

# The 2018/19 audit of Bòrd na Gàidhlig

Governance and transparency



AUDITOR GENERAL 

Prepared for the Public Audit & Post-Legislative Scrutiny Committee by the Auditor General for Scotland  
Made under section 22 of the Public Finance and Accountability (Scotland) Act 2000  
December 2019



# Auditor General for Scotland

The Auditor General's role is to:

- appoint auditors to Scotland's central government and NHS bodies
- examine how public bodies spend public money
- help them to manage their finances to the highest standards
- check whether they achieve value for money.

The Auditor General is independent and reports to the Scottish Parliament on the performance of:

- directorates of the Scottish Government
- government agencies, eg the Scottish Prison Service, Historic Environment Scotland
- NHS bodies
- further education colleges
- Scottish Water
- NDPBs and others, eg Scottish Police Authority, Scottish Fire and Rescue Service.

You can find out more about the work of the Auditor General on our website:

[www.audit-scotland.gov.uk/about-us/auditor-general](http://www.audit-scotland.gov.uk/about-us/auditor-general) 

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

---

# Contents

Introduction .....	4
Governance and transparency .....	4
Conclusion .....	6

---

## Introduction

1. Bòrd na Gàidhlig (The Bòrd) is an executive non-departmental public body established under the Gaelic Language (Scotland) Act 2005. The Bòrd is the principal public body in Scotland responsible for promoting Gaelic development and providing advice to the Scottish Ministers on Gaelic issues. The Bòrd is based in Inverness and employs around 19 staff. It is funded by grant-in-aid from the Scottish Government and its 2018/19 net expenditure was £5.3 million.
2. This report is based on the 2018/19 audit of the Bòrd and draws to Parliament's attention issues relating to governance and transparency. The auditor has given an unqualified opinion on the 2018/19 annual report and accounts of the Bòrd.

## Governance and transparency

3. The Bòrd is an executive non-departmental public body sponsored by the Directorate for Learning within the Education, Communities and Justice portfolio of the Scottish Government. At the end of 2018/19, the Board consisted of a Chair (interim) and nine members who were appointed by Scottish Ministers.<sup>1</sup> The Bòrd's board is responsible for the overall management, strategic direction and performance of the body. During 2018/19, the board was supported by a People Committee, Learning Committee, Gaelic Usage Committee and an Audit and Risk Management Committee. The Bòrd's leadership team is led by a Chief Executive and consists of a Director of Gaelic Education (interim), Director of Language Planning and Community Developments and a Head of Corporate Services.<sup>2</sup> [Exhibit 1](#).

---

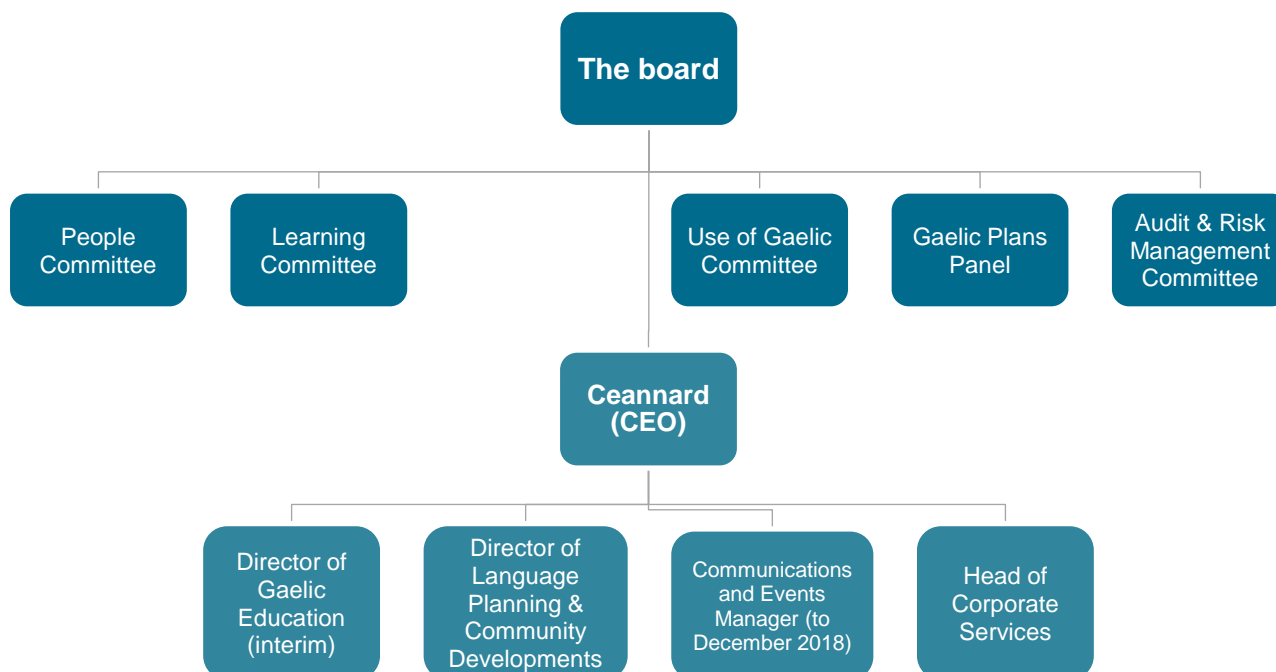
<sup>1</sup> Between April and December 2018, the board consisted of a chair and 10 members.

<sup>2</sup> The leadership team also included a Communications and Events Manager until December 2018. This role was outsourced from February 2019.

---

## Exhibit 1

### Bòrd na Gàidhlig's leadership structure 2018/19



Source: Audit Scotland

---

4. During the 2018/19 audit of the Bòrd, the auditor raised several concerns relating to governance and transparency. These covered a wide-range of issues including ineffective leadership, inadequate workforce planning, a lack of clarity over roles and responsibilities and poor relationships and organisational culture. The issues identified by the auditor included:
- Concerns over the structure, capacity, skills and effectiveness of the leadership team. Poor relationships between members of the leadership team meant a lack of cohesiveness in strategic decision-making. The auditors believed that these issues led to a lack of confidence and a culture of mistrust throughout the organisation.
  - No organisational workforce plan was in place and limited consideration was given to succession planning. The Bòrd faces challenges in recruiting to fill vacant posts, particularly given the policy that requires all employees to speak Gaelic.
  - The Bòrd did not have a Head of Finance for around 15 months, between January 2018 and March 2019. In September 2018, an agreement was made with a comparable body to provide financial oversight, but this ceased the following month due to capacity issues with the provider. An external supplier was appointed between January 2019 and March 2019 to prepare the 2018/19 annual accounts.
  - Delays in tendering for a new outsourced internal audit service meant there was no internal audit function in April and May 2019. The previous internal auditor was appointed Head of Finance on a part-time basis from April 2019.
  - There was a lack of openness and transparency in decision-making within the organisation. All board and committee meetings are held in private. It can take several

---

months for agendas and minutes of board meetings to be made available on the Bòrd's website. At the time of the audit (May 2019), the last agenda and minutes published were from June 2018.

- There was limited evidence of the board providing effective scrutiny and challenge of decision-making or holding senior management to account for their performance. Recommendations from past audits or reviews were not always implemented. There was also a lack of consideration of whether ongoing grant funding to organisations was contributing towards the Bòrd's strategic aims and thus achieving value for money.
  - There was a lack of clarity over the respective roles and responsibilities of the senior management team, committees, the Scottish Government's sponsor team and the board, with board members becoming too involved in operational matters. A review of the effectiveness of the Audit and Risk Management Committee was carried out in February 2019 with an action plan agreed in November 2019. No similar review of effectiveness has taken place of the board or any of the other committees. The previous Chair did not carry out annual performance appraisals of board members as required by good practice guidance. In May 2018, a review of the members' Code of Conduct was recommended by the Board, but this did not take place.
5. The audit identified a number of significant issues relating to governance and transparency which require urgent action by the board, management and the sponsor team. In July 2019, the board agreed an improvement plan based on the issues and recommendations identified by the auditor. These cover governance and transparency, financial management, financial sustainability and value for money. An Improvement Plan Steering Group has been established to monitor the implementation of the plan and report progress to the board and the Audit and Risk Management Committee.

## Conclusion


6. All public bodies, irrespective of their size, must demonstrate clear and effective governance and make key decisions in an open and transparent way. Openness and transparency build confidence and trust in an organisation and those leading it. The Bòrd's leadership team and board must deliver and demonstrate significant improvements in the issues raised by the auditor. This will be necessary to establish the trust and confidence of staff and stakeholders, including the Parliament and the public. I have asked the auditor to monitor the Bòrd's progress and report, as appropriate, following the 2019/20 audit.

# The 2018/19 audit of Bòrd na Gàidhlig

## Governance and transparency

This report is available in PDF and RTF formats,  
along with a podcast summary at:

[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 

If you require this publication in an alternative  
format and/or language, please contact us to  
discuss your needs: 0131 625 1500  
or [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk) 

For the latest news, reports  
and updates, follow us on:



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN

T: 0131 625 1500 E: [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk) 

[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 