



## Audit Scotland report: Scotland's financial response to Covid-19

**Committee**            Audit and Standards

**Date of meeting**    9 September 2022

**Date of report**    15 August 2022

### Report by Chief Executive

#### 1. Object of report

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

#### 2. Background

The report highlights that the Scottish Government and public bodies worked well together to distribute financial support during the pandemic, but lessons should be learned to improve planning for any future large-scale disruptions.

The report adds that it is vital for transparency and financial planning and that the Scottish Government and other public bodies need to be clear about how one-off Covid-19 funding is being spent, including money held in reserves.

The report also considers that more work is also needed by the Scottish Government to collect the data that will allow it to understand the difference its interventions have made and plan the country's recovery from the pandemic.

The full report can be found at:

<https://www.audit-scotland.gov.uk/publications/scotlands-financial-response-to-covid-19>

#### 3. Outline of findings

The key messages outlined in '*Scotland's financial response to Covid-19*' report are:

- The Scottish Government worked collaboratively and at pace with local and UK government to direct significant financial resources in difficult circumstances. It is critical that lessons are learned about what worked well, and what did not, to improve the public sector response to any future crises;
- The Scottish Government streamlined governance arrangements to direct funds quickly, but it is hard to see how some financial decisions were reached;
- The Scottish Government directed a large proportion of funding to councils and other public bodies who had existing systems and local knowledge to enable them to direct it quickly;

- The Scottish Government has managed its overall budget effectively but some Covid-19 funding remains unspent;
- It is vital for transparency and financial planning that the Scottish Government and other public bodies are clear about how one-off Covid-19 funding has been spent, including where spending commitments may last for several years; and
- More work is needed by the Scottish Government to demonstrate how the wide range of Covid-19 spending measures have worked together to address the harms caused by the pandemic.

Members are aware that SPT received Covid support grant funding from Transport Scotland in relation to lost subway patronage related income for the period July 2020 – August 2021.

#### 4. Committee action

The committee is asked to note the contents of this report and the Audit Scotland report titled '*Scotland's financial response to Covid-19*'.

#### 5. 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>None.</i>
Climate Change, Adaptation and Carbon consequences	<i>None.</i>

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**Name** Valerie Davidson

**Title** **Chief Executive**

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