



The Scottish Parliament
Pàrlamaid na h-Alba

John-Paul Marks
Permanent Secretary
The Scottish Government

By email only

Public Audit Committee
Room T3.60
The Scottish Parliament
EDINBURGH
EH99 1SP

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23 March 2023

Dear Mr Marks,

The 2021/21 audit of the Scottish Government Consolidated Account and Scotland's public finances: challenges and risks briefing

Thank you for your recent oral evidence on the above section 22 report and briefing at the Public Audit Committee's [meeting on 23 February 2023](#). Following the evidence session, the Committee agreed to write to you with some additional questions relating to issues raised in the report and briefing.

Public sector reform

The Auditor General for Scotland's briefing states that in the past, delivery of public sector reform has not matched the Scottish Government's original ambition. The briefing highlights that it is vital that public sector reform is delivered effectively, and with public engagement, to deliver sustainable services that improve people's outcomes.

The Committee noted your evidence in relation to public sector reform and wishes to pursue its line of questioning on this issue further with the following specific questions—

- **How is public sector reform being linked to changing outcomes for people, and what data is being collected and used to support that analysis?**
- **How does the Scottish Government plan to achieve its targets around the size and costs of the public sector workforce, while maintaining capacity in public services?**
- **How the Scottish Government is progressing with its aim of reforming the public body landscape, that it committed to in its May 2022 Resource Spending Review?**

Corporate transformation

The Scottish Government 2021/22 consolidated accounts identifies the need to progress corporate transformation as an ‘urgent priority’. The section 22 report states that there is uncertainty over available funding to deliver the whole programme and no committed timeline for the project. The Committee asks that information is provided in relation to the following questions—

- **How much will the transformation programme cost and when it will be delivered?**
- **What are the latest cost and time estimates for the new HR and Finance systems that are to be introduced as part of the transformation programme?**
- **What assessment has the Scottish Government made in respect of the impact that any delays would have on its transformation programme?**
- **What plans does the Scottish Government have in place to help address the current financial challenges through corporate transformation?**

Follow up information from the meeting on 23 February 2023

During the meeting on 23 February, you also undertook to provide the Committee with further information in relation to the following points—

- an update on the Scottish Government’s planned future discussions with the UK Government regarding arrangements for auditing replacement European Union Structural Funds. (see column 5 of the Official Report)

- in relation to the discussion on transparency and outturn reports, the Committee would particularly welcome your views on how transparency can be improved to allow for better tracking of the Reserve position and to allow for comparisons between figures presented in the various reports. (see column 7 of the Official Report)
- in relation to the discussion on capital borrowing, the Committee would welcome any updates on borrowing plans that can be included in the regular reporting it receives on Major Capital Projects. (see column 12 of the Official Report)
- Cols 14/15, information on how much has been recovered from Covid-19 support payments that were a) fraudulent and b) made in error. (see columns 14/15 of the Official Report)
- whether the Scottish Government intends to conduct a value-for-money evaluation of its investment into Prestwick airport. (see column 30 of the Official Report)

I would be grateful if a response could be provided by **28 April 2023**.

Yours sincerely,

A handwritten signature in black ink that reads "Richard Leonard". The signature is written in a cursive, slightly slanted style.

**Richard Leonard MSP,
Convener**