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11 February 2026

Dear Convener,

REPORT ON THE COST-EFFECTIVENESS OF SCOTTISH PUBLIC INQUIRIES

The Scottish Government is grateful to the Finance and Public Administration Committee for the report of its inquiry on the Cost-effectiveness of Scottish Public Inquiries.

The Committee's detailed scrutiny of this very important matter is timely and will help to inform further policy development by the Scottish Government. Other recent developments such as the provisions of the Public Office (Accountability) Bill, currently under consideration at Westminster and the subject of ongoing scrutiny by your Committee will also inform and influence consideration by the Scottish Government and Scottish Parliament of any changes required to the framework for future public inquiries, whether statutory or non-statutory. As I noted during my appearance before the Committee last November, I believe consideration of such changes would be best approached on a cross-party and cross-parliamentary basis, and any decisions on legislation will of course be for a future administration.

I note that the Committee has also written to the Rt Hon Nick Thomas-Symonds MP as Minister for the Constitution and European Union Relations in relation to its report, and has sought an update on UK Government's review of the public inquiries framework. The Scottish Government remains committed to engagement with the UK Government on these matters, and is continuing to liaise with Cabinet Office officials to that end.

I attach at Annex A more detailed responses to the conclusions and recommendations made by the Committee.

I note that there will be an opportunity to debate the Committee's findings in the Chamber on 26 February 2026. I look forward to participating.

Yours sincerely,

KATE FORBES

Finance and Public Administration Committee – Report on the Cost-effectiveness of Scottish Public Inquiries

Recommendations (emphasis in bold)	Draft response
<p>77. Public inquiries are an essential mechanism for holding public bodies to account, reviewing past wrongs, identifying solutions and recommending changes to policy. The Scottish public inquiry system, however, is overstretched and poorly defined. It aims to cover forensic investigations, policy reform, and truth-telling, without a clear separation or definition of a 'core' objective.</p>	<p>Section 5 of the Inquiries Act 2005 requires Ministers to consult with the Chair before setting the terms of reference.</p>
<p>78. While we acknowledge that each inquiry is unique, the current one-size-fits-all approach is no longer appropriate. Our evidence shows that inquiries would benefit from setting a clearer 'core' purpose at the point of establishment. We therefore ask that the Scottish Government updates its guidance to reflect the 'core' purpose, scope and limitations of public inquiries.</p>	<p>In relation to an inquiry under the Act, "terms of reference" means—</p> <ul style="list-style-type: none"> a) the matters to which the inquiry relates; b) any particular matters as to which the inquiry panel is to determine the facts; c) whether the inquiry panel is to make recommendations; d) any other matters relating to the scope of the inquiry that the Minister may specify. <p>The Scottish Government is keen to consider what more the Public Inquiry guidance can incorporate to ensure that terms of reference most effectively include clarity of purpose and scope. For example, it might be helpful for the matters to which the inquiry relates to specify the core purpose. We recognise that the terms of reference will largely determine the time required and the cost of conducting an inquiry.</p>
<p>79. Alongside this, we recommend that the Scottish Government sets up a dedicated webpage with clear information on the establishment of public inquiries, their role, the different categories of 'core' purpose and limitations. This information should be clear and easily accessible to the public, including anyone campaigning for a public inquiry, to manage public expectations around their purpose.</p>	<p>The Scottish Government welcomes the recommendation to set up a dedicated webpage containing published information relevant to Public Inquiries.</p>
<p>80. There remains a lack of clarity and openness around the decision-making process leading up to the announcement of a public inquiry. We seek further development of the Scottish Government guidance for Ministers, to provide a clear</p>	<p>In reaching a decision to establish a statutory public inquiry, Ministers consider carefully all alternatives, such as non-statutory reviews, independent panels or other mechanisms in light of the circumstances of each case. In many cases, the establishment of a statutory public inquiry</p>

framework for decision-making and bring much needed transparency and consistency to the process. This should include a clear requirement for a statutory public inquiry to be considered only when all alternatives have been exhausted.

81. The Committee notes the issues about potential conflicts of interest when establishing public inquiries or amending their Terms of Reference. **To safeguard independence and public trust, we recommend that the Scottish Government publishes comprehensive guidance covering all aspects of potential conflicts of interest. The updated guidance should set out clear expectations for the conduct and actions of Ministers, inquiry chairs, inquiry staff, legal professionals, and sponsoring department staff.**

82. The Committee believes that **all statements to Parliament announcing the setting up of a public inquiry should fully explain Ministers' decisions and the reasoning for launching a public inquiry**, including the factors that were taken into account in the decision-making process and the alternatives considered.

83. During this statement, **the relevant Minister should also declare any personal or professional relationships pertaining to the inquiry.**

has been promoted and supported on a cross-party basis by the Scottish Parliament, as well as a clear and stated objective of affected parties campaigning to see an investigation established. The Scottish Government is happy to consider how the decision-making process can be made more open and transparent in order to allow all affected parties to understand the rationale for the decision.

Ministers must have regard to the Ministerial Code and must ensure that no conflict arises, or could reasonably be perceived to arise, between their public duties and their private interests, financial or otherwise. It should also be noted that all civil servants on assignment to public inquiries are required to continue to follow the Civil Service Code and act with integrity, honesty, objectivity and impartiality. There are also requirements under the SG declarations of outside interest policy to declare any interests that may conflict (whether actual or perceived) with a staff member's role. The Scottish Government will review the existing guidance to ensure that supporting information, which highlights for Ministers, officials and inquiry teams the risks associated with conflicts of interest, provides advice about how those risks can best be avoided or managed appropriately.

The Scottish Government agrees that a Ministerial statement to Parliament to announce the setting up of a public inquiry should explain the rationale for the decision.

It is the personal responsibility of every Minister to comply with the requirements of the Ministerial Code to ensure that no conflict arises, or could reasonably be perceived to arise, between their public duties and their private interests. A declaration of any relevant interests should be included in any statement to Parliament.

<p>105. The Committee recognises the need for flexibility under the Inquiries Act 2005 when appointing chairs, given the varied purposes of public inquiries. We recommend that the Scottish Government strengthen its guidance to ensure all options: legal chairs, expert chairs, and expert panels are actively considered and aligned to the inquiry's 'core' purpose. Guidance should set out successful examples of each approach, including the relevant chair skillset and related best practice. Officials must provide robust, detailed advice to support Ministers in making these appointments.</p> <p>106. The Committee notes that guidance refers to consulting with the Lord Advocate and the Lord President where 'legal' appointments are being considered. The Committee recommends the Scottish Government guidance factors in the implications for judicial resources at an early stage, so this can be incorporated into the advice provided by officials.</p> <p>107. The Committee recommends that all future Scottish Government statements announcing a public inquiry, under section 6 of the Inquiries 2005 Act, clearly set out the decision to appoint the chair (and any panel), the reasoning behind that choice, including the chair's skillset, and the alternatives evaluated.</p>	<p>The Scottish Government remains open to the appointment of inquiry chairs other than serving members of the judiciary. The selection process should reflect the specific requirements of a particular inquiry. The purpose of some inquiries will require the Chair to have expertise and detailed knowledge of Scots Law and the justice system in Scotland while others will not.</p> <p>The Scottish Government will review the guidance to ensure that appropriate options are considered for the appointment of each inquiry chair.</p> <p>Through consultation with the Lord President and Lord Advocate, the Scottish Government ensures that consideration is given at an early stage to the availability and suitability of potential candidates to chair a public inquiry. The implications for judicial resources is a key factor when reaching a decision. We will ensure that the guidance reflects this recommendation.</p> <p>The Scottish Government broadly accepts this recommendation and will strengthen the guidance for Ministers to ensure consideration is given to the suggested elements in all future statements announcing a public inquiry.</p>
<p>129. One of the most effective steps the Scottish Government can take to prevent overly lengthy inquiries is to define a clear 'core' purpose, whether forensic, systemic, or truth-telling etc. This would set expectations for the inquiry's scope, inform the drafting of the Terms of Reference, guide decisions on any extensions, and ensure clarity in Ministerial and inquiry communications.</p>	

<p>130. We recommend the Scottish Government aligns its guidance on ToRs more closely to a public inquiry's 'core' purpose as discussed earlier in this report. The guidance should set out a framework for each 'core' purpose option, including an inquiry's appropriate length and budget.</p> <p>131. Retaining institutional knowledge on drafting ToRs is challenging as inquiry subjects, chairs, governments, Ministers, and officials change. Evidence shows that ToRs vary in effectiveness, making it clear that further work is needed to strengthen this process.</p> <p>132. The Committee recommends that the Scottish Government undertakes a short, focused research project on best practice for drafting and amending ToRs ahead of the next Parliamentary session. This research should inform detailed guidance aimed at improving transparency and consistency. The research should specifically include drafting measurable aims in ToRs and include any lessons learned on the revision of ToRs mid-inquiry.</p>	<p>The Scottish Government is keen to consider what more the Public Inquiry guidance can include to ensure that terms of reference most effectively include clarity of purpose and scope. We recognise that the terms of reference will largely determine the time required and the cost of conducting an inquiry.</p>
<p>158. The Committee notes that a duty of candour as currently proposed in UK legislation has the potential to minimise delays to public inquiries caused by public authorities' lack of readiness to provide documentation.</p> <p>159. The Inquiries Act 2005 Explanatory Notes acknowledge that Ministers are free to set a timescale or refer to the urgency of an inquiry. From the evidence we gathered, setting a deadline for an inquiry is not, however, routinely happening.</p> <p>The Committee recommends that the Scottish Government should in future set a defined timescale based on an inquiry's 'core' purpose.</p>	<p>Ministers have sought, on occasion, to specify in terms of reference a fixed date by which an inquiry must report. In some cases, for example the Vale of Leven Hospital Inquiry, that time limit had to be extended.</p> <p>The Scottish Government considers it essential to ensure that there is no impediment to the ability of a Chair to follow evidence wherever it may lead, and that their independence from government is clear to all those with an interest in the inquiry. Ministers will continue to consider on a case by case basis whether terms of reference require to be explicit</p>

<p>161. The procedure of warning letters under Rule 12 of the Inquiries (Scotland) Rules 2007 can cause significant delay. The Committee recommends that the Scottish Government brings forward amending regulations to ensure inquiry chairs can use their discretion to issue warning letters.</p>	<p>concerning anticipated timescales. How an inquiry fulfils its terms of reference in practice is, under the legislation, a matter for the Chair.</p> <p>The Scottish Government acknowledges that while under rule 12(1), the Chair has a discretion to send a warning letter, rule 12(7) states that if a warning letter is not sent and the recipient has not been given a reasonable opportunity to respond then criticism of an individual or an organisation cannot be included in any report published by the Inquiry.</p> <p>Ministers consider that this requirement is important as it provides a right of reply for any person subject to significant or explicit criticism. The chair has discretion to determine what constitutes a “reasonable opportunity to respond” which can help to limit the timescales involved.</p>
<p>217. Our scrutiny was prompted by increasing concerns about the escalating costs of public inquiries. In practice, there appears to be limited ability for Ministers to control expenditure to stop spiralling costs once an inquiry is up and running.</p> <p>218. We have explored international models of effective delivery and cost effectiveness, such as in Sweden, where public inquiries timeframes have been restricted since 1982. Under the Swedish model, public inquiries are normally required to conclude within two years and within a set budget.</p>	
<p>219. We therefore recommend that the Scottish Government amends the Inquiries (Scotland) Rules 2007 to require defined budgets and timescales for inquiries, with notification and justification for extensions to be provided to the Parliament. In the longer term, the Scottish Government should work with the UK Government to update the Inquiries Act 2005 to make this a primary legislation requirement.</p>	<p>The Inquiries (Scotland) Rules 2007 are made by the Scottish Ministers in exercise of the powers conferred by section 41 of the Inquiries Act 2005. Those powers allow Scottish Ministers to make rules dealing with—</p> <ul style="list-style-type: none"> (a) matters of evidence and procedure in relation to inquiries; (b) the return or keeping, after the end of an inquiry, of documents given to or created by the inquiry; (c) awards under section 40 [<i>Expenses of witnesses etc</i>]. <p>Scottish Ministers can therefore consider whether further rules regarding procedural timescales are required. It would be possible to make provision in respect of budgets by primary legislation for those public</p>

	<p>inquiries relating to devolved matters. Such legislation would be for a future administration. However, by way of assurance, section 17(3) of the Inquiries Act 2005 imposes a duty on a Chair to avoid unnecessary cost in the running of the inquiry (including to public funds, witnesses and others).</p>
<p>220. The Committee recognises the value of public inquiries but is concerned about their disproportionate impact on public bodies. Redirecting funds to inquiries can reduce public service delivery, which could in turn lead to calls for future additional public inquiries. We recommend that the Scottish Government sets up a central budget for public inquiries, to avoid further strain on specific public services.</p>	<p>Scottish Ministers recognise the financial pressure associated with participation in any public inquiry. Expenditure on public inquiries is by its nature variable and demand led, and is determined in significant part by the decisions of each independent Chair under section 17 of the Inquiries Act on the procedure, and conduct of their inquiry. Budgets in relation to the administration of current public inquiries are funded via the sponsoring Ministerial portfolio within Scottish Government. Ministers remain confident that this is the appropriate way to manage public expenditure arising from public inquiries.</p> <p>Expenditure by Scottish public authorities which participate in a public inquiry is a matter for each authority to manage in coordination with their sponsor area within Government. Moving to a central budget arrangement would risk reducing incentives for those public bodies to manage such costs in the most efficient manner possible.</p>
<p>221. We further ask that the Scottish Government amends the Inquiries (Scotland) Rules 2007 to include a requirement for impact assessments to be completed before a public inquiry is established. These should evaluate opportunity costs, the wider impact on public service delivery and the day-to-day operations of the agencies affected.</p>	<p>The Scottish Government is willing to give consideration to the added value certain impact assessments could bring to the process of consideration prior to establishment of a public inquiry.</p>
<p>223. To increase transparency and scrutiny of public inquiry costs, we ask that public inquiries record and publish costs in a consistent manner. We request that itemised public inquiry costs are reported and published on a quarterly basis by the chair. We further ask that public bodies also</p>	<p>The Scottish Government acknowledges that public inquiries have not, historically, recorded and published expenditure in a consistent manner. We are willing to consider the provision of additional guidance to Chairs of public inquiries regarding the recording and publication of costs</p>

<p>publish all inquiry-related costs in an agreed format, and that the Scottish Government provides guidance to both public inquiries and public bodies to support them to adopt a consistent approach.</p> <p>224. To improve the cost-effectiveness of future public inquiries, we recommend that the Scottish Government explores how AI and other innovative practices can be used to streamline their administration and delivery.</p>	<p>incurred by the inquiry following its establishment in order to improve consistency, while maintaining inquiries' statutory independence.</p> <p>The Scottish Government is committed to building internal capability and expertise to ensure the sustainable and responsible adoption of AI technologies. We recognise the potential for AI tools to support the work of future public inquiries and will be willing to offer advice and assistance to chairs who wish to explore AI and other innovative practices.</p>
<p>230. The Committee recognises that interim reports can be valuable and, in some cases, necessary to deliver early conclusions and recommendations. Evidence shows that public bodies often adopt significant changes in response to an inquiry being announced. We consider that interim reports could also have the positive effect of stimulating early action by public authorities.</p> <p>231. The Committee prefers shorter, more focused public inquiries, reducing the need for interim reports. However, we recommend that the Scottish Government issues clear guidance to inquiry teams on when and how interim reports should be used.</p>	<p>The Scottish Government notes the Committee's preference. A requirement to prepare an interim report could be specified in the terms of reference. Otherwise, the decision to deliver one or more interim reports is a matter for the chair of the inquiry. We will review the guidance on use of interim reports in order to ensure that it sets out the potential benefits of this approach.</p>
<p>237. We consider it essential for transparency and accountability that the Scottish Government and relevant public bodies respond promptly to public inquiry reports. While there was broad agreement on the need for some form of response mechanism, no substantive evidence was presented to suggest that public authorities routinely fail to respond to public inquiries.</p>	

<p>238. The Committee recommends the adoption of an eight-week timescale for responses. At this stage, however, we do not consider it appropriate to introduce a legislative requirement. We therefore recommend that the Scottish Government updates its guidance documents to include a protocol for responses to be provided within eight weeks, unless an alternative timescale is set by the inquiry chair. Responses must set out what changes have been made or are proposed, or the reasons why no action is being taken.</p>	<p>The Scottish Government recognises the importance of timely responses to public inquiry reports. The subject matter, volume of evidence and the length and complexity of reports and recommendations arising from particular inquiries can present a significant challenge for those public authorities which are required to respond. For these reasons we do not consider that a default eight-week timescale for responses is appropriate. However, we agree that responses must set out what changes have been made or are proposed, or the reasons why no action is being taken.</p>
<p>250. There is a serious lack of transparency in how public inquiry recommendations are implemented. This prevents Parliament and the public from effectively holding the Scottish Government and public bodies to account. We recognise that individual inquiry chairs have the option to set out a specific approach to monitoring of recommendations should they consider this necessary.</p> <p>251. The Committee urges the Scottish Government to establish a robust, transparent system for tracking and publicly reporting on the implementation of inquiry recommendations. This is essential to maintain momentum, ensure accountability, and guarantee that lessons learned lead to real change. The mechanism should include a publicly accessible online platform, similar to the UK Government's dashboard, that provides:</p> <ul style="list-style-type: none"> • links to official inquiry websites • published inquiry reports • the Government's and other bodies' formal responses, and • updates on implementation. 	<p>The Scottish Government is keen to explore how best to publicly report on the implementation of inquiry recommendations. We are aware of the UK Government's recently established dashboard of Public Inquiries: Recommendations and the Government Response and will actively consider options to establish a similar resource in respect of Scottish Public Inquiries.</p>
<p>263. The Committee strongly agrees with the House of Lords recommendation to place an obligation on Chairs and Secretaries to produce a lessons-learnt paper and a</p>	<p>The Scottish Government agrees that lessons learned during an inquiry should be captured and published alongside the inquiry recommendations. This will ensure that good practice is shared and avoidable mistakes prevented. We will consider carefully how this</p>

working paper on logistics for publication alongside the inquiry recommendations.

264. We note that Cabinet Office guidance is due to be strengthened to reflect this recommendation but is not yet available. **The Committee urges the Scottish Government to work closely with the UK Government to ensure that Scottish guidance is strengthened to place a similar obligation on Chairs and Secretaries. We also ask that any relevant best practice or innovations identified as part of the public service reform programme, such as digital innovation, be shared across public inquiries.**

265. We have identified a broad consensus on the need for enhanced support in the establishment of inquiries, greater transparency in their operation, and strengthened accountability both during the inquiry process and in the implementation of recommendations. The Committee also notes that public inquiries are becoming increasingly frequent, underscoring the importance of robust systems and clear guidance to ensure their effectiveness.

266. **The Committee therefore recommends that a central public inquiries unit be established by the Scottish Government with the remit to:**

- **review and update guidance for Scottish public inquiries,**
- **collate and share best practice e.g. from lessons learned reports,**
- **provide induction training for chairs and specific training e.g. on budgets and timescales,**
- **provide skilled support to help establish an inquiry,**
- **support the transparency and provision of data relating to public inquiries,**
- **maintain the dedicated central public inquiries website.**

requirement can be strengthened through guidance to inquiry chairs and secretaries.

The establishment of an online repository for all inquiry related guidance will provide a knowledge base for future inquiries as they are established.

The Scottish Government will ensure that any relevant best practice and innovation developed and implemented as part of the public service reform programme is shared with public inquiries.

The Scottish Government acknowledges that the number of public inquiries established in Scotland and elsewhere in the UK has increased in recent years. The recommendation to establish a central public inquiries unit within Scottish Government requires careful consideration in order to deploy staff resource to best effect. The establishment of public inquiries is not predictable and there may be extended periods when no new inquiry work is commenced.

In practice, support provided by officials, particularly during the establishment phase of an inquiry, comes from a number of teams from across Scottish Government (e.g. workplace, digital, finance, legal). We will consider what opportunities there may be to streamline the delivery of this support.

<p>277. To support effective scrutiny, the Scottish Government must produce an annual, evidence-based report to Parliament detailing inquiry performance, itemised costs, and progress on implementing recommendations.</p> <p>278. The Committee asks the Parliament to consider adding oversight of public inquiries to an existing parliamentary committee's remit, which would have the role of examining this evidence-based report.</p>	<p>Given the independence of public inquiries it would not be appropriate for the Government to report on inquiry performance. However, we accept that a system for reporting on expenditure and recording progress on implementing recommendations should be developed to enhance scrutiny.</p> <p>This recommendation is a matter for the Parliament.</p>
<p><u>Conclusions</u></p> <p>279. The Committee concludes that statutory public inquiries remain a vital mechanism for investigating matters of significant public concern, and their independence must be safeguarded. However, this cannot come at the expense of accountability for public funds. Public resources are not infinite. Therefore, it is imperative that current and future inquiries deliver their objectives more efficiently and more cost-effectively, while maintaining the public's trust and the integrity and independence of the process. The setting of defined budgets and timescales at the point of establishment of public inquiries is an important step in this direction.</p> <p>280. We welcome the Scottish Government's willingness to reflect on improvements to the operation of the public inquiry system.</p> <p>281. The Inquiries Act 2005 is reserved legislation, and we note the UK Government's commitment to review its public inquiries framework. Accordingly, we will write to the UK Government seeking an update on its review and drawing attention to the findings of this report.</p>	<p>The Scottish Government is grateful to the Committee for its detailed scrutiny of this very important matter.</p> <p>We welcome the objective to ensure that Scotland's public inquiry system is cost-effective, transparent, and accountable. We also recognise the Committee's intent, through its recommendations, to strike a balance between allowing "flexibility to meet the unique circumstances of individual inquiries", while "strengthening financial control and promoting fiscal sustainability".</p> <p>The Scottish Government shares these objectives and will continue to work on a cross-party basis to consider any changes required to improve the framework for future public inquiries, whether statutory or non-statutory. In respect of any statutory improvements, as well as relying on the power to make rules under section 41 of the 2005 Act, Scottish Ministers could also make changes by primary legislation in respect of public inquiries relating to devolved matters.</p> <p>The Scottish Government welcomes the Committee's recommendations regarding improvements to the existing guidance for Ministers, officials and inquiry teams. We will consider carefully what additional guidance may be necessary and how best to make it more easily available in order to increase transparency.</p>

282. As this Parliamentary session draws to a close, we will ensure that any implications arising from the responses of the Scottish and UK Governments are brought to the attention of our successor Committee.

283. Our recommended measures in this report are designed to strike the right balance. We have sought to retain the flexibility to meet the unique circumstances of individual inquiries, while strengthening financial control and promoting fiscal sustainability.

284. The evidence we have considered makes clear that the 2005 Act is not the sole barrier to cost-effectiveness. Responsibility lies with decision-makers, the Scottish Government when establishing inquiries and inquiry chairs in their management of inquiries.

285. Our focus is on practical actions that can be implemented swiftly within this jurisdiction, including enhanced guidance and where needed amendment to the Inquiries (Scotland) Rules 2007. Taken together, these measures aim to:

- increase transparency within the public inquiry system
- promote consistency and openness in Scottish Government decision-making
- provide greater support for inquiry teams
- strengthen oversight and scrutiny, and importantly
- improve cost-effectiveness and fiscal sustainability of the system.

286. **The Committee urges the Scottish Government to act decisively on this package of recommendations to ensure that Scotland's public inquiry system is cost-effective, transparent, and accountable.**