

MEETING: 7 MAY 2020

REPORT BY: SECRETARY TO THE COMMISSION

UPDATE REPORT

Introduction

1. The purpose of this report is to provide an update to the Commission on significant recent activity relating to local government, focussing particularly on the response to the Covid-19 pandemic.
2. The regular Controller of Audit report to the Commission which updates the Commission on his activity complements this report. The Commission's Financial Audit and Assurance Committee also receives a more detailed update on issues relating to local government. This report also complements the weekly briefing provided by Audit Scotland's Communication Team made available on the extranet site, which provides more detailed news coverage in certain areas.
3. The information featured is also available on the Accounts Commission member portal. Hyperlinks are provided in the electronic version of this report for ease of reference.

Commission business

Publications

4. Audit Scotland collects [media coverage](#) on all the reports published by the Accounts Commission. Audit Scotland also provides a weekly summary of the [key media stories regarding local government](#). Both are available through Audit Scotland SharePoint, on the Accounts Commission Members' Extranet. The usual Appendix on download statistics for published reports will be reintroduced in a future report.
5. On 24 March the Accounts Commission [published](#) the statutory report on accounts closure of the 2018/19 audit of Renfrewshire Council. The report summarises significant findings from the 2018/19 audit. The auditor delayed issuing their opinion on the council's financial statements beyond the statutory deadline to allow for appropriate adjustments to the accounts to be made by the council and for the audit team to complete their work to an appropriate standard.
6. On 9 April the Accounts Commission and Auditor General for Scotland [published](#) a [report](#) about the Scottish Government's affordable housing target. The report finds that good progress is being made on the Government's affordable housing programme, which aims to deliver 50,000 affordable homes, including 35,000 socially rented homes, between April 2016 and March 2021. By the end of December 2019, 31,136 homes had been completed, of which 20,336 will be for social rent. Over the first three years the Government has invested £1.9bn, though it expects to spend around £3.5bn to meet the target. Despite this progress, the report warns there remain some risks, including concerns about construction sector capacity and the scope of council planning and building control services. The report argues uncertainty about post-2021 funding will intensify these risks. Councils were found to be working well with their partners to plan and deliver affordable housing. However, the report calls for greater involvement of health and social care partners and better tenant and community

involvement. It concludes that a lack of comprehensive reporting by the Government and councils on the impact of their investment means it has not been possible to demonstrate value for money.

Other business

7. In his report on the work programme on today's agenda, the Director of Performance Audit and Best Value reports on the impact of Covid-19 on the annual audit of local government bodies. In particular he reports that the Scottish Government has sought views from local government on proposals in relation to the 2019/20 annual accounts. They have also offered Audit Scotland and the Accounts Commission the same opportunity to comment on their proposals. Audit Scotland has submitted views in conjunction with the Commission Chair, Deputy Chair and Secretary. This has been placed on the [members' SharePoint](#).
8. The response presents the Commission's desire to be "as flexible, pragmatic and consistent as statutory and professional requirements allow during this crisis". It states that the Commission:
 - recognises the significant pressures under which local government finds itself as a result of the current Covid-19 emergency
 - is of the firm view that the principles of sound financial management, good governance, public accountability and transparency are vital in this emergency situation, although how these are delivered and achieved are likely to be different.
 - therefore expects audit quality to be maintained in accordance with international standards and the Code of Audit Practice
 - is mindful of both the capacity of local authorities to prepare good quality financial reports, and the auditors they appoint to deliver high quality audit, when considering timescales for 2019/20.
9. While this is not a formal consultation, the Commission is asked to endorse these principles to help guide further dialogue between the Commission, Audit Scotland, government and audited bodies.
10. The Commission will be updated as these matters progress.

Auditor General for Scotland

11. On 10 March, the Scottish Parliament [agreed](#) to nominate Stephen Boyle as the new Auditor General for Scotland, to succeed Caroline Gardner, for an eight year term from 1 July 2020. Mr Boyle is an Audit Director at Audit Scotland and leads its central government audit work, including audits of the Scottish Government, the Scottish Parliamentary Corporate Body and the European Agricultural Funds Account. He is also the appointed auditor of the Scottish Police Authority, the Scottish Public Pension Agency and Registers of Scotland, and has previously audited local authorities and NHS bodies. Before joining Audit Scotland in 2013, he held senior roles at Glasgow Housing Association, Cube Housing Association and the Scottish Housing Regulator.

Audit Scotland

12. On 16 March Audit Scotland staff were instructed to work from home following guidance issued from the UK and Scottish governments regarding Covid-19

containment measures. Audit Scotland's Incident Management Team began meeting daily, with email updates to staff provided after each meeting of the Incident Management Team. Accounts Commission members have also been provided with copies of these updates. A [statement](#) has been published on the Audit Scotland website to provide information to the public.

Issues affecting local government

Scottish Government

13. Given that the Covid-19 emergency has meant a significant number of matters originating from the Scottish Government since the last meeting of the Commission, this section is divided, for ease of reference, into the following sub-sections:

- Local government general
- Health and social care
- Education
- Transport
- Communities
- Business
- Other matters

Local government general

14. On 17 March the Scottish Government [published](#) a local government finance [circular](#) containing the non-domestic rating interest rate for 2020-2021.
15. On 23 March the Scottish Government [published](#) a policy note about procurement regulations during the Covid-19 outbreak.
16. On 25 March the Scottish Government [published](#) further [guidance](#) on childcare provision for key workers. The Government has also urged employers to consider working with unions and workers to identify only the staff who are necessary to deliver the response to Covid-19; introduce new shift patterns, allow working from home where possible, recruit more staff or drop non-essential tasks; and have discussions with staff to identify if they can access appropriate alternative childcare.
17. On 31 March the Scottish Government published guidance to local authorities on building measures during the Covid-19 crisis. The guidance refers to both the [occupation of new buildings](#) and the [erection of temporary care assistance buildings](#).
18. On 14 April the Scottish Government [announced](#) that councils with coastlines can use their remaining shares of the £7.2m Crown Estate fund to offer direct support to coastal businesses and third sector organisations affected by the Covid-19 pandemic.
19. On 20 April the Scottish Government [announced](#) that local authorities are providing around 140,000 children across Scotland with free school meals. The majority of meals are being provided through vouchers, direct payments or home deliveries and are part of efforts to mitigate the impact of Covid-19.
20. On 21 April the Scottish Government [published](#) statutory guidance for local authorities on Schedule 28 to the Coronavirus Act 2020, which introduced powers for local authorities and government to support the resilience of local death management systems and to step in should they become overwhelmed. The powers relate to the

transportation, storage and disposal of dead bodies and sets out how and when they should be used by local authorities.

21. On 21 April the Scottish Government [published](#) shielding guidance for local authorities and local resilience partnerships delivering support to those who are clinically at the highest risk from Covid-19.

Health and social care

22. On 20 March the Scottish Government [published](#) advice for unpaid carers in relation to Covid-19. The guidance urges those providing regular support to vulnerable friends or relatives to familiarise themselves with public health advice on how to protect against infection and, as the situation develops, check the NHS Inform website regularly for the latest information. Carers are also encouraged to consider emergency plans for others to take over their care should the need to self-isolate arise.
23. On 24 March the Scottish Government [confirmed](#) it intends to meet additional costs to increase social care capacity. Councils have been asked to increase support for care at home services and nursing and care homes to reduce delayed discharge and free up hospital beds.
24. On 1 April the Scottish Government [published](#) information for homelessness organisations during the Covid-19 outbreak. Frontline homelessness services will be provided support as part of the £50m Community Wellbeing Fund and applications have opened for the Third Sector Resilience Fund. Provisions to ensure there can be no evictions from the private or rented sector for six months will be provided by emergency legislation. Interim SHORE guidance has also been developed to ensure local authorities continue to support people into suitable accommodation upon release from prison.
25. On 1 April the Scottish Government [published](#) a letter sent by Cabinet Secretary for Health, Jeane Freeman MSP and COSLA Spokesperson for Health and Social Care, Councillor Stuart Currie to Integration Joint Boards and local authorities about the definition and status of key workers.
26. On 3 April the Scottish Government [published](#) new personal protective equipment (PPE) guidance for health and social care workers. It includes details of when higher level protective equipment is necessary for clinicians and the appropriate equipment for community settings. The guidance was developed jointly between Scottish and UK public health bodies, including Health Protection Scotland.
27. On 6 April the Scottish Government [published](#) statutory guidance for local authorities about changes to social care assessments included in sections 16 and 17 of the Coronavirus Act 2020.
28. On 9 April an agreement was [announced](#) between COSLA, the Scottish Government and the unions on what protective equipment social care workers should be wearing and when. The Government had been under pressure to change the guidance which stipulated that carers should only wear masks when the person they are caring for had suspected Covid-19. Carers will now be provided with face masks.
29. On 14 April COSLA and the Scottish Government [negotiated](#) a 3.3% pay rise for social care staff, to be backdated from 1 April. This brings social care support workers to at least the Real Living Wage for all hours worked, including sleepovers. The Government will also provide funding to the third sector and independent providers specifically to ensure staff receive sick pay if they are ill or self-isolating.

30. On 15 April the Scottish Government [announced](#) the details of additional support to help people look after their mental health and wellbeing during the Covid-19 pandemic. It includes funding for the expansion of the Distress Brief Intervention programme and a new mental health marketing campaign, which will signpost to existing support and direct people to helplines such as SAMH and NHS 24 when necessary.
31. On 20 April the Scottish Government [highlighted](#) additional supplies of PPE will be delivered directly to care homes to meet increased demand. Each location will receive a week's supply of equipment, and the situation will be reviewed this week based on information supplied by care homes about their own stock levels. Care homes where the virus is known to be present will be prioritised.
32. On 25 April the Health Secretary, Jeane Freeman MSP, [announced](#) that everyone who provides social care will have access to appropriate PPE under new arrangements. From Monday 27 April, local Hubs will distribute PPE supplies to the whole of the social care sector where normal supply routes have not been successful. These hubs will extend their provision to include all social care providers, and unpaid or family carers and personal assistants.
33. On 27 April the Scottish Government [announced](#) support for perinatal mental health. Mums, dads and families at risk of poor mental health during pregnancy and the early years will be able to access enhanced peer support, parenting support and perinatal counselling services, with new annual funding of up to £1 million. The Perinatal and Infant Mental Health fund will provide crucial help by supporting third sector organisations to deliver key services and address gaps in provision. Inspiring Scotland will run the fund - which will open to charities from August - and will work with the Scottish Government to achieve the goals of the Perinatal and Infant Mental Health Programme Board.

Education

34. On 20 March schools across Scotland [closed](#) as a result of the Covid-19 pandemic. The 2020 exam diet has also been cancelled for the first time, with SQA putting in place a certificate model involving coursework, teacher assessment of predicted grades and prior attainment.
35. On 23 March the Scottish Government [provided](#) councils with guidance on childcare provision for key workers following school and nursery closures due to Covid-19. Councils will have the final say on the definitions they use based on local need, but the guidance suggests health and care workers and workers supporting national infrastructure should be included.
36. On 31 March the Scottish Government [published](#) guidance about the closure of daycare services for children following the outbreak of Covid-19. It provides information on emergency provision for the children of key workers and the financial support available for affected businesses.
37. On 1 April the Scottish Government [announced](#) local authorities will no longer be legally obliged to deliver 1,140 hours of funded childcare from this August to allow a focus on the Covid-19 pandemic response. Ministers have laid an order in the Parliament to revoke the statutory duty. The Government claimed progress on childcare places was on track and hundreds of buildings had been built or refurbished.
38. On 20 April the Scottish Government [published](#) guidance to support the home learning of children and young people during the new term. It aims to build on the significant amount of positive work that has already been undertaken by teachers and education

professionals across Scotland to support learning at home, as well as the advice and resources that are already available.

39. On 21 April the SQA [published](#) its alternative certification model for the 2020 exam diet. Schools and colleges will submit estimated grades by Friday 29 May to be moderated by the SQA, taking into account prior learning attainment by pupils and schools. Results will be issued by Tuesday 4 August with a free appeals service made available.

Transport

40. On 26 March the Scottish Government [pledged](#) to pay bus companies for their projected concessionary travel journeys rather than the actual number of journeys, which have seen a decline of over 70%. Under the current arrangement, Transport Scotland reimburses bus firms for travel under the concessionary scheme for over-60s and disabled people, projected at around £260m per year.
41. On 30 March CalMac [postponed](#) a planned fare rise on the Clyde and Hebrides Ferry Services network for the duration of the Covid-19 outbreak. The ferry operator is already running a reduced timetable for essential services and has frozen fare prices to assist businesses and communities which are reliant on the services.

Communities

42. On 19 March the Scottish Government's Minister for Housing, Kevin Stewart MSP, [published](#) a letter to registered social landlords and local authorities regarding the Covid-19 outbreak. The guidance had been prepared in conjunction with the Scottish Housing Regulator, Scottish Federation of Housing Associations and other key stakeholders. The Housing Minister stressed it was "*absolutely critical*" no tenant was evicted as a result of any financial hardship experienced because of Covid-19. He said ways in which to best support landlords in preventing this were under consideration and asked housing providers, as part of their response to Covid-19, to prioritise the provision of financial advice to help maintain tenancies.
43. On 19 March Cabinet Secretary for Communities and Local Government, Aileen Campbell MSP, updated the Scottish Parliament on the Scottish Government's plans to [support communities](#) during the Covid-19 outbreak. The [major announcement](#) was £350m for councils, charities, businesses and community groups to help them support those affected.
44. On 19 March the Scottish Government [announced](#) additional funding for the Age Scotland helpline as part of its support for people, communities, local authorities and the third sector in tackling the Covid-19. The funding will be used to cover new equipment, allow staff to work from home and help increase the helpline's capacity. The helpline provides support for older people in handling Covid-19.
45. On 30 March the Scottish Government [announced](#) that tenants will be given increased protection from eviction during the Covid-19 pandemic. The Coronavirus (Scotland) Bill will increase the minimum notice period for eviction to six months for private and social renters.
46. On 1 April [Grants](#) from the Scottish Government's £350m Communities Fund are being provided to organisation such as Scottish Women's Aid and Rape Crisis Scotland to ensure access to key support services is maintained during the Covid-19 crisis.

47. On 6 April families unable to access food due to the Covid-19 outbreak will be given support from the Scottish Government [Food Fund](#). The £30m fund will support families with children eligible for free school meals, older people, those with long-term health conditions and pregnant women. [Guidance](#) to local authorities has also been published. They will be given flexibility to use the additional resource in ways which best meet their local needs and circumstances.
48. On 7 April the Scottish Government [published](#) a framework to support gypsy/traveller communities during the Covid-19 pandemic. The framework will help local authorities, the NHS and the third sector in their local response.
49. On 15 April the Scottish Government [published](#) an update regarding the Investing in Communities Fund during the Covid-19 outbreak.
50. On 20 April the Scottish Government [announced](#) more community food projects will receive funding to help provide meals to people most in need during the Covid-19 pandemic. £700,000 has been allocated from the Scottish Food Fund to 19 projects, including a grant to the Wheatley Group as part of its EatWell service. The Food Fund comprises £30m for food deliveries for groups that are “*shielding*”, a further £30m for free school meals and food support for other vulnerable groups. Additionally, 18 schemes will receive funding to provide emergency food through projects working with minority ethnic households, family support groups or mental health teams.

Business

51. On 16 March the Cabinet Secretary for Finance, Kate Forbes MSP, [announced](#) new measures to limit the impact of Covid-19 on the business community. The package of support includes: 75% rates relief for the retail, hospitality and leisure sectors with a rateable value of under £69,000; an £80m fund providing grants of at least £3,000 to small businesses in sectors most affected by the outbreak; 1.6% rates relief for all properties across Scotland; and a fixed rates relief of up to £5,000 for all pubs with a rateable value under £100,000. The measures came into effect Wednesday 1 April.
52. On 25 March the Scottish Government [announced](#) £5m in financial support to assist businesses in the seafood sector during the Covid-19 outbreak. Funding will be offered to over 650 seafood fishing companies who are reliant on the export and hospitality markets for Scottish produce such as langoustine, prawns and crab.
53. On 25 March the Scottish Government announced businesses could now [apply](#) for grants to help mitigate the impacts of Covid-19. The Business Support Fund provides one-off grants of £10,000 to ratepayers of small businesses and of £25,000 to retail, hospitality and leisure business ratepayers with a rateable value between £18,001 and £50,999.
54. On 30 March the Scottish Government [confirmed](#) it will apply 100% rates relief to businesses in the retail, hospitality, leisure and aviation sectors for the whole of 2020-21. In tourism, new support [measures](#) will be available to businesses in the form of £10,000 grants for small businesses in receipt of the Small Business Bonus Scheme or Rural Relief, while hospitality, leisure and retail properties with a rateable value between £18,000 and £51,000 will be entitled to claim grants of up to £25,000.
55. On 30 March new guidance was [published](#) for public sector organisations to support suppliers during the Covid-19 outbreak. Support includes: modifying terms of contract to offer contractors relief; agreeing interim payment proposals to current contracts; and accelerating payment practices to ensure suppliers are paid as quickly as possible.

56. On 7 April the Scottish Government [published](#) guidance for the construction industry. The Scottish Government advises that all non-essential projects should cease, and any essential projects must only continue if they can comply with guidance on social distancing. Construction projects which qualify as essential include those to create or repurpose facilities which will be used directly in Covid-19 related activities; projects to create or repurpose facilities used to accommodate key workers; projects which are considered essential public services; and the repair and maintenance of critical infrastructure.
57. On 15 April the Scottish Government [announced](#) a second phase of funding to protect against the effects of Covid-19. The new package of measures includes £120 million to extend the Small Business Grant scheme to ensure that, in addition to a 100% grant on the first property, small business rate payers will be eligible to a 75% grant on all subsequent properties. A further £100 million fund is also being made available to protect self-employed people and viable micro and SME businesses in distress due to Covid. This fund will be channelled through local authorities and enterprise agencies to target newly self-employed people and businesses who are ineligible for other Scottish Government or UK Government schemes.
58. On 20 April the Scottish Government [highlighted](#) the financial support is has allocated to businesses to help them during the Covid-19 outbreak. More than £215m has been awarded to over 18,000 business ratepayers in the last two weeks. A total of 59,385 applications were made to 32 local authorities by Tuesday 14 April.
59. On 23 April the Cabinet Secretary for Culture, Tourism and External Affairs, Fiona Hyslop MSP, [announced](#) support for the self-employed and companies suffering from hardship. The £100m fund to support the self-employed and SMEs, announced last week, will be broken into three separate funds. The Cabinet Secretary pledged £34m to the Newly Self-Employed Hardship Fund; £20m to the Creative, Tourism and Hospitality Hardship Fund, managed by enterprise agencies in partnership with Creative Scotland and VisitScotland; and £45m to the Pivotal Enterprise Resilience Fund, managed by the enterprise agencies for vulnerable SME firms. The Government will also provide £1m to top up Creative Scotland's Bridging Bursaries in the not-for-profit sector.

Other matters

60. On 17 March the Scottish Government [published](#) public sector employment statistics for the fourth quarter of 2019. In December 2019, 561,400 people were employed in the public sector, representing an increase of 9,730 from December 2018.
61. On 18 March the Scottish Government [published information](#) on its workforce for each quarter from 2012 until the end of 2019. The statistics [revealed](#) there were 6,827 full time equivalent directly employed staff at the end of December 2019, an increase on last year's figure of 6,170 at the end of December 2018. The percentage of directly employed staff in permanent and temporary categories was similar to last year, with a 3.3% increase in the number of contingent workers. The staff sickness level was eight average working days lost per staff year in the 12 month period ending December 2019 compared with 7.7 days for the same period in the preceding year. The data also showed that 53.4% of the workforce were female, compared to 46.6% male, with 76.5% of staff aged between 30-59.
62. On 26 March a panel of scientists was [established](#) to form the Scottish Government Covid-19 Advisory Group. The group will provide additional scientific analysis of the impact of Covid-19 in Scotland. It will be chaired by Prof. Andrew Morris, Professor of Medicine at the University of Edinburgh and Director of Health Data Research UK.

63. On 26 March the Scottish Government and STUC [issued](#) a joint statement outlining their shared commitment to fair work practices. The statement covers fair work principles, ensuring workers follow health protection advice, paying workers while they are sick, supporting those with caring responsibilities, home working, protecting health and safety, providing clear information and protecting the position of contracted workers.
64. On 30 March social distancing enforcement measures [came](#) into effect that makes it a criminal offence to disregard strict public health guidance. Police Scotland can issue penalty notices of £30, doubling for each repeat offence up to a £960 cap.
65. On 30 March the Scottish Government's national volunteering campaign [launched](#). Scotland Cares allows people to return to the NHS, support public services and volunteer with charities. It is being coordinated by the NHS, British Red Cross and Volunteer Scotland.
66. On 31 March the Scottish Government [published](#) Covid-19 guidance for the lead partners on the 2014 to 2020 European Structural and Investment Funds programmes.
67. On 31 March the Scottish Government [collated information](#) on the support available for those working in the cultural and creative industries during the Covid-19 crisis. This includes information on the Creative Scotland Bridging Bursary Fund and the Creative Scotland Open Fund, along with guidance for the self-employed, social enterprises, charities and the third sector.
68. On 31 March the Cabinet Secretary for the Constitution and External Relations, Mike Russell MSP, introduced the [Coronavirus \(Scotland\) Bill](#). The [Bill as introduced](#) has been published alongside [Statements of legislative competence](#) and [Explanatory notes](#). See paragraph 85 for more information on the approved Act of Parliament.
69. On 1 April the Cabinet Secretary for Social Security, Shirley Anne-Somerville MSP, [announced](#) that the delivery of the Child Disability Payment and the Scottish replacement for Personal Independence Payment would have to be delayed due to pressures on the social security system from Covid-19. The Cabinet Secretary explained these would be continued to be provided by the DWP in the meantime. She [confirmed](#) the Government still hoped to be able to deliver the Scottish Child Payment by early next year. However, this depended on the length of the Covid-19 outbreak.
70. On 2 April it was [announced](#) that the COP26 UN Climate Change Conference was being [postponed](#) due to the Covid-19 outbreak. The Conference was due to be held in Glasgow in November but will now take place sometime in 2021. Dates for a rescheduled conference in 2021, hosted in Glasgow by the UK in partnership with Italy, will be set out in due course.
71. On 7 April the Scottish Government [announced](#) further support for those most at risk from the impacts of Covid-19. Up to £8m in funding will be shared between charities including Scottish Women's Aid and Social Bite to ensure services can provide an emergency response to the outbreak for disadvantaged groups facing hardships such as homelessness, food insecurity, or social isolation.
72. On 7 April Minister for Public Health, Joe Fitzpatrick MSP [announced](#) an extra £166,000 of support for people affected by alcohol and drug use during Covid-19 pandemic. The funding will be used for a programme to increase access to naloxone, increase capacity within the Know the Score helpline, facilitate a publicity campaign and support for the Scottish Recovery Consortium. Support has been made available for those affected by another person's alcohol and drug use through the Supporting

Families Fund.

73. On 9 April the Cabinet Secretary for Finance, Kate Forbes MSP [wrote](#) to the Finance and Constitution Committee providing an update on plans for Scottish Government fiscal events during 2020 in light of the Covid-19 pandemic. She confirmed the publication of the Medium-Term Financial Strategy, the Resource Spending Review and the publication of the Capital Spending Review and Infrastructure Investment Plan would all be delayed as a result of the crisis.
74. On 14 April the Scottish Government [published](#) information about the Affordable Housing Supply Programme and how it has been impacted by Covid-19.
75. On 14 April the Scottish Government [changed](#) the eligibility criteria for several benefits. This has been done to help people impacted by Coronavirus.
76. On 17 April the Scottish Government has [published](#) recommendations from the Drug Deaths Taskforce relating to the Covid-19 outbreak.
77. On 17 April the UK and Scottish Governments both [announced](#) that lockdown measures would be extended by a further three weeks.
78. On 20 April the Scottish Government [established](#) an independent advisory group to provide expert economic advice in response to the Covid-19 crisis. The group will provide advice on the aspects of the Government's economic response affecting the private sector, with membership consisting of experts from across regions and sectors, led by businessman and Government adviser Benny Higgins. Professor Anton Muscatelli of Glasgow University has also been appointed to the group.
79. On 21 April the Cabinet Secretary for Justice, Humza Yousaf MSP, [announced](#) to Parliament announced offenders nearing the end of short sentences would be considered for early release to help the prison system deal with Covid-19. Prisoners serving sentences of 18 months or less and who have 90 days or less left to serve on Thursday 30 April will be eligible for release. Those who are imprisoned for life or with convictions for sexual offences, domestic abuse or terrorism offences will not be considered for release.
80. On 21 April the Scottish Government [published](#) the latest State of the Economy report. The analysis in the report shows that GDP in Scotland could fall by around 33% during the current period of social distancing, similar to estimates from UK and international bodies such as the Office for Budget Responsibility (OBR) and the Organisation for Economic Co-operation and Development (OECD). Alongside a summary of latest economic developments, the report includes Scottish Government analysis of: channels through which COVID-19 is impacting Scotland's economy; short term impact of social distancing on GDP and the labour market; exposure of different sectors to COVID-19 risks; and medium-term path of the economic recovery.
81. On 22 April it was [announced](#) that over 110,000 household claims for Universal Credit in Scotland have been made between 1 March and 7 April, in contrast with an average of 20,000 applications per month in 2019. In response, the Scottish Government is launching a campaign in partnership with the Citizens Advice network providing information on issues including rent and mortgage payments, energy bills, council tax and benefit entitlement.
82. On 24 April the Health Secretary, Jeane Freeman MSP, [confirmed](#) that support services are still available during the response to COVID-19 for people who have suffered childhood abuse. The Health Secretary urged survivors to continue seeking

help from organisations which are still open and working through the pandemic. This comes as the first round of funding has been confirmed from the Scottish Government's £10 million Survivors of Childhood Abuse Support fund.

Scottish Parliament

83. On 25 March the Scottish Parliament unanimously [granted](#) its consent to the legislative consent [memorandum](#) on the UK Coronavirus Bill.
84. On 26 March Michelle Ballantyne MSP received a response from the parliamentary question that asked the Scottish Government how it will support people in rural communities who are self-isolating because of Covid-19. The Minister for Rural Affairs and Natural Environment, Mairi Gougeon MSP responded by saying that the government was working 'to ensure that the unique needs of rural communities are fully considered in light of the current Covid-19 situation'.
85. On 2 April MSPs voted in favour of Scotland's emergency [Coronavirus \(Scotland\) Bill](#), which enacts a series of new powers for an initial period of six months. Proposals to hold more trials without juries were withdrawn by the Scottish Government. The Scottish Government also accepted an amendment on FOI powers, to ensure that extensions to deadlines would be targeted, only applied following consultation with the Scottish Information Commissioner and would not apply to the Scottish Government. MSPs also voted 59 to 17 in favour of Andy Wightman's [amendment](#) to ban muirburn during the emergency period. The Act includes measures relating to:
- new laws to protect tenants from eviction
 - measures to enable the early release of prisoners if prison staffing levels become insufficient
 - powers to enable the justice system can continue to function using audio or video technology
 - extensions on planning and licensing deadlines
 - other measures on commercial leases, land registration, equalities and human rights.

There are also specific measures for public bodies – including local authorities – relating to freedom of information and public reporting duties, as well as specific measures on local authority meetings.

86. On 7 April Jackie Baillie MSP received a response to her parliamentary question that asked the Scottish Government what additional resources will be provided by the Scottish Welfare Fund to local authorities, broken down by authority. The Cabinet Secretary for Social Security and Older People, Shirley-Anne Somerville MSP responded by saying that the Scottish Government is providing an additional £45m to local authorities for the provision of awards from the Scottish Welfare Fund. £22m of that will be distributed immediately using the current SIMD model as set out in the following table. The remaining £23m will be distributed later and targeted where it is needed most: Click [here](#) to view table.
87. On 8 April Neil Bibby MSP received a response to his parliamentary question that asked the Scottish Government how many council tenants have been evicted due to rent arrears in each of the last three years, broken down by local authority. The Minister for Local Government, Housing and Planning, Kevin Stewart issued a response saying that annual statistics on the number of local authority housing eviction actions are published on the Housing Statistics section of the [Scottish Government website](#). The statistics are sourced from annual housing statistics forms collected from

local authorities, which includes information on the number of cases in which an eviction action has been carried out as a result of rent arrears for each year between 2009-10 and 2018-19. The statistics also include the number of cases resulting in an abandoned dwelling following eviction actions due to rent arrears.

88. On 8 April Michelle Ballantyne MSP received a response from her parliamentary question that asked the Scottish Government why the delivery of contingency plans on free school meals during the Covid-19 outbreak varies between local authorities. The Cabinet Secretary for Education and Skills, John Swinney MSP issued the following response: "Free school meals are a vital measure for families, children and young people across the country and the Scottish Government is very grateful for the work that local authorities have already done, by quickly putting measures in place to ensure that children and young people who rely on free school meals will continue to receive them. On Thursday 26 March, the Scottish Government issued guidance to all local authority Chief Executives and Directors of Education regarding support to vulnerable children and young people. The guidance included a specific section on free school meals which recognises that local authorities will continue to adopt different approaches depending on their individual circumstances and in response to local need. This will ensure that local authorities have maximum flexibility in approach in order to meet the needs of all free school meal eligible children and young people."
89. On 9 April Alex Neil MSP received a response from the written parliamentary question that he had submitted that asked the Scottish Government what arrangements are being made to defer council tax payments for people who have had their income reduced or lost as a result of the Covid-19 outbreak. Minister for Europe, Migration and International Development, Ben Macpherson responded by saying: "Our priority is to ensure that those directly impacted by current events are protected and we have asked councils to ensure that recovery proceedings are not initiated in these circumstances. The well-established Council Tax Reduction Scheme means nobody has to endure hardship or suffering because they have lost their ability to pay their council tax, including those impacted directly or indirectly by the Covid-19 (Covid-19) outbreak. We have already set aside an extra £50 million to fund increased demand for Council Tax Reduction and Social Security benefits, as part of our £350m package of support for communities."
90. On 9 April Michelle Ballantyne MSP received a response from the parliamentary question that she submitted that asked the Scottish Government what discussions it has had with local authorities to discuss the expansion of council tax relief during the Covid-19 outbreak. Minister for Europe, Migration and International Development, Ben Macpherson issued the following response: "My officials have been in regular contact with COSLA and local authorities concerning the Covid-19 pandemic and council tax. Through this we have put in place measures to ensure those directly impacted by current events are not asked to pay council tax they cannot afford. These measures include asking local authorities to allow telephone and online applications for the Council Tax Reduction (CTR) scheme; encouraging local authorities to use existing flexibility to backdate a CTR application; and to avoid taking enforcement action against a household until a local authority is satisfied that the household's income has not been impacted by Covid 19, and the household are not likely to be entitled to CTR. The well-established CTR scheme means nobody has to endure hardship because they have lost the ability to pay their council tax. We already provide £351m to fund the CTR scheme, and have established a further £50m reserve to provide additional funding for the CTR scheme and Scottish social security benefits."
91. On 9 April John Mason MSP published the following motion in the Scottish Parliament: "Praise for Local Authorities — That the Parliament praises the tremendous efforts of local authorities across Scotland to continue essential services and support residents

as far as they possibly can; particularly appreciates that services such as childcare, provision of food for families in need, and refuse collection are absolutely key requirements and thanks the workers who make such services possible; notes Glasgow City Council's offer to delay council tax payments by two months to help those in financial hardship as a result of Covid-19; recognises that such moves will help a number of people who have been financially affected by Covid-19; expects those who can still pay council tax to do so in view of this being a time of exceptional difficulty and financial pressures on councils, and thanks all local authority workers who it considers are making sacrifices at this time for the good of their communities."

92. On 20 April the Scottish Parliament Information Centre [published](#) a briefing on the negotiations for a UK-EU future relationship. It addresses the impact of the Covid-19 outbreak and the future virtual negotiations that have been scheduled.
93. On 20 April Sarah Boyack MSP [published](#) a blog calling for the Government to underwrite additional costs incurred by local authorities in response to Covid-19.
94. On 20 April the Scottish Parliament returned from its Easter recess. Chamber business will be conducted online, with in person meetings of a maximum 79 MSPs taking place once a week. The parliament has removed 50 seats to keep parliamentarians a safe distance apart. Committees will also switch to using video link, subject to a vote to change the standing orders to allow meetings to be held online.
95. On 21 April the Scottish Parliament [established](#) a new Covid-19 committee that will scrutinise the Scottish Government's approach in dealing with the Coronavirus. The committee's remit is: "To consider and report on the Scottish Government's response to Covid-19 including the operation of powers under the Coronavirus (Scotland) Act, the Coronavirus Act and any other legislation in relation to the response to Covid-19 and any secondary legislation arising from the Coronavirus (Scotland) Act and any other legislation in relation to the response to Covid-19." In total, nine MSPs will sit on the committee.
96. On 22 April Neil Bibby MSP received a response from a parliamentary question that queried how many key workers have been identified in each local authority area in response to the Covid-19 outbreak. The Cabinet Secretary for Education and Skills, John Swinney stated that the number of key workers in each local authority area is not held centrally. The data that has been provided by local authorities indicates that around 1% of the relevant school and early year's population have been attending local authority hubs since schools were asked to close.
97. On 22 April Oliver Mundell MSP received a response from a parliamentary question that queried when the Scottish Government would provide to Dumfries and Galloway Council to allow grant payments to be made to eligible self-catering businesses under the Covid-19 support scheme. The Cabinet Secretary for Finance, Kate Forbes said that the Scottish Government provided [guidance](#) to local authorities regarding the grant funding schemes on Monday 30 March 2020.

Parliamentary Committee News

Public Audit and Post Legislative Scrutiny Committee

98. On 19 March the Committee took evidence from Caroline Gardner, Auditor General for Scotland, on the approach to the Auditor General and Audit Scotland's work in the following weeks and months and what that means for the Committee's work.
99. Caroline Gardner and Fraser McKinlay, Director of Performance Audit and Best Value,

will further brief the Committee in this regard on 5 May.

Other committees

100. On 30 March the Scottish Police Authority [sent](#) a letter to the Justice Committee about its approach to governance, accountability and support for the police service during the Covid-19 outbreak
101. On 1 April the Economy, Energy and Fair Work Committee [cancelled](#) its Budget inquiry into Scottish Development International and internationalisation. The Committee's Budget scrutiny for 2021-22 will instead focus on the response to Covid-19 and it is open to hearing views on its impact on businesses, workers and the economy.
102. On 6 April the Education and Skills Committee [published](#) a letter from John Swinney concerning the cancellation of the exam diet. A [letter](#) updating the Committee on the latest approach taken by the Cabinet Secretary to respond to the outbreak of Covid-19 within his portfolio has also been published.
103. On 8 April the Economy, Energy and Fair Work Committee [issued](#) a call for views from Scottish businesses and employees on how they can be best supported during the Covid-19 crisis. The Committee has launched a rolling inquiry that will also consider how the economic recovery can be supported once the pandemic is over. The call for views will be ongoing and the Committee has set no deadline for responses.
104. On 9 April Cabinet Secretary for Justice, Humza Yousaf MSP [wrote](#) to the Justice Committee about justice matters and policing in the context of the Covid-19 outbreak. The letter includes information about the Scottish Government's assessment of the equalities and human rights implications of the UK Government's Covid-19 legislation; several issues relating to the work of the courts; police powers to detain a person who is potentially infectious and prohibit activities; the early release of prisoners; plans for secure care units; and safety measures for prison staff.
105. On 17 April Shirley-Anne Somerville sent a [letter](#) to the Equalities and Human Rights Committee outlining the Scottish Government's efforts to ensure human rights and equality inform its response to Covid-19. The Committee has also received a [joint letter](#) calling for it to launch an inquiry on this topic from the Equality and Human Rights Commission, the Scottish Human Rights Commission and the Children and Young People's Commissioner Scotland.
106. On 21 April the Equalities and Human Rights Committee [responded](#) to a letter from the Human Rights Consortium Scotland confirming it will launch an inquiry into the impact of Covid-19 on equalities and human rights.
107. On 22 April it was announced that the Education and Skills Committee would launch an [inquiry](#) on the wellbeing of vulnerable children during the Covid-19 outbreak. The Committee has identified the wellbeing of vulnerable children and young people in the current crisis as an "*immediate focus*" for its work programme. The inquiry will focus on the need to quickly adapt approaches to reflect social distancing, the increased need for support, and will consider which support needs will be most appropriate for vulnerable young people. The Committee has written to [stakeholders](#) inviting them to set out which issues they would like to be scrutinised. A [letter](#) to John Swinney has also been published.

Public Policy News

108. On 24 March Scottish Water [agreed](#) to suspend pre-payment charges for licensed

providers for two months, starting from April. It follows the agreement of a package of measures worth £60m between the Scottish Government and the water industry to help businesses experiencing difficulties with water charges during the Covid-19 outbreak.

109. On 26 March the Fraser of Allander Institute [released](#) a report that suggested the global health crisis will shape business for the next several decades. The commentary claims the impact of the pandemic will reach a variety of sectors, but businesses are predicting a recovery in activity over the summer or over the winter period. For now, the Fraser of Allander Institute predicts the Scottish economy will continue to slow as a result of the disruption to normal spending habits. It is predicted that up to 20% of the workforce will be impacted at any one time. While the cause of the economic downturn is predicted to be temporary, the Institute predicts that there may be long-term impacts on business, including a recession.
110. On 31 March CIPFA [published](#) research that suggested that almost two thirds (64%) of local government professionals believe fraud is a major risk for local authorities. This finding comes in the midst of the Covid-19 pandemic, during which councils are at an increased risk of suffering fraud losses due to the high value of emergency grants they have been given to disburse.
111. On 2 April, Voluntary Health Scotland [published](#) the results of a survey of our member organisations and wider network to help establish the impact Covid-19 is having on the health and wellbeing of people supported by organisations and on organisations' own ability to continue supporting people. The briefing sets out the top-line results of the research which point to speed, creativity and flexibility that the third sector is demonstrating as it responds to the crisis, as well as the substantial challenges and barriers it is facing.
112. On 8 April the Fraser of Allander Institute [published research](#) on the impact the Covid-19 lockdown is having on the Scottish economy. The Institute claims there is too much uncertainty to provide an exact economic forecast but suggests the negative impact will be temporary. In the short term, Scotland's GDP could contract by between 20 and 25% if the current lockdown continues. However, the Institute said it is difficult to predict the exact economic outcome as the length of the lockdown and how the restrictions will be lifted are unknown. The research highlights the impact of the outbreak on a variety of sectors, including agriculture, manufacturing, construction and services. The Institute concludes that production and construction will be impacted more than the service sector, while retail, accommodation, food services and transport will be the most affected.
113. On 14 April the Fraser of Allander Institute [published](#) *Re-Thinking our Global Economic Future?*, a paper by Andrew Goudie exploring the future economy in light of the Covid-19 pandemic. It divided the crisis into three phases – the humanitarian response, the initial relaxation of restrictions and the third phase of “*hesitant recovery*” – which the paper sought to understand and support. The paper warned of the “*immensely difficult choices*” ahead and said societies would need to “*accept new behaviours and relinquish established ways of life that they have come to assume as a right*”. It advocated for a “*new economic system*” which addressed the familiar problems posed by inequality and the environment as well as the “*immense global health risks*” of Covid-19 and future pandemics.
114. On 14 April, Youthlink Scotland [launched](#) a survey ‘Lockdown Lowdown: What young people in Scotland think about COVID-19’. The survey will ask young people from every community in Scotland to share their concerns about Covid-19. The results will help to identify what young people in Scotland are worried about in relation to Covid-19

and the wider impact it is having on their lives.

115. On 15 April the Office for Budget Responsibility (OBR) released [analysis](#) that predicts that UK GDP could fall by as much as 35% in the second quarter of this year, due to the Covid-19 outbreak. The OBR predicts that as well as impacting public health and wellbeing, the outbreak will raise public sector net borrowing and debt due to economic disruption. As a result, public sector net debt will be permanently higher as a share of GDP. The OBR has also published a [mock scenario](#) of how the Covid-19 will impact the economy, under the assumption that the movement of the public will be heavily restricted for three months. In the scenario, public sector borrowing is predicted to increase this year by £218bn but once the pandemic recedes, borrowing will decrease quickly.
116. On 16 April PwC released a report that suggested the UK government deficit could rise to as high as £260bn – about 12% of GDP – this financial year, as a result of the measures taken amid the Covid-19 pandemic. The Office for Budgetary Responsibility forecast, pre-Covid-19, was that the deficit would be £55bn.
117. On 20 April the Institute for Government published a [report](#) on the role of Parliament during the Covid-19 outbreak. The report suggests that while the UK Government was forced to make decisions quickly at the beginning of the pandemic, it was difficult for Parliament to properly scrutinise the Government's response. However, the Institute argues that the Parliament should now engage in its usual methods of scrutiny and the Government should seek parliamentary approval of the current lockdown measures if it intends to continue to enforce them.
118. On 21 April the UK Government [announced](#) a regional testing centre for Covid-19 will be opened for key workers in Inverness. The drive-through facility will open as part of a UK-wide campaign to improve testing capacity for NHS staff and other key workers. The facility will be located at UHI Inverness campus.
119. On 22 April the latest State of the Economy report by the Office of the Chief Economic Adviser [found](#) Scotland's GDP could fall by 33% during the current period of social distancing. The summary of economic developments includes analysis of channels through which Covid-19 is impacting the economy, the short-term impact of social distancing on the labour market, the exposure of certain sectors to Covid-19 risks and of the medium-term path of economic recovery.

COSLA

120. On 15 April COSLA issued a [statement](#) welcoming the additional support for business funding announced by the Scottish Government which will enable more businesses and vital organisations within communities to be given the support they require. COSLA's Resources Spokesperson Councillor Gail Macgregor said "The additional £120 million of funding for business support announced today, will help to support more businesses and vital organisations within our communities and local government has worked hard to develop the necessary infrastructure to deliver it in the quickest and most effective way... In addition local government will welcome discussions with Scottish Government on local government's role ensuring the remaining £380 million of the £600 million announced by the Chancellor at the weekend reaches those in most need."
121. On 20 April COSLA [wrote](#) to the Cabinet Secretary for Finance, Kate Forbes, asking that the full £155 million of consequential comes to local government as councils respond to the Covid-19 pandemic. COSLA's Resources Spokesperson Councillor Gail Macgregor said: "In relation to the UK Government's announcement that an

additional £1.6bn will be made available for Councils in England, COSLA has today written to the Cabinet Secretary calling on the Scottish Government to pass the resulting consequential for Scotland to Local Government in full.”

Improvement Service

122. On 1 April the Improvement Service [announced](#) that Dr Sarah Gadsden has been appointed as the permanent Chief Executive after a robust recruitment process facilitated by SOLACE in Business. Sarah had been the interim Chief Executive since March 2018 and in that time she had led business as usual and overseen an organisational review of IS structure and governance arrangements.

Scrutiny, inspection, regulatory and related bodies

Scottish Public Sector Ombudsman (SPSO)

123. The SPSO’s [Newsletter – March](#) and [Newsletter - April](#) outline investigation reports, recent SPSO news and highlights emerging issues. More information on the SPSO’s work, including detailed investigations and decision reports, is available on the Our findings webpage. The Commission’s Financial Audit and Assurance Committee will consider more detailed intelligence from the SPSO on a six-monthly basis.
124. On 17 April the Scottish Public Services Ombudsman, Rosemary Agnew, laid her [Strategic Plan for 2020-2024](#) before the Scottish Parliament, as required by section 17A of the Scottish Public Services Ombudsman Act 2002. In it the Ombudsman sets out her vision for the delivery of the SPSO’s functions under the strategic themes of accessibility, access to justice, capacity and standards.

UK Government

125. On 12 March the Chancellor of the Exchequer, Rishi Sunak MP, [delivered](#) the 2020 Budget. Among the measures includes a £5bn emergency fund to tackle the Covid-19, the abolition of the tampon tax, a rise in the National Insurance Contributions tax threshold, a freeze on alcohol and fuel duty, £5bn of investment in gigabit-capable broadband provision and £650m to tackle homelessness.
126. On 23 March the Chancellor of Exchequer [announced](#) a package of measures designed to protect workers and businesses affected by the ongoing Covid-19 emergency. The new measures will act alongside previous announcements such as the [Coronavirus Business Interruption Loan Scheme](#). A new Coronavirus Job Retention Scheme will be set up to help pay people’s wages, where employers can contact HMRC for a grant to cover up to 80% of the wages of their workforce who remain on payroll but are temporarily not working during the Covid-19 outbreak. These payments will be backdated to the beginning of March and will be initially available for three months but could be extended for longer if needed. Universal Credit and tax credits will also see a £7bn increase over the next financial year in order to support those made unemployed by the outbreak. Other measures announced include the deferral of all VAT payments between now and June, along with the deferral of income tax due in July under the Self-Assessment system to January.
127. On 24 March the UK Government [suspended](#) reviews and reassessments for disability benefits for the next three months. The measure has been taken to reassure vulnerable people about the continuity of their benefits during the Covid-19 outbreak and to ensure access for new claimants. It comes as the DWP has limited [access](#) to jobcentres for all but the most vulnerable and has moved 10,000 existing staff to focus on processing new claims.

128. On 24 March the UK Government [published](#) guidance on how the public can stay at home and limit contact with others. The guidance stresses that people should not leave their homes unless they are shopping for necessities, seeking medical care, for one form of exercise per day or to go to work. Non-essential retail stores have also been instructed to close and there will be a ban on public gatherings of two or more people. [Information](#) for businesses and individuals in Scotland has also been published. The Foreign and Commonwealth Office has [called](#) for all British tourists and short-stay travellers to return to the UK now due to the increasingly limited number of commercial flights.
129. On 25 March the UK Government [published](#) further guidance on the closure of all retailers that sell non-essential goods and other non-essential premises as part of ongoing social distancing measures, as well as updated [guidance](#) for employers, employees and businesses on healthcare advice and financial support.
130. On 29 March the Chancellor of the Exchequer, Rishi Sunak MP, [outlined](#) measures the Government will put in place to support self-employed people through the Covid-19 pandemic. Individuals will receive direct cash grants of up to 80% of their average monthly profits over the last three years, up to £2,500 per month. He said 95% of self-employed people would be eligible for the support.
131. On 3 April the Treasury Committee [published](#) a summary of [evidence](#) from its *Economic Impact of Coronavirus* inquiry. Over 14,000 people submitted evidence to the Committee, with the summary covering areas such as: support for the self-employed, debt management, and insurance.
132. On 3 April the Secretary of State for Health, Matt Hancock MP, [announced](#) that more than 100 NHS hospitals are to have their historic debt cleared, to allow them to invest in maintaining vital services and infrastructure improvements. This means over £13bn of NHS debt is being scrapped in England, as part of the package of reforms to the NHS financial system for the new financial year.
133. On 3 April the Chancellor of the Exchequer, Rishi Sunak MP, [announced](#) the UK Government will take further action to support firms affected by Covid-19 by increasing business interruption loans for small businesses and introducing a new scheme for larger companies. The current Business Interruption Loan Scheme has been extended to all small and medium-sized businesses, where previously only businesses who had been refused regular commercial financing were able to apply. The new scheme will also provide a government guarantee of 80% to enable banks to make loans of up to £25m to businesses with an annual turnover of between £45m and £500m. The UK Government will also stop lenders from requesting personal guarantees for loans under £250,000 and will make operational changes to speed up lending approvals. So far under the scheme, £90m of loans have been approved for 983 businesses, although the Government has faced criticism after [reports](#) suggested that over 130,000 loan enquiries had been made.
134. On 8 April the Chancellor of the Exchequer, Rishi Sunak MP [announced](#) a £750m package to help the charity sector deal with Covid-19:
- £360m allocated by government departments for charities providing vital services and support to vulnerable people – including hospices, St John's Ambulance, victims charities (including domestic abuse), those supporting vulnerable children and Citizens Advice.
 - £370m for small and medium-sized charities (funded via a grant to the National Lottery Community Fund for those in England) including those delivering food, essential medicines and providing financial advice.

- Government will also match donations to the National Emergencies Trust as part of the BBC's Big Night In fundraiser on 23 April – pledging a minimum of £20m
 - £60m for devolved administrations “*and further significant Barnett allocations, dependent on the final proposals funded, through the direct grant pot*”.
135. On 14 April the UK Government [announced](#) that they have committed a total of £14bn in funding for public services through the Coronavirus Emergency Response Fund. Of that fund, £6.6bn has gone to the NHS and health services, £1.6bn to local authorities and £3.5bn to maintain rail services. Almost £2bn in extra Barnett consequentials have been allocated, including £1bn to the Scottish Government, £0.6bn to the Welsh Government and £0.3bn to the Northern Ireland Executive.
 136. On 17 April the Chancellor of the Exchequer [announced](#) that Job Retention Scheme would be extended to the end of June.
 137. On 18 April the UK Government [announced](#) that Scotland would receive an additional £155 million in funding to help tackle Covid-19.
 138. On 17 April the UK Government announced further measures to support local authorities deal with Coronavirus. Councils in England will be able to defer £2.6bn in business rates payments due to be made to government over the next three months. The government will also bring forward £805m of child and adult social care grant payments. These will now all be paid this month, rather than in three-monthly instalments in April, May and June.
 139. On 20 April it was announced that more than 140,000 UK companies have applied for help to pay furloughed staff since the government's Covid-19 Job Retention Scheme launched. This equates to the wages of over one million people, who will receive 80% of their salary while they're furloughed during lockdown.
 140. On 20 April the Chancellor of Exchequer Rishi Sunak MSP announced a £1.25bn [support package](#) for innovative firms. The package comprised a £500m investment fund for high-growth companies, and grants and loans worth £750m for SMEs focusing on research and development. The support is intended to help businesses through the Covid-19 crisis so they can drive economic growth when it's over.
 141. On 20 April it was [announced](#) that local authorities in England receive an additional £1.6bn from the UK Government to help deal with the immediate impacts of Covid-19. The money takes the total given to councils to help their communities through this crisis to more than £3.2bn, after £1.6bn was allocated last month. It's expected to be used to help people currently sleeping rough and to support new shielding programmes for vulnerable people having to self-isolate, alongside extra support for healthcare and adult social care services.
 142. On 23 April the House of Commons approved a motion that will allow MPs to continue to scrutinise the UK Government via remote methods. The model will allow a maximum of 50 MPs to be present in the debating chamber, with up to 120 members able to take part in proceedings from their homes or offices via video screens set up around the chamber.

Other UK Audit Bodies

National Audit Office

143. On 30 March the National Audit Office [published](#) the Departmental Overview: Local

Authorities 2019. The report is designed to provide a quick and accessible overview of the Department and its performance over the last year. The report focuses on the Department's responsibilities and how it spends its money, key developments in its areas of work and findings from recent reports.

144. On 30 March the National Audit Office [published](#) the Departmental Overview: Ministry of Housing, Communities and Local Government 2019. The report is designed to provide a quick and accessible overview of the Department and its performance over the last year. The report focuses on the Department's responsibilities and how it spends its money, key developments in its areas of work and findings from recent reports.
145. On 22 April Gareth Davies, Comptroller and Auditor General, and Head of the National Audit Office, [published](#) a blog on Covid-19, setting out what it may mean for the National Audit Office.

Wales Audit Office

146. On 1 April the Wales Audit Office [published](#) its Annual Plan 2020-21. It describes the steps the WAO were intending to take over the coming year towards achieving its overall ambitions and strategic objectives. However the publication acknowledges that just before publication, they were overtaken by the extraordinary situation of the Covid-19 outbreak. As a result, the WAO communicated to the public bodies that they audit that they have scaled down their work and are adopting alternative delivery approaches to ensure that audit does not in any way add to the huge pressures already faced by the public sector in Wales.
147. On 17 April the Wales Audit Office [announced](#) that they were changing their name to Audit Wales. This was being done in response to feedback from stakeholders, staff and the public in Wales, calling for them to improve the way they communicate. They wanted the WAO to be clearer, shorter and more accessible. They also said that the previous multiple identities cause confusion and so dilute impact.

Northern Ireland Audit Office

148. On 3 April the Controller and Auditor General of the NIAO, Keiran Donnelly CB, [published](#) a blog providing an update on work and priorities following the COVID-19 pandemic.
149. On 24 April the Chief Operations Officer of the NIAO, Pamela McCreedy, [shared her insights](#) from a public sector perspective on responding to the COVID-19 crisis with Níall Fitzgerald, Head of Ethics and Governance in Chartered Accountants Ireland, as part of the CAI Governance Webcast Series.

Conclusion

150. The Commission is invited to:
 - a) Consider and note this report.
 - b) In particular, in relation to paragraph 8, to endorse the proposed principles to help guide further dialogue between the Commission, Audit Scotland, government and audited bodies in relation to the conduct of the audit and of fulfilling the Commission's statutory responsibilities.

Paul Reilly
Secretary to the Accounts Commission
30 April 2020