

**Audit Scotland report:****Tracking the impact of Covid-19 on Scotland's public finances****Committee**      Audit and Standards**Date of meeting**    26 November 2021**Date of report**    5 October 2021**Report by Acting Chief Executive****1. Object of report**

To advise the committee on the issue of an Audit Scotland report titled '*Tracking the impact of Covid-19 on Scotland's public finances*' and outline the key messages and implications for SPT contained therein.

**2. Background**

In September 2021, Audit Scotland published a report titled '*Tracking the impact of Covid-19 on Scotland's public finances*'.

The report says that the pandemic has had significant consequences for the people of Scotland, impacting on the way they live, the environment they live in and the services they receive.

The report adds that the Scottish Government is reporting data against the '*four harms*' of Covid-19, each of which will have an impact on Scottish public finances for years to come:

- *Direct health impacts*: Covid-19 causes direct and tragic harm to people's health;
- *Indirect health impacts*: Covid-19 is also having a wider impact on health and social services and how people are using those services. These changes will have an impact on people's health in both the short term and long term;
- *Societal impacts*: the restrictions put in place have slowed the spread of the virus but have caused broader societal harms that can be harder to understand and measure;
- *Economic impacts*: the provision of direct services and goods, taxes to fund public services like health and welfare, and opportunities for employment and income have all been impacted by Covid-19, and these impacts may continue for some time.

The Audit Scotland report can be found at:

<https://www.audit-scotland.gov.uk/report/covid-19-tracking-the-impact-of-covid-19-on-scotland's-public-finances>

### 3. Outline of findings

The key messages from the Audit Scotland report are:

- the Scottish Government has been spending unprecedented sums to mitigate the harms of the pandemic;
- spending has been funded by additional Barnett consequential and by reallocating some existing budgets;
- transparency is essential but challenging in a fast-moving and unpredictable environment;
- difficult budget decisions lie ahead.

#### Implications for SPT

The Scottish Government grant funds SPT's capital and revenue budgets.

SPT has and continues to receive Subway Covid support grant funding from Transport Scotland.

### 4. Conclusions

In September 2021, Audit Scotland published a report titled '*Tracking the impact of Covid-19 on Scotland's public finances*'.

The Scottish Government grant funds SPT's capital and revenue budgets. SPT has and continues to receive Subway Covid support grant funding from Transport Scotland.

### 5. Committee action

The committee is asked to note the contents of this report and the Audit Scotland report titled '*Tracking the impact of Covid-19 on Scotland's public finances*'.

### 6. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>None.</i>
Financial consequences	<i>None.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None.</i>
Risk consequences	<i>As detailed in the report.</i>

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