

# Finance and Public Administration Committee

6th Meeting 2021 (Session 6), Tuesday 28  
September 2021

## Tracking the Impact of COVID-19 on Scotland's Public Finances – Note by the Clerk

### Background

1. At its meeting on 28 September, the Committee will take evidence on Audit Scotland's report '[Covid-19 Tracking the impact of Covid-19 on Scotland's public finances](#)' from:

- Stephen Boyle, Auditor General for Scotland
- Mark Taylor, Audit Director, Audit Scotland
- Richard Robinson, Senior Manager, Performance Audit and Best Value, Audit Scotland.

2. This session is intended to inform the Committee's pre-budget scrutiny and to also set the scene for the Autumn Budget Revision expected to be laid in the coming weeks. To assist the Committee, Audit Scotland has provided a short summary paper, which includes a copy of the Covid-19 tracker report and its written submission to the Committee's call for evidence on pre-budget scrutiny.

### Overview

3. The report, published on 15 September, is a further update following Audit Scotland's [February 2021 paper](#) of the same name which reported on the spending and funding position as it was then known up until December 2020. More information is now available from the first year of the Scottish Government's Covid-19 response and the nature of spending revisions. The most recent report (15 September) therefore covers both spend and funding for 2020-21 as well as 2021-22 to date.

4. The Scottish Government estimates it has spent over £8.8 billion of the £9.3 billion allocated to support Covid-19 spending in 2020-21. This was funded by £8.6 billion of additional Barnett consequentials from the UK Government in 2020-21, and by reallocating funding from existing budgets. £1.15 billion in Barnett funding was carried over to the 2020-21 budget. However, unlike in 2020-21, the UK Government has not guaranteed the level of Barnett funding for 2021-22, which Audit Scotland argues makes medium-term financial planning and dealing with uncertainties arising from the pandemic more challenging.

5. The Auditor General, commenting on the report, highlighted that “transparency around what is classed as Covid-19 spending across government portfolios remains challenging in a fast-moving and unpredictable environment”<sup>1</sup>.
6. SPICe has prepared a note with further background on the report along with possible themes for questioning (paper 2).

## Next steps

7. The Committee is invited to take evidence from the Auditor General, Stephen Boyle and supporting officials in relation to the Audit Scotland report ‘Covid-19: Tracking the implications of Covid-19 on Scotland’s public finances’ (September 2021) to inform its pre-budget scrutiny and ahead of the autumn budget revision.

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<sup>1</sup> [Covid-19 spending transparency will be 'increasingly difficult' | Audit Scotland \(audit-scotland.gov.uk\)](https://www.audit-scotland.gov.uk)