April 2021

EUROSAI Project Group on Auditing the response to the COVID-19 pandemic: Year One progress report

EUROSAI
European Organisation of Supreme Audit Institutions

NAO
National Audit Office

The National Audit Office (NAO) scrutinises public spending for Parliament and is independent of government and the civil service. We help Parliament hold government to account and we use our insights to help people who manage and govern public bodies improve public services.

The Comptroller and Auditor General (C&AG), Gareth Davies, is an Officer of the House of Commons and leads the NAO. We audit the financial accounts of departments and other public bodies. We also examine and report on the value for money of how public money has been spent.

In 2019, the NAO's work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £1.1 billion.

Contents

Key facts

34

EUROSAI members in
the Project Group (PG)

20

knowledge-sharing
events held in Year One

133

auditors using Project
Group resources in BIEP

155	COVID-19 related outputs from seventeen PG members
40	published outputs analysed to identify audit criteria
83	documents shared in the PG area of BIEP
2	common audit resources produced

	Austria		Ireland		Portugal
	Belgium		Israel		Romania
	Bulgaria		Italy		Russia
	Cyprus		Kazakhstan		Slovakia
	Czech Republic		Kosovo		Slovenia
	Denmark		Latvia		Spain
	Estonia		Lithuania		Sweden
	European Court of Auditors		Malta		Turkey
	Finland		Moldova		Ukraine
	France		Netherlands		United Kingdom
	Georgia		Norway		
	Iceland		Poland		

Foreword

I am delighted to introduce this progress report for Year One of the EUROSAI Project Group on auditing the response to the COVID-19 pandemic. On behalf of SAI UK as chair and SAI Finland as vice-chair, I would like to thank the 34 EUROSAI members who joined the group for your cooperation this past year. In particular, I would like to thank the Supreme Audit Institutions of Belgium, the Czech Republic, Estonia, Finland, Israel, Latvia, the Netherlands, Spain and Sweden for their contributions to this report.

The Project Group was established as a 'safe space' for members to consider the challenges of auditing the pandemic. Our commitment to sharing our collective knowledge and experience is as relevant today as it was when we launched the group in June 2020. COVID-19 continues to have a profound effect on all our lives and the scale of the response will have implications for public spending and public service delivery for many years.

The work of this group has demonstrated that there is no 'one size fits all' audit response. Each member has considered what is appropriate given individual mandates, priorities and contexts. However, our cooperation is based on what might be of common interest, not what might be different or exceptional. While our audit responses may differ, we agree that Supreme Audit Institutions have a role to play and that there is an undoubted benefit in us sharing and learning together.

I look forward to continuing working with the Project Group and welcome the contributions and ideas of EUROSAI members on how this group can add maximum value. In the final analysis, although the issues we are considering may be complex our shared goal is simple; working collectively to improve the public audit service we provide our citizens.

Gareth Davies
Project Chair
Comptroller and Auditor General and Head of the UK National Audit Office

Summary

1   At the time of this report the World Health Organization estimates there are more than 126 million cases of COVID-19 worldwide, resulting in 2.7 million deaths. As governments began their unprecedented response to the pandemic in early 2020, Supreme Audit Institutions (SAIs) around the world were carefully considering what an appropriate audit response was. How could SAIs continue to hold governments to account without interfering in the emergency response? How could we provide independent, expert analysis to help parliaments and citizens understand how public resources are being used to tackle the crisis? And how could the unique cross-government perspective of public audit ensure that appropriate lessons are learned?

2   The response to the pandemic will have implications for public spending and public service delivery for many years. It is still too early to tell exactly what this impact will be, but it will be profound. Informal conversations among SAIs suggested that although the pandemic was affecting countries in different ways and varying levels of severity, there was a clear obligation for SAIs to share and learn together. Government responses were similar, and therefore the 'audit universe' was similar: a four-stage systematic response of preparedness, emergency response, exit strategies and managing the long-term effects, and a focus on three main public policy areas:

● Health and social care – including preparedness, provision of care and the procurement and logistical challenges of maintaining the required levels of vital medical supplies;

● Wider emergency response measures – including lockdown restrictions, food and energy security, education and transport;

● Protecting the economy – measures such as loans for businesses, job support schemes for the employed and welfare measures including support for vulnerable groups.

3   In April 2020, SAI UK contacted SAI Finland to discuss a concept paper proposing a new European Organisation of Supreme Audit Institutions (EUROSAI) Project Group on auditing the response to the COVID-19 pandemic (the PG). In May 2020 SAI UK (as chair) and SAI Finland (as vice chair) wrote to the EUROSAI Governing Board proposing the PG. The Governing Board immediately approved the terms of reference (TOR), establishing the PG under the 'Emerging issues and forward-thinking' strategic portfolio led by SAI Finland. The heads of all EUROSAI member organisations were invited to the PG launch on 6 June 2020. Thirty-seven EUROSAI members attended and thirty-four joined the PG.

The purpose of this report

4   This report fulfils the accountability commitments the PG made in our TORs:

- **Accountability to EUROSAI**: the PG will report on progress and results to the Governing Board via the 'Emerging Issues and forward-thinking portfolio' led by SAI Finland.

- **Accountability to Project Group members**: the PG will share regular updates to ensure transparency on progress and results, and trigger course corrections if the group is not adding value for its members.

5   This is the first published progress update. The report summarises three earlier progress reports sent to PG members in July, September and December 2020, and provides an update on progress against:

- the plan for Year One (Part One);

- Goal 1: Sharing information and experience on auditing the COVID-19 response (Part Two); and

- Goal 2: Developing a COVID-19 audit framework (Part Three).

The authors of this report

6   The report was produced through a collaboration of staff from the SAIs of Belgium, the Czech Republic, Estonia, Finland (vice-chair), Israel, Latvia, the Netherlands, Spain and Sweden under the direction of SAI UK as chair of the PG. All content is the views of the authors and not the official position of their SAI. It is descriptive rather than prescriptive and is offered for SAIs to consider in the context of their respective mandates and priorities.

Conclusions on Year One of the Project Group

7   The PG was established quickly and has proven to be a safe space to share our collective knowledge and experiences in auditing the response to the COVID-19 pandemic. Members are supporting each other not only by sharing published work, but also by sharing information, methods and advice to help audit teams plan and deliver COVID-19 audits. By working collectively, we are enhancing the quality of our audit responses, and providing a better public audit service to our citizens.

8   Most knowledge exchanges have focused on the two topics prioritised by heads of SAIs in June 2020; the impact on health and social care; and the economic response. However, should the PG continue into a second year we will consult members on their current topics of interest and how to enhance knowledge-sharing activities. The PG has achieved a lot, but we are still learning and can do more.

9   Our ultimate objective is to bring together the knowledge and experience shared through the PG into a holistic, overarching audit framework that could guide an audit response to future pandemics. This framework will be developed over time using not only good ideas but also the vital learning and practical experience we have gained through auditing the COVID-19 response. Unusually for public audit professionals we truly hope this is wasted effort, and that our framework will never be needed.

Recommendations

10   We invite PG members to:

a   note the progress and opportunities described in this report; and

b   vote in May 2021 on continuing the PG or not;

Subject to 10b, we also invite PG members and other EUROSAI members to:

c   suggest ideas for knowledge-sharing activities and how to improve the PG; and

d   for EUROSAI members who have not joined the PG, consider joining in Year Two commencing June 2021.

Part One

The plan for Year One

1.1 This Part of the report provides an overview of the Project Group in Year One. It sets out our goals and the principles that guide our work, our structure, ways of working, and our reflections on how we are working together.

Goals and guiding principles

1.2 In April 2020 SAI UK contacted SAI Finland to discuss a concept paper proposing a new European Organisation of Supreme Audit Institutions (EUROSAI) Project Group on auditing the response to the COVID-19 pandemic (the PG). In early May 2020, SAI UK (as chair) and SAI Finland (as vice chair) wrote to the EUROSAI Governing Board proposing the PG. The Governing Board approved the terms of reference (TOR) in mid-May and the PG was established under the 'Emerging issues and forward-thinking' strategic portfolio led by SAI Finland. The TORs and the concept paper have been shared via the Benchmarking Information Exchange Portal (BIEP). The TORs can also be found on the EUROSAI website.

1.3 On 6 June 2020 the heads of all EUROSAI members were invited to a launch webinar. Thirty-seven Supreme Audit Institutions (SAIs) attended to hear Gareth Davies (head of SAI UK and Project Chair) and Tytti Yli-Viikari (head of SAI Finland and Project Vice-chair) introduce the PG goals and the principles which would guide our cooperation. Gene Dodaro, head of SAI USA, and Einar Gorrissen, Director General of the International Organization of Supreme Audit Institutions (INTOSAI) Development Initiative (IDI) also shared their experiences in auditing the pandemic. The goals of the PG are to facilitate:

- SAI peer-to-peer sharing information and experience on auditing the COVID-19 response; and

- the development of an informal COVID-19 audit framework including common types of information and 'key facts' to enable lessons-learned reporting and international comparators.

1.4 The guiding principles set out in the TORs are:

- **SAIs have an important job to do.** We should be confident in our role helping ensure public money is used wisely even in times of crisis.

- **Different SAI's priorities must be respected**. We are not seeking to influence each other's approach but to inform and strengthen it by learning from others. This is a coalition of the willing.

- **Respect the principle of 'do no harm'**. We understand the pressure COVID-19 is putting on our governments. Each SAI will need to consider the timing and impact of any audit response.

- **Different approaches will be needed**. There is value in starting early with simple, knowledge exchanges on topics of interest.

- **Cooperation should be as effective as possible**. This group will coordinate EUROSAI activities with other INTOSAI initiatives and regions.

A coalition of the willing

1.5 Throughout June 2020, interested SAIs participated in one of six roundtable discussions to share their perspectives on the impact of COVID-19 on their country; any planned audit response; and what they would value from the PG. The roundtable discussions produced more than eight hours of video footage and 18 written submissions. SAI UK and SAI Finland analysis of the roundtables identified 215 data points, 133 describing planned audit responses and 82 ideas for the PG. The full analysis and roundtable recordings were shared in BIEP, but in summary:

a   SAIs discussed the different responses they were considering and/or were already implementing:

- adjusting existing audit programmes;

- adapting the scope of existing audits to include COVID-19 coverage;

- developing or delivering a COVID-19 audit programme comprising multiple interventions;

- monitoring government plans and announcements;

- undertaking fiscal analysis on the budget, debt management and overall economic performance; and

- publishing dashboards or data on the current situation on their websites.

b Most of the discussions (64%) centred on auditing specific policy measures. Twenty-seven SAIs were considering and/or conducting audits on:

- health and social care – for example, overall performance, capacity, test and trace, procurement of key supplies and recruitment of medical personnel;

- wider emergency response – for example, education, food security, public safety measures, transport and so on;

- protecting the economy – for example, financial support measures for individuals and businesses, public finances and public debt management; and

- cross-cutting themes – for example, overviews of the overall government response, cyber, preparedness, procurement and organisational capacity of government organisations (that is to say, business continuity/risk management/fraud and error/internal controls and so on).

c Other elements of developing an audit response discussed included:

- audit approaches and methodologies (19 SAIs, 17% of 'mentions');

- developing a COVID-19 audit programme (18 SAIs, 17% of 'mentions');

- the role of SAIs – mandate, type of interventions and considerations of timeliness versus not interfering with the response (nine SAIs, 4% of 'mentions'); and

- SAI operations during the pandemic (three SAIs, 4% of 'mentions').

d Twenty-four SAIs shared 82 ideas for how the PG should work:

- developing common audit resources including comparative information tables, cases studies, audit frameworks (15 SAIs/21 ideas);

- developing COVID-19 programme plans (12 SAIs);

- sharing and discussing audit approaches (eight SAIs/11 ideas);

- discussing the value and benefits of SAIs during the pandemic, including role and mandate (16 SAIs/25 ideas).

1.6 SAI UK and SAI Finland used this analysis to develop a project structure and draft plan, which was presented to the heads of EUROSAI members on 2 July 2020. The project chair and vice-chair invited all EUROSAI members to join the PG, stressing that:

● joining the PG did not mean signing up to all project activities. Members will choose to engage when appropriate to their mandates, priorities and context; and

● limitations imposed by the current operating environment may result in some activities being led by a smaller group of project members. For example, SAIs may be nominated as rapporteurs or burden-sharers.

1.7 **Figure 1** overleaf contains a list of the 34 EUROSAI members who joined the PG.

How we are working together

1.8 The areas of interest identified by heads of SAIs in the June 2020 roundtable discussions are the driving force behind the knowledge-sharing topics, structure of the group and ways of working.

Organisational structure

1.9 **Figure 2** on page 15 sets out the PG's structure and leadership team. The PG has four themes (A–D) comprising 12 work streams, each designed to respond to the priority areas of interest identified in the June 2020 roundtables. In July 2020 SAIs were asked which work streams they wished to join, lead or help design. Twelve SAIs volunteered to lead or design with the remaining PG members signing up to on average four work streams each. The three most popular work streams are D4 (cross-cutting themes) with 20 members, and D1 (health and social care) and D3 (protecting the economy) each with 17 members.

1.10 In August 2020, SAI UK surveyed members to establish which of the 27 topics identified in the June 2020 roundtables were of interest. **Figure 3** on page 16 contains the high-level survey results. The five most popular topics related to economic support measures (Work stream D3), Health and Social Care (Work stream D1), Developing an audit programme (Work stream B2), the role of SAIs and maintaining effectiveness (Work stream B1) and financial audit (Work stream C2).

Figure 1

Group members

Chair: SAI UK	Vice-chair: SAI Finland
Austria	Latvia
Belgium	Lithuania
Bulgaria	Malta
Cyprus	Moldova
Czech Republic	Netherlands
Denmark	Norway
Estonia	Poland
European Court of Auditors	Portugal
France	Romania
Georgia	Russia
Iceland	Slovakia
Ireland	Slovenia
Israel	Spain
Italy	Sweden
Kazakhstan	Turkey
Kosovo	Ukraine

Source: EUROSAI Project Group management information

Figure 2

Organisational structure of the Project Group

Four themes	12 work streams	Lead Supreme Audit Institution (SAI)	SAI design team	Number of interested SAIs
A) Working together in the Project Group	A1: Common audit resources	UK	Belgium Sweden	N/A
	A2: Knowledge-sharing	Czech Republic	UK Portugal	N/A
	A3: Stakeholder relations	Netherlands	UK Estonia Finland Spain	N/A
B) Value and benefits of SAIs	B1: SAI role and effectiveness	Latvia	UK Sweden Finland	12
	B2: Developing audit programmes	Israel	UK	13
C) Audit approaches	C1: Cooperative audits			7
	C2: Financial audit		UK	11
	C3: National and regional coverage			3
D) Audit themes	D1: Health and social care		UK Czech Republic Estonia	17
	D2: Wider emergency response	UK		9
	D3: Protecting the economy	Finland	UK Estonia Portugal	17
	D4: Cross-cutting themes		UK Estonia	20

Note

1 Blank spaces denote that no SAI volunteered to lead or design activities. These work streams are jointly led by the design team member(s).

Source: EUROSAI Project Group survey

Figure 3

Topics of priority interest to Project Group members

Number of interested SAIs	Twenty-seven topics across the 12 work streams identified in June 2020
13	D3b: Support to individuals and businesses
10	D1a: Health overview including capacity vs demand
7–9	B2d: Developing timely vs relevant audit interventions
	C2a: Implications for financial auditing
	D4a: Overview of response including preparedness
	D1b: Personal protection equipment (PPE), ventilators and other medical supplies
	B1b: Remote auditing
	B2c: SAI mandates and real-time audit
4–6	D4d: Organisational capacity: business continuity/risk management/ fraud and error/internal controls
	B2b: Adjusting existing audit programmes
	C1a: Joint/parallel/cooperative audits
	D1d: Test and trace
	D3a: Public finances and public debt
	D4b: Cyber
	B2a: Monitoring government
	B2e: Balancing accountability and learning
	B2f: Types of non-audit interventions
	D4c: Procurement
	B1a: Communication with government
	B1c: Business continuity planning
	D1c: Personnel
	D2a: Education
1–3	D2d: Public safety including lockdown measures
	C3a: Working with national/regional audit institutions
	C3b: Auditing the role of the European Union
	D2b: Food security
	D2c: Transport including aviation and repatriation

Note

1   Sorted by number of interested Sorted by number of interested Supreme Audit Institutions (SAIs).
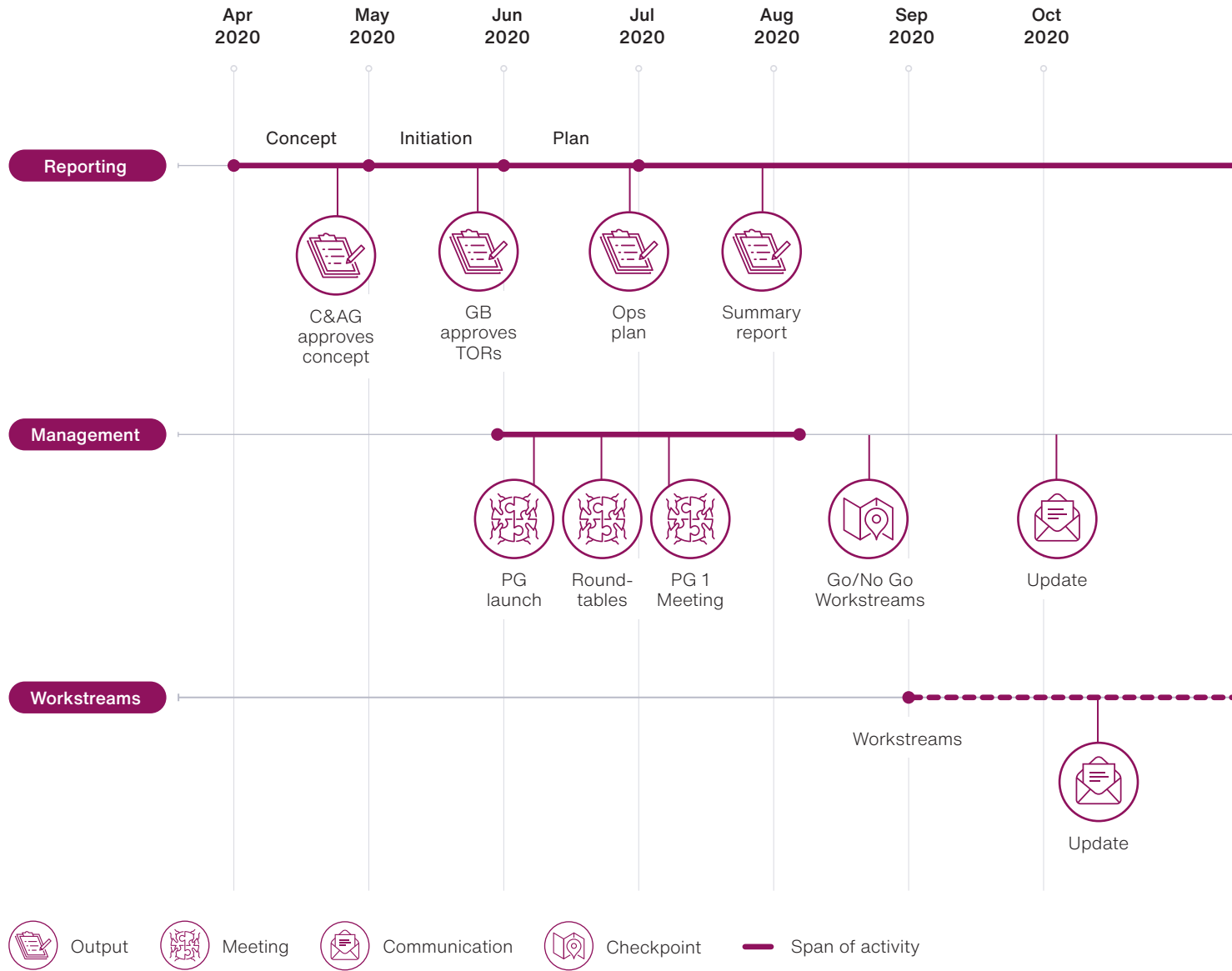
Source: EUROSAI Project Group survey

Progress versus plan

1.11 Having established the priority topics of interest, the structure, and a leadership group of 12 SAIs, we finalised the plan for knowledge-sharing activities in Year One. **Figure 4** shows the high-level plan (revised in September 2020) which divided knowledge-sharing activities into three phases: the heads of SAI roundtables held in June/July 2020, with work streams to hold expert-level roundtables on specific topics in September 2020 and February 2021. The heads of SAIs would then meet on 26 March 2021 for a progress update prior to the EUROSAI Congress on 14 April 2021 and a decision on continuing the PG in May 2021.

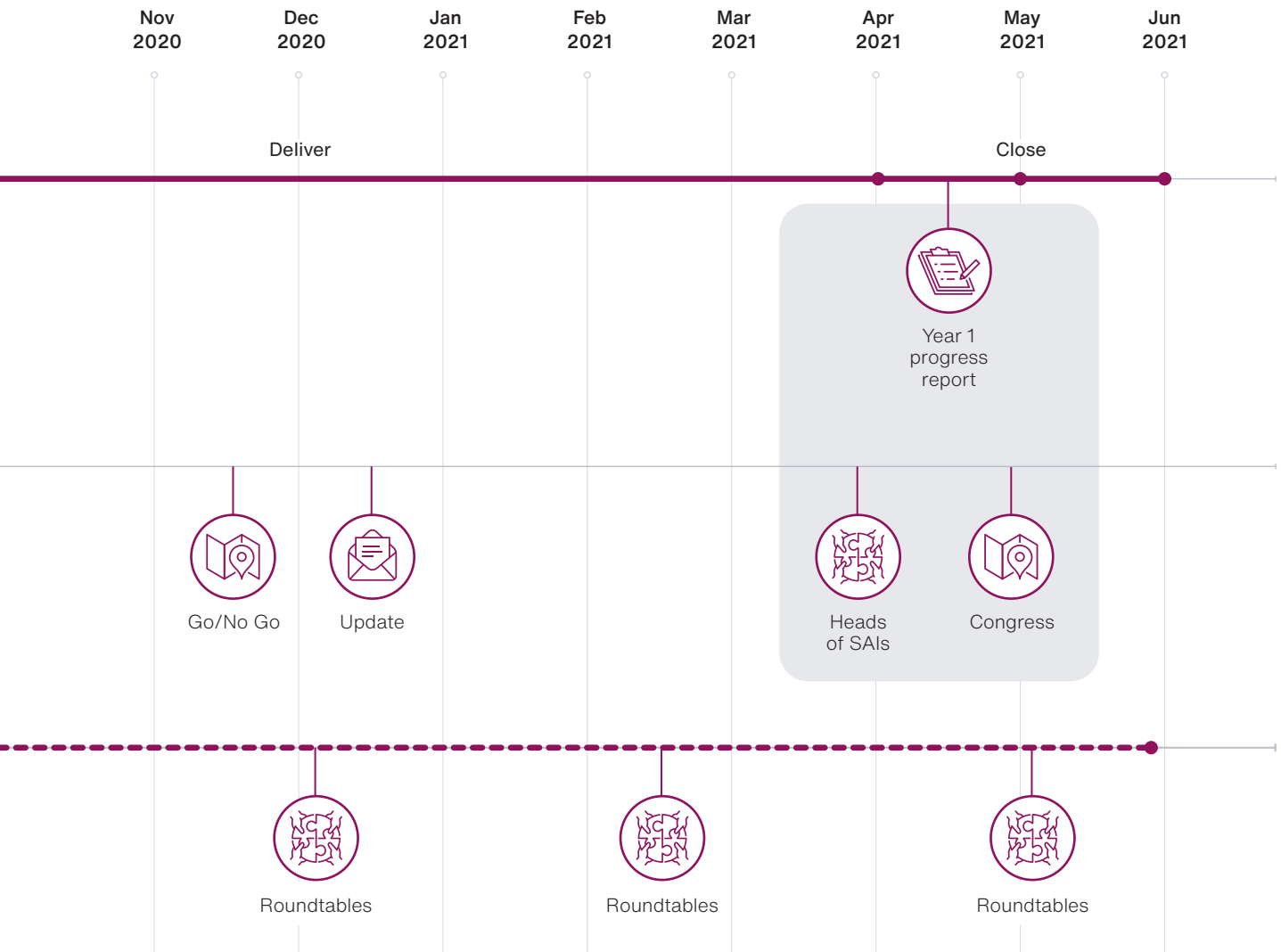**1.12** In conclusion, there has been a lot of activity in the first year of the PG and despite the challenges faced, we have remained broadly on track. To date:

- 133 auditors from the 34 member SAIs have signed up to the PG BIEP area;

- 83 documents have been shared in BIEP;

- 20 online knowledge-sharing events have been held; and

- the publication of this progress report completes the deliverables for Year One.

Figure 4

Year One plan

	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020

Reporting

Concept · Initiation · Plan

C&AG approves concept · GB approves TORs · Ops plan · Summary report

Management

PG launch · Round-tables · PG 1 Meeting · Go/No Go Workstreams · Update

Workstreams

Workstreams

Update

Output · Meeting · Communication · Checkpoint · ▬ Span of activity

Source: PG management information

Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021

Deliver

Close

Year 1 progress report

Go/No Go

Update

Heads of SAIs

Congress

Roundtables

Roundtables

Roundtables

Reflections so far

1.13 The PG started quickly, and we have learned a lot over the past year. In many ways it is still early days but work streams report consistently positive feedback on knowledge-sharing activities. Some PG members have also said that joining the PG has helped them include international comparators in their audit reports. There is also external interest in what the PG is doing, including from other INTOSAI regions.

1.14 Although a lot has been achieved there are opportunities to improve should the PG continue for a second year:

a   **We should reflect on the PG structure, themes and topics**. The PG was designed in response to members' areas of interest expressed in June 2020. We need to check if these are still relevant or if other priorities have emerged.

b   **We should experiment with new ways to share knowledge**. Feedback so far suggests that roundtables are a very useful way of conveying a lot of information, perspectives and experience in a short time. But they provide limited opportunities to ask questions or drill down further. In response, work stream C2 recently piloted a new "tool in the knowledge-sharing toolbox" called 'peer assists'. A peer assist is when one SAI reaches out to another SAI to find out about a specific aspect of their COVID-19 audit response. As we are all facing similar challenges, the idea is to try to generate benefit from these discussions for the wider Project Group members. The pilot went well, and we are planning more 'peer assists' and encourage all work streams to try the approach:

   ● the SAI with the questions interviews the SAI they wish to gain some answers from in the session;

   ● other interested SAIs are in the audience, offering their views and experiences via the live chat and asking questions when invited by the moderator – a bit like a TV talk show; and

   ● the sessions are a moderated Q&A – no presentations, just discussion.

c   **We need to be more realistic in our planning.** Our initial plan did not fully anticipate the challenges we are all facing. Online working and the demands on people's time, both personal and professional, have impacted on our collective ability to engage with PG activities. We revised the Year One plan in September 2020 and have carefully coordinated roundtable events since.

d   **There are still a lot of topics to cooperate on**. In addition to existing areas, subject to a decision on continuing the PG we are considering roundtables or peer assists on new topics including procurement and cyber (D4), audit judgements and the use of emphasis of matter paragraphs (C2), vaccines (D1) and rapid and responsive audits (theme C).

Part Two

Goal 1 – Sharing information and experiences

2.1   This Part of the report sets out progress against Goal 1 of the EUROSAI Project Group (the PG), sharing information and experiences among members. Work stream leads and design team members have produced the content below regarding progress to date and plans going forward.

Theme B: The value and benefits of SAIs during the pandemic

2.2   Theme B is focused on understanding the impact, if any, of COVID-19 on a Supreme Audit Institution's (SAI) ability to add value and benefit citizens. **Figure 5** overleaf sets out the 12 principles of the International Standards of Supreme Audit Institutions (ISSAI) P-12, "*The value and benefits of SAIs – making a difference to the lives of citizens*". Heads of SAIs discussed all three aspects of ISSAI P-12 in the June 2020 roundtables. However, the main focus was on the extent to which SAIs are able to make a difference in the lives of citizens (principles 1–4), and how we can remain relevant to citizens, parliament and other stakeholders (principles 5–7) in response to the pandemic.

2.3   Our analysis of the June 2020 roundtable discussions suggested heads of SAIs were interested in cooperating in two key work streams:

● B1: The role of SAIs in the pandemic and how to maintain effectiveness – SAI Latvia.

● B2: Developing a COVID-19 audit programme – SAI Israel.

Figure 5

ISSAI P-12 The value and benefits of Supreme Audit Institutions – making a difference to the lives of citizens

The extent to which a Supreme Audit Institution (SAI) is able to make a difference to the lives of citizens depends on the SAI:	
Principle 1	Safeguarding the independence of SAIs
Principle 2	Carrying out audits to ensure that government and public sector entities are held accountable for their stewardship over, and use of, public resources
Principle 3	Enabling those charged with public sector governance to discharge their responsibilities in responding to audit findings and recommendations and taking appropriate corrective action
Principle 4	Reporting on audit results and thereby enabling the public to hold government and public sector entities accountable
Demonstrating ongoing relevance to citizens, Parliament and other stakeholders	
Principle 5	Being responsive to changing environments and emerging risks
Principle 6	Communicating effectively with stakeholders
Principle 7	Being a credible source of independent and objective insight and guidance to support beneficial change in the public sector
Being a model organisation through leading by example	
Principle 8	Ensuring appropriate transparency and accountability of SAIs
Principle 9	Ensuring good governance of SAIs
Principle 10	Complying with the SAI's Code of Ethics
Principle 11	Striving for service excellence and quality
Principle 12	Capacity building through promoting learning and knowledge-sharing

Source: INTOSAI

Work stream B1: The role of SAIs and maintaining effectiveness – SAI Latvia

2.4   During the roundtables held in June 2020, some participants indicated they wanted to discuss the role and mandate of SAIs, and how SAIs could remain effective in lockdown conditions. Areas of interest included:

● SAIs' ability to respond to external challenges in a timely and appropriate manner;

● 'non-audit' interventions relevant to SAIs' role which were effective from the public's perspective;

● SAIs' cooperation with government stakeholders; and

● use of the information space, communication channels, and opportunities to increase public awareness.

2.5   Work stream B1 was established to identify practical lessons SAIs had learned so far. SAI Latvia led the work stream, working with a design team of the SAIs of Finland, Sweden and the UK. B1 has 12 members. In early 2021, SAI Latvia conducted a survey of EUROSAI members on business continuity planning, communication with stakeholders and remote auditing. More than half of EUROSAI member SAIs responded.

2.6   At the time of this progress report the survey results are being analysed, and a draft summary of the high-level results is being discussed by the design team. Following these discussions, SAI Latvia will lead on finalising a more detailed report on the challenges EUROSAI members faced during the COVID-19 pandemic. This is intended to provide an overview of good practices and examples, including the communication approaches that SAIs could further use to safeguard the role of representing the public interest in an emergency.

2.7   The final report will be shared with PG members via BIEP, and a roundtable will be organised to discuss the results and request ideas for the next stages of work stream B1. We are aware of similar work in INTOSAI and other INTOSAI regions and look to colleagues in work stream A3 to help share learning and exploit any synergies.

Work stream B2: Developing a COVID-19 audit programme – SAI Israel

2.8   As the scale of governments' responses to the COVID-19 pandemic became clear, many SAIs considered what an appropriate audit response would look like in their context. The goal of work stream B2 is to learn from SAIs' experiences developing an audit response to the COVID-19 pandemic, identifying the main factors to consider when developing audit programmes in future crises.

2.9 SAI Israel leads the work stream, supported by a design team of SAI UK. B1 has 13 members. SAI Israel has produced an overview of the actions SAIs took, such as reviewing existing work programmes and audit plans, and developing new approaches to help SAIs fulfil their role. The overview draws on experiences shared by SAIs who participated in a survey and roundtable discussion in November 2020. The presentations and the survey results have been shared via BIEP, but in summary our research suggests four main principles SAIs should consider:

a **Adopting a flexible approach to annual audit plans**. Most SAIs indicated their audit plan is formulated annually, but that they were aware that they may need to be flexible in response to external events. The COVID-19 pandemic presented challenges to following existing audit plans. Many SAIs indicated they adapted their annual audit plans, with some audits cancelled, and new audits started successfully.

• **Adapting the scope of existing audits**. Several SAIs mentioned that they adapted the scope of audits already under way to maintain their relevance. For example, some SAIs included new chapters, broadening the scope of existing audits to include COVID-19-related material as an added value to stakeholders by keeping existing audits up to date.

• **Being creative by developing new audit products.** For SAIs to remain relevant, and for audits to add value, it can be necessary in times of crisis to publish work faster than normal. Many SAIs indicated that during the COVID-19 pandemic they developed new audit products such as special overviews or interim findings. The new products helped them produce timely work without compromising on quality.

• **Acknowledging that diverse working methods are necessary.** Many SAIs have been operating in lockdown conditions. This has required diverse working methods so that staff can work remotely, and yet still access audit evidence from audited bodies, who may also be affected by the lockdown. As work stream B1 discusses in more detail, remote working techniques have been at the core of SAIs' audit responses. When developing audit plans in times of crisis, SAIs need to keep in mind recent experiences, such as the time it takes to receive audit evidence or the need to gather evidence remotely. Things which may be normally straightforward can slow audits down or reduce the level of assurance audit teams are able to generate.

2.10 Going forward, we will continue to work with interested SAIs to update our knowledge, drawing on the increasing experience of SAIs in developing audit programmes during the second year of the pandemic.

Theme C: Audit approaches

2.11 Theme C is focused on supporting knowledge exchanges on different audit approaches. The June 2020 roundtables identified three topics of interest:

- C1: Cooperative audits (seven interested SAIs)

- C2: Financial audit (11 interested SAIs)

- C3: Cooperation between national and regional audit bodies (three interested SAIs).

2.12 This section provides an update on work stream C2 – financial audit. Work streams C1 and C3 are currently paused as no PG member has volunteered to lead or design any activities. Following interest from PG members we intend to add knowledge-sharing on 'rapid and reactive audits' to this theme.

Work stream C2: Financial audit – SAI UK

2.13 The goal of work stream C2 is to share experiences about the implications of the COVID-19 pandemic on auditing the financial statements of government entities. SAI UK leads the work stream which has 11 members. **Figure 6** overleaf describes our activities so far, a survey of interested SAIs, a roundtable and a 'peer assist'. The results of the survey and the presentations from the roundtable have been shared in BIEP, as has *SAI UK's Guide for Audit and Risk Committees on Financial Reporting* and *Management during COVID-19 and Good practice guidance: Fraud and Error*.

2.14 Going forward, work stream members have suggested several areas to cooperate on. For example, adjusting audit plans, the challenges of gaining assurance in specific areas of the accounts through remote auditing, the impact on the audit opinion and the use of emphasis of matter paragraphs. We intend to arrange a series of 'peer assists' on these and any other topics of interest to the work stream. We expect that knowledge-sharing will become even richer as more SAIs complete their first financial year end under lockdown conditions.

Figure 6

C2 knowledge-sharing activities

Knowledge-sharing activity	Summary of content
1 Pre-meeting survey – November 2020	Nine SAIs answered 25 questions designed to provide an overview of challenges and insights. Areas covered included auditing standards, gaining assurance remotely, the impact on audited entities preparing the financial statements, compliance and the risk of fraud, and the use of modified audit opinions.
2 Roundtable – December 2020	The roundtable was an introductory discussion on the impact of COVID-19 on financial audit to date. Financial audit experts from SAI UK and the International Auditing and Assurance Standards Board (IAASB) shared their perspectives, followed by a Q&A session with 28 participants.
3 Peer assist: SAI Lithuania and SAI UK – March 2021	This session was the pilot 'peer assist' described in Part One of this report. Auditors from SAI Lithuania interviewed financial audit experts from SAI UK in front of an audience of 53 participants on the challenges of gaining assurance remotely. SAI Lithuania asked five questions: ● Has your financial audit methodology changed and how? ● Where auditors are unable to carry out checks in person what alternative methods are you using? ● When important audit data are obtained remotely, how can the reliability of such evidence be ascertained? ● When data/evidence is not available do you delay or extend deadlines, or complete with limitations etc? ● Has the process for clearing audit results and draft reports with audited entities changed?

Source: EUROSAI Project Group work stream C2 plan

Theme D: Audit themes

2.15 Theme D is focused on auditing the public policy response in four key areas identified in the June 2020 roundtables:

● Work stream D1: Health and social care – for example, overall performance, capacity, test and trace, procurement of key supplies and recruitment of medical personnel;

● Work stream D2: Wider emergency response – for example, education, food security, public safety measures, transport etc;

● Work stream D3: Supporting the economy – for example, financial support measures for individuals and businesses, public finances and public debt management;

- Work stream D4: Cross-cutting themes – for example, the overall government response, preparedness, procurement, cyber and the organisational capacity of government organisations (business continuity, risk management, fraud and error, internal controls).

Work stream D1: Health and social care

2.16 Work stream D1 is focused on auditing one of the most important and heavily impacted areas of the COVID-19 pandemic - health and social care. Activities have focused on four topics established during the June 2020 roundtable discussions:

- D1a: Overview including healthcare capacity versus demand;

- D1b: Personal protection equipment (PPE), ventilators & and other medical supplies;

- D1c: Personnel; and

- D1d: Test and trace.

2.17 The design team of the SAIs of Czech Republic, Estonia and the UK have led the work stream which has 19 members. Our goal is to facilitate peer-to-peer cooperation between teams throughout the audit cycle (ex-ante as well as ex-post). **Figure 7** describes the three roundtable discussions held so far. The work stream has also conducted seven short surveys on topics including PPE and preparedness. All presentations and survey results have been shared via BIEP.

Figure 7
D1 knowledge-sharing activities

Knowledge-sharing activity	Summary of content
Roundtable 1: 19 November 2020	SAI UK introduced the work stream and plans going forward. SAI Estonia (survey on the impact on non-COVID-19 medical care) and SAI Czech Republic (surveys on PPE and preparedness).
Roundtable 2: 17 December 2020	SAI Czech Republic presented an overview of its ongoing audit on PPE. SAI UK presented lessons learned from three published audits on health and social care.
Roundtable 3: 11 February 2021	SAI Spain introduced its planned audit on health information systems. SAI Czech Republic introduced its planned audit on IT support to vaccination programmes. The ECA introduced a recent report on the EU's initial contribution to the public health response to COVID-19.

Source: EUROSAI Project Group work stream D1 plan

2.18 Our work to date has proven health and social care to be a useful area of cooperation and has helped identify SAIs who have similar interests. For example, SAI Czech Republic and SAI Spain found that they are planning a similar audit in 2021 and have agreed to work together throughout the audit cycle. This cooperation is open to other interested SAIs.

2.19 COVID-19 impacted differently within Europe, with some countries affected earlier or more severely than others. Members had limited experience auditing pandemics and it was beneficial to talk about the challenges in the roundtables. Other topics are now of interest; for example, we intend to add vaccinations to our areas of interest.

2.20 Many SAIs have produced or are producing health and social care audits over the past year. Regardless of the stage of the audit cycle, the design team would welcome other SAIs to share their experiences or challenges to date. We note the recent pilot of 'peer assists' in work stream C2 and would be happy to arrange similar knowledge exchanges if members thought this was of value.

Work stream D2: Wider emergency response – SAI UK

2.21 Work stream D2 is focused on auditing a wide range of policy measures impacted by the COVID-19 pandemic. The June 2020 roundtable discussions highlighted education, food security, lockdown and public safety measures and transport as the priority areas. SAI UK leads the work stream which has nine members. **Figure 8** sets out our work which to date has focused on the impact on education. All presentations and survey results and SAI UK's audit on the impact of COVID-19 on education have been shared in BIEP.

2.22 Going forward, we expect work stream D2 will offer a richer area for cooperation as more SAIs start to consider auditing the impact of the pandemic outside of health (D1) and the economy (D3). We note the results of the survey conducted by SAI Czech Republic of published and planned audits (see work stream A2). 17 member SAIs are working on D2-related topics, for example transport, food security, the housing of rough sleepers, the impact on vulnerable groups and managing backlogs in the justice system. Subject to the decision on continuing the PG, we intend to ask members to suggest any knowledge-sharing activities they would value in Year Two of the PG.

Figure 8

D2: Knowledge-sharing on education

Knowledge-sharing activity	Summary of content
Pre-roundtable survey – October 2020	SAI UK surveyed SAIs on information regarding the impact of the COVID-19 pandemic up to summer 2020. Areas covered were school closures, government support for home-learning, assurance over the quality of education through home-learning and measures to catch up on any education that was missed.
	24 SAIs responded. The collated results have been shared in BIEP
Roundtable – November 2020	The roundtable was designed to include different perspectives:
	• OECD experts shared insights on the impact of COVID-19 on education globally;
	• SAI UK auditors shared the scope, audit criteria and methodology of an in-progress audit of the impact of COVID-19 on education, focusing on how government managed the move to (mainly) home learning, and in particular how it supported the most disadvantaged and vulnerable children; and
	• SAI France auditors shared the results of a published shortly before the COVID-19 pandemic on the digitalisation of education – a vital element to moving education online.

Source: EUROSAI Project Group work stream D2 plan

Work stream D3: Supporting the economy – SAI Finland

2.23 Work stream D3 is focused on auditing one of the most important and heavily impacted areas of the COVID-19 pandemic; economic support to individuals, businesses and the wider economy. The work stream is led by SAI Finland, supported by a design team of the SAIs of Estonia, Portugal and the UK and has 17 members. The key areas of focus are:

- the mechanisms and allocation of public financial support for the business and household sectors amid the COVID-19 crisis;

- the implications of COVID-19 on fiscal planning and the government's financial management; and

- the EU's Recovery and Resilience Facility.

2.24 An important objective of the work stream was to learn how colleagues have audited or are planning to audit government actions relating to economic support. **Figure 9** overdescribes the four roundtable discussions held so far. Eight PG members have presented on eight audit projects, along with two external speakers. All presentations on the results, audit criteria and methods have been shared via BIEP.

2.25 In conclusion, SAIs have reacted to the crisis rapidly, starting audits on economic support measures at short notice often in response to requests by national parliaments. Members are conducting audits on similar topics which is a good starting point for future knowledge-sharing activities. In addition to formal roundtable events, we are pleased to report that work stream members have been sharing information on data sources and audit criteria.

2.26 Going forward, we note that more SAIs are now auditing employment support schemes than before. We also note that no PG member is planning an audit of the EU's Recovery and Resilience Facility so far. However, this was only recently enacted by the EU Parliament and we expect it to be a rich area of cooperation going forward. Subject to the decision on continuing the PG, SAI Finland will ask members to suggest any knowledge-sharing activities they would value in Year Two of the PG.

Figure 9
D3 knowledge-sharing activities

Knowledge-sharing activity	Summary of content
Roundtable 1: November 2020	An overview of government measures and ongoing audit projects from SAI UK, SAI Estonia, SAI Portugal and SAI Czech Republic.
	The results of the latest EU Independent Fiscal Institution survey were also discussed.
Roundtables 2 and 3: December 2020	External keynote speaker: Evaluation of financial assistance to Greece by the European Stability Mechanism presented by the high-level independent evaluator.
	SAIs of the Netherlands, Iceland, Finland and the Czech Republic presented their ongoing audit projects.
Roundtable 4: February 2021	External keynote speaker: EU's NextGen Recovery and Resilience fund and external auditing, by the European Commission. The ECA presented on related audit work.

Source: EUROSAI Project Group work stream D3 plan

Work stream D4: Cross-cutting themes

2.27 Work stream D4 is focused on some of the systemic issues which span all the other policy areas. For example, the overall government response, pandemic preparedness, procurement and cyber. It also includes the organisational capacity of government organisations regarding business continuity, risk management, fraud and error and internal controls.

2.28 In September 2020 a design team of SAIs of Estonia and the UK contacted the 20 interested PG members to request ideas for knowledge-sharing activities. The key areas of interest have been largely covered in other work streams, for example the procurement of medical supplies (D1), and fraud and error, risk management and internal controls (C2).

2.29 Going forward, we expect work stream D4 will offer a richer area for cooperation as more SAIs start to consider auditing the impact of the pandemic outside of health (D1) and the economy (D3). We note the survey conducted by SAI Czech Republic of published and planned audits (see work stream A2). The results from 17 member SAIs contained several D4-related audits, for example business continuity planning, the quality of information held by government entities responding to the pandemic, crisis management, and the risk of fraud and error, among others. Subject to the decision on continuing the PG, the SAIs of Estonia and the UK intend to organise roundtables on cyber, procurement and will ask members to suggest other knowledge-sharing activities they would value in Year Two.

Part Three

Goal 2 – Developing a COVID-19 audit framework

3.1   This Part of the report sets out progress against Goal 2: Developing COVID-19 audit frameworks. Work stream leads and design team members have produced the content below regarding progress to date and plans going forward.

3.2   The work is coordinated by Theme A – Working as a project group, which is comprised of three work streams:

- A1: Common audit resources – SAI UK

- A2: Knowledge-sharing through the Benchmarking Information Exchange Project (BIEP) – SAI Czech Republic

- A3: Stakeholder relations – SAI Netherlands and SAI Spain

3.3   Our ultimate objective is to bring together all the knowledge and experience shared across the EUROSAI Project Group's (the PG's) work streams into a holistic overarching audit framework to guide our audit response in the event of any future pandemic. This framework will be developed over time using not only using good ideas but also the vital learning and practical experience we have all gained through auditing the COVID-19 response. Unusually for public audit professionals we truly hope this is wasted effort, and that the framework will never be needed.

Work stream A1: Common audit resources – SAI UK

3.4   Work stream A1 is focused on a key objective of the PG – developing 'common audit resources' to help auditors designing and delivering COVID-19 related audits. This includes coordinating research on specific topics produced by other PG work streams and producing overarching materials such as literature reviews or analysis of audit criteria. These common audit resources are not intended to replace the professional judgement and critical thinking required to deliver an effective audit, but to make it easier for audit teams to access work already done by their peers. It will be for each audit team to decide what makes sense in their context.

3.5 Work stream A1 is led by SAI UK, working in close cooperation with a design team of SAI Belgium (leading on information resources) and SAI Sweden (leading on audit criteria).

Information resources – SAI Belgium

3.6 We have developed an initial list of resources for auditors to use which has been shared in the BIEP portal. There are literally thousands of non-medical publications about COVID-19. Rather than trying to list all this information, we have strived for a carefully compiled list that is useful for auditors guided by the following principles:

- **Usefulness for auditors***: For example, for selecting topics, formulating audit questions and audit criteria, choosing the audit methodology.

- **Reliable sources**: international organisations, academics, research institutions, with a focus on comparative research and reviews to support audit teams to develop international case studies.

- **Specific resources**: publications about COVID-19. There is a lot of other information that can be useful when designing COVID-19 audit frameworks, such as epidemiology and crisis response, but these are not included.

- **Open access**: no subscriptions are required.

- **English**: to help increase accessibility to as many SAIs as possible. Over time we can include publications in other languages.

3.7 We have shared the first edition of the information resources via BIEP. Going forward, we intend to update the list every month with other interesting materials we identify. We would ask all PG members to provide us with feedback on the first edition and share links to useful materials that others could benefit from.

Audit criteria – SAI Sweden

3.8 The goal is to help audit teams developing audit frameworks to draw on the experience of others. We have produced an analysis of audit criteria used in published or ongoing COVID-19 reports. Our analysis follows the same structure as the PG work streams: health and social care; wider emergency response; supporting the economy; and cross-cutting themes. Where possible we have differentiated between the different stages of the pandemic response set out in the PG concept paper: preparedness, handling, exit strategies, and managing long-term effects.

3.9 We have shared the first edition of our analysis via BIEP, drawing on criteria from more than 40 audits, evaluations, guidelines from international expert organisations and academia. The information presented includes:

- **Title**: the name of the document/publication/product;

- **Status**: a description of whether the product is a published, ongoing, planned, or suggested performance audit by a SAI, or an evaluation by another entity/actor;

- **Source**: a link to an online source if available;

- **Phase of response**: whether the publication focuses on preparedness, handling, exit strategies or long-term effects;

- **Source of criteria**: a general explanation of the criteria sources, for example, national regulations, best practice, research, expert advice, parliamentary statements or intentions;

- **Criteria**: a description of the operationalised criteria that are used to inform the audit's conclusions;

- **Notes**: Additional explanations or comments where necessary.

3.10 The criteria included to date covers all four policy areas, but mostly relates to assessing preparedness and the handling of the pandemic. We have not found any audits on exit strategies, but we hope to include this as more countries exit from the handling phase of the pandemic.

3.11 We hope the first edition is useful for audit teams planning and developing COVID-19 performance audits. Going forward, we intend to periodically re-perform our analysis to improve the scope and quality of the material contained. We would welcome feedback from users, and request PG members to share links with any ongoing or published COVID-19-related audits, especially from non-English-speaking countries.

Work stream A2: Knowledge-sharing through BIEP - SAI Czech Republic

3.12 The Benchmarking Information Exchange Project (BIEP) is a flexible way for SAIs to share information. It helps auditors in EUROSAI members to share ideas, information and experiences in specific areas of audit focus. Developed by SAI Czech Republic, BIEP can be found here: https://biep.nku.cz/.

3.13 BIEP is the primary knowledge-sharing platform for the PG. Since June 2020, SAI Czech Republic leads work stream A2: Knowledge-sharing and is tasked with supporting auditors from PG members to share information with each other. We have developed and communicated guidance on using the BIEP portal, designed a file system service which matches the PG work stream structure, and supported users unfamiliar with BIEP to register, upload documents and use discussion forums. Representatives from SAI Czech Republic have spoken at the first roundtable of each work stream in order to introduce how the BIEP portal operates.
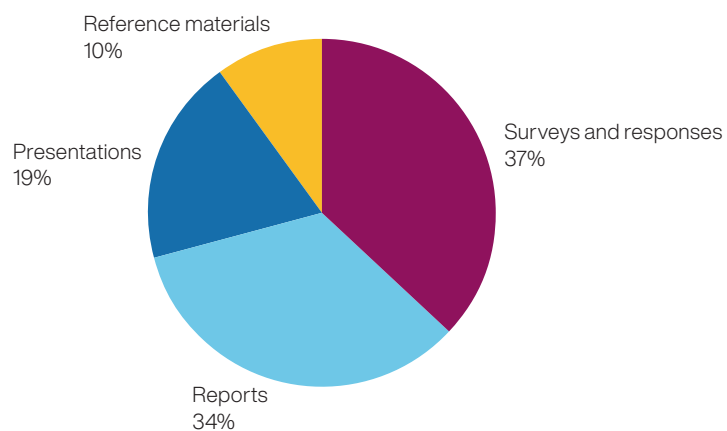
3.14 The PG area in BIEP is only open to auditors from PG members. Auditors register by first emailing the PG chair (SAI UK) and then the BIEP team (SAI Czech Republic) who check their eligibility. To date, 133 auditors from 34 SAIs have registered. **Figure 10** contains a breakdown of the 83 documents shared in BIEP by 17 organisations.

3.15 In February 2021, SAI Czech Republic surveyed PG members about the number and status of their work on COVID-19. Seventeen members responded, identifying 155 outputs either published or in progress. A database of responses including links to published work has been shared in BIEP. We will periodically update the list, but as at March 2021 there are:

- 89 published audits;

- 21 other published outputs; and

- 45 audits in progress.

Figure 10

Documents shared in the Benchmarking Information Exchange Project (BIEP) by type

Source: Benchmarking Information Exchange Project management information

3.16 Feedback from the PG chair has been very positive: "...*If BIEP didn't exist we would have had to invent it. PG members have an easy way to share an increasing amount of information with 34 organisations instantly...*". SAI Czech Republic's BIEP team is proud to support the PG in what may be a model for using BIEP that future EUROSAI PGs could follow.

Theme A3: Stakeholder relations – SAI Netherlands and SAI Spain

3.17 Unlike all the other PG work streams, which are focused on knowledge-sharing among PG members, Work stream A3 is responsible for how the PG engages with external stakeholders. In line with the division of responsibilities in the EUROSAI Governing Board, SAI Spain (as EUROSAI Secretariat) leads our engagement with INTOSAI and other INTOSAI regions. SAI Netherlands leads our engagement with all other external stakeholders. SAI Spain and SAI Netherlands are supported by a design team of the SAIs of Estonia, Finland, and the UK.

3.18 Work stream A3 has a coordinating role, supporting all PG work streams by:

- ensuring the PG's work is accessible to external stakeholders; and

- supporting work streams to share and learn with external stakeholders to inform our audit response.

3.19 Figure 11 sets out how we have engaged with INTOSAI initiatives, primarily to introduce the objectives and results of the PG to date and offer to share and learn together going forward.

3.20 Figure 12 sets out how we have been building relationships with other external stakeholders, primarily to explore areas for cooperation but in three cases to identify external experts to participate in roundtable discussions – something we wish to do more of.

3.21 As the work of the PG develops, there is more knowledge available to share with other stakeholders who seem interested in what the PG is doing. We hope that publishing this progress update will stimulate interest and form the basis of further knowledge exchanges with our peers around the world. We also note that the PG's work is starting to influence other SAI groups. For example, in a recent update on plans to produce an EU Contact Committee compendium report on COVID-19 audits, the authors used the PG's work stream structure as a way of categorising audits.

3.22 Going forward, we would encourage PG work streams to let us help them establish contacts with SAI and non-SAI organisations. The organisations we have reached out to so far, for example the Organisation for Economic Cooperation and Development (OECD), the European Bank for Reconstruction and Development (EBRD) and the International Institute for Democracy and Electoral Assistance (IDEA), have all indicated they look forward to further cooperation with the PG in areas such as transparency and access to information, accountability and clear decision-making.

Figure 11

Engagement within INTOSAI (June 2020 to March 2021)

Stakeholder	Topic	Type of engagement
INTOSAI SCEI	SCEI Expert group webinar on the "Strategic role of SAIs in addressing challenges posed by the COVID-19 pandemic" set up by the INTOSAI Steering Committee on Emerging Issues (SCEI).	Secretariat and SAI UK (as PG chairs) introduced the PG at the SCEI webinar on 22 June 2020.
INTOSAI Development Initiative (IDI)	Transparency, Accountability & Inclusiveness (TAI) audits of the use of emergency funding for COVID-19.	Secretariat, SAI UK and SAI Finland are advising IDI on how to work effectively in EUROSAI, including avoiding duplication with the work of the PG.
		Participation in IDI´s SAI Leadership and Key Stakeholder conversation – TAI audits on 12 March 2021.
INTOSAI Donor Cooperation	SAI Continuity During COVID-19 Grant.	Secretariat shared information about possible assistance through the INTOSAI grant.
ARABOSAI	Webinar on "Engaging with partners to respond to the coronavirus pandemic".	EUROSAI members and the Secretariat were active participants in the webinar. SAI UK gave a presentation as PG chair on 22 June 2020.
OLACEF	IX EUROSAI-OLACEF Joint Conference- a new gathering to discuss enhancing the impact of SAI's work in times of COVID-19.	Organisation of the IX EUROSAI-OLACEF Joint Conference, held online. The central theme was: "The COVID-19 pandemic: a unique opportunity for SAIs to highlight the impact of their work". The event brought together 56 SAIs from both regions. SAI UK gave a keynote speech as PG chair on 9 September 2020.
ASOSAI	Online Seminar on the following two themes: a) Audit on Implementation of Sustainable Development Goals (SDGs); and b) SAI's responses to COVID-19.	Active participation of EUROSAI. SAI UK gave a presentation as PG chair on 3 December 2020.

Source: Work stream A3 plan

Figure 12

Engagement with external stakeholders (June 2020 to March 2021)

Stakeholder	Topic	Type of engagement
European Union Commission – Directorate General Budget	Work stream D3: EU Next Generation plan	Identified an expert from EU/DG Budget to participate in a roundtable discussion at the request of work stream D3: Protecting the economy.
Organisation for Economic Cooperation and Development (OECD)	Work stream D2: Impact of COVID-19 on education	Identified an expert from OECD to participate in a roundtable discussion at the request of work stream D2: Wider emergency response.
International Auditing and Assurance Standards Board (IAASB)	Work stream C2: Financial audit	Identified an expert from IAASB to participate in a roundtable discussion on the impact of COVID-19 on financial audit standards.
Organisation for Economic Cooperation and Development (OECD)	Overview of the PG	Information exchange on accountability and transparency with Public Governance directorate experts.
European Bank for Reconstruction and Development (EBRD)	Overview of the PG	Information exchange on accountability, transparency, fraud and corruption with emphasis on public procurement.
European Confederation of Institutes of Internal Auditing (ECIIA)	Webinar "The Impact of COVID-19 for internal auditors in the Public Sector"	Organisation of a joint EUROSAI-ECIIA webinar on the impact of COVID-19 for internal auditors in the public sector on 13 May 2020.
International Institute for Democracy and Electoral Assistance (IDEA)	Overview of the PG/ IDEA introduced their COVID-19 website	Information exchange on accountability and access to information by parliaments.

Source: Work stream A3 plan