

Enhancing our Approach to Value for Money: Audit Scotland Journey

EURORAI Seminar, 25 April 2025

**Cornilius Chikwama, Audit Director, Performance Audit and
Best Value**



Vision

Public money is well spent to meet the needs of Scotland's people.



Mission

Provide clear, independent and objective assurance on how effectively public money is being managed and spent.

Our priority outcomes to 2028



Outcomes

By 2028 we want to achieve measurable change in the following areas:

Public services in Scotland work better together to target resources more effectively.

Financial planning and management are more effective across Scotland's public services.

Public bodies deliver clearer and more transparent reporting.

Our recommendations have a positive impact for people in Scotland.



Public Finance and Accountability (Scotland) Act 2000, Section 23

“The Auditor General may initiate examinations into the **economy, efficiency and effectiveness** with which bodies and office-holders mentioned in subsection (2) have used their resources in discharging their functions”.

Local Government (Scotland) Act 1973, Section 97A

The Commission shall undertake or promote comparative and other studies designed to enable it to make recommendations for: ... (b) improving **economy, efficiency and effectiveness** in the provision of services by local authorities or by other bodies whose accounts are required to be audited in accordance with this Part of this Act

Performance Audit Reporting

Sustainable transport

Reducing car use



Performance
Audit Reports

NHS in Scotland 2023



Overview
Reports

Social care

Briefing



Briefings

Interest in Value for Money



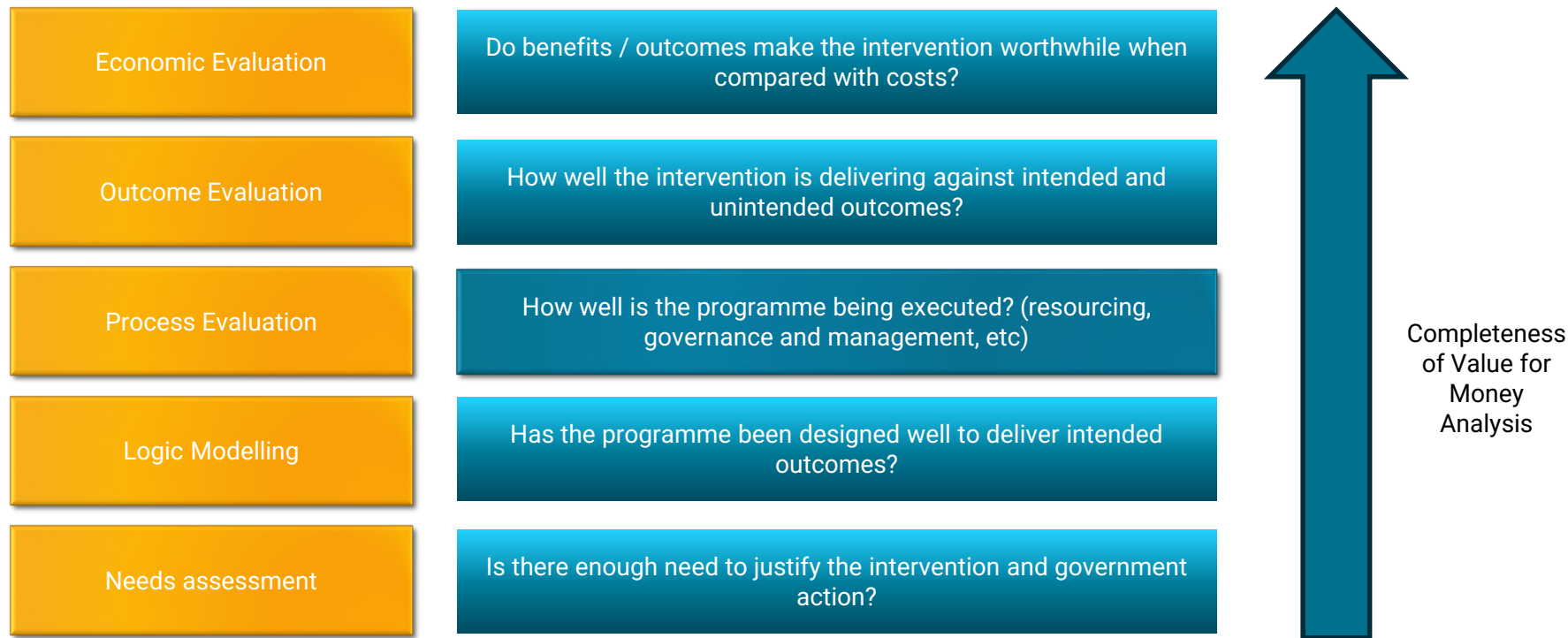
Public Audit
Committee
Meeting date:
Thursday,
November 21,
2024 – Alcohol
and Drug
Services

Graham Simpson

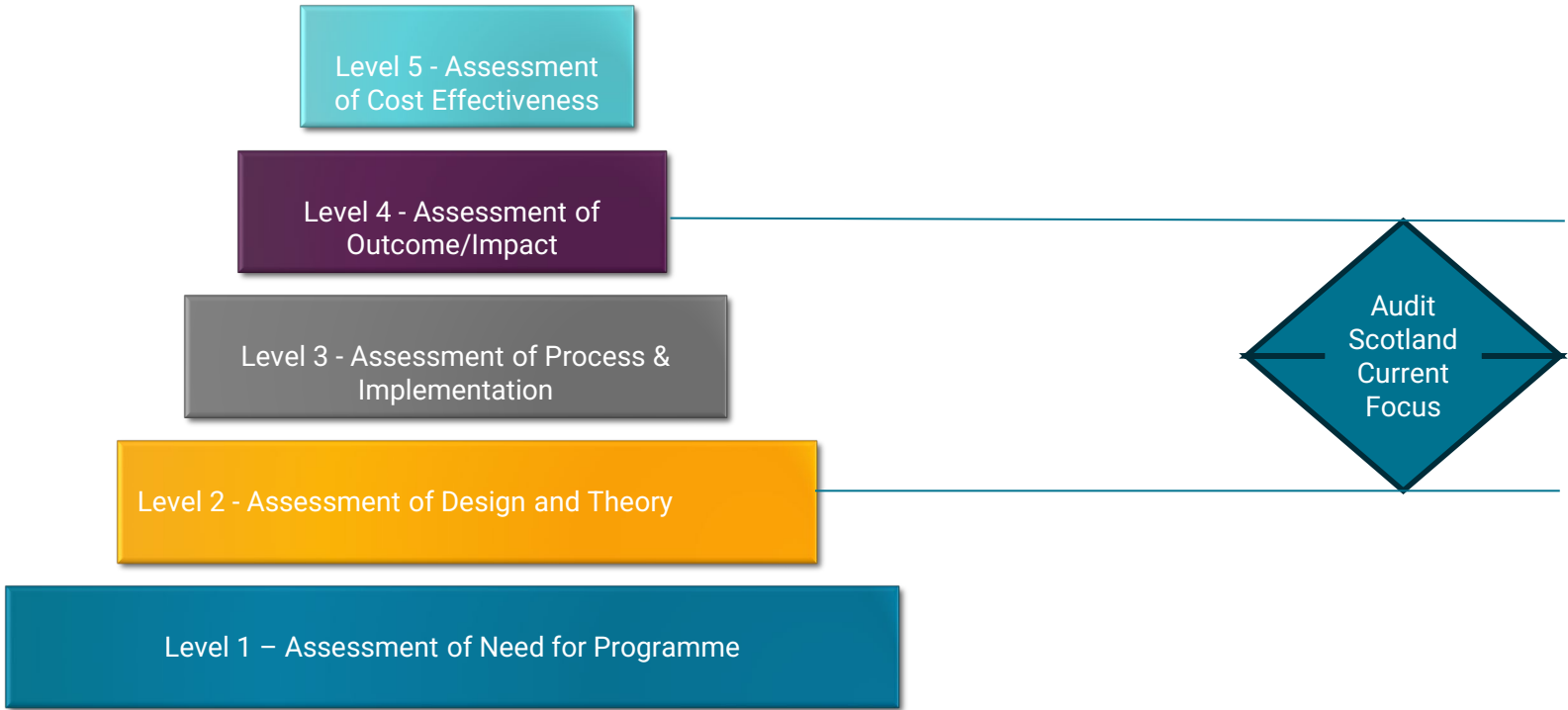
Okay. I have a final question, which you might or might not be able to answer. Are we getting value for money from all the money that we are spending on drug and alcohol services?

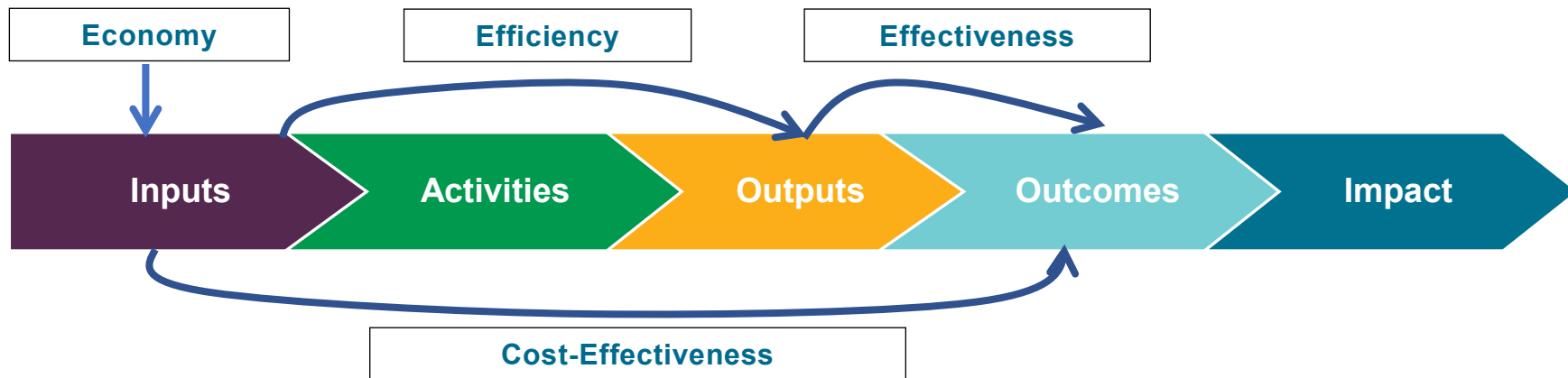
Aim: To develop a more consistent approach to auditing and reporting on how well public bodies are individually and collectively using resources to best effect to deliver better outcomes for citizens and communities.

Evaluation Hierarchy and Value for Money



Where is Audit Scotland Current Focus?





Option 1 – Quantitative evaluation of value for money (deploying ‘economic evaluation’ methods in performance audit)

Option 2 – Evaluating arrangements for value for money (testing delivery arrangements to see if they support value for money)

Quantitative Evaluation

Economy: E.g., Cost analysis and cost benchmarking, etc.

Efficiency: E.g., Productivity analysis and benchmarking, etc.

Effectiveness: E.g., Outcomes evaluation, cost-effectiveness studies, etc

Evaluating Arrangements

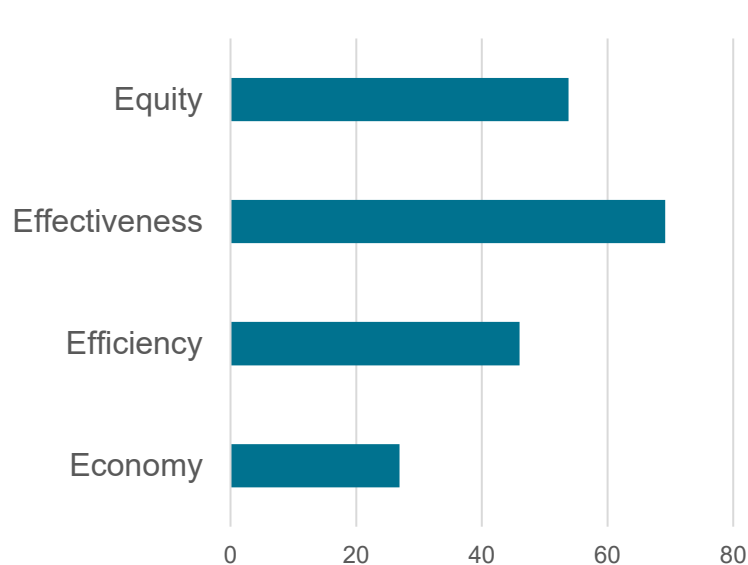
Economy: E.g., Evaluate procurement arrangements, cost consciousness, etc.

Efficiency: E.g., Evaluate performance management arrangement, clarity of delivery arrangements, etc.

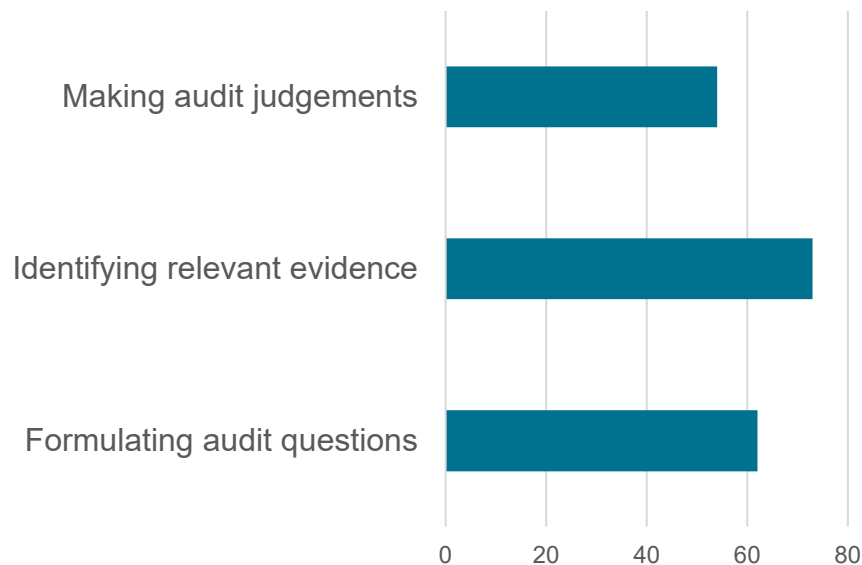
Effectiveness: E.g., evaluate partnership working, tracking of outcomes, etc.

Results from Surveying PABV Staff

Respondents that are 'completely confident' or 'fairly confident' with assessing value for money (percent of responses)



Respondents that are 'confident' or 'somewhat confident' with value for money applications across stages of the audit (percent of responses)



- Which approaches are you taking? What have you learnt from them?
- Any tools / frameworks that you have developed that you can share with us?
- How have you developed and maintained expertise in value for money analysis?
- Are there opportunities for follow-up discussions, to learn further from your experience?

Thank YOU!

Cornilius Chikwama

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