.</p> <p>Risk. Given the significance of the EU income accrual and the complex regulatory environment surrounding EU funding, there is a risk that some funding may be disallowed. Income may have been accrued in error which will result in subsequent pressures on finances.</p>	<p>Scottish Forestry should ensure that there are adequate controls in place to ensure disallowance is avoided and that all grant conditions are met.</p>	<p>Ongoing</p> <p>Our testing of a sample of grant claims in year did not identify any matters arising.</p> <p>However, there is an inherent risk over the disallowance of EU funding and therefore this point remains outstanding.</p> <p>Refer Appendix 1, action plan point 2</p>



No.	Issue/risk	Recommendation	Agreed management action/timing
3	<p data-bbox="256 412 628 696">NFI The review of the recommended matches should be progressed. The Audit and Assurance Committee of Scottish Forestry should be provided with the self-appraisal checklist in order to be informed of the process.</p> <p data-bbox="256 719 628 864">Risk. There is a risk that Audit and Assurance Committee members are not kept fully apprised of the progress made on the NFI exercise</p>	<p data-bbox="659 412 1027 651">The review of the recommended matches should be progressed. The Audit and Assurance Committee of Scottish Forestry should be provided with the self-appraisal checklist in order to be informed of the process.</p>	<p data-bbox="1054 412 1428 577">Complete 2018/19 NFI self-appraisal checklist was presented to final Audit and Risk Committee in August 2019.</p> <p data-bbox="1054 600 1428 775">Our review of the NFI exercise found all high-risk recommendations were investigated, and no instances of fraud were identified as a result of this exercise.</p>
4	<p data-bbox="256 904 628 1133">Longer-term financial planning Longer-term financial planning was deferred by Forestry Commission Scotland pending the transition to Scottish Forestry.</p> <p data-bbox="256 1155 628 1335">Risk. In the absence of longer-term financial planning there is a risk that the impact of budget assumptions on agreed or projected outputs is not effectively recognised.</p>	<p data-bbox="659 904 1027 1144">A longer-term financial strategy should be developed for Scottish Forestry, supported by clear and detailed financial plans. Financial planning should align with the Scottish Forestry corporate plan.</p>	<p data-bbox="1054 904 1428 1043">Ongoing Scottish Forestry has not yet developed a longer-term financial plan.</p> <p data-bbox="1054 1066 1428 1111">Refer Appendix 1, action plan point 3.</p>
5	<p data-bbox="256 1375 628 1424">Governance statement – assurances</p> <p data-bbox="256 1447 628 1626">Heads of Service do not complete an internal control checklist; instead they refer to a list of control processes which then provide the basis for their assurance.</p> <p data-bbox="256 1648 628 1827">Risk. There is a risk that the assurances provided to the accountable officer are not fully aligned with the format used by Scottish executive agencies.</p>	<p data-bbox="659 1375 1027 1671">The example assurance checklist provided in the SPFM should be reviewed and applied to Scottish Forestry. This will provide better alignment to the process applied by the Scottish Government and will provide a fuller review of the internal control process in operation.</p>	<p data-bbox="1054 1375 1428 1603">Ongoing Improvements have been made to the assurance framework, but the checklist did not provide the full extent of assurance as provided in the SPFM.</p> <p data-bbox="1054 1626 1428 1671">Refer to Appendix 1, action plan point 5.</p>
6	<p data-bbox="256 1868 628 2029">Corporate plan A corporate plan was due to be finalised by October 2019. Work is underway to develop the corporate plan.</p> <p data-bbox="256 2051 628 2130">Risk. In the absence of a corporate plan, there is a risk of lack of clarity about roles,</p>	<p data-bbox="659 1868 1027 2074">Management should continue to progress work already underway to develop the Scottish Forestry corporate plan. The corporate plan should be supported by an annual business plan.</p>	<p data-bbox="1054 1868 1428 2085">Complete The publication of the Corporate Plan did not meet the original October 2019 deadline. The revised date (March 2020) was delayed due to Covid-19. The corporate</p>



No.	Issue/risk	Recommendation	Agreed management action/timing
	responsibilities and accountabilities as the new arrangements develop and a risk that this impacts on Scottish Forestry's effectiveness.		plan was published in June 2020.
7	<p>Performance management Scottish Forestry will be expected to take an 'outcomes based approach' to corporate and business planning, and effectively demonstrate their contribution to the delivery of the government's Purpose and National Outcomes, as set out in the National Performance Framework.</p> <p>Risk. There is a risk that the performance report does not maximise its potential as a means of communicating performance.</p>	Scottish Forestry should review the content and presentation of its performance report to ensure it takes full advantage of the opportunity to communicate how it has applied the funding it receives and what was achieved. Scottish Forestry should provide an assessment of its contribution to the Scottish Government outcomes.	<p>Ongoing</p> <p>We noted several improvements to the Performance Report in year, including clearer links to how Scottish Forestry's objectives contribute to delivery of the National Outcomes. We noted that further development using infographics for example could be applied.</p> <p>Refer to Appendix 1, action plan point 4</p>

Appendix 2

Significant audit risks identified during planning

The table below sets out the audit risks we identified during our planning of the audit and how we addressed each risk in arriving at our conclusion. The risks are categorised between those where there is a risk of material misstatement in the annual report and accounts and those relating to our wider responsibility under the [Code of Audit Practice 2016](#).

Audit Risk	Assurance procedure	Results and conclusions
Risks of material misstatement in the financial statements		
<p>1 Risk of material misstatement caused by management override of controls</p> <p>Auditing Standards require that audits are planned to consider the risk of material misstatement caused by fraud, which is presumed to be a significant risk in any audit. This includes the risk of management override of controls that results in fraudulent financial statements.</p>	<p>Testing of journal entries.</p> <p>Focused testing of yearend payables and receivables.</p> <p>Evaluation of significant transactions that are outside the normal course of business.</p> <p>Substantive testing of transactions after the year end to confirm expenditure and income have been accounted for in the correct financial year.</p>	<p>Our controls testing identified issues with general ledger user access including the raising of journals. Mitigating controls have been put into place.</p> <p>We did not identify any issues as a result of our audit work that would indicate management override of controls affecting the year-end position.</p>
<p>2 Risk of material misstatement caused by fraud in grant expenditure</p> <p>Practice Note 10 require auditors to consider the risk of fraud over certain types of public sector expenditure. As most public-sector bodies are net expenditure bodies, the risk of fraud is more likely to occur in expenditure. Scottish Forestry administers a significant number of grants to private woodland owners. In 2018/19, grants of £51 million were paid to private woodland owners of which £20 million were funded by EU. There is an inherent risk of fraud in the payment of grants.</p>	<p>Analytical procedures.</p> <p>Review of controls in place over grant expenditure.</p> <p>Substantive testing of expenditure transactions focussing on the areas of greatest risk.</p> <p>Review and reliance on Scottish Forestry's finance team's review of Scottish Rural Development Programme (SRDP) grants.</p> <p>Focussed testing of year end payables.</p> <p>Review of anti-fraud arrangements and completion of National Fraud Initiative follow up questionnaire.</p>	<p>We carried out controls and substantive testing on a sample of Forestry Grant Scheme and SRDP grant payments and considered the work undertaken by Scottish Forestry's finance team. Our work did not identify any significant issues.</p> <p>Testing of the year end grant accrual identified a weakness in the reporting system as documented at Appendix 1, action point 1. However, our work provided assurance over the accuracy of the accrual.</p> <p>Anti-fraud arrangements (including participation in the National Fraud Initiative exercise) were reviewed, with no issues identified.</p>
<p>3 Risk of error in accounting for EU funded grant schemes.</p>	<p>Minute reviews of joint SGRPID and Scottish Forestry meetings.</p> <p>Review of year end accrual.</p>	<p>Our testing of grant claims and the yearend grant accrual identified no specific issues.</p>

Audit Risk	Assurance procedure	Results and conclusions
<p>The Forestry Grant Scheme (FGS) is a discrete scheme under the Scottish Rural Development Programme. Scottish Forestry is the Scheme Manager and is responsible for complying with EU regulations. There also continues to be two legacy schemes in operation. Contingency arrangements have been put in place by Scottish Forestry over the SGRPID IT provision to support the functionality of the FGS.</p>	<p>Monitor progress of commitments for any potential disallowance and ensure accounting treatment is appropriate.</p> <p>Consider Internal Audit's follow up report on inspections and penalties.</p>	<p>Internal audit provided reasonable assurance from their work on grants in 2019/20.</p> <p>We have been advised by management that there are no potential disallowances for 2019/20 grant payments.</p> <p>However, there remains a risk that:</p> <ul style="list-style-type: none"> • approved expenditure does not comply with EU regulations • the necessary information required from the Scottish Government is not received timeously, leading to an underclaim of grant income. <p>Refer to Appendix 1, action plan 2</p>

Risks identified from the auditor's wider responsibility under the Code of Audit Practice

<p>4 Governance and transparency</p> <p>A significant amount of work was undertaken, and continues, in respect of the transition to Scottish Forestry. New governance arrangements continue to embed. Governance Groups are in place, a new Accountable Officer took up the position in January 2020, and shared services are largely delivered by Forestry and Land Scotland. In addition, a number of policies and corporate documents require review and updating. As a result of this continuing period of organisational change, there remain a number of risks, including:</p> <ul style="list-style-type: none"> • loss of key staff and knowledge • the effectiveness of internal controls may be impacted • governance arrangements are not kept up to date, including the review and update of the register of interests and the risk register. 	<p>Consideration of the findings from internal audit's review of corporate governance.</p> <p>Assessment of progress towards completion of planned projects.</p> <p>Review and assessment of governance arrangements.</p> <p>Review and assessment of internal controls.</p> <p>Review processes for maintaining register of interests.</p>	<p>Discussions were held with management throughout 2019/20 and the work of internal audit was also considered.</p> <p>Some issues were identified from our review of internal controls and were reported in our management report.</p> <p>Several policies and corporate documents (for example HR policies, Financial Regulations) are being developed and we will continue to monitor the progress of these.</p> <p>Our review of the registers of interest in year identified no issues.</p>
<p>5 Longer term financial planning</p> <p>Longer-term financial planning was deferred by Forestry Commission Scotland due to the completion of forestry</p>	<p>Review progress on development on longer term financial planning.</p>	<p>Scottish Forestry have yet to develop a long-term financial plan.</p> <p>Refer to Appendix 1, action plan point 3</p>

Audit Risk	Assurance procedure	Results and conclusions
<p>devolution. Without a longer-term financial plan which focuses on scenario planning, there is a risk that the impact of fluctuations in budgeted income or expenditure, or changes in the level of Scottish Government funding following the transition to an Agency are not effectively managed.</p>		

Appendix 3

Summary of national performance reports 2019/20

		 2019/20 Reports	
		Apr	
Social security: Implementing the devolved powers		May	
Scotland's colleges 2019		Jun	 Enabling digital government
		Jul	
NHS workforce planning - part 2		Aug	
Finances of Scottish universities		Sept	
NHS in Scotland 2019		Oct	
		Nov	
Local government in Scotland: Financial overview 2018/19		Dec	
Scotland's City Region and Growth Deals		Jan	 Privately financed infrastructure investment: The Non-Profit Distributing (NPD) and hub models
		Feb	
		Mar	 Early learning and childcare: follow-up

Central Government relevant reports

[Social security: Implementing the devolved powers](#) – May 2019

[Enabling digital government](#) – June 2019

[Scotland's City Region and Growth Deals](#) – October 2019

[Privately financed infrastructure investment: The Non-Profit Distributing \(NPD\) and hub models](#) – Jan 2020

[Early learning and childcare: follow-up](#) – March 2020

Scottish Forestry 2019/20 Annual Audit Report

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