
COVID-19 Public Inquiry

Auditor General for Scotland, Accounts Commission, Audit Scotland comments

1. The Auditor General for Scotland, the Accounts Commission and Audit Scotland welcome the opportunity to comment on the aims and principles of the Covid-19 public inquiry.

- The Auditor General for Scotland (AGS) is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the AGS, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament. Audit Scotland provides the Auditor General and the Accounts Commission with the services they need to carry out their duties.

2. We suggest the following broad areas, based on our audit work, that the inquiry may wish to consider:

- pandemic preparedness
- impact on equalities and human rights
- use of public money
- leadership and innovation.

3. Covid-19 has had a significant impact on every aspect of society in Scotland. It has affected individuals and communities, public services, and the economy. To combat the pandemic, support people's health, families, and livelihoods, and uphold the wider economy, the Scottish Government has been spending at unprecedented levels.

4. Public bodies have come under exceptional pressure and have faced unprecedented challenges as they managed the impact of the Covid-19 pandemic. Many decisions had to be taken quickly with the focus on getting money and support to where it is needed quickly. Difficult financial challenges and decisions lie ahead and will change over time as Scotland moves through the phases of its response to the pandemic.

5. Sound financial management and effective governance are more important than ever. Our audit work provides independent and objective evidence on the performance of public bodies and plays a key role in providing assurance that public money is spent properly and provides value. Public audit also has a key role in aiding scrutiny during these difficult circumstances.

6. How the Scottish Government and public bodies respond to the challenges of the pandemic is a key focus of our financial and performance audit work in the months and years ahead. We are committed to helping the Parliament, the public sector and the people of Scotland understand how public money has been used during the Covid-19 crisis. We are also committed to ensuring lessons are learned for the future and that our audit work contributes to the effective recovery and renewal of public services following the pandemic.

7. A public inquiry into Scotland's handling of the COVID-19 pandemic could seek to understand why certain decisions were taken and learn from what happened so that Scotland is better prepared for any future crises. In making our comments, we have drawn from the areas of focus in our [work programme](#) and what we have learned from completed audit work.¹ We hope the following insights are a helpful contribution when determining what the inquiry covers. As public auditors, we help ensure money is spent properly, efficiently, and effectively but we cannot comment on the merits of policy decisions.

Pandemic preparedness

8. Scotland's preparedness for the pandemic is a significant area of interest to the public. The Auditor General's report on the NHS in Scotland 2020 highlighted that the Scottish Government could have been better prepared.²

9. When Covid-19 first emerged, little was known about how it behaved and its spread. Scottish Government had no plan in place to manage this specific kind of outbreak, so its response was informed by the 2011 UK Influenza Pandemic Preparedness Strategy.

10. The Auditor General reported that the Scottish Government did not include an influenza pandemic as a standalone risk in its corporate or health and social care risk registers. This meant that there was not adequate corporate oversight of this risk, and it is unclear how it was being managed and monitored. The report recommended the Scottish Government publish updated national pandemic guidance for health and social care as a priority, the scope of which should not be limited to covering only an influenza pandemic.

11. The pandemic has amplified some long-standing challenges facing the public sector and exposed the lack of resilience in some services. For example, the AGS and the Accounts Commission had previously reported on the delays and inefficiencies in Scotland's criminal justice system.³ As a result, the courts were not well placed to respond to the unprecedented challenges of the pandemic and existing backlogs have been exacerbated.

¹ Audit Scotland's [Covid-19 e-hub](#) brings together the Covid-19 related reports produced so far, as well as other resources.

² [NHS in Scotland 2020](#), Audit Scotland, February 2021.

³ [An overview of Scotland's criminal justice system](#), Audit Scotland, September 2011.

12. While we cannot prevent outbreaks, the inquiry offers the opportunity to identify changes that need to happen to improve our preparedness for public health crises and help tackle future pandemics. This would also help Scotland improve resilience and be better prepared for other emergency situations that require urgent and coordinated action across public services and society.

13. The inquiry could draw further information on this area from evidence provided to the [Scottish Parliament Health and Sport Committee](#).

Impact on equalities and human rights

14. Many of our recent reports have highlighted that the burden of the pandemic has not fallen equally, with Scotland's most vulnerable citizens, minority ethnic groups and women suffering disproportionately. Inequalities have increased in areas such as health, deprivation, employment, housing, education, and digital access. How Scotland tackles inequality and protects human rights is a top priority for both the Auditor General for Scotland and the Accounts Commission.

15. The Accounts Commission's Local Government Overview highlighted that the disruption to services has had significant negative impacts on vital areas and on some client groups.⁴ These included carers who lacked access to respite care, people with learning disabilities who lacked access to important services and wider support, and school children, who experienced significant disruption to their education. Existing gender inequalities have been worsened by the pandemic. Women have been disproportionately affected by job disruption and their unpaid care workload has increased. The most vulnerable children in our communities have also been hugely impacted by the crisis and the number of children living in poverty is expected to increase. Many issues also emerged across social care during the pandemic, and long-standing challenges in the sector were exacerbated.

16. A key message in our report on digital progress in local government was that digital technology has become a lifeline during these challenging times, allowing the continued delivery of public services, often to the most vulnerable in society. Its use has also exposed the risk of digital exclusion.⁵

17. There is understandable public interest in the measures taken to protect our most vulnerable and how decisions affecting our communities were made during these challenging circumstances. The public inquiry provides the opportunity to establish the facts, ensure accountability, and learn from peoples' valuable experiences.

Use of public money

18. Another significant area of public concern is ensuring the proper and effective use of public money within the public sector.

⁴ [Local Government Overview](#), Accounts Commission, May 2021.

⁵ [Digital progress in local government](#), Accounts Commission, January 2021. More information about how digital technology is being used by public sector bodies is available on our [Digital e-hub](#).

19. An important part of our planned work is our [Following the Pandemic Pound](#) programme. This audit work will assess how much public bodies have spent on Covid-19, and on what. In the longer-term, we will assess what difference that spending is making to support people through the health and economic impact of the pandemic.

20. We have published various reports to date, including our recent [Tracking the implications of Covid-19 on Scotland's public finances](#). This highlighted that transparency is essential when decision making is happening in a fast-moving environment. The Scottish Government has allocated around £9.3 billion to support Covid-19 spending in 2020/21. It estimates its actual spend on Covid-19 in 2020/21 was at least £8.8 billion and anticipates it will spend at least £4.9 billion more in 2021/22. It is important that the public understands how and why decisions are taken and where public money is being directed.

21. Covid-19 has created significant uncertainty for many sectors of the economy. The national restrictions forced many industries to shut down completely, resulting in substantial job losses and reliance on the national furlough scheme. Our planned audit on Scotland's economy will analyse how business support funding has been deployed and how the Scottish Government plans to support economic recovery and renewal.

22. The inquiry could consider how decisions on spending public money were made, how they were communicated, and which groups were supported as there are valuable lessons to be learned from this aspect of the Scottish Government's response.

Leadership and building on innovation

23. Public bodies have demonstrated versatility and staff have worked under pressure to maintain key services for the people of Scotland during challenging times. The uncertainty brought by the pandemic was a significant challenge to decision-making for leaders. We have reported on positive examples of partnership working, public services adapting quickly in changing circumstances and innovative solutions. For example, Local Government's streamlining of bureaucratic processes so it could respond quickly and focus on maintaining service delivery and protecting communities. Similarly, staff across NHS Scotland adapted quickly by increasing intensive care capacity and using technology to treat patients. It is also apparent that Scotland's enterprise agencies worked quickly with VisitScotland and Creative Scotland to deliver additional grant funding for vulnerable Scottish SMEs and for tourism, hospitality and creative industry businesses affected by the pandemic.

24. There is a window of opportunity for enduring change - a big challenge for Scotland's public service leaders is to ensure they hold on to what worked well and build on this. By investigating public concerns, establishing the facts, and sharing knowledge about Scotland's response to the challenges presented by Covid-19, the inquiry can contribute to learning lessons for the future.