

## News release

Embargoed until 00:01 hours, 26 October 2023

### Public sector reforms must consider workforce impact

The Scottish Government needs to act quickly to deliver services differently. But it needs to support its workforce to manage this change, rather than simply doing more with less.

The Scottish budget and workforce numbers have grown significantly since devolution. But Scottish Government projections suggest it cannot afford to pay for public services in their current form.

In addition, pay deals agreed for 2022/23 and 2023/24 were £1.7 billion more than initially planned and these pay rises are locked into future budgets.

The Scottish Government has begun working with its public bodies to better understand how workforce reforms will impact services. But it needs better data on the size, cost and skillset of the workforce in over 100 of its public bodies to help support this process.

#### Stephen Boyle, Auditor General for Scotland, said:

“Significant reform of the public sector – including its workforce - is needed to protect services over the long term.

“That means better workforce planning and wider changes to how staff work within and across organisations.

“An approach to reform purely focused on controlling workforce numbers will not address workforce pressures and is unlikely to balance the public finances.”

For further information contact Patrick McFall Tel: 07786660171 [pmcfall@audit-scotland.gov.uk](mailto:pmcfall@audit-scotland.gov.uk) or [media@audit-scotland.gov.uk](mailto:media@audit-scotland.gov.uk)

#### Notes to Editor:

1. The Auditor General's briefing focuses on employees across the Scottish Government and its associated public bodies. It excludes local government employees.
2. Pay costs for NHS, central government, police and fire services, and further education were £13.4 billion in 2021/22.
3. Since the Scottish Parliament was established, the Scottish Government's workforce numbers have increased significantly – from under 150,000 FTE in 1999/00 to over 245,000 by 2022/23. An increase of around 65 per cent.

**4.** The NHS accounts for two thirds of the Scottish Government workforce and workforce costs. Decisions about its workforce size and costs have a large impact on Scottish Government sustainability in the medium term.

**5.** 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](http://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.