

Checklist for elected members

Local government in Scotland: Financial bulletin 2024/25



It is important that elected members understand the financial pressures facing councils and how they impact on service delivery and on future priorities. This checklist captures several questions for elected members to consider when assessing councils' financial sustainability. The questions relate to our Financial bulletin 2024/25 but also refer back to [other work we have produced in 2025](#).

It is designed to support you in scrutinising and understanding how well your council is working, exploring how well the council collaborates with other councils, communities and wider partners to change the way it delivers services within a very challenging financial context.

Questions to consider	What do I know?	Do I need to ask any further questions?
Savings and transformation plans		
<ul style="list-style-type: none">• Are savings reported comprehensively, including comparison to agreed targets and clarity on whether they are recurring or non-recurring?• How well does the council collaborate with partners (local, regional and across Scotland) and communities to change the way services are delivered in response to financial challenges?• Am I assured the council is clear about the financial challenges it faces, with suitable transformation activities needed to address financial pressures identified and under way?		

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<ul style="list-style-type: none"> • Are projects designed to deliver on transformation achieving their aims regarding performance, quality and cost? • Is income from fees and charges clearly reported with explanations on the impacts any increases will have on local citizens? How does fees and charges compare with those of other councils? 		

Financial planning and budget

- Is the impact of capital underspends, future borrowing, and use of financial flexibilities on council indebtedness and future revenue budgets clearly reported?
- Does my council understand the reasons for any capital underspends and are we taking appropriate action to prevent this?
- Are there services that are regularly accumulating overspends/underspends against budgets? How are these explained and what action needs to be taken to address underlying issues or review baseline budgets?

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Use of reserves		
<ul style="list-style-type: none"> • Do reserve policies explicitly set out the nature and timing of committed usable reserves, as well as the planned uncommitted balance? • How have reserves been used in recent years, eg for bridging funding gaps or transforming services? • What are the actions necessary to stay within our reserve policy in future years? 		
Financial reporting		
<ul style="list-style-type: none"> • Are financial monitoring reports to elected members focused on financial sustainability, with relevant indicators and clear public reporting? • How is my council using external indicators (eg, LGBF, CIPFA) on financial sustainability and how does performance compare with similar councils? • Does the management commentary of annual accounts provide a clear, fair and easily understandable view of the council's finances? • Is it clear how my council's expenditure is making a positive contribution to improving outcomes for communities? 		
Cont.		

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Level of council debt		
<ul style="list-style-type: none"> • What are the implications of current and future borrowing requirements for existing and forthcoming revenue budgets? • What share of the council's revenue budget is taken up with interest payments and debt repayment? • To what extent are movements in interest rates affecting debt repayments? • How is my council preparing for any PFI/PPP contracts that are due to expire? What impact will this have on the council's budget? 		