

To All Leaders and Chief Executives
Copied to: Directors of Finance; External auditors

08 September 2025

Dear Leader and Chief Executive,

On 14 August, the Accounts Commission considered a report from the Controller of Audit (under powers in s102 (1) of the Local Government (Scotland) Act 1973) in relation to **the scrutiny, governance and transparency of decision making of exit packages of senior officers in Glasgow City Council**. The Controller highlighted issues and serious concerns on how decisions were made around these exit packages and set out the council's response. The Commission welcomed the actions of the new chief executive in commissioning an internal review, an independent investigation of these issues and reporting the outcome publicly. I look forward to discussing this matter further with the Glasgow City Council when we meet in the coming weeks.

In response to the Controller's report, the Commission considered carefully the most appropriate way to use the powers available to it, including holding a hearing, making recommendations to Scottish Ministers or censuring in light of the concerning issues presented in the report. On this occasion, [alongside publishing findings](#), it is vital that all councils take action to recognise the important learnings from this report. The Commission expects that this letter - also copied to Directors of Finance and external auditors - and the issues the report highlights, will be discussed by your audit and scrutiny committee. We expect that steps will be taken to review your Scheme of Delegation and decision-making processes.

The Commission recognises that as councils continue to face financial challenges, service redesign and restructuring are key tools available to councils to respond to these challenges. However, transparency and good governance around decision-making is essential. The decisions of elected members and officers should uphold the nine [Key Principles of Public Life in Scotland](#) – *selflessness, integrity, objectivity, accountability, openness, honesty, leadership, public services, respect*. Sadly, the Commission believes that the way in which the restructuring packages were dealt with in this case did not.

Where decisions around restructuring and exit packages are being taken, councils must ensure there is **clear evidence of effective governance, independent scrutiny, and value for money, as well as robust and transparent record keeping**. Lessons learnt are set out clearly in our report at paragraphs 46 - 48.

Concerningly, this recent report is not the first time that this issue has been considered by the Accounts Commission. In 1997 and 2003, reports were published on managing early retirement and their key messages are as relevant today as they were then, not only for decisions relating to early retirement packages but also to any senior officer exit packages. Below are five key recommendations from the 2003 report, adapted for today's context:

1. **Frameworks for decision-making:** policies in relation to the exit packages of senior officers should be approved by councillors and reviewed regularly.
2. **Informing councillors:** councillors should receive a report at least annually that details the number of early retirements, and redundancy decisions made in the year, along with the associated costs and savings attached to these decisions.
3. **Decision-making:** councils should rigorously appraise individual business cases to ensure the expected savings associated with a retirement or redundancy outweigh the costs, ensuring value for money.
4. **To improve accountability** and assist in monitoring, the costs of early retirement should be charged to the appropriate service budget.
5. **Elected members should be involved** in approving early retirement and redundancy decisions for senior staff, providing the independent scrutiny that is essential to issues and decisions where there are potential conflicts of interest.

I would urge all councils to take action now to ensure that all officers and members are familiar with the Key Principles of Public Life, and that you can evidence that your organisational culture respects and supports them fully.

If you have any questions or queries in relation to the report on Glasgow City Council or on any other aspect of the Commission's work, please do not hesitate to get in touch:
acsupport@audit-scotland.gov.uk

I look forward to engaging with you in the future.

Yours sincerely,

A handwritten signature in black ink that reads "Andrew Burns." The signature is written in a cursive, flowing style.

Andrew Burns
Deputy Chair, Accounts Commission