

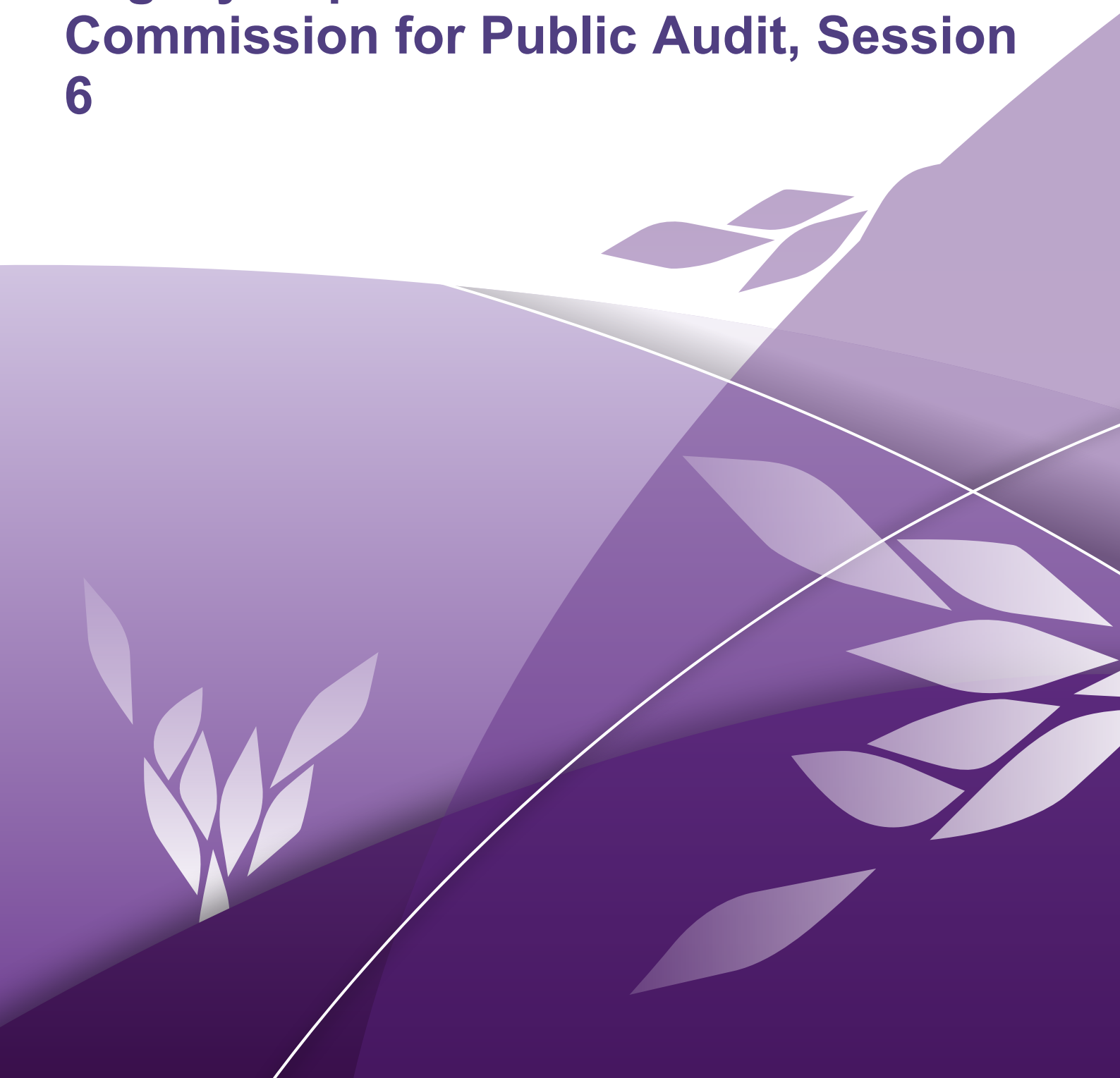


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Scottish Commission for Public Audit

Legacy Report of the Scottish Commission for Public Audit, Session 6



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Introduction

1. This legacy report sets out key lessons from the work of the Session 6 Scottish Commission for Public Audit (SCPA) to assist its successor commission with delivery of its responsibilities in relation to the work of Audit Scotland.
2. The SCPA, while consisting of five MSPs, is not a parliamentary committee but a statutory body established under section 12 of the Public Finance and Accountability (Scotland) Act 2000.
3. The SCPA's role is to—
 - examine Audit Scotland's proposals for the use of resources and expenditure and report on them to Parliament.
 - appoint a qualified person to audit the accounts of Audit Scotland.
 - lay before the Parliament and publish a copy of Audit Scotland's accounts and the auditor's report on them.
 - appoint three of the five members of Audit Scotland's board on such terms and conditions as the SCPA determines.
 - appoint one of these three members as chair of Audit Scotland's board.
 - designate the Accountable Officer for Audit Scotland.

Meetings

4. The SCPA met ten times during the parliamentary session, all meetings taking place in Edinburgh.

Audit Modernisation Project

5. During our consideration of Audit Scotland's Budget Proposal for 2024/25, we heard that Audit Scotland was about to embark on an Audit Modernisation Project (AMP) to secure effectiveness of future audits and ensure that audit continues to meet the required quality standards. Throughout the session we received informal updates from Audit Scotland on the progress of its AMP and explored how it would deliver a more efficient audit process that allows staff to focus on areas of highest risk and complexity. Most importantly, the AMP will ensure that public audit in Scotland remains fit for purpose.
6. The AMP is supported through funding from the Scottish Consolidated Fund across three years and as such is included in Audit Scotland's budget proposals. We heard at our meeting in December 2025 ¹ that Audit Scotland is currently working with the National Audit Office to be able to use its system, with appropriate adaptations being made for Scotland.

7. **The SCPA recommends that its successor Commission continues to monitor the progress and costs associated with Audit Scotland's Audit Modernisation Project.**

Future Public Audit Model

8. Audit Scotland is currently undertaking a review on the public audit model in Scotland. The Auditor General and the Accounts Commission revise their public audit model and approve a new Code of Audit Practice every five years. The current consultation ² runs until 27 March 2026, with the new code applying from the 2027/28 financial year. The SCPA has provided a response to the consultation. ³

9. **The SCPA draws its successor Commission's attention to the issues raised in the response it provided to Audit Scotland on the Future Public Audit Model and suggests that it may wish to monitor how the model works in practice once implemented.**

Appointment of Auditors for Audit Scotland

10. The SCPA is responsible for the appointment of Audit Scotland's auditors. The current contract is due to end in December 2026, a procurement process to appoint new auditors will take place over the summer.
11. Under the appointment process a formal contract is advertised and the bids received are assessed against the contract by Parliamentary Officials. Those bids and assessments are then provided to the SCPA with a recommendation for approval. It is then for the SCPA to consider the bids that meet the criteria in private at a formal meeting and to agree its preferred bid.
12. **The SCPA draws its successor Commission's attention to its role in the procurement process to appoint a new auditor for Audit Scotland.**

Audit Scotland Chair and Board members

13. The SCPA is also responsible for appointing Audit Scotland’s Chair and Non-Executive Board members. The current Chair and one Board member are due to demit office on 30 September 2026 and 9 July 2026 respectively. Due to the 2026 election, the recruitment for these posts was undertaken prior to the dissolution period as there would have been insufficient time post-election to carry out the recruitment process before the terms of both appointments came to an end. The new Chair and Board member were announced on 24 March 2026.⁴

14. The SCPA draws its successor Commission’s attention to the above recent appointments.

15. The Public Finance and Accountability (Scotland) Act 2000 provides that members appointed to Audit Scotland’s Board are appointed for three years and can thereafter be reappointed for a further three years. As the current Chair was appointed to the Audit Scotland Board in October 2020, prior to being appointed as Chair in October 2024, his term of office as Chair was restricted to two years.

16. The SCPA noted that the potential for this shorter term of office arising runs the risk of limiting the extent to which the Chair is able to fully embrace the role and implement any longer-term changes they feel are required to lead the organisation.

17. The SCPA recommends that its successor Commission explores options to avoid a similar issue arising in the future, including amending the relevant legislation.

Working practices

Informal meetings

18. In addition to holding its formal Commission meetings, the SCPA this session began to hold informal meetings with Audit Scotland including to receive updates on a variety of subjects. For example, the SCPA held informal meetings with Audit Scotland on its draft budget proposal, prior to submission of its formal budget proposal. This enabled the Commission to build a clearer picture of the priorities and challenges facing Audit Scotland in the context of its budget proposal, which led to more effective scrutiny of the final proposal in a formal setting. Other informal meetings were held to receive updates on the progress of the Audit Modernisation Project and the consultation on the Future Public Audit Model, allowing in-depth presentations and discussions to inform formal scrutiny.

19. **The SCPA found these informal meetings to be helpful and informative and recommends that its successor Commission continues to hold them where useful.**

Business planning days

20. The SCPA has held two informal business planning day (BPD) meetings this session. The first BPD provided an opportunity for the newly formed SCPA to meet with Audit Scotland and to gain a greater understanding of public audit in Scotland and its plans for the future. The second BPD focused on issues including audit quality, digital auditing and cyber security, auditing climate change and Audit Scotland's fees and funding model.

21. **The SCPA found the informal Business Planning Days useful and recommends that its successor Commission continues to hold them where useful.**

- [1] Scottish Commission for Public Audit. (2025, December 11). Official Report. Retrieved from <https://www.parliament.scot/api/sitecore/CustomMedia/OfficialReport?meetingId=16764>
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- [3] Scottish Commission for Public Audit. (2026, March 6). Future Public Audit Model. Retrieved from <https://www.parliament.scot/-/media/files/scottish-commission-for-public-audit/2025/future-pa-model-scpa-to-ags-6-march-2026.pdf>
- [4] Scottish Commission for Public Audit. (2026, March 24). New chair and new board member of Audit Scotland announced. Retrieved from <https://www.parliament.scot/about/news/news-listing/new-chair-and-new-board-member-of-audit-scotland-announced>

