

Effective Audit in the Twenty-first Century

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Scotland's new government system

- 5 million people
- New Scottish Parliament
- Budget of 35 billion euros
- Health, education, economic development, social services, justice, infrastructure, etc
- New Auditor General, Audit Scotland

The presentation

- 21st century challenges
- Government response
- Modernising Audit Scotland

21st Century Challenges

- Falling population, more older people
- Poor health of the nation
- International competitiveness
- Financial pressures
- Public expectations that services should be better
- Some poor service performance, inefficient management
- Media spotlight on public service problems

Government Response

- New policies (health, education, economy, crime, social policy, urban regeneration, environment, etc.)
- Modernise government
- More performance targets
- More audit and inspection
- More scrutiny by new Parliament

The challenge for Audit Scotland

- Effective performance reporting to Parliament
- Audits that support improvements in the management and delivery of public services
- Audits that support better accountability and improvements in standards of conduct

Audit Scotland's modernisation (1)

Reports to Parliament that address:

- Big issues of national concern (eg. failures)
- Performance of major services and government organisations
- The overall performance of the health service and local government

Examples of reports

- Scottish Parliament building project
- Scottish Enterprise performance management
- Drug prescribing by Scotland's doctors
- Dealing with youth crime
- Performance of the Scottish health service

Audit Scotland's modernisation (2)

New Best Value arrangements

- Organisation prepares a report on its performance
- Auditors assess the organisation's management systems and performance, and prepare a report
- Auditor's report should include an agreed action plan to improve areas of poor performance
- Best Value will apply to all public organisations
- Results reported in public and can be used by Parliament to scrutinise the organisations
- Results will be followed through in future and further reports made by auditors

Audit Scotland's modernisation (3)

Improving local financial audit

- Systematically identify the big risks and performance issues in the organisation
- Base the audit work and the final report on these important issues
- Short reports that clearly describe the issues and the action that management should take to address problems
- Communicate the results of the audit clearly to non executive board members, councillors

Audit Scotland's modernisation (4)

Audit Scotland's internal improvements

- Performance Audit Group and Audit Services Group
- Specialisation centred on health, central government, local government
- New skills and competences for our staff
- Effective internal performance management
- Big investment in training and IT systems

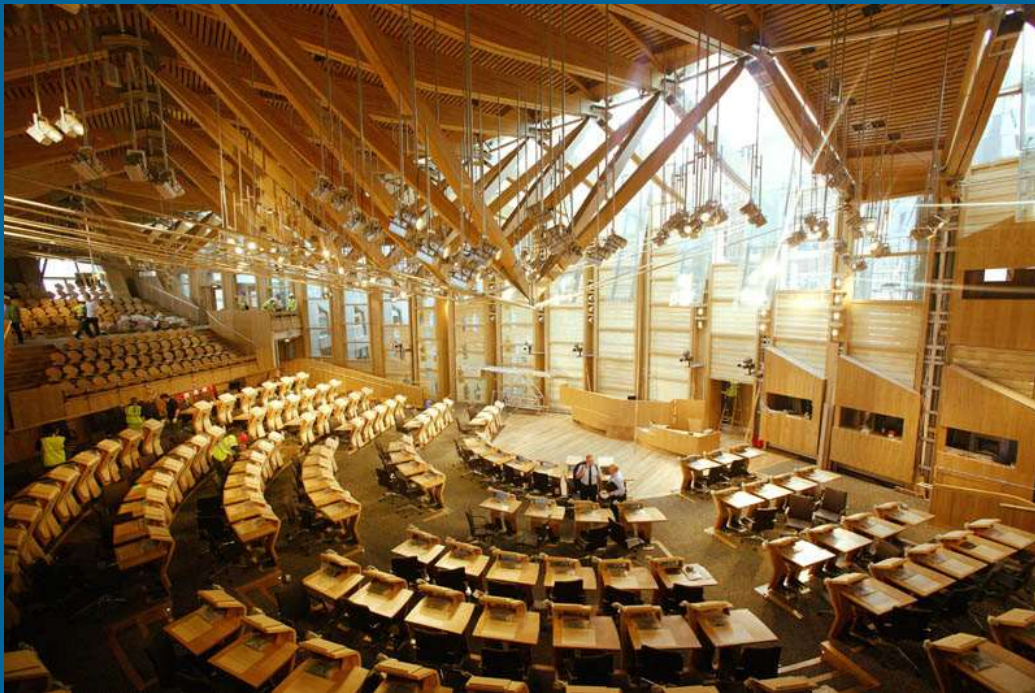
Are we performing well?

- Scottish Parliament, Ministers support us
- Our reports help the Parliament to scrutinise senior civil servants and managers
- Our reports are leading to improvements in public services
- We successfully audit across organisational boundaries and prepare integrated reports on whole systems (eg community care, youth crime)
- We successfully audit in professional and specialist areas (eg clinical services)
- We work successfully with inspectors and regulators (eg. in education, health, police, social care)

The future?

- We want to learn from other audit organisations and share experience
- Good opportunities for questions and discussion during this conference
- Visit our website: www.audit-scotland.gov.uk
- Welcome to Scotland...and see our magnificent new Parliament building in Edinburgh...designed by a great architect from Barcelona





 AUDIT SCOTLAND