

News release

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For immediate use

Scottish Government pandemic spending must be more transparent

The Scottish Government needs to be more transparent about its spending in response to the Covid-19 pandemic, following a year in which its budget grew by a quarter.

A report from the Auditor General for Scotland says that during 2020/21 the government's primary focus was addressing the pandemic's threats, and public spending rose significantly. The Scottish Government's Consolidated Accounts show spending during the year was £10.7 billion higher, or 27 per cent, than the previous year, and totalled £50.1 billion.

The Scottish Government allocated £8.6 billion of Barnett consequentials - its share of UK Government funding - to financing Covid-19 activity. While some high-level details of this are available, the Scottish Government needs to be more proactive in providing more comprehensive and detailed information and clearly link budgets, funding announcements and spending, given the significant public interest.

During the year, the Scottish Government paid out £1.6 billion through two schemes to support businesses. The government had to make these payments quickly in order to protect jobs and the wider economy at a critical time. As a result, it had to accept a higher than normal level of risk that money could be lost to fraud and errors.

Stephen Boyle, Auditor General for Scotland, said: "The Scottish Government had to act quickly and decisively to respond to the huge threats the pandemic posed to lives, public safety, jobs and the economy. As a result, it needed to distribute very large amounts of money quickly, and sometimes had to accept higher risk on this than normal.

"The Scottish Government now needs to be more proactive in showing where and how this money was spent, and show a clearer line from budgets to funding announcements to actual spending. This will support scrutiny and transparency of a matter of such significant public interest and importance."

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Notes to editors

1. This release is about a Section 22 report, where the Auditor General can directly raise his concerns with Parliament and the public arising from annual audit work under Section 22 of the Public Finance and Accountability (Scotland) Act, 2000. The Section 22 report [URL] and the Annual Audit report of 2020/21 Scottish Government Consolidated Accounts [URL] are available on the [Audit Scotland website](#).
2. The Scottish Government's total net expenditure in 2020/21 was £50,121 million. This was £10,736 million (27 per cent) more than in 2019/20, reflecting the significant additional amounts of public spending committed to responding to the Covid-19 pandemic.

3. Overall, total spending was £580 million less than budget. The resource budget was underspent by £373 million (0.8 per cent) against a budget of £48,573 million and capital was underspent by £207 million (9.7 per cent) against a budget of £2,128 million.
4. Audit Scotland has prepared this report for the Auditor General for Scotland. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk
 - The Auditor General appoints auditors to Scotland's central government and NHS bodies; examines how public bodies spend public money; helps them to manage their finances to the highest standards; and checks whether they achieve value for money. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament
 - Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland.