



The Scottish Parliament
Pàrlamaid na h-Alba

John-Paul Marks
Permanent Secretary
Scottish Government

Public Audit Committee
Room T3.60
The Scottish Parliament
EDINBURGH
EH99 1SP

By email only

Direct Tel: (0131) 348 5186
Email:

publicaudit.committee@parliament.scot

23 May 2023

Dear Mr Marks,

The 2021/21 audit of the Scottish Government Consolidated Account

Thank you for your recent correspondence to the Public Audit Committee which we considered at our meeting on 18 May 2023. At this meeting, the Committee agreed to seek further information from you, as set out below.

Public Sector Reform

The Committee notes that the Scottish Government has asked public bodies to identify opportunities for “further efficiencies and joined-up service delivery which reduce costs and direct collective resources towards shared priorities” as part of its Resource Spending Review commitments. The Committee further notes that the information received from public bodies is currently being analysed by Scottish Government officials.

The Committee would be interested to receive examples of the opportunities that have been highlighted through this exercise by public bodies to work more collaboratively to achieve shared outcomes. The Committee would also be interested

to establish the expected savings that could be achieved by implementing these examples.

We recognise that the Scottish Government's most recent Public Sector Pay Strategy for the year 2023-24 recommends that public sector workers receive a 3.5% pay rise. The Committee understands that the [Civil Service Pay Remit Guidance, 2023 to 2024](#), published by the Cabinet Office in April 2023, states "this year, departments are able to make average pay awards up to 4.5%". The guidance goes on to state that departments have the flexibility to make awards up to an additional 0.5% for lower pay bands. The Committee would be interested to establish why there appears to be a divergence between the Scottish Government and the UK Government regarding pay awards during 2023-24.

Corporate Transformation

In your correspondence, you highlight that there has been reduced costs of around £20 million in 2022/23 against original plans due to headcount controls. The Committee asks for Scottish Government headcount data for the reporting years 2019-20 to 2022-23 inclusive. The Committee also asks what the projected headcount for 2023-24 is expected to be.

The AGS's report states that a new HR module will be introduced between July and September 2023, while a new finance system and associated modules are expected to be implemented by the end of 2023. Your correspondence states that the new HR system will be launched at the end of 2023, with a new financial system planned for introduction in 2024. The Committee would therefore be interested to establish the reason(s) for the delays in implementing both systems.

The Committee would be grateful for a response by **20 June 2023**.

Yours sincerely

**Richard Leonard MSP,
Convener**