

# Mainstreaming equality and equality outcomes:

Progress report 2019–21



# Who we are

This report is published jointly by the Accounts Commission and Audit Scotland.

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

- The **Accounts Commission** is the public spending watchdog for local government. It holds councils in Scotland to account and helps them improve. It operates impartially and independently of councils, the Scottish Government and the Scottish Parliament, and meets and reports in public.
- The **Auditor General for Scotland** secures the audit of the Scottish Government and other public bodies in Scotland, except local authorities. The Auditor General is independent of the Scottish Government and the Scottish Parliament. The Auditor General is also the accountable officer for Audit Scotland.
- **Audit Scotland** is a statutory body that carries out audits and investigations for the Accounts Commission and the Auditor General for Scotland.

## Public audit:

- helps create a strong and effective system of financial accountability and transparency
- supports the best use of public money in the public interest
- provides independent assurance that public money is spent properly and provides value for money.

## 2019/20 in numbers

293  Accounts audited

---

174  Local government

---

75  Central government

---

23  NHS

---

21  Further education

---

# Contents

---

Foreword	4
Executive summary	5
Introduction	6
Mainstreaming equality	7
Progress on equality outcomes	12
A diverse and inclusive workforce	25
Conclusions and looking forward	31
Appendix 1	33
Appendix 2	34
Appendix 3	36

---

# Foreword

---

**Stephen Boyle, Auditor General for Scotland and Elma Murray,  
Interim Chair Accounts Commission**

The impact of Covid-19 will have a deep and lasting effect on how we work, the life and wellbeing of everyone who works at Audit Scotland and the organisations we audit. More widely, it will have a profound effect on how the citizens of Scotland experience public services. Covid-19 has amplified inequalities that were already present in our society and this will be reflected and considered in our future audit work.

While mainstreaming equality in our work and how we work was already an important part of our thinking, Covid-19 has made more pressing and urgent the need to put this at the heart of who we are and what we do.

This report looks back at the progress both Audit Scotland and the Accounts Commission have made in mainstreaming our public sector equality duties under the Equality Act 2010 and delivering the equalities outcomes we have set ourselves. This has helped inform our plans for the next two years and the new ambitions set out in our [revised equality outcomes](#).

Given the growth in public sector spending and the ever-increasing pressures on our public services, high quality public audit is more important than ever. We have and will continue to change how we work. Central to this has been ensuring all colleagues have equal opportunities to participate, progress and thrive, while safeguarding the equal treatment of staff throughout their working lives.

Putting policies in place to mitigate inequality isn't enough. We have strived to create a culture throughout the organisation and among Accounts Commission members that respects our differences, where staff feel valued and are treated fairly. We have had to balance increasing workload demands with the wellbeing of our staff. And we know that reflecting and asking others to review our policies has supported us to embed a culture of equality, helping us drive forward improvements.

Equalities runs throughout our audit work, from our national reports to audits of local councils. In this report we highlight examples of how public bodies are meeting the diverse needs of all citizens and communities. We also provide insights into the improvements public bodies need to make to meet their equality duties. In doing so, we are seeking to inform what action is needed to help reduce inequalities within our society. Addressing inequalities will be the core of our future work. Building on the achievements we have made over the last two years, by shining a light on the most important issues, our audit work will support the public sector to address inequalities. We will help them to focus their efforts on the areas that will make the most difference to our lives.

Independent public audit is more important than ever. It is Audit Scotland colleagues who are key to this. We will strive to increase the diversity of our people, and broaden our culture of inclusion to ensure that all Audit Scotland colleagues feel valued.

---

# Executive summary

---

This report sets out how Audit Scotland and the Accounts Commission, working with the Auditor General for Scotland, are addressing their responsibilities under the Equality Act 2010. Equality outcomes were first set in 2013 and then revised in 2017 and again in 2019. This report summarises the progress made in mainstreaming equality and achieving the two 2017 equality outcomes as well as the third outcome over the last two years.

The report highlights how Audit Scotland and the Accounts Commission have made progress against Outcomes 1 and 3 through the three types of audit work: performance audit, Best Value audit and annual audit. These outcomes aim for our audit work to reflect how public services meet the diverse needs of all citizens and communities as well as, where appropriate, how public bodies address human rights and socio-economic disadvantage. Our progress is illustrated by several case studies, which give examples of specific audit work, findings and recommendations as well as the subsequent response to these.

External advisors from the Equalities and Human Rights Advisory Group continue to support the Accounts Commission and Audit Scotland in shaping our work programme and helping us build equality and human rights considerations more effectively into our audit work over the reporting period.

Our engagement activity has helped us adapt the scope of audits, how we connect with service users and report on findings.

The report contains numerous examples of how we have supported the advancement of equality through our performance audits, including our recent report on improving outcomes for young people through school education.

Equalities continue to be part of our considerations for local government Best Value audit scopes and reporting.

Annual audit reports continued to feature information and recommendations on the equality arrangements at audited bodies. The financial audit planning guidance has included equalities as an area to be considered over the course of an audit appointment. Guidance was also developed and distributed to assist auditors in reviewing these arrangements.

Outcome 2 is applicable only to Audit Scotland. Good progress has been made against this outcome, which states: Audit Scotland promotes, understands and supports a diverse and inclusive workforce. As well as developing a culture of equity and fairness through training, events and internal policies, we continue to respond to what we learn from both the gathering of employment data and our annual staff survey.

The report also comments on the impact of the Covid-19 pandemic throughout, including the effect on protected and disadvantaged groups identified through audit work as well as the consequences for our staff and work programmes.

# Introduction

## About this report

1. This report sets out how Audit Scotland and the Accounts Commission, working with the Auditor General for Scotland (AGS), are addressing their responsibilities under the Equality Act 2010.

### Equality Act 2010

Provides a legal framework to protect the rights of individuals and advance equality of opportunity for all groups. It covers nine protected characteristics:

- Age
- Disability
- Sex
- Race
- Religion or belief
- Sexual orientation
- Gender reassignment
- Pregnancy and maternity
- Marriage and civil partnership (in employment only)

<b>Public Sector Equality Duty (PSED)</b>	<p>PSED came into force in April 2011 and applies to all public bodies. This introduced a general duty that public bodies should have due regard, when carrying out their activities – in shaping policy, in delivering services and in relation to their own employees – to the need to:</p> <ul style="list-style-type: none"> <li>• eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act</li> <li>• advance equality of opportunity among all people</li> <li>• foster good relations between different people when carrying out their activities.</li> </ul>
<b>Scottish Specific Duties</b>	<p>Listed authorities need to carry out a number of specific duties including:</p> <ul style="list-style-type: none"> <li>• reporting on mainstreaming the equality duty</li> <li>• publishing equality outcomes and report progress.</li> </ul>

2. Audit Scotland and the Accounts Commission are listed authorities for the Scottish Specific Duty and must report progress on their mainstreaming of the public sector equality duty and their published equality outcomes. As separate organisations they have individual responsibility to publish this information every two years. However, as the work of these bodies is so closely linked, a joint report is considered preferable. This report sets out:

- how we have mainstreamed the equality duty
- progress on our equality outcomes.

# Mainstreaming equality

## How we mainstream the equality duty

### Introduction

3. Mainstreaming equality is about embedding equality in how we carry out our work and across all areas of our organisation and operations. Mainstreaming equality and diversity is further supported through delivery of our equality outcomes. All equalities publications can be found on our [website](#).

### Approach to mainstreaming equality and our equality outcomes



Mainstreaming equality is about embedding equality across all areas of our operations and in our behaviours and culture. Our approach to mainstreaming equality and diversity is through delivery of our equality outcomes.

Audit Scotland and the Account Commission set out three equality outcomes for 2017–21, two of which were [published in 2017](#) and a third [published in 2019](#).

#### Audit Scotland and the Accounts Commission

#### Audit Scotland



#### Equality outcome 1 and 3

Our audit work will reflect how public services meet the diverse needs of all citizens and communities, and where appropriate, on how public bodies address human rights and socio-economic disadvantage:

- Highlights where public bodies can improve practices
- Helps reduce inequality
- Encourage and promote equality

Highlight improvements needed for public bodies to meet general equality duties

#### Equality outcome 2

We will promote, understand and support a diverse and inclusive workforce:

- Ensuring equality of opportunity
- A culture that respects differences
- Staff feel valued
- Staff are treated fairly

Equality drives continuous improvement and performance



#### Strategic context

These aims are supported by:

[Audit Scotland Corporate Plan](#) which sets out incorporating equality and diversity in our public audit work as an organisational priority that will allow us to 'make a difference' and supports our vision to be a world class organisation.

The Accounts Commission's [2019–24 Strategy](#) ensures its work considers a service-user and equalities perspective. The Accounts Commission's [2019–24 Engagement Plan](#) also notes that Audit Scotland works, on its behalf, with the Equality and Human Rights Commission.

## Governance and scrutiny

**4.** The internal Equalities and Human Rights Steering Group (EHRSG) – oversees the mainstreaming of the public sector equality duty, and the implementation of the equality outcomes related to audit work (Equality Outcomes 1 and 3). Its work includes:

- raising awareness of equality issues among staff
- helping ensure we meet the requirements of the Equality Act 2010
- working with business groups to help mainstream equality in our audit work
- monitoring the work to help achieve the equality outcomes.

**5.** The EHRSG, which meets quarterly, is chaired by an Audit Director and has representation from each of our business groups. Every year the group reviews the three equality outcomes and considers whether they remain fit for purpose. Recommendations for change will be included in the annual progress report to the Audit Scotland Management Team and Accounts Commission.

**6.** The Audit Scotland People Focus Group (PFG) oversees diversity and equality within the organisation and implementation of Equality Outcome 2, focused on the workforce. The PFG supports Audit Scotland's Management Team on key strategic employment matters, including reviewing diversity and equality reporting and outcomes, as they relate to the employees.

**7.** In relation to Outcome 2, a range of equality information is published on the Audit Scotland website, in line with the specific duties. A summary of how compliance with these duties is ensured is set out in Appendix 3.

**8.** We established an Equalities and Human Rights Advisory Group (EHRAG) in 2016, involving people from a wide range of external stakeholder organisations (see [Appendix 2](#) for membership), to help shape our approach to equality and human rights in our work.

**9.** The EHRAG provides us with a virtual and real network to liaise with on our equalities ambitions. They have supported us by providing comments on our equalities outcomes, the work programme Audit Scotland carries out on behalf of the Accounts Commission and the AGS, and how equalities are considered in specific performance audits.

**10.** We also work with other scrutiny bodies to make sure the scrutiny of public sector bodies is better targeted and more proportionate in relation to identified risk. In local government scrutiny coordination is led by the Strategic Scrutiny Group (SSG). The SSG comprises Scotland's main public sector scrutiny bodies and aims to deliver efficient and effective, well-coordinated scrutiny that supports improvement. It is convened and chaired by the Accounts Commission. The scrutiny bodies work together, sharing intelligence and agreeing scrutiny risks in each of Scotland's 32 councils using the shared risk assessment (SRA) process. The process is designed to identify where we think scrutiny will make the most difference in terms of helping councils to improve and providing assurance to the public. It also provides a focus for more coordinated engagement between councils and scrutiny bodies.

**11.** The SRA process is carried out through local area networks between Audit Scotland, the Scottish Housing Regulator, Education Scotland and the Care Inspectorate. Further details can be found on our [Scrutiny Coordination and Shared Risk Assessment approach](#).

## Equality impact assessments

**12.** [Equality Impact Assessments \(EIAs\)](#) are a fundamental part of ensuring equalities are considered in the context of any new or revised policy and process. Audit Scotland carries out EIAs to assess impacts on different groups and make any necessary amendments.

**13.** Audit Scotland has produced seven EIAs during the reporting period, the majority relating to the introduction of new or upgraded digital systems. An EIA ([see case study 1](#)) was produced to assess the impact on different groups from the shift to homeworking in March 2020. A further EIA is being prepared for the expected return of staff to our offices.

## Case study 1:

### Equality Impact Assessment – Working from home – Covid-19

In response to Covid-19 Audit Scotland, like many other employers, made sudden and significant changes to our working practices. All members of staff shifted to home working on 17 March 2020.

This change applied to all staff and it was anticipated that it could impact in different ways those with protected characteristics as well as other socio-economic characteristics. To understand this impact consultation was carried out with Audit Scotland business group leads and staff groups. This included our: Carers Support Group, Disability Confident Group, Stonewall Working Group, Health Safety and Wellbeing Group and the EHRSG. Potential issues that individuals were facing were identified along with the groups most affected and mitigating action. An [EIA](#) was presented to the Audit Scotland Management Team which considered alleviation of workload pressures, challenges to wellbeing, and obstacles to effective remote working.

In response to the findings in the EIA, there was recognition of the impact on the productivity of staff who had caring or home-schooling responsibilities. Teams were encouraged to have open and active conversations about realistic expectations. All line managers were also given additional support and training in resilience and identifying mental health concerns to effectively support their teams working from home. Staff were also able to request equipment that could support home working.

## Leadership

**14.** Leadership is important in driving an open organisational culture that values and champions equality, putting it at the centre of our work and how we behave.

**15.** The Accounts Commission are currently working with the AGS in finalising a refreshed work programme that will be the focus of Audit Scotland's work over the next few years. Both have confirmed that inequality will be a top priority. The work programme is due to be published in spring 2021.

**16.** The Accounts Commission and the AGS have highlighted the disproportionate impact Covid-19 has had on certain groups and the risk that this will widen

inequalities in the longer term. This includes groups with protected characteristics and those facing socio-economic disadvantage. The AGS stated in [November 2020](#) that reporting on how well public bodies rise to the challenge of tackling inequalities will be the focus of future audit work.

**17.** In recognition of the emphasis on addressing inequalities, Audit Scotland publishes a [diversity report](#) and a separate [gender pay gap report](#) annually, whereas the duties only require publication every two years.

### Staff awareness and understanding

**18.** Audit Scotland undertakes a range of both formal training and informal engagement and awareness raising activities to increase staff understanding of equality and diversity issues in our work.

**19.** Training programmes are provided at induction and refreshed at certain periods. More tailored training is provided to support specific activities such as recruitment and audit work:

- New staff completed diversity and equality training. A session on Audit Scotland's membership of the Diversity Champions Programme and LGBT equality has now been incorporated into the induction sessions for new starts
- All staff undertake external diversity and equality training every three years
- Accounts Commission members received diversity training
- Training for recruitment panels included unconscious bias training
- Refresher recruitment training is required every three years
- EHRSG members held training at some team meetings, providing information on auditing equalities in public bodies
- EHRSG members provided summary guidance to financial audit teams to support their equalities work, alongside guidance requiring equalities to be considered once during the usual five-year audit cycle.

**20.** Awareness raising takes place via our staff magazine, internal social networking, blogs and events:

- We published a blog on the role of EHRAG and publicised the roll out of new equality guidance as part of our quality approach for national performance audits
- The EHRSG raises staff awareness of equalities issues across the organisation. Members champion equality issues within their business groups and provide support and guidance on considering inequalities in their work
- Input from equalities groups such as Stonewall highlights issues for protected characteristics groups

'Covid-19 has disproportionately affected Scotland's most vulnerable citizens, and there is a risk that it will widen the gap between the haves and have-nots.'

How the Scottish Government and public bodies respond to that challenge will be a big focus of our audit work in the months and years ahead.'

**Audit General for Scotland  
November 2020**

- Mental health has been strongly promoted across Audit Scotland. This gave a focus to engagement and awareness raising of mental health and wellbeing and raised over £9,000 for SAMH. Activities to promote mental health and wellbeing included:
  - publishing articles in *abacus* our quarterly staff magazine, focused on different aspects of mental health including first person stories
  - actively supporting Mental Health Awareness Week, internally and externally
  - running free mindfulness sessions for colleagues
  - supporting physical wellbeing with team step challenges
  - ongoing support on our internal social media channel and in weekly management updates to all staff.
- In October 2020, we held our first ‘How we doing week’ to tie-in with World Mental Health Day and National Work-Life Balance Week. A range of activities included blogs on mental health and wellbeing, staff discussions and support on Yammer and a virtual quiz for colleagues
- In 2019, a knowledge café was held on the topic of the Gender Pay Gap in Rural Scotland with researchers from the Rural Policy Centre from Scotland’s Rural College (SRUC) presenting findings from their recent Scottish Government funded research. The findings highlighted the impact of the gender pay gap in rural areas across Scotland
- As part of ongoing monitoring and development of the work programme, members of our Justice, Education and Lifelong Learning cluster group meet periodically with colleagues from the Poverty and Inequality Commission to discuss our respective work programmes and shared areas of interest. We have identified child poverty as an area for future audit work.



## Procurement

**21.** We use Haven Redrock for our document storage requirements. This company provides ‘sustainable employment opportunities for disabled and disadvantaged people’. The contract was due to go out to tender again at the start of 2021, our key aim being to have all documents we currently store with them scanned so that they are available electronically going forward. Haven were not able to offer this service at this time due to reduced staff numbers through Covid-19 and, following discussions with the Scottish Government procurement team, we agreed that we wouldn’t proceed with the tender as it would have disadvantaged this employer. We have extended our contract with Haven for another year by which time they should be able to submit a tender for this work and it will be a fairer process.

**22.** When we awarded the Cleaning Contract in 2018, part of our Terms & Conditions was that the service provider would pay their operatives the Scottish Living Wage. This increased the salaries of cleaning operatives as they were not previously paid at this rate. Throughout the pandemic we have continued to pay the monthly contract which means that all the cleaning operatives have received 100 per cent of their salary and not had to be furloughed.

---

# Progress on equality outcomes

## Our audit work

---

**Outcomes 1 and 3: Our audit work will reflect how public services meet the diverse needs of all citizens and communities. It will also reflect, where appropriate, how public bodies address human rights and socio-economic disadvantage.**

We said we would do this by: Consulting with stakeholders on how to reflect equality and diversity in audit work, which is carried out by staff sensitive to the diverse needs of stakeholders

### **Equalities and Human Rights Advisory Group**

**23.** The focus of stakeholder engagement work has been through Audit Scotland's Equalities and Human Rights Advisory Group ([EHRAG](#)).

**24.** The Accounts Commission and Audit Scotland consult annually with the EHRAG on the forward work programme and seek input from members on proposed future topics. This has helped embed equality and human rights concerns in our audit and reporting work during 2019–21.

**25.** Feedback from EHRAG helped us build equality and human rights considerations more effectively into our audit work over the period. This included:

- The Social Security audit team worked with the Scottish Human Rights Commission to ensure that implications of the UN Right to Social Security was appropriately reflected in our audit work in this area
- The affordable housing audit considered housing for people with special requirements and gypsy travellers. Housing for people with special requirements was included in the audit scope and arrangements were made to monitor work of the Scottish Government Ministerial Working Group programme set up to improve the lives of Scottish Gypsy/Traveller communities
- [The Improving outcomes for young people from school education](#) audit team considered the United Nations Convention of the Rights of the Child when scoping the audit. The audit looked at the extent to which national and local government consider equalities in improving outcomes.

**26.** The EHRAG has also been consulted on proposed themes and priorities for the joint work programme for 2021–22, which will be published later in spring.

## Case study 2: Youth Advisory Panel

In 2018, the Year of Young People, we established a youth advisory panel, known as Inform100. Members of Inform100 helped us involve young people more in our work and ensured their voices and experiences became part of the audit process. Audit Scotland worked with the youth panel, with support from Youth Scotland, from September 2018 through to October 2020 to seek their views on a range of issues to help inform our audit work. Their contributions included:

- Identifying aspects of our work programme which were of most relevance to Scotland's younger people, and helping us to develop the scope of related audits. Areas which were of particular interest included work on skills planning and investment, digital services in local government, community engagement and outcomes for young people through school education
- Helping to shape the wording for questions for young people that we spoke to as part of our audit on improving outcomes for young people through school education. They also co-hosted focus groups with young people in two council areas as part of that audit. This helped in drawing out insights from young people.

Two of the young advisers from Inform100 attended an Accounts Commission meeting in August 2019. They talked directly to members about their experiences of being on the panel, and what they were getting out of it. Members found it a powerful session.

We are now at the stage of evaluating the youth advisory panel approach and how this can inform future engagement with young people and other less heard groups.

### Scottish parliamentary and government engagement

**27.** Audit Scotland has continued to engage with the Scottish Parliament's Equalities and Human Rights Committee. The Committee has expressed support for the forthcoming joint work programme and its focus on equalities. It agreed that equalities are integral to audit work.

**28.** We also attend the Non-Departmental Public Body Equality Forum. This group has representatives from the different Non-Departmental Public Bodies (NDPBs) and is a forum for discussion and sharing of good practice in meeting the Public Sector Equality Duties (PSED).

**29.** An Audit Scotland representative is an observing member of the Scottish Government's Equality Budget Advisory Group. Our observing role helps to inform our audit understanding of how human rights and equalities are being considered within the new budget process.

### Analysing data to help understand who uses public services and use this to inform audit work

**30.** Audit Scotland reviews evidence on inequalities as part of our ongoing risk monitoring. This data is used to inform our work programme and is reported across our audit outputs.

**31.** During the Covid-19 pandemic we carried out extensive monitoring of the impact on inequalities. We reviewed a wide range of evidence including, research, surveys, published reports and media articles. A summary of this work was shared

A Non-Departmental Public Body (NDPB) is not part of the Scottish Government but carries out certain functions on behalf of the government and operates within a framework of governance and regulation set by Ministers.

with colleagues internally and in November 2020 the AGS published a [blog](#) and [animation](#) that drew on this data analysis.

**32.** The evidence consistently showed that existing disadvantage and inequality is being exacerbated by Covid-19 and that some groups are being disproportionately impacted. These risks span across all sectors from the economy to health and social care, education and digital access. Many people experience multiple issues compounding the disadvantage that they experience. This is often referred to as intersectionality which is about recognising that people have multiple identities including race, class and gender and other protected characteristics which can combine and compound the disadvantage and discrimination that individuals or groups experience.

**33.** The most direct impact from Covid-19 is the higher mortality among minority ethnic groups, disabled and older people. Minority groups are also being disproportionately affected by the impact of Covid-19 on employment and living standards, rise in mental health issues and from the effect of huge changes in public services, including the delivery of education, social care, and a move to digital public services.

**34.** The forthcoming Accounts Commission and AGS joint work programme has been informed by this analysis and both have expressed that reporting on how well public bodies are tackling inequalities as they start to renew and recover from the pandemic is a top priority. The Commission and AGS have also put in place a more flexible approach to planning the joint work programme, allowing a more responsive approach to emerging inequalities and human rights risks and issues.

**35.** Analysis of data on inequalities also features within the audit outputs. It is used to highlight who is using public services and the outcomes for different groups when using public services. For example, the [Scotland's colleges report in 2019](#) highlighted outcomes for different groups with protected characteristics.

---

### Case study 3:

#### Scotland's colleges 2019

The audit team looked at college access and attainment data for students with defined equality characteristics and at the gender balance across subject areas and on college boards. It reported that:

- colleges are widening access to learning for disabled, ethnic minority and care-experienced students but the proportion of learning delivered to students from deprived areas fell slightly in 2017–18
- attainment rates for students in most of these categories continue to be below those of the student population overall
- more change is also needed to achieve gender balance across important subject areas
- 18 college boards have more men than women.

The final report includes key messages and several exhibits relating to these equality issues. It highlighted further change is needed to address the attainment gap and achieve a gender balance.

---

## Publishing information and reports in accessible formats

- The websites for both Audit Scotland and the Accounts Commission meet Web Content Accessibility Guidelines 2.0 level AA and have been awarded 'two ticks' accreditation for web accessibility.
- The Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018 oblige public bodies to ensure their websites and mobile applications are accessible and comply with European accessibility standards. We have worked, and continue to work, towards full compliance with the legislation, including carrying out the recommendations from external audits we have commissioned to review our website and products. This includes maintaining our standards and ensuring the website is accessible to people with a range of disabilities, including those with impaired vision.
- We provide information in a variety of formats to support the needs of different types of audiences. This helps to ensure information is accessible to stakeholders with additional needs:
  - All our podcasts are available as MP3s and have a transcript to ensure they are available and accessible.
  - Our videos and animations are all captioned. We also provide video transcripts that offer alternative access to people who are Deaf-blind and use braille.
  - Our site is enhanced by a Browsealoud toolbar, which offers additional accessibility, including text-to-speech support, text magnification and translation into 99 different languages.
  - Contact details to enable members of the public to request alternative formats/languages, including BSL, are available on the back of all our published reports and stated on our website.
  - We promote the use of the Contact Scotland BSL service, which gives access to an online interpreter who can communicate with us using sign language.
  - If we are contacted to provide a BSL interpreter for a meeting, interview etc, we would arrange and pay for this service.
- Our main office in Edinburgh, has hearing induction loops in all meeting rooms and at the reception.

## Reporting audit findings in a style that reflects the audience

**36.** Where possible, jargon is removed, and infographics are used to help complex information and data to be digested more easily. We are now producing some reports in landscape format, focusing on summarising key messages and recommendations, and explaining information and data graphically. Examples include the [National Fraud Initiative report](#) and [Digital progress in local government report](#) published in January 2021.

37. In 2019 and 2020, staff from across the organisation attended training delivered by communications specialists. The aim of this training was to equip auditors to write reports in plain English.

38. The demographics of specific geographic areas have been considered in producing reports. As a result, the Comhairle nan Eilean Siar audit report was published in Gaelic.

### Reflecting equality and diversity issues in audit work programmes, in a way which is consistent with the audit duties

39. Consideration of equality and diversity and how audited bodies are meeting the public sector equality duty has been integrated across the work that Audit Scotland carries out on behalf of both the Accounts Commission and the AGS. This is supported through specific guidance for annual audit work, Best Value Assurance work and national performance audits.

Audit Work	Equalities approach and guidance
<p><b>Annual Audit</b></p>	<p>Updates made to the annual financial audit planning guidance require equalities to be considered once during an audit cycle.</p> <p>The financial audit guidance developed by EHRSG members specifically mentions that each public sector body should demonstrate how they fulfil the general equality duty under the Equality Act 2010.</p> <p>As well as compliance with laws and regulations, auditors are encouraged to consider how audited bodies advance equalities, internally and externally. This allows the review to take account of mainstreaming equalities in a way that affects staff and board members, and service users, citizens and communities.</p>
<p><b>Best Value</b></p>	<p>We assess Best Value over a five-year audit appointment, through the ongoing annual audit work. Best Value Assurance Reports on individual councils are published every five years<sup>1</sup>.</p> <p><a href="#">Revised statutory guidance for Best Value was published in 2020</a>. This sets out the framework for councils in delivering the duty and for auditing Best Value. Fairness and equality is one of seven audit themes where councils can demonstrate Best Value.</p> <p>Fairness and equality: Tackling poverty, reducing inequality and promoting fairness, respect and dignity for all citizens are key priorities for local authorities and their partners, including local communities.</p> <p>In achieving Best Value, a council will be able to demonstrate:</p> <ul style="list-style-type: none"> <li>• that equality and equity considerations lie at the heart of strategic planning and service delivery</li> <li>• a commitment to tackling discrimination, advancing equality of opportunity and promoting good relations both within its own organisation and the wider community</li> <li>• that equality, diversity and human rights are embedded in its vision and strategic direction and throughout all of its work, including its collaborative and integrated community planning and other partnership arrangements</li> <li>• a culture which encourages equal opportunities and is working towards the elimination of discrimination.</li> </ul>

1. The latest appointment period was extended to six years due to the Covid-19 pandemic.

Audit Work	Equalities approach and guidance
	<p>The Best Value Manual section on Fairness and Equality helps auditors establish the extent to which public bodies' arrangements for equality are designed to achieve, and are delivering, Best Value. Guidance for auditors includes 'points to consider' and what is evident 'when it works well.' This supports auditors in making judgements on how well councils are meeting the best value theme of fairness and equality.</p>
<p><b>National Performance audit</b></p>	<p>Audit Scotland's Audit Management Framework (AMF) requires staff to identify relevant equality issues when scoping and carrying out national performance audits. This is recorded in an Equalities Consideration Scoping Note and referred to at key points in the audit. Considerations include:</p> <p>Did the EHRAG raise any equalities issues that should be considered in the audit?</p> <p>Has the audit team reviewed any available demographics, views, experiences and outcomes of diverse groups related to the audit?</p> <p>Has the audit team considered how equalities considerations should be made in the methodology and fieldwork?</p> <p>Audit Scotland hosted a masters student in 2019 who undertook work to help inform further development of equalities considerations as part of performance audit. Progress was paused due to the disruption of Covid-19. However, the outputs from this work, together with new Covid-19 considerations and the revised equality outcomes, will be used in the coming months to further develop the Audit Management Framework and how it considers equalities.</p>

## Reporting on diversity and equality issues where appropriate

### Reporting through annual audit work

**40.** Updated guidance on annual audit has assisted with the review of equalities in many audited bodies, resulting in an increased focus on equalities in Management Reports and Annual Audit Reports (AARs). There are examples of AARs assessing and concluding on the equalities arrangements at audited bodies over the reporting period. This includes, where appropriate, audit reports suggesting improvements to these arrangements. In such instances, these recommendations will be revisited in a subsequent audit period.

**41.** Covid-19 has however had an impact. Changes to 2019/20 audit deadlines mean that some audit teams have elected to delay their planned review of equalities to the 2020/21 or 2021/22 audit period.

**42.** Equalities were commented on in 11 2019/20 local authority AARs. The majority of these noted good progress towards audited bodies' equality objectives. Where recommendations were made, these focused mainly on the quality and timeliness of both Equality Impact Assessments and wider equality reporting.

**43.** Below are examples of recommendations made in local authority AARs, demonstrating the wide scope applied in our review of equality arrangements at audited bodies.

- Audit work at Angus Council identified that although Equality Impact Assessments (EIAs) have been sufficiently utilised, there is scope to expand on the impact of each proposal. The appointed auditor recommended the council should ensure that EIAs contain sufficient detail of the anticipated impacts on protected characteristics and appropriate mitigating actions.

- The appointed auditor noted that East Dunbartonshire Council did not meet the expected timeline in publishing their equality outcomes and mainstreaming reports. The auditor recommended that the council should review its reporting timescales to comply with the Public Sector Equality Duty and duties under the Equalities Act 2010.
- The appointed auditor reported that although East Lothian Council has worked with partners to deliver some successful initiatives, reporting against equality outcomes and the Fairer Scotland duty needs to be more joined up. We recommended that the council improves performance reports to make it easier for elected members and the public to evaluate performance against equality outcomes.

44. Each of these, along with all our other 2019/20 recommendations relating to equalities will be revisited as part of the 2020/21 audit year.

45. Annual audit work has also allowed us to report on good practice in council equality arrangements. The case study of Argyll and Bute Council demonstrates how equality impact assessments could be used to inform council decision-making, and how equality measures could be put in place to support better outcomes for groups with protected characteristics.

---

## Case study 4: Argyll and Bute Council

In the 2018/19 Annual Audit Report for Argyll and Bute Council we reported that the council had a comprehensive process for carrying out and considering the results of EIAs. This was demonstrated by an EIA leading to the council's decision to halt a budget saving plan to reduce customer service points on Campbeltown, Mull and Islay and close those on Colonsay, Jura and Tiree. This has recently been shared with the Scottish Government and the Improvement Service as an example of good practice.

We also found that:

- The council actively seeks ways to address socio-economic inequality, targeting areas most affected. An example of this was the automation of entitlement to free school meals and school clothing grants. The aim was to reduce the stigma surrounding the grant and provide a level playing field for children from socio-economically disadvantaged backgrounds.
- The council also sought new ways to engage with communities and tailored this to the needs of protected groups.
- Drop-in sessions on council services were provided for the Gypsy/Traveller community.
- The council's Sensory Impaired Service works with people of all ages who are deaf or hard of hearing, blind or partially sighted to identify care needs and help maintain or regain independence and a quality of life.

---

46. Equalities also featured in the AARs of central government bodies including the Scottish Government, the Crown Office and Procurator Fiscal Service, and the Scottish Police Authority. These reports commented on the arrangements in place in these bodies and how they were progressing with mainstreaming and their

equality outcomes. This has highlighted different practices across public bodies in meeting the PSED and also identifies areas for improvement and assurance that bodies have satisfactory arrangements in place. Audit work on equalities for the Scottish Government noted that inequalities have increased because of Covid-19 and how the Scottish Government responds to this will be the subject of future audit work.

**47.** Annual audit work at NHS boards has also made recommendations on how public bodies can improve their equalities arrangements. The 2019/20 audit work at NHS Borders and NHS Orkney resulted in recommendations being made which are now being taken forward at NHS Borders through a steering group and agreed programme of work.

### Reporting through Best Value Assurance Reports (BVARs)

**48.** The Accounts Commission expects, in achieving Best Value, a local authority to be able to demonstrate that equality and equity considerations lie at the heart of strategic planning and service delivery. The Accounts Commission believe that tackling poverty, reducing inequality, and promoting fairness, respect and dignity for all citizens should be key priorities for local authorities and their partners.

**49.** Through their Best Value Assurance reporting, the Commission comments on the extent to which local authorities are successfully meeting this aim and, where appropriate, make recommendations for improvement.

**50.** BVARs over the period recognise that most councils are making good progress towards their statutory equality responsibilities. Reports highlight some good examples of councils' work to address inequalities in their communities.

**51.** While there are some examples of BVARs covering protected characteristics, such as in the Edinburgh City Council BVAR case study, most Best Value reports have focused on the socio-economic aspects of inequality. This is covered under [Outcome 3](#).

---

## Case study 5:

### The City of Edinburgh Council BVAR (Nov 2020)

The BVAR for the City of Edinburgh Council commented on the gender imbalance in its senior management team as there is only one female member. The report noted that there is a better balance in the council's wider leadership team and we also noted that the council is taking steps to increase diversity across the organisation. For example:

- In October 2019, it approved a Diversity and Inclusion Strategy, which sets out actions to develop an inclusive workplace and help close the gender pay gap
  - It launched various colleague networks in August 2019, including a network to support and empower women
  - It launched an Inspiring Talent Programme for middle managers in 2019, with an emphasis on providing opportunities for women. Currently, ten of the 15 delegates are female.
-

## Reporting through performance audit

**52.** Equalities issues have been reported in several national performance audits from 2019 to 2021. The level of reporting depended both on audit scope and availability of data on equality characteristics. Reporting in performance audit highlighted inequality of outcomes for groups with protected characteristics. In some instances we have identified a lack of data to allow an assessment of equality of outcomes and have made recommendations to support improvement in outcomes and scrutiny of diversity and equality. Examples of such recommendations and awareness raising include:

- Reports on the College sector in 2019 and NHS in Scotland 2020 reported on access to provision and outcomes across a number of defined equality characteristics. This reporting highlighted poorer outcomes for some protected groups in accessing public services.
- Other performance audit reports including the City Deals report and expansion of Early Learning and Childcare found that there is a challenge in the lack of reliable data or baseline information to measure the impact of these initiatives on equality outcomes or groups with protected characteristics.
- A focus on understanding user needs and ensuring that citizens are at the heart of service design was set out as principles in both the Digital progress in local government audit and Enabling Digital Government audit. This approach would help address digital exclusion and deliver better outcome for all citizens.

---

### Case study 6: NHS in Scotland 2020

The NHS in Scotland 2020 report highlighted how certain groups have been disproportionately affected by Covid-19. For example: the death rate from Covid-19 is more than twice as high in the most deprived areas (183 per 100,000 population) than in the least deprived areas (79 per 100,000 population) and there is around a twofold increase in risk of admission to critical care or death from Covid-19 among people of South Asian origin. There is also evidence of an increased risk of hospitalisation arising from Covid-19 among those of Caribbean or black ethnicity.

The audit reported that the Scottish Government published an impact assessment of the measures it planned to take to manage the pandemic. This outlined how some people with certain protected characteristics and socio-economic disadvantages were more adversely affected by the pandemic and by the measures taken to suppress it.

It also reported that the Scottish Government established the Expert Reference Group on COVID-19 and Ethnicity to study the effects of Covid-19 on minority ethnic communities.

In September 2020, the group published two reports with initial advice and recommendations for the Scottish Government. One report called for improvements in data and evidence on ethnic inequalities and health. The other recommended improving systemic issues such as socio-economic and health inequality. Health inequalities are wide and have worsened over the last ten years.

The NHS in Scotland report highlighted the unequal impact of Covid-19 on poor people and on South Asian and black people.

Audit Scotland has previously reported on the impact of factors such as deprivation and ethnicity on health inequalities. These long-standing systemic issues were exacerbated during the pandemic, leading to the disproportionate impact experienced by these groups. As stated above, reporting on how public bodies respond to these inequalities in the context of recovery and renewal from Covid-19, will be a top priority for our future work.

---

## Supporting other public bodies in their scrutiny of diversity and equality

**53.** This aspect of our collective work with other scrutiny bodies has not progressed within the reporting period. We have however set out within our new equality outcomes for 2021/25 the intention to work with scrutiny bodies and external organisations. This will include the setting of benchmarks on good performance to address inequalities and protect human rights and share intelligence to maximise collective impact.

## Reviewing information on the profile of the Scottish population and the people who make use of public services considering how this informs our understanding of human rights and socio-economic disadvantage issues and how this influences our audit work programme

**54.** [Paragraphs 30 to 35](#) outline how Audit Scotland and the Accounts Commission look at data to understand the experiences and outcomes for different groups in using public services. The forthcoming joint work programme of the AGS and Accounts Commission has been informed by an analysis of how different groups have been impacted by Covid-19.

## Reviewing evidence about how public bodies are delivering services and consider the needs of different user groups when budgeting, planning and organising services

**55.** Progress on Outcome 1 above outlines how audit work reflects the way in which public bodies consider the needs of different user groups with protected characteristics. Case studies, such as [Argyll and Bute Council](#) and [NHS in Scotland 2020](#), outline how public bodies have considered socio-economic disadvantage as well as protected characteristics.

**56.** The Accounts Commission has had a strong focus on reporting on how local authorities are tackling socio-economic inequality through BVARs. Council strategies to combat poverty, and child poverty in particular, were highlighted in the BVARs for the City of Edinburgh, Dundee City and North Ayrshire.

---

## Case Study 7:

### The City of Edinburgh Council BVAR (November 2020)

The City of Edinburgh Council BVAR noted that not all residents have benefited from the city's success and there are pockets of severe deprivation in the city. For example, nearly one in four of Edinburgh's children

live in poverty, which is similar to the national average, increasing to just over one in three in the most deprived areas.

The report highlighted good practice in the council's establishment of the Edinburgh Poverty Commission in 2018 to recommend how the council and its partners could develop policies and services to reduce poverty. The commission carried out additional work looking at the impact of Covid-19 on poverty and published an interim report in May 2020. The commission published its final report in September 2020, setting out seven areas of action for the council, the Scottish Government, and other partners. Specific actions for the council to help tackle poverty include simplifying and improving how people access support; working with young people to improve attainment; and accelerating digital inclusion.

---

**57.** Performance audit work has also highlighted inequalities in outcomes for different socio-economic groups in key policy areas, and how public bodies are responding to this through budget measures and service planning. The recently published report on educational outcomes focused on measures and outcomes related to the attainment gap.

---

## Case study 8:

### Improving outcomes for young people through school education (March 2021)

This national performance audit gathered information from national data sets on gender, ethnicity, deprivation and rurality. The analysis looked at the variation in outcomes across these different groups. The audit work considered the views and experiences of a diverse range of young people through a range of methods including a survey, focus groups in schools and youth groups and focus groups with organisations working with young people from different protected groups. Further work looking at educational outcomes in the context of Covid-19 used a wide range of data sources to understand the impact on different groups of young people.

The report makes a number of comments on socio-economic inequalities. One of the key messages is that the poverty-related attainment gap remains wide and inequalities have been exacerbated by Covid-19. Progress on closing the gap has been limited and falls short of the Scottish Government's aims. Improvement needs to happen more quickly and there needs to be greater consistency across the country. The report is clear that the Scottish Government and councils recognise that addressing inequalities must be at the heart of the response to Covid-19, longer-term recovery and improving education.

The report also concludes that pupils living in the most challenging circumstances have been most affected by school closures. The effects of Covid-19, including the economic impacts and the public health measures which have been put in place, are likely to increase levels of inequality experienced by children and young people. During the pandemic there has been variation in the learning experience of children and young people, and there is a risk that this will exacerbate the poverty-related attainment gap. The impact of Covid-19 on outcomes for children and young people is influenced by their circumstances including their experience of poverty and deprivation.

The recommendations stress the importance of a coordinated policy response within and across government (for example with health and children and families services) when planning to improve longer-term outcomes for children and young people and delivering the education recovery response to the equality impacts of Covid-19.

The report highlights the limitations of the current funding model for the Attainment Scotland Fund which the Scottish Government set up in 2015/16 to close the poverty-related attainment gap. This provides additional funding for councils and schools based on higher levels of deprivation as measured by the Scottish Index of

Multiple Deprivation (SIMD). This approach does not fully reflect broader demographic issues, for example adequately taking account of rural poverty and the costs of delivering education in remote communities. Nor does it reflect isolated deprivation in more affluent areas, or councils with high numbers of pupils in deprived areas but proportionately less, compared with some councils with smaller populations.

The report concludes that future efforts to tackle the poverty-related attainment gap, including the targeting of funds, should take account of the impact of Covid-19 on the scale and spread of poverty, and address the limitations of the current approach to targeting based on SIMD.

It is too early to assess the impact of the report on equalities issues.

---

## Taking an outcome focused view as to what budgets aim to and have achieved over the long term

**58.** In June 2019 Audit Scotland produced a paper [Planning for outcomes](#) which sets out the Scottish approach to reform and the challenges that an outcomes-based approach brings. It also outlines how an outcomes-based approach can work in practice. The paper sets out broad principles that public bodies should consider in working towards outcomes that contribute to the National Performance Framework.

## Reviewing the appropriateness of a human rights-based approach and its applicability to audit work and encouraging staff to adopt the PANEL principles employed by the Scottish Human Rights Commission (SHRC) and Training and providing support to colleagues through the EHRSG and internal communications

**59.** We have commenced consideration of our approach to carrying out a self-assessment against the PANEL principles, which underpin the human rights-based approach (HRBA), to inform thinking about how this can be incorporated into our audit work. In support of this we are liaising with the SHRC. To begin our awareness raising activity among staff, we have shared information using our staff networking channels. Summary guidance has been issued to auditors with links to SHRC training resources as well as prompts to aid auditors in reviewing the equality arrangements of audited bodies.

Principle	Description
<b>Participation</b>	Everyone has the right to participate in decisions that affect their human rights
<b>Accountability</b>	Effective monitoring as well as effective remedies for breaches in human rights
<b>Non-discrimination and equality</b>	All forms of discrimination must be prohibited, prevented or eliminated
<b>Empowerment</b>	Individuals and communities should know their rights
<b>Legality</b>	Needs to be recognised that rights are legally enforceable

**60.** There are, however, examples of audit work that have considered human rights issues. The principles of human rights, such as participation and accountability, feature in the work of the Accounts Commission and Audit Scotland. The case studies below include the Principles for Community Empowerment briefing, which outline how community empowerment is central to a HRBA. In addition, the NHS Overview in 2021 reported on a number of human rights concerns as a result of the response to Covid-19. Similarly, consideration of the presence and impact of socio-economic inequality featured in the Affordable housing report ([case study 8](#)).

---

## Case study 8: Principles of Community Empowerment

- In July 2019, the Strategic Scrutiny Group, which brings together Scotland's main public-sector scrutiny bodies, published the Principles for Community Empowerment. This output was the result of extensive engagement with experts in the field of community empowerment.
- The report states that community empowerment is an important part of public service reform, focusing on reducing disadvantage and inequality and improving outcomes for communities. It is also central to an HRBA to policy and decision-making.
- The paper outlines principles to promote a shared understanding of community empowerment across scrutiny bodies and public bodies are encouraged to use this document as a tool to support community empowerment approaches.
- We have updated Best Value guidance for auditors to reflect the principles of the paper. We are continuing to work with our network of experts, and they are advising us on our audit approach. Several of the representatives work directly with disadvantaged communities. We are also working closely with other scrutiny bodies in this area.

---

## Consulting with stakeholders such as those on the EHRAG

**61.** The role of the EHRAG, and how we work with other scrutiny bodies, is described in the Mainstreaming Equality section. Specific examples of how we work with EHRAG are available at [paragraphs 28 to 31](#) and throughout this report we provide examples of how we work with other stakeholders. The membership of the EHRAG, particularly the SHRC, broadened the focus of the group and influenced the development of Outcome 3.

---

# A diverse and inclusive workforce

## Outcome 2: Audit Scotland promotes, understands and supports a diverse and inclusive workforce

---

### **We said we would do this by: Having a culture where people feel valued and where they are treated with equity and fairness**

**62.** Audit Scotland has several policies and plans in place to promote equity and fairness among staff, including:

- Diversity and Equality Policy
- Equal Pay Policy
- Gender Reassignment Policy
- Religious Belief Observance Policy
- British Sign Language Action Plan
- Invisible Conditions guidance
- Time, Place and Travel Policy
- Working from Anywhere Guidance

**63.** Audit Scotland was successfully accredited with being an 'Engaged' Carer Positive Employer in Scotland (Level 1) in 2017. Carers are encouraged to identify themselves as carers and can access support within the organisation, such as our flexible working policy. Throughout 2020–2021, Audit Scotland's Health, Safety & Wellbeing committee (HSW) worked with carers to refresh a peer support group and establish regular opportunities for them to meet and discuss some of the challenges caring alongside working presents. Audit Scotland is currently exploring what is required in order to reach the next Carer Positive level of 'Established' (level 2).

**64.** Audit Scotland have Disability Confident Employer status (level 2) and we continue our work toward attaining Disability Confident Leader (level 3). Members of our workforce can access occupational health and we put in place recommendations for reasonable adjustments to meet peoples' needs such as workstation arrangements, office lighting requirements or flexible working arrangements. We have a Disability Confident working group, which includes some members of staff with disabilities. The group has sought feedback across the organisation and helps Audit Scotland consider continuous improvements, as well as share their experiences, both internally and externally.

**65.** Invisible Conditions Guidance was introduced in September 2019, co-created with colleagues. There are a range of health-related conditions or disabilities that are not easily visible but can hinder a person's abilities in the world of work. The guidance provides advice on how managers and team members can support individuals with invisible health conditions. Mental health has been a key focus of work throughout 2019 and 2020 with a programme of work carried out with our corporate charity partner SAMH.

**66.** Stonewall accreditation was obtained by Audit Scotland in June 2019. There is an internal Stonewall group, currently working towards submitting information to the Workplace Equality index, in order to learn how Audit Scotland compares with other employers on LGBT equality. This will enable us to measure our progress and identify areas where we can improve.

**67.** In 2020 and 2021 Michael Wield from Stonewall was invited to present at professional trainee group and team meetings. He spoke on the barriers that members of the LGBT community often face in the workplace and the promotion of equality. He also spoke about the Stonewall Diversity Champions programme which Audit Scotland are part of.

**68.** 2021 was the fifth consecutive year Audit Scotland have supported and promoted International Women's Day.

**69.** To tie in with World Menopause Awareness day, a Menopause Guide for Managers from the Chartered Institute for Personnel and Development was shared with colleagues.

### **Seeking feedback from staff on how the organisation can support diversity and equality in how things are done**

**70.** Every year we ask all staff to complete the Best Companies staff survey. The overall results from 2021 demonstrates a significant belief among our staff that Audit Scotland is an excellent place to work. We have placed a priority on wellbeing, especially across the period in which we have been most affected by the Covid-19 pandemic. We have emphasised the importance of physical and mental health, provided practical support in various ways and adjusted our delivery deadlines to be flexible around the needs of our people. We also review information showing how we are performing on diversity and equality, as well as reviewing our gender pay gap and equal pay information.

### **Supporting the wellbeing of staff**

**71.** Our yearly 3D discussions, between team members and their line manager, covers how their work is progressing, future performance objectives, learning and development needs and plans, and any career roadmap. The process is designed to encourage open, future focused conversations and ensure staff feel appropriately supported to carry out their work. We have introduced more explicit references to wellbeing in our 3D documentation, in particular since March 2020.

**72.** Managing Resilience is a one-day course for managers on managing their own, and their direct reports', resilience. Wellbeing is woven throughout the whole Management Development agenda, for example the Manager's Guide to 1:1s includes a section on Wellbeing and we offer managers a one-day Emotional Intelligence course. There are also a number of recommended TED talks which cover these areas. Although the courses are currently only available to managers,

the guides and TED talks are available to all colleagues. The Management Development site has a link to Sources of Support.

**73.** Audit Scotland has adopted the Healthy Working Lives framework and is using this to provide a series of activities and events focused on improving health and wellbeing at work. We achieved our aim of being accredited with the Silver Award by March 2020. Over the course of 2020–21, the specific focus of the HSW Committee was to increase communication around support available and opportunities for colleagues to come together. Given the significant impact of the pandemic on our personal lives, wellbeing, resilience and mental health continued to be priority topics, the Communications team created an interactive one-page [Wellbeing Support Infographic](#), a [Positive Mental Health page](#) to host a range of resources and a guidance document outlining [How to Access Support](#).

**74.** Opportunities for colleagues to come together included monthly HR&OD Colleague Conversations, the ‘Virtual Kitchen,’ the ‘How we’re doing’ Yammer channel and various management development discussions groups which had a wellbeing focus. The disability and carer support groups also continued to meet regularly providing peer support in challenging times.

**75.** MND Scotland is our new charity partner and we will, where appropriate, make use of any resources they can share.

### **Ensuring key policies are subject to a rigorous equality impact assessment**

**76.** Equality Impact Assessments (EIAs) are carried out to consider the impact that various policies, strategies, activities and approaches to audit work have on different groups, both within and outside the two organisations. EIAs are reviewed internally. All our EIAs are published on the Audit Scotland website.

**77.** In 2019 an EIA was completed for how assessments are used in our graduate recruitment campaigns. The assessment exercise can be adjusted for anyone with a disability. In 2020 we completed an EIA reviewing the move to virtual recruitment interviews. We recognised there would be a need for greater flexibility due to the pandemic and everyone’s individual circumstances. As reported above, in 2020/21 we have completed an EIA examining homeworking and the range of different experiences, risks and opportunities that have arisen for staff. As we moved into 2021 another EIA was completed as our graduate recruitment assessment was moved to a virtual platform. We will continue asking for feedback and seeking improvements.

### **Ensuring policies are written in plain language, adhere to current legislation and are accessible to all**

**78.** All new or updated policies are subject to EIAs. We will continue to review policies and procedures, replacing or refreshing them as required. We train our staff to write in plain language and offer a bespoke training course. This helps ensure our reports are as clear and to the point as they can be.

### **Ensuring a flexible approach to working practices**

**79.** Following introduction of a more flexible approach to our working practices in 2017 with our Time Place Travel policy, we have seen an increasing interest from our staff in flexible working. This policy provides greater flexibility over place of work and individual working patterns. The policy is seen as particularly supportive

for those staff with caring responsibilities. The policy has become widely adopted during 2020/21 as our entire workforce has been working from home across dispersed teams. This has included use of our Working from Anywhere Guidance which provides greater flexibility for staff to choose working patterns which better fit with their circumstances.

**80.** As part of our suite of family friendly policies we have a shared parental leave policy. We encourage all new parents to reflect on the policies we have in place to maximise their work-life balance.

**81.** In addition to traditional office-based training, we have introduced a range of on-demand material which staff can access at a time and place convenient to them. This has been particularly useful during 2020/21 with Covid-19 moving all our training online.

### **Continuing to monitor against the Audit Scotland equal pay statement and ensure reward strategies are fair**

**82.** While equal pay for work of equal value is achieved through the use of our job evaluation system, our gender pay gap changes with the changing composition of our workforce from year to year. We published our gender pay gap information as at 31 March 2020 in August 2020. Our median gender pay gap is 11.61 per cent. This is a decrease from last year when it was 15.71 per cent. A key element of our resource and succession planning is the operation of our professional training scheme for auditors. The year-on-year trend analysis indicates that women are progressing with their careers from the training scheme and into more senior roles with correspondingly higher levels of pay. We are committed to further reducing the gender pay gap and a range of measures have been identified. Further details can be found in our [Gender pay gap report](#).

**83.** In September 2020 we also published our Equal pay report. The most important finding from our analysis is that, across each of the diversity strands which we examine, no unfairness or discrimination was identified.

**84.** We recruit new trainee auditors every year. After the 2019/20 intake, 53 per cent of our professional trainees were women as at 31 March 2020. Fifty per cent of Audit Scotland's current management team are women.

### **Encouraging staff to disclose personal information to improve the extent of workforce information**

**85.** When recruiting new staff, all applicants must complete an equal opportunities monitoring questionnaire which includes age, gender, sexual orientation, disability, ethnic background, religion or belief, and marital or civil partnership status. The candidate can choose not to answer specific questions and any responses received are not part of the selection process. The information provided is confidential and only viewed by members of the Human Resources & Organisational Development team. This information can help the organisation respond to the needs of minority groups and make any reasonable adjustments as necessary during the recruitment and onboarding process. Employees are encouraged to update the Cascade HR system at any time if they have any change in circumstance. This is voluntary and not all staff choose to disclose all of this information.

**86.** We have a statutory duty to publish a report on employee information every two years, but we publish this information every year. Our last [Annual diversity report](#)

was published in September 2020. It provides detailed commentary about the diverse characteristics of employees and information on the recruitment, development and retention of employees. It reported that Audit Scotland has a greater level of diversity across the workforce than the Scottish population more generally and highlighted:

- 6.8 per cent of Audit Scotland's workforce is from minority ethnic groups compared with 4.6 per cent of the Scottish population
- 57.8 per cent of the workforce are women
- nearly one third of the workforce have a non-standard work pattern, which can support diverse needs and balance personal and working lives
- we are working to attract younger colleagues (16–24) through our trainee and school leaver programme, and modern apprenticeship programmes
- the next report is scheduled for publication in summer 2021.

### Looking at ways to attract those from under-represented groups and continuing to monitor recruitment and selection processes and implement improvements in response to feedback

**87.** We regularly ask for feedback following a recruitment campaign as part of an employee's 3-month review form. Most respondents confirm that it was a positive experience and they generally form a good impression of Audit Scotland from our initial contact onwards. Additionally, we encourage candidates regardless of whether their application is successful to supply feedback about the recruitment campaign, so we can continuously review and improve our processes. During 2020–21 this has been more important than ever, as all our recruitment has been conducted virtually.

**88.** We advertise our vacancies using both mainstream and specialised job boards, along with advertising generally in disability and lifestyle publications. We also regularly attend recruitment events, with several events offering protected quiet hours for any attendees with a disability. Since March 2020 many of these events have now moved online and we have continued our attendance virtually.

**89.** We ran the annual graduate recruitment evening in autumn 2020 virtually. This allowed us to showcase the work we do, detail the training we offer and allowed an opportunity for questions and answers from attendees with some of our employees. We had good engagement from attendees with some thoughtful questions asked at the end. A shortened recording of the event was then shared on our external website.

**90.** In late 2020 we partnered with an external organisation called Business in The Community (BITC) to review our current recruitment and selection practices to examine where improvements can be made in relation to diversity and inclusion. Our HR & OD team are working closely with inclusion advisors to make improvements during 2021.

**91.** We regularly deliver recruitment and selection training, with the most recent recruitment training held in March 2021. The training gives an overview of the full recruitment process including legislative and equality requirements across all stages of the process from the initial advert to appointment. To get the most from this training we also asked delegates to self-reflect on how confident they are in

their ability to recruit the right people and how confident they are in challenging colleagues who hold views that differ from theirs. We also direct people carrying out recruitment to a range of videos, TED talks and online training covering topics such as unconscious bias prior to the training. We will continuously review the workforce and identify any further requirements for recruitment and selection training. We anticipate making changes to the future training following the review of our recruitment processes.

**92.** During 2020–21 the HR & OD team have been exploring new avenues for attraction to increase diversity. This has included advertising on specialist diversity job boards, a review of our recruitment process with our external partner, Business in the Community and our employees sharing their experience of working at Audit Scotland through external articles and on social media. Our most recent recruitment campaigns advertised in early 2021, show an increase particularly in applicant numbers from both those with a disability and those from a BAME background. We are encouraged by the early response and will continue to review our progress during the year ahead.

---

# Conclusions and looking forward

---

## Conclusions

**93.** Mainstreaming equality and the equality outcomes have resulted in the advancement of equality reporting through our three types of audit work – performance audit, Best Value audit and in annual audit – and in promoting a diverse and inclusive workforce.

**94.** For audit work, equalities has become a more regular feature in annual audits. Best Value Assurance work has demonstrated a particular focus on socio-economic disadvantage, and national performance audits have benefited from the insight of the EHRAG in having a more pronounced focus on specific equalities issues.

**95.** Recognition must be given to the impact of Covid-19 pandemic and the extent to which public sector bodies have had to re-prioritise everything that they do. There are a number of auditors that have still to report on equalities as part of this appointment round. We, therefore, anticipate that further findings will be reported over the next two years, and these will support achievement of our [revised equality outcomes](#).

**96.** We recognise that there is scope to build on the progress made to date. In particular, we have noted those areas of Outcome 3 that did not progress as planned following its introduction in late 2019. In recognition of this we have, for example, identified actions to help drive forward our emphasis on human rights considerations and socio-economic inequalities within our new [audit-focused outcome](#).

**97.** Under Outcome 2, we will continue to promote and support an inclusive workforce. We recognise that there is still work to do to increase the diversity of people into Audit Scotland and their progression throughout every level of the organisation. We will also broaden our culture of diversity and inclusion so that all employees feel valued and engaged.

## Areas for development in our audit work

**98.** Through this report we have identified a number of areas for consideration and development, to support our assessment of equalities in our future audit work. These include:

- How best can we build inequalities and human rights considerations into our developmental and monitoring work, including risk monitoring?

- How can we most effectively reflect inequalities and human rights risks and issues in our dynamic and flexible work programme?
- Where we report on significant inequalities, are we sufficiently clear on the impact we aim to achieve?
- Where we report on inequalities, are we consistently and appropriately featuring our findings in key messages/judgements and recommendations within the report? If not, are we assured by the measures the body is taking to address inequalities and are we able to monitor the impact of these?
- If we are making recommendations how are we following up on these in future audit work?
- Where we identify good practice in meeting the equality duty through our audit work how are we sharing this with other bodies?

### Looking forward: our revised equality outcomes for 2021–25

**99.** Our revised equality outcomes for the coming four-year period build on what we have learned from mainstreaming equality and delivery of equality outcomes over the past two years. These [outcomes and the foundation for our work plans](#) to deliver them are set out here.

**100.** They include a focus on our audit work and how it supports the public sector to address inequalities including both protected characteristics and socio-economic disadvantage, and to protect human rights. We will take this forward through our public reporting, our engagement with employees, external organisations and the public, and the actions we set ourselves.

**101.** Audit Scotland will also continue to focus on increasing the diversity of people into Audit Scotland and their progression through every level of our organisation. We will do this through greater understanding of the challenges, opportunities and needs of people from different groups and the specific inequalities faced. This will drive our recruitment strategy and support the development of our people and will be reflected in the diversity across our workforce at all levels.

**102.** Audit Scotland will also seek to broaden our culture of diversity and inclusion, so all employees feel valued, engaged and contribute. We will do this through creating a more inclusive workplace culture which better reflects the needs of people from different groups to deliver an experience that increases wellbeing, a sense of belonging and which enables all colleagues to be themselves at work.

# Appendix 1

## Accounts Commission and Audit Scotland's three equality outcomes 2017–21

### Three equality outcomes



### Outcome 1



### Outcome 2



### Outcome 3

#### Accounts Commission Audit Scotland

1. Audit work will reflect how public services meet the diverse needs of all citizens and communities.

This will be done by:

- consulting with stakeholders on how to reflect equality and diversity in audit work
- ensuring that staff are sensitive to the diverse needs of stakeholders when performing audit work
- analysing data to help understand who uses public services and use this to inform audit work
- reflecting equality and diversity issues in audit work programmes, in a way which is consistent with the audit duties
- publishing information and reports in formats that are accessible to all
- reporting audit findings in a style that reflects the audience
- reporting on diversity and equality issues where appropriate supporting other public bodies in their scrutiny of diversity and equality.

#### Audit Scotland

2. Audit Scotland will promote, understand and support a diverse and inclusive workforce.

This will be done by:

- having a culture where people feel valued and where they are treated with equity and fairness
- seeking feedback from staff on how the organisation can support diversity and equality in how things are done
- supporting the wellbeing of staff
- ensuring policies are written in plain language, adhere to current legislation and are accessible to all
- ensuring key policies are subject to a rigorous equality impact assessment
- ensuring a flexible approach to working practices
- continuing to monitor against the Audit Scotland equal pay statement and ensure reward strategies are fair
- encouraging staff to disclose personal information to improve the extent of workforce information
- looking at ways to attract those from under-represented groups
- continuing to monitor recruitment and selection processes and implement improvements in response to feedback.

#### Accounts Commission Audit Scotland

3. In our audit work we will reflect, where appropriate, on how public bodies address human rights and socio-economic disadvantage.

This will be done by:

- reviewing information on the profile of the Scottish population and the people who make use of public services considering how this informs our understanding of human rights and socio-economic disadvantage issues and how this influences our audit work programme
- reviewing evidence about how public bodies are delivering services and consider the needs of different user groups when budgeting, planning and organising services
- taking an outcome focused view as to what budgets aim to and have achieved over the long term
- reviewing the appropriateness of a human, rights-based approach and its applicability to audit work
- encouraging staff to adopt the PANEL principles employed by the Scottish Human Rights Commission: Participation, Accountability, Non-discrimination and equality, Empowerment of rights holders, Legality of rights.
- training and providing support to colleagues through the EHRSG and internal communications.
- consulting with stakeholders such as those on the EHRAG.

---

# Appendix 2

## Equalities and Human Rights Advisory Group members

---

### Organisational membership



Age Scotland



Children and Young People's Commissioner Scotland



Close the Gap

Close the Gap



Coalition for Racial Equality and Rights (CRER)



Council of Ethnic Minority Voluntary Sector Organisations (CEMVO) Scotland



Disability Equality Scotland



Edinburgh Interfaith Association



Enable Scotland



Engender

## Organisational membership



Equality Network



Interfaith Scotland



Minority Ethnic Carers of People Project (MECOPP)



Saheliya



Scottish Human Rights Commission



Scottish Secular Society



Scottish Trades Union Congress (STUC)



Scottish Trans Alliance



SEEME Scotland



Shakti Women's Aid



Stonewall Scotland

# Appendix 3

## Meeting the specific duties of the Equality Act

Duty	Equality Act reference	Summary of requirements	Frequency	Last published
<b>Mainstreaming progress</b>	Section 3	Publish a report on the progress made to make the equality duty integral to the exercise of functions	At least every 2 years	April 2021
<b>Equality outcomes</b>	Section 4(1) & (2)	Publish a set of equality outcomes having involved protected characteristic groups/ individuals and used available evidence	At least every 4 years	April 2021
<b>Progress against equality outcomes</b>	Section 4 (1) & (2)	Publish a report on the progress made to achieve the equality outcomes	At least every 2 years	April 2021
<b>Equality Impact Assessments</b>	Section 5	Conduct EIAs for new/revised policies and publish these	Ongoing	Ongoing on our website
<b>Gather and use employee information</b>	Section 6 (1) & (2)	Gather information on staffing mix & recruitment, development & retention against protect characteristics	Annual	September 2020
<b>Include employee information in mainstreaming report</b>	Section 6 (3)	Include employee information and progress made in gathering & using this in mainstreaming report (if not published previously).	At least every 2 years	Diversity report September 2020
<b>Gender pay gap information</b>	Section 7	Publish percentage difference between hourly pay rates for men and women	At least every 2 years	Annually May 2020
<b>Statement on equal pay policy and occupational segregation</b>	Section 8	Publish equal pay policy and analysis of employment by grade/role for gender, disability & race	At least every 4 years	Equal Pay Review September 2020

# Mainstreaming equality and equality outcomes:

## Progress report 2019–21

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

[www.audit-scotland.gov.uk/accessibility](http://www.audit-scotland.gov.uk/accessibility) 

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) 

ISBN 978 1 913287 44 3