LETTER FROM SIR JOHN ELVIDGE, FORMER PERMANENT SECRETARY, SCOTTISH GOVERNMENT TO THE CONVENER OF THE PUBLIC AUDIT COMMITTEE, 29 DECEMBER 2010.

INQUIRY INTO THE AUDITOR GENERAL FOR SCOTLAND REPORT – THE GATHERING 2009

Thank you for your letter of 7 December.

My letter to you of 17 November provides the basis for the answer to the Committee’s further question. The Capital City Fund was one specific mechanism suggested to me by Mr Inch at our meeting on 13 October 2009 as a potential means for the Scottish Government to convey funds to the Council in respect of The Gathering Ltd.

As I indicated in my letter of 17 November, I considered the issues of principle involved, from my Accountable Officer perspective, rather than issues of mechanics. As I note Lord Stephen identified in his relevant exchange with the First Minister during the Committee’s hearing on 1 December, an addition to the Capital City Fund would not have had the vital characteristic of the funding route offered to the Council, that it should meet the requirement that Scottish Government funding could only properly relate to the costs of a future repetition of the Gathering event.

The communications with the Council described in my letter of 17 November would have enabled the Council to understand that the funding option in respect of the costs of a future event put to them on behalf of the Scottish Government was exclusive of other funding options with a potentially wider application.

I hope that this is helpful to the Committee.

LETTER FROM THE CONVENER OF THE PUBLIC AUDIT COMMITTEE TO SIR JOHN ELVIDGE, FORMER PERMANENT SECRETARY, SCOTTISH GOVERNMENT, 7 DECEMBER 2010.

INQUIRY INTO THE AUDITOR GENERAL FOR SCOTLAND REPORT - THE GATHERING 2009

At its meeting on 1 December 2010, the Public Audit Committee took oral evidence from the First Minister and Michael Russell MSP, the Cabinet Secretary for Education on The Gathering 2009.

I attach the relevant weblink to the Official Report for that meeting: http://www.scottish.parliament.uk/s3/committees/publicAudit/or-10/pau10-2101.htm

At that meeting the Committee discussed with the First Minister the methods that the Scottish Government had considered to provide funding to the City of Edinburgh
Council (col 2359). In particular, the Committee sought clarification of whether the capital city fund was discussed as a mechanism by which the City of Edinburgh Council could receive an additional payment from the Scottish Government in recognition of their meeting the private sector liabilities of The Gathering 2009 Ltd. The First Minister confirmed in evidence that you would be best placed to respond to this query.

I would be grateful if you could confirm whether the capital city fund was considered by the Scottish Government as a mechanism to provide an additional payment to the City of Edinburgh Council in relation to The Gathering 2009 and if so, why this option was then rejected in favour of the offer for funding of a future Gathering event (made in the letter dated 12 November from Deborah Smith, acting Director, Scottish Government to Mr Jim Inch, The City of Edinburgh Council). It would also be helpful if you could confirm when the City of Edinburgh Council was informed that the capital city funding option had been rejected.

I have attached a web link to that letter below (it forms part of an FOI request by Mr Simon Johnson):

I would be grateful if you could respond to this letter no later than Wednesday 5 January 2011.

Our normal practice is to publish relevant evidence that is sent to us on our website and we may also include it in the hard copy of any committee report. Therefore, if you wish your evidence to be treated as confidential, or for your evidence to be published anonymously, please contact the Clerk to the Committee, before you submit your evidence. Further information on the publication of written submissions is contained in the enclosed policy on the treatment of written evidence by committees. Please take time to read this policy. We welcome written evidence in English, Gaelic or any other language.

Should you require any further information please do not hesitate to contact the Clerk to the Committee, Jane Williams on 0131 348 5390 or by email at pa.committee@scottish.parliament.uk.