

Purpose

1. This regular report provides updates on notable recent activity relating to local government. Similar updates are provided through the Weekly Digest, sent to members by Audit Scotland's Communications Team and available via the [members' SharePoint site](#).

Recommendations

2. The Commission is invited to:
 - Note this report and consider any implications for its work programme
 - Agree the recommendations regarding responding to consultations.

Recent publications and engagement

3. Below are details of the media coverage, download statistics and social media engagement for publications issued recently by the Commission.
 - **Delivering for the future: why leadership matters – [briefing](#) and [blog](#) (11 July 2024)**
 - 190 views of the briefing and 300 of the blog; 2,450 views and 170 engagements (including 100 link clicks) on social media; Retweets from Improvement Service, Standards Commission, and the Chief Executive of Aberdeenshire Council.
 - Reproduced on [Scottish Housing News](#) website.
 - **[Blog: The important role of a CFO](#) (16 July 2024)**
 - Engagement: 220 pageviews; 3,550 views and 160 engagements (including 80 link clicks) on social media; Retweets from CIPFA, COSLA, Improvement Service and Jane O'Donnell – Chief Executive of COSLA (with a comment).
 - Reproduced on [Scottish Housing News](#) website.
 - **[Integration Joint Boards' Finance and performance 2024](#) (25 July 2024)**
 - Media coverage: [BBC News](#), [STV News](#), [The Times](#), [Holyrood](#), [The MJ](#) and various local media (online); [Herald](#), [Scotsman](#), [Scottish Daily Mail](#), [Scottish Sun](#), [The Times](#), [Courier](#), [Press and Journal](#) (print).
 - Broadcast media: [Interview with Angela Leitch](#) (from 36:00) on BBC Good Morning Scotland; [lead story on STV News](#) during Good Morning Britain.
 - Responses by [COSLA](#), [Royal College of Nursing](#), [Scottish Care](#) and political parties
 - 630 report downloads by 29 July; 20,000 views, 775 engagements (including 185 link clicks) and 3,500 views of Angela Leitch's summary video on social media.

- The report was widely shared and posted about on social media, and some notable individuals and organisations began following the Commission’s account on Twitter as a result (details were provided to members by email on 26 July).
 - For comparison, last year’s IJB report had 730 downloads in the whole of the first month after publication, and 264 social media engagements.
 - **Blog: Benchmarking and good public performance reporting matter (1 Aug 2024)**
 - *Published after this report was issued to members*
4. Quarterly download statistics for Commission publications are also provided, to supplement the usual monthly data. The figures covering the four quarterly periods up to and including June 2024 are provided in the Appendix.

Media and Parliamentary monitoring

5. The Accounts Commission was mentioned in the [Scottish Government debate on Investing in Scotland’s Public Services](#) on 13 June. Labour MSP Foyso Choudhury said:

“Issues of underfunding are seen in all our services. Ultimately, the public pay the price. That is clearest in local authorities. Last month, an Accounts Commission report found Scottish councils have a budget gap of more than £0.5 billion for the year 2024-25. That is staggering. It represents millions of pounds of cuts to essential services the public rely on every day – more charges for bins, parking charges, less money for social care and less money for pools or for schools.”

Neil Gray, Cabinet Secretary for NHS Recovery, Health and Social Care, later said:

“I recognise the challenges that exist across public services because of the decade and a half of austerity that we have faced, but the Accounts Commission has confirmed that, in the past year, this Government has passed on a real-terms increase to local government, in contrast with elsewhere in the UK.”

6. The Commission was mentioned in local news coverage (in the [Banffshire Advertiser](#) and [Forres Gazette](#)) of Moray Council’s approval of an action plan in order to save money and meet best value recommendations. The plan was agreed at a full council meeting on 11 June in response to the recent Best Value report.
7. Meanwhile, the Commission’s Best Value report on Orkney Islands Council was discussed by Orkney councillors on 2 July. [Local news coverage](#) focused on reaction to the report’s recommendations regarding the council’s approach to using reserves.
8. On 21 July, [the Sunday Times published an analysis](#) of the relative performance of public services in local authority areas across Scotland. The Accounts Commission was mentioned in relation to councils facing a forecast funding gap of £780 million by 2026/27, as stated in the Commission’s *Local government budgets 2024/25* report. The analysis was based on a small selection of indicators (10 in total) across health, education, crime and ‘community’ services, plus councils’ net revenue expenditure per person, with each category weighted according to a subjective judgement of importance, and scoring also adjusted for population size. East Renfrewshire was judged to be the ‘best’ council area, and Highland the ‘worst’.

Local government finance issues

9. Local government workers in waste and recycling services across 22 councils were (at the time of writing) set to go on strike after all three unions – GMB, Unison and Unite – rejected two offers from COSLA. Union members voted in favour of strike action over the initial offer, of a 2.2% rise backdated to April 2024 and a further 2% increase for a year from October. COSLA responded with a new offer – a 3.2% increase for April 2024 to March 2025 – but this was immediately rejected by each union.
10. COSLA said its second offer was “at the absolute limit of affordability” and above the level set in the Scottish Government’s public sector pay policy. There was no new funding for the offer, so councils would have had to fund it from current budgets. However, Unison said the new offer put “no more money on the table”, and called for COSLA to join unions in asking the Scottish Government to provide funding for a deal that addresses the cost-of-living crisis and “that the value of local government workers’ pay has fallen by 25% in the last 14 years.”
11. Unison later announced that its members in 14 councils would go on strike over a nine-day period from 14 to 22 August; GMB and Unite had not announced dates by the time this report was issued. Those developments came before more than 38,000 council workers in schools, early years and social care were also due to vote in a ballot over pay, which could lead to strike action in schools and other settings across Scotland in September.
12. The Scottish Government published the [Local Government 2023-24 Provisional Outturn and 2024-25 Budget Estimates](#). Net revenue expenditure on local authority services in 2023/24 was provisionally reported as £14,627 million – an 8.4% increase compared to 2022/23 – and budgeted as £15,005 million for 2024/25 – a further 2.6% rise. Education and Social Work account for around 80% of general fund net revenue expenditure. Capital expenditure was provisionally reported as £3,916 million in 2023/24, and budgeted as £5,174 million in 2024/25. The report anticipates a 71% increase in capital expenditure for education from 2023/24 to 2024/25, due to the rollout of the [Learning Estate Investment Programme](#).
13. A City of Edinburgh Council report has revealed that [the council is preparing to make cuts](#) of around £30 million in its budget for 2025/26, with the council facing an overall budget gap of £109 million by 2028. Councillors have approved plans for officials to consider “savings and efficiency initiatives, strategic investment opportunities and service transformation”, while the report warns “difficult decisions” will be needed, including prioritising statutory essential services and those that have the biggest impact or support the most vulnerable.
14. The [Scottish Government published its response](#) to the recommendations in the Scottish Local Authority Remuneration Committee (SLARC) [report on councillors’ remuneration and expenses](#). In its response, the Scottish Government said it accepts the pay and banding changes recommended by SLARC and will introduce regulations early in 2025 to put these into effect from 1 April 2025.
15. However, it said councils are responsible for paying councillors’ salaries and expenses from their annual budgets, and it is therefore for local government to fund the salary changes and increases associated with the recommendations. [COSLA expressed disappointment](#) at the delay in implementation and that no additional funding is being provided, stating that increasing the diversity of representation should be a shared priority.

Policy area updates

Health and social care

- 16.** [Analysis by the Herald](#) shows delayed discharges are at their highest level since records began in 2016. In the year to March 2024, a daily average of 1,820 beds were being used by people fit to be discharged, representing around one in ten occupied beds. The article attributes this to a fall in care home beds, the recruitment and retention crisis in home care, and the impact of funding cuts and inflation on Health and Social Care Partnership budgets, resulting in service cuts, fee increases and closures of council-run care homes.

Housing and homelessness

- 17.** As part of [The Herald's ongoing series](#) on homelessness and the housing emergency (*subscription needed to access articles*), it reported:
- [Councils across Scotland have spent a total of £720 million](#) on placing homeless families and children in temporary accommodation such as hotels and B&Bs over the last five years. The Herald contrasted this figure – which is derived from estimates based on council returns – with the £570 million real-terms cut to the Scottish Government's affordable housing budget over the last three years.
 - Criticism of the Scottish Government's [decision not to extend the Homelessness Prevention Fund](#), which provided financial assistance to households at risk of poverty as well as housing associations and social landlords.
 - Trade body Homes for Scotland's claim that the latest, £200 million budget cut for affordable housing has led to [work being stalled on around 5,000 new "high-quality" homes](#), of which more than 1,800 were affordable homes. The body says the SME homebuilding sector has reduced due to planning as well as funding challenges.
 - Concerns from Argyll & Bute Council that [a shortage of housing is driving depopulation in the area](#), especially among young people. Argyll & Bute has the highest level of second home ownership in Scotland, while research has found that most local people cannot afford an average-priced home.
- 18.** The Scottish Government-funded Scottish Empty Homes Partnership reported that it had helped to bring [1,875 long-term empty homes back into use](#) in 2023/24, the highest annual figure since it was established in 2010, bringing the total to just under 11,000 in that time. The SEHP report also highlights how a number of councils are increasing their commitment to bringing empty homes back into use by appointing extra officers, but notes that Moray Council is planning to discontinue its dedicated empty homes service this month.
- 19.** The South of Scotland Regional Economic Partnership has [launched a new Housing Plan](#) aimed at addressing the housing shortage in the region. The plan aims to increase the number of residents and workers in the region and encourage young people to stay and develop the construction industry. It includes supporting projects to increase construction skills provision, student and key worker accommodation, and innovative funding models.

Environment and climate change

- 20.** The Scottish Government is providing five councils more than £7 million of funding to five councils to improve the electric vehicle (EV) charging network. Funding for Aberdeen,

Aberdeenshire, Dundee, Highland and Moray was announced by Transport Scotland with the goal of encouraging private sector investment. Dundee City Council will receive £300,000 directly, while the others will form a partnership that receives £6.9 million.

21. The [Circular Economy \(Scotland\) Bill](#) was passed by the Scottish Parliament on 26 June. The Bill is aimed at increasing reuse and recycling rates, giving Scottish Ministers the powers to: set local recycling targets; set statutory targets for delivery of a circular economy; restrict the disposal of unsold consumer goods; place charges on single-use items; and give local authorities additional enforcement powers to crack down on fly-tipping and littering. [COSLA hailed its success](#) in negotiating the removal of financial sanctions for councils, and the addition of a joint programme to enable them to improve their recycling rates instead.

Education, children and young people

22. COSLA Leaders [agreed to seek a compromise](#) with the Scottish Government over conditions attached to £145.5 million of funding which Education Secretary Jenny Gilruth has said will only be distributed to councils which agree to maintain teacher numbers. COSLA said it recognises the role of teachers but investment is needed in wider support, therefore councils cannot sign a grant offer letter that restricts the use of funding and does not enable a holistic focus on improving outcomes.
23. The United Nations Convention on the Rights of the Child (UNRC) has been officially [incorporated into law in Scotland](#). Scotland's new UNCRC Act requires public authorities to protect children's human rights in their decision-making when delivering functions conferred by Acts of the Scottish Parliament. It aims to mainstream the participation of children and young people in decision making across society, and allows for children, young people and their representatives to use the courts to enforce their rights. The Scottish Government will publish statutory guidance to support authorities in fulfilling their duties under the Act.

Communities and infrastructure

24. A report presented to councillors in Glasgow has estimated that [the cost of dealing with the damage caused by child poverty](#) is between £823 million and £1,090 million a year, with between 24% and 34% of children currently living in poverty. City treasurer Cllr Ricky Bell said some private landlords "contribute to the poverty in this city and don't help it". The council has received £19.4 million from the Scottish Government Whole Family Wellbeing Fund to tackle the problem, but Cllr Bell said "austerity imposed from Westminster continues to crush many people in the city". The council is developing a new approach to child poverty that will involve reacting more quickly to tackle issues in specific areas.
25. A report from the Scottish Government-appointed Just Transition Commission has said the closure of the Grangemouth oil refinery is now ["the most likely outcome"](#). The Commission – set up to advise on protecting communities from the economic impact of tackling climate change – said that despite the closure being clearly foreseeable, there had been a lack of effective planning by the Scottish and UK Governments, and called for "an accelerated schedule of intensive work" and for the "retention of jobs and the local skills base on an intergenerational basis" to form the core of any transition programme for the town.
26. New figures published by the National Records of Scotland (NRS) have revealed that [net migration to Scotland doubled to 48,800](#) in the year to June 2022, up from 22,200 the previous year. The sharp increase took net migration to its highest level in a decade. The

NRS said the increase is likely to be the result of a substantial rise in the number of international students studying at universities in Scotland. A fall in student arrivals from EU countries was outweighed by an increase in students from countries outside the EU.

27. A [New Scots Refugee Integration Strategy Delivery Plan 2024-2026](#) has been published by the Scottish Government, COSLA and the Scottish Refugee Council. The Plan sets out the actions the three parties will take forward with partners to support the integration of refugees, people seeking asylum and other forced migrants within Scotland's communities. It includes commitments to work with employers to help them recruit refugees, identify ways to improve English language provision and ensure services are co-ordinated effectively.

Council leadership

28. A number of councillors in Scotland (at least 15) were elected as MPs for constituencies in Scotland at the UK General Election on 4 July. They include Chris Kane, the leader of Stirling Council, and Douglas McAllister, Provost of West Dunbartonshire Council (both Labour), as well as Graham Leadbitter, co-leader of the SNP group at Moray Council. It's not yet clear whether any of these three will retain or relinquish their council roles.

Scottish Parliament updates

Local Government, Housing and Planning (LGHP) Committee

29. The LGHP Committee has sent or received the following correspondence recently. Any updates of note regarding responses will be provided in the September report.
- [From Shona Robison](#), Cabinet Secretary for Finance, confirming that the Scottish Government and COSLA are working on a stocktake of the Verity House Agreement following the first year of implementation, which is due to be completed by the end of August and published in September. The letter also advises that work on a new Fiscal Framework will be progressed in advance of the 2025/26 Budget, and anticipates agreement on assurance and accountability arrangements in the autumn. The Committee also received an [almost identical update from COSLA](#).
 - To all council chief executives and other stakeholders, ahead of the Committee's upcoming inquiry into the housing emergency. The Committee asked all councils for information on dealing with void or unlettable properties and strategies for acquiring and buying back properties. The Committee also wrote specifically to councils which have declared a housing emergency, and to the Scottish Government, asking why they did so and what steps they are taking to respond.
 - To Paul McLennan, Minister for Housing, requesting confirmation of the Scottish Government's intentions regarding any changes to the Housing (Scotland) Bill, in light of the ending of the Bute House Agreement.
 - To Ivan McKee, Minister for Public Finance, requesting updates regarding the Local Governance Review including the Democracy Matters consultation, and the Scottish Government's review of the Community Empowerment Act.
 - To Ivan McKee, providing a summary of its [first annual review of National Planning Framework 4](#), highlighting issues including resourcing and capacity of planning departments and others, implications of the housing emergency, additional costs and complexity due to new requirements, and a need for more local place plans.

Other committees

- 30.** The Finance and Public Administration Committee has written to Paul McLennan, Minister for Housing, providing a [summary of issues raised](#) via its call for views on the financial memorandum for the Housing (Scotland) Bill. The Committee highlights concerns from stakeholders that costs associated with the Bill, particularly in relation to the homelessness prevention duties and rent control areas, have been significantly underestimated.

COSLA and Improvement Service updates

- 31.** The Improvement Service (IS) is proposing a new [national self-assessment scheme for Community Planning Partnerships \(CPPs\)](#). To support this, the IS has developed a checklist based on the [Public Service Improvement Framework](#) approach. The CPP Self-Assessment process will help CPP Boards ensure areas such as governance, accountability, leadership and performance management are fit for purpose. More than half of CPPs have previously undertaken self-assessments through the IS, but this new approach would be applied across Scotland, providing a national overview of areas that are working well and areas where improvements could be made nationwide.
- 32.** Meanwhile, the Improvement Service also published the following updates recently:
- [Community Planning Network event](#)
 - [Are you UNCRC ready?](#)
 - [New look tellmescotland portal launched](#)
 - [Shaping Places for Wellbeing Programme update](#)
 - [New Scottish Climate Intelligence Service website launched](#)
 - [National Planning Improvement Framework collaborative peer reviews](#)

LGiU and SPICe updates

- 33.** The Local Government Information Unit's (LGiU's) Local Democracy Research Centre has published a [detailed assessment of the system of local government finance in Scotland](#), chiefly authored by Dr Kevin Muldoon-Smith of Northumbria University. The report – *Constrained autonomy and uncertain viability in Scotland: Local government finance challenges in a new political landscape* – forms part of an extensive comparative study of how local government is funded in different countries, as part of ongoing work to develop new ideas and solutions to tackle long-standing problems. The Commission Support Team and Audit Scotland colleagues provided comment on an early draft of the report, and the *Local government in Scotland: Financial bulletin 2022/23* is referenced throughout.
- 34.** The LGiU also recently published the following briefings of relevance to Scotland:
- [What do the manifestos mean for local government?](#)
 - [Walk in my shoes: Understanding councils and the NHS working together](#)
 - [Addressing the challenges of child poverty in remote and rural areas](#)
 - [The impacts of poor housing on health outcomes](#)
 - [Empowering and supporting local authorities to deliver local economic development](#)
 - [A snapshot of local government economies in Scotland](#)
 - [Transformed by AI – what will generative AI mean for jobs and local government?](#)

35. The Scottish Parliament Information Centre (SPICe) recently published the following blogs of relevance to local government:
- New First Minister: [the process](#), [series of events](#), and the [statement on priorities](#)
 - National Performance Framework: [summary of latest data](#) and [insights from NPF review](#)
 - [Scotland's European Structural Funds – following the money](#)
 - [Scotland's housing emergency](#)
 - [The National Care Service Bill – the next chapter\(s\)](#)
 - [Health and social care: useful sources of information](#)
 - [Renewable energy map of Scotland](#)
 - [Climate change and Scottish Parliament committees](#) (further briefings added)
 - European Parliament elections: [does it matter after EU exit?](#), and [what happened](#)
 - UK General Election: [voting](#), [constituencies and candidates](#), and [outcomes](#)
 - [The King's Speech 2024: What it means for Scotland](#)

Consultations

36. The following joint responses to Scottish Parliament calls for views have been submitted by the Commission, Audit Scotland and the Auditor General. The text of each response was shared with members via email for information ahead of its submission.
- Housing (Scotland) Bill – [call for views](#); [our response](#)
 - Proposed National Outcomes – [call for views](#); [our response](#)
37. The responses are available above via SharePoint and [on the Audit Scotland website](#).
38. Meanwhile, a number of Scottish Government consultations and Scottish Parliament calls for views have recently been opened that have some relevance to the Commission's work. In each case, Audit Scotland colleagues have produced a proposal on whether and how to respond. Due to timescales and summer leave, these proposals have been considered and agreed to by the Policy Manager or Interim Secretary.
39. Below are updates and recommendations regarding recently-opened consultations.
- [Pre-Budget scrutiny: Financial Position of Integration Joint Boards](#) (*closing 20 August*)
A response is being prepared, to be submitted on behalf of the Accounts Commission. The response will use information from the 'Integration Joint Boards Finance and Performance 2024' report – to which the questions in the call for views are aligned.
Recommendation: The Commission is asked to agree to delegate responsibility for reviewing the draft response to the Chair and the sponsors of that report, and to delegate approval of the final version of the response to the Chair.
 - [National Care Service \(Scotland\) Bill \(Stage 2\) - draft amendments](#) (*closing 30 August*)
A draft response has been prepared and is available [on SharePoint](#). The response is to be submitted on behalf of the Accounts Commission and the Auditor General.
Recommendation: The Commission is asked to provide any comments on the [draft response](#) by Friday 9 August, and to agree to delegate approval of the final version of the response to the Chair.

- [Education \(Scotland\) Bill](#) (*closing 30 August*)
A response is being prepared, to be submitted on behalf of Audit Scotland (in line with a previous consultation on proposals for the Bill). The response will be approved by the Executive Director of PABV in conjunction with the Secretary to the Commission.
- [Post Legislative Scrutiny of Child Poverty \(Scotland\) Act 2017](#) (*closing 13 September*)
Audit Scotland colleagues have considered whether to respond and concluded that, although this is a relevant policy area, previous audit work does not address particular issues relevant to the Committee's questions, which are more subjective in nature. Therefore it is likely that no response will be submitted.

- 40.** Meanwhile, the Local Government, Housing and Planning Committee is also undertaking [Pre-Budget Scrutiny](#), focusing on the sustainability of local government finances, particularly around the funding of council infrastructure through debt, reserves and capital investment. Rather than issuing a broad call for views, the Committee has written directly to relevant stakeholders – including Audit Scotland and the Commission – inviting responses to specific questions by 23 August. However, instead of a written response, the Committee will take verbal evidence in private from Jo Armstrong, Derek Yule and PABV colleagues on 3 September, followed by a public evidence session on 24 September.
- 41.** The Policy Manager will advise verbally of any changes or updates regarding consultations.

Conclusion

- 42.** The Commission is invited to:
- Note this report and consider any implications for its work programme
 - Agree the recommendations regarding responding to consultations.

Appendix: Quarterly publication statistics, July 2023 to June 2024

The table below shows the number of downloads of reports, or page views of blogs and web content, for the last four quarters, for publications issued during that period.

Publication	Date	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	TOTAL
Local government budgets briefing	15 May				1,240	1,240
Best Value in Falkirk Council	2 May				426	426
Best Value in Moray Council	28 Mar			564	649	1,213
Best Value in Orkney Islands Council	30 Jan			393	168	561
How we hold LG to account (blog)	18 Jan			116	74	190
S102 Renfrewshire: Dargavel	18 Jan			638	156	794
Local Gov Financial Bulletin 2022/23	16 Jan			1,376	762	2,138
Best Value in Dumfries and Galloway	11 Jan			429	145	574
Social care sustainability (blog)	14 Dec		181	201	36	418
Best Value in Dundee City Council	30 Nov		338	230	149	717
Best Value in South Ayrshire Council	2 Nov		431	196	103	730
20 years of Best Value (blog)	26 Sep	105	134	48	39	326
Best Value in Scotland	26 Sep	242	537	402	281	1,462
Adult mental health	13 Sep	1,341	1,820	1,144	1,839	6,144
S102 Glasgow equal pay	24 Aug	155	211	449	173	988

*Quarterly figures of 500 or more highlighted in **bold***

Analysis

- The latest quarter saw far fewer publications than usual due to pre-election period restrictions; some publications were delayed until the following quarter.
- This year's Local Government Financial Bulletin had more downloads in each of the first two quarters than the previous edition did last year (1,699 by the end of June 2023). Meanwhile, the council budgets briefing also performed strongly.
- The Adult mental health report continued to see a very high number of downloads, with a particular spike in May (1,165) – this coincided with the Public Audit Committee-led debate on the subject in the Scottish Parliament chamber on 22 May.
- The Moray Council report also continued to receive a good level of attention, having only been published near the end of the previous quarter.