

Agenda

Thursday 8 August 2024, 10.00am
Audit Scotland offices, 102 West Port,
Edinburgh, and online via Microsoft Teams
512th meeting of the Accounts Commission

1. Apologies for absence
 2. Declaration of connections
 3. Order of business
The Chair seeks approval of business, including proposing taking items 10 to 14 in private for the reasons set out on the agenda.
-

Business requiring decisions in public

4. Minutes and matters arising from previous meetings Secretary
 5. Minutes and matters arising from May Committee meetings Secretary
-

Business for discussion in public

6. Renfrewshire Council – Dargavel – statutory follow-up report Controller of Audit
-

Business for information in public

7. Local government policy update report Policy Manager
 8. Chair's update Chair
-

Any other public business

9. Any other public business Chair
The Chair will advise if there is any other public business to be considered by the Commission.
-

Business for information in private

10. Controller of Audit's update Controller of Audit
-

Business for discussion in private

- 11. Renfrewshire Council – Dargavel – statutory follow-up report** Controller of Audit
[Item to be taken in private as it requires the Commission to consider actions in response to a statutory report.]
- 12. Alcohol and drug services performance audit draft report** Executive Director PABV
[Item to be taken in private as it requires the Commission to consider a draft publication in private before publishing.]
- 13. Local government financial bulletin 2023/24: scope** Executive Director PABV
[Item to be taken in private as it requires the Commission to consider confidential policy matters.]
-

Any other private business

- 14. Any other private business**
[Item may be required if there are any confidential matters that require to be discussed out with the public domain.]
-

Close of meeting

Minutes and matters arising from previous meeting – May 2024

Secretary to Accounts Commission

Item 4
Meeting date: 8 August 2024

Purpose

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the Commission along with a summary of matters arising from those minutes.

Recommendations

2. The Commission is asked to:
 - Approve the attached draft minute of its previous, May 2024 meeting.
 - Consider any matters arising from the draft minute.

Minutes

3. The minute of the previous meeting is in Appendix 1.
4. Members should note that the action tracker – available on the member SharePoint site and provided to members monthly – provides updates on progress from previous meetings.

Minutes

Thursday 9 May 2024, 09.45am

Audit Scotland offices, 102 West Port, Edinburgh, and

online via Microsoft Teams

510th meeting of the Accounts Commission

Present:

Jo Armstrong (Chair)

Malcolm Bell

Nichola Brown

Andrew Burns

Andrew Cowie

Carol Evans

Jennifer Henderson

Angela Leitch

Christine Lester

Ruth MacLeod

Mike Neilson (Virtual)

Derek Yule

In attendance:

Allan Campbell, Secretary to the Accounts Commission

Helena Gray, Controller of Audit

Antony Clark, Executive Director of Performance Audit and Best Value

Joe Chapman, Policy Manager to the Accounts Commission (item 5)

Joanna Mansell, Communications Adviser (items 5 and 13)

Kenneth Lawrie, Chair of the LGBF Board (item 7)

Emily Lynch, LGBF Programme Manager, Improvement Service (item 7)

Carol Calder, Audit Director, PABV (items 10 and 12)

Blyth Deans, Senior Manager, PABV (items 10 and 12)

Lucy Jones, Audit Manager, PABV (item 10)

Becki Lancaster, Senior Auditor, PABV (item 10)

Kenny Oliver, Executive Director, Innovation and Quality (I&Q) (item 11)

Gemma Diamond, Director of Innovation and Transformation, I&Q (item 11)

Michelle Borland, Head of Organisational Improvement, I&Q (item 11)

Fiona Mitchell-Knight, Audit Director, Audit Services (item 12)

Simon Ebbett, Communications Manager (item 13)

Owen Smith, Senior Manager, Audit Quality and Appointments (item 16)

John Gilchrist, Manager, Audit Quality and Appointments (item 16)

1. Apologies for absence

There were no apologies for absence noted.

2. Declaration of connections

There were no declarations of interest. Jennifer Henderson declared a connection to item 16 as the Chief Executive of an audited body, who completed the related survey. It was agreed the connection did not preclude Jennifer from participating in discussions.

3. Order of business

It was agreed that the following items be considered in private:

Items 8 to 17, as they required the Commission to consider confidential policy matters.

4. Minutes of meeting of 18 April 2024

The Commission considered a report by the Secretary presenting the minutes of the meeting of 18 April 2024, including a summary of matters arising from the minutes.

With no comments, the minutes of the meeting were approved as a correct record.

5. Local Government policy update report

The Commission considered a report by the Secretary to the Accounts Commission providing an update on significant recent activity relating to local government.

During discussion:

- The Secretary agreed to circulate the draft response to the Housing Bill consultation to members next week.

Action – Secretary

- Derek Yule discussed paragraph 9 and the issue of equal pay. Helena confirmed this is a long-standing issue in local government and is covered in the current audit issues report presented quarterly to the FAAC (Financial Audit and Assurance Committee) and will be presented later in the month.

Following discussion, the Commission noted the report.

6. Any other public business

The Chair, having advised that there was no business for this item, closed the public part of the meeting.

The Commission was informed of the death of former member Alan Campbell, who served as a member from January 2011 to December 2018. Members expressed their condolences to Alan's family and friends.

7. LGBF National Benchmarking Overview Report 2022/23

The Commission held a discussion on the Local Government Benchmarking Framework (LGBF) National Benchmarking Overview Report 2022/23 with Kenneth Lawrie, Chair of the LGBF Board & Emily Lynch, LGBF Programme Manager, Improvement Service. Kenneth and Emily gave a presentation before answering questions from members.

During discussion:

- Kenneth Lawrie discussed accountability and assurance and emphasised the three areas where improvement is needed – rationalisation, ring-fencing and proportionality of scrutiny. Additionally, Kenneth advised ring-fencing of funding is stifling local government’s ambitions of transforming.
- Emily highlighted the large volume of data that is collected, some 430 returns with millions of data points, on top of other statutory reporting and transparency requirements. She advised much of the data is not being used for any meaningful analysis and is a manual process and extremely resource-intensive.
- Emily confirmed the Data Platform project (3-5 year project) is in its discovery phase and will be entering phase 2 at the end of 2024.
- Antony Clark confirmed a forthcoming overview product will provide an independent commentary on the LGBF focus and the importance of data.
- Kenneth Lawrie acknowledged that many councils accept that their performance reporting may not be clear enough for both elected members and the public, and highlighted capacity related issues within councils to carry out proper analysis and extract meaningful.
- Mike Neilson highlighted the increased focus on self-evaluation in the revision of the SPI direction and Kenneth confirmed he would be keen to explore good examples of self-assessment with the Commission.
- Emily Lynch confirmed the Improvement Service is working in collaboration with ten councils to use a selection of LGBF data linked to local priorities as part of their performance management reporting to create their own local narrative.
- Kenneth Lawrie advised the Commission is often a more influential voice, given its independence, It was agreed overview reports are really helpful in terms of overall analysis from a neutral perspective, although it wasn’t sure whether these carried impact at government level.

Following discussion, the Commission noted the report.

8. Chair’s update report

The Commission considered an update by the Chair providing an update on recent and upcoming activity.

- The Chair provided an update on discussions at the Audit Scotland Board, Audit Committee and Remco specifically the issue of variance and performance and quality across Audit Scotland and external audit firms. Vicki Bibby provided reassurance around how AS is overseeing improvements through AQA.
- It was agreed that the Audit Scotland Board would have an early discussion with the Commission in late 2024, once a new Board Chair is in place to discuss the audit environment, ahead of the next Code of Audit Practice

- Jo Armstrong highlighted the current strain on capacity in Audit Scotland referencing the quantity and quality of work and requested members to consider this when/if seeking additional work from colleagues.
- The Chair discussed recent media training, mentioning how useful she found it, and advised this would be available to other members in the coming months.

Action – Commission Support Team

Following discussion, the Commission noted the update.

9. Controller of Audit's update report

The Commission considered a verbal update by the Controller of Audit on recent and upcoming activity, which included the following:

- Highlighted the upcoming attendance at a meeting with Scottish Government colleagues later in the month to discuss the Verity House Agreement and the monitoring and accountability framework.
- Discussed the previously flagged audits that are outstanding for 22/23 and provided reassurance that Helena is in close contact with the relevant appointed auditors. Additionally, Helena advised the likelihood of the outstanding BV reports for year 1 (West Dunbartonshire and Clackmannanshire) being completed is low and will follow up with the local government team on how these can be accommodated in the programme.
- Helena attended the Local Government Sector forum to support her update to the FAAC later in May and working on proposals for taking forward the current issues reporting in the future.
- Confirmed to members the update on statutory report on school accommodation in Dargavel will be presented at the June Commission meeting.

Following discussion, the Commission noted the update.

10. Council budget analysis: Draft output

The Commission considered a report by the Executive Director of PABV on the Council budget analysis: Draft output.

During discussion:

- Antony Clark introduced the paper and confirmed this output has evolved from a blog to a briefing as the work and scope have increased. Further it was confirmed the work program update due at the June Commission meeting will reconsider the sequencing of future overview outputs.
- Commission members Michael Neilson and Derek Yule thanked the audit team for the work on the briefing, confirming it had been a valuable process to get to this stage. Both placed emphasis on councils now delivering the savings identified in the balanced budgets and the need for greater transparency in the budget setting process for the public and what effects on services it will have.

- Members requested some further detail on the Highland Council's figures. The audit team advised the council had provided very clear figures in comparison to some other councils, so it was easier to understand their position fully.
- Members discussed the promotion plan for the work and agreed it should be pushed out to stakeholders and the public to promote transparency. It was confirmed Derek Yule would be the media lead.
- Members requested further thought be given to introducing the topic of Equality Impact Assessments (EIAs) to the key messages section due to the failure of some councils to carry them out as part of the budget setting process.

Action – Executive Director PABV

After discussion, the Commission noted the recommendations in the report.

11. Strategy and work programme: Impact monitoring and evaluation report

The Commission considered a report by the Executive Director of Innovation and Quality (I&Q) on the Strategy and work programme: Impact monitoring and evaluation

During discussion:

- Members agreed the report reflects that the audit work being carried out is having an impact. Additionally, the potential to see some trend analysis was raised and the team responded this will be possible after an initial period of time.
- In response to a query around paragraph 6 in the report around less recommendations focusing on financial sustainability/management Gemma Diamond confirmed auditor's feedback is that financial management is sound in audited bodies. Additionally, it was advised recommendations around financial sustainability need to be realistic and achievable rather than aspirational.
- Members highlighted the low level of Stakeholder feedback for performance audits and asked how further feedback could be achieved. Michelle Borland confirmed follow up plans to audits are now issued, as well as new guidance for audit recommendations which was issued last year.
- It was agreed the report would be published, to promote transparency that lessons are being learnt.

After discussion, the Commission noted the progress the team have made implementing the impact monitoring, evaluation and reporting framework.

12. Year 3 Best Value theme - Transformation

The Commission considered a report by the Controller of Audit on the Year 3 Best Value theme – Transformation.

During discussion:

- Helena advised members that Option 1 was the preferred choice and provided reassurance that whatever option is chosen there is a need to clearly define what is meant by ‘transformation’, to avoid getting drawn into the area of ‘efficiencies’.
- Angela Leitch stressed the focus should not just about the existence of transformation programmes, but transformation needs to transcend that, with changes in culture, across whole councils not just in a few specific areas, and demonstrating impact in terms of improved outcomes.
- Andy Cowie suggested the scope could be widened to consider the barriers to transformation and how they could be removed. It was agreed Helena, and the team would consider this and advised the Improvement Service has previously done some work in this area.

Action – Controller of Audit

- Members discussed the importance of the example requested to councils should be current and not past practice. Carol Calder advised the focus will be on current examples of transformation and will complement the next Local Government Overview report on the sectors response.
- Jennifer Henderson raised a query around learning from past transformation work where it potentially hasn’t worked well and how it would feature.

After discussion, the Commission agreed to progress with option 1 as outlined in the paper.

13. Accounts Commission Communications and Engagement Strategy 2024-28: draft

The Commission considered a report by the Communications Manager on the Accounts Commission Communications and Engagement Strategy 2024-28: draft.

During discussion, the following was highlighted:

- The Chair requested sight of the overall engagement plan that is discussed at the monthly communications operational group meeting.

Action – Communications Manager

- Ruth MacLeod agreed the outlined strategy included all the factors required to be considered as part of an overall communications and engagement strategy.
- Additionally, Ruth requested clarity over the balance between reactive, proactive and longer-term planning. Simon Ebbett and Joanna confirmed much consideration is given to each product and its desired impact and outcomes, using the Moray BV and Digital exclusion performance audit as recent examples where a proactive approach has been used to increase impact.

After discussion, the Commission agreed in principle to the communications and engagement strategy, subject to minor amendments.

14. Commission business risk management update

The Commission considered an update by the Secretary on risk management.

During discussion:

- Members welcomed the work done so far on the risk register and risk management approach and agreed further consideration should be given to the scores allocated.

Action – Secretary

- The Chair advised she was unsure about owning the risks as an individual as Chair, rather than a Commission as a whole. It was agreed consideration would be given to the allocations, and support for risk owners, before becoming operational.

Action - Secretary

- Members discussed the risk relating to the risk to the reputation of the Commission. It was agreed it would remain but would be reframed to make it more explicit that reputation referred to whether the public can have trust in the Accounts Commissions and its work.
- Mike Neilson discussed whether the AC11 could now be removed from the register. It was agreed it should remain on the register as it has not been a year since the PWF was implemented and can be considered a live risk. Following the planned review after one year of the PWF it was agreed this could be evaluated.

After discussion, the Commission agreed:

- The risk register should now become operational, subject to amendments.
- This should be presented quarterly with additional reporting by exception and deep dive at Strategy Seminars (business and audit risks) to consider new risks, risk appetite changes, etc.

15. Committees and governance

The Commission considered an update by the Secretary, Controller and Executive Director of Performance Audit and Best Value, on Committees and governance.

During discussion:

- Members supported the proposal to disband committees with the alternative governance and procedures outlined.
- In relation to the 'emerging messages' stage of a performance audit which is usually presented at a PAC meeting, Christine Lester advised she felt these could be valuable as a sponsor to get other Commission members input at that stage. Antony Clark outlined the extra resource that bringing emerging messages to the PAC can create on audit teams, and provided reassurance that the option remains open where sponsors feel it is necessary.
- Additionally, Andrew Cowie suggested papers presented are excellent but could be shorter which could reduce resources required.
- Members requested an overview of the annual cycle of Commission business following the changes outlined.

Action – Secretary

After discussion, the Commission accepted the proposals to disband the FAAC and PAC with a 6- and 12-month review to assess the changes.

16. Quality of Public Audit in Scotland: draft report

The Commission considered a report by the Senior Manager of Audit Quality and Appointments (AQA) on Quality of Public Audit in Scotland.

- During discussion, Owen Smith advised the low timeliness performance score for local government was in part due to the indicator is Yes/No question regarding whether the target date was met.
- Additionally, it was confirmed many were completed quickly after that, and timeliness has improved year-on-year; shortened timescales and year 1 of the audit appointments are also factors. It was advised plans are in place to recover but it will take time to return to pre-covid delivery.
- Owen discussed the need for review of audit work to be independent, and advised it is carried out ICAEW. It was advised there albeit there is no obligation for that review to be undertaken. ICAEW are not the only providers of the review, but they were chosen through a full procurement process. In addition to this Innovation & Quality also carry out hot and cold reviews internally.

After discussion, the Commission noted the report and its findings.

17. Any other private business

The Chair, having advised that there was no further business, closed the meeting.

Close of meeting

The meeting closed at 13.20.

Minutes and matters arising from previous meeting – June 2024

Secretary to Accounts Commission

Item 4
Meeting date: 8 August 2024

Purpose

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the Commission along with a summary of matters arising from those minutes.

Recommendations

2. The Commission is asked to:
 - Approve the attached draft minute of its previous, June 2024 meeting.
 - Consider any matters arising from the draft minute.

Minutes

3. The minute of the previous meeting is in Appendix 1.
4. Members should note that the action tracker – available on the member SharePoint site and provided to members monthly – provides updates on progress from previous meetings.

Minutes

Thursday 13 June 2024, 09.30am

Audit Scotland offices, 102 West Port, Edinburgh, and
online via Microsoft Teams

511th meeting of the Accounts Commission

Present:

Jo Armstrong (Chair)
Malcolm Bell
Nichola Brown
Andrew Burns
Carol Evans
Jennifer Henderson
Christine Lester (Virtual)
Ruth MacLeod
Mike Neilson
Derek Yule

Apologies:

Andrew Cowie
Angela Leitch

In attendance:

Helena Gray, Controller of Audit
Joe Chapman, Policy Manager
Antony Clark, Executive Director of Performance Audit and Best Value
Mark MacPherson, Audit Director, Performance Audit and Best Value
Gillian Simpson, Business Manager, Performance Audit and Best Value
Carol Calder, Audit Director, Performance Audit and Best Value (item 4)
Kathrine Sibbald, Senior Manager, Performance Audit and Best Value (item 4)
Zoe McGuire, Audit Manager, Performance Audit and Best Value (item 4)
Christopher Lewis, Senior Auditor, Performance Audit and Best Value (item 4)
Fiona Mitchell-Knight, Audit Director, Audit Services (item 5)
Blyth Deans, Audit Director, Performance Audit and Best Value (item 6)
Simon Ebbett, Communications Manager (item 9)
Martin Walker, Director of Corporate Support (item 11)

1. Apologies for absence

Apologies were noted for Andrew Cowie and Angela Leitch.

Christine Lester discussed the Commission's risk appetite to hold a public session after the agenda had been amended to a private only session due to the announcement of a general election. It was agreed this would be incorporated to the risk discussion at the September Strategy Seminar.

2. Declaration of connections

There were no declarations of interest.

3. Work Programme update – June 2024

The Commission considered a report by the Executive Director of Performance Audit and Best Value (PABV) providing an update on the Work Programme.

During discussion:

- Commission members and Audit Scotland colleagues thanked Mark Taylor and wished him well in retirement.
- It was agreed it was helpful for members to see the focus of the Auditor General's upcoming work as part of the Commission work programme updates.
- Commission members were content to approve receiving future audit scopes via correspondence following the cessation of Performance Audit Committee meetings.
- Members queried the performance audit outputs and how the Commission can be reassured the resources allocated are appropriate. Antony Clark advised the performance of teams is reported to the Audit Scotland Board and to the Commission via the Audit Scotland updates.
- It was agreed the scope of what is a blog, short audit or full audit will be discussed at the September strategy seminar.

Action – Executive Director PABV

- Members queried whether some of the work planned for the Auditor General, such as digital common platforms and the NHS & Social Care, might instead be joint audits as they are relevant to local government too. Antony Clark acknowledged the importance of the Scottish Government (SG) working closely with its various partners, in particular local government, in relation to digital and other matters. However, he reported that the planned focus of the AGS digital common platforms audit would be on how effectively the SG is investing in the digital architecture needed across the SG and its various departments, agencies and NDPBs to enable technology and data to form a central strand of the SG's public service reform agenda. In relation to NHS work he highlighted the Auditor General's specific responsibility for auditing the NHS in Scotland under the Public Finance and Accountability (Scotland) Act 2000 but highlighted the proposal to produce a joint report on community health and social care in place of the Commission-only IJBs report from 2025 which was to be discussed in the next agenda item. He noted that if this proposal were approved by the Commission, then the scope of this report could extend into commentary and judgement on relevant NHS-related issues by the AGS.

Following discussion, the Commission:

- noted the progress delivering the work programme from February to May 2024, and the planned products up to September 2024.
- agreed the changes proposed to the programme.

4. IJB finance and performance report 2024 - draft report

The Commission considered a report by the Executive Director of PABV on the IJB finance and performance report 2024 - draft report.

During discussion:

- The report sponsors, other Commission members and PABV colleagues agreed that the key messages and recommendations should be strengthened, reflecting more of the evidence and findings contained in the report – although because this is a Commission-only audit report (not a joint report with the AGS) the recommendations can only be specifically directed at local government.
- Members highlighted a need for clearer messaging around the need for a whole-system, preventative approach to reforming social care, and for the report to be clear not only about the extent of the issues raised but also what is needed to resolve them.
- Issues around IJB budgets were discussed, including the timing of budget-setting, reasons for underspends, and knock-on impacts on council (and NHS board) budgets; the role of primary care was also raised in discussion.
- Members welcomed the checklist of questions for IJB members produced alongside the report, which could help provide greater understanding of IJB members' role.
- Antony Clark advised that the report is expected to receive media coverage, and there is likely to be continuing engagement with various stakeholders after its publication; members suggested the report could be distributed through sector representative organisations to enable an even broader reach.

Following discussion, the Commission:

- Agreed to delegate to the sponsors, approval of required amendments resulting from its discussion and as a result of the updated core integration indicators data set.
- Approved publication of the three appended draft supplements with the report: stakeholder roundtable messages; checklist of questions for IJB members; performance summary of national outcome indicators.
- Agreed the communication strategy for the publication of the report.
- Agreed that this product becomes a joint report with the Auditor General from 2025.

5. Leadership of the development of new local strategic priorities

The Commission considered a draft briefing by the Controller of Audit on Leadership of the development of new local strategic priorities.

During discussion:

- Helena Gray explained the two sections at the end of the draft briefing will be turned into exhibits, which are likely to be a focus for councils and the Improvement Service.
- Helena said the briefing is consciously kept short, as shorter Best Value reports have been well received; a case study supplement had been considered but it was felt it would add little value due to the breadth of the issues.

- Helena explained that where the report refers to ‘many’ or ‘most’ councils, this is because it is based only on where auditors noted the relevant issue; Helena suggested that footnotes could be added to explain this.

Action – Controller of Audit

- Members discussed related issues including the extent to which council priorities relate to issues such as inequalities and climate change, and whether councils are making sufficient investment in developing good leaders. It was noted that these issues could be covered further in future Commission publications.

Following discussion, the Commission:

- Agreed the title of the briefing would be adapted to be in line with the draft blog.
- Agreed that Malcolm Bell would be the assigned author of the blog.
- Approved the proposed publication arrangements.

6. Commission approach to hearings

The Commission considered an update by the Policy Manager, Executive Director of PABV and the Controller of Audit on Commission approach to hearings.

During discussion:

- Helena Gray and Antony Clark provided an outline of the process of a Commission hearing and advised the issue of resources should not be a deciding factor in any decision to hold, or not hold, a hearing.
- It was agreed the paper provides a useful basis for assisting in future decisions however decisions should be made on a case-by-case basis.
- Members shared reflections and experiences on previous occasions when the Commission has held hearings, and the wider impact they had.
- Members discussed the Commission’s risk appetite in relation to hearings, and if not now, when they will be used, considering the wider landscape of public scrutiny.
- It was noted that the Commission has a range of other means of ‘enforcement’ and other engagement with local authorities.

Following discussion, the Commission:

- Agreed an ‘Intervention Strategy’ should be developed – later in 2024, involving the new Secretary – to assist in decision making when considering what action the Commission should take. This would include looking at exactly what powers the Commission has under relevant legislation.

Action – Policy Manager

7. Controller of Audit's update report

The Commission considered a verbal update by the Controller of Audit on recent and upcoming activity, which included the following:

- Helena Gray advised she had joined COSLA and Scottish Government officials for a discussion on the Accountability and Assurance framework for the Verity House Agreement. Helena advised COSLA of the Commission's upcoming revised SPI Direction and signposted the upcoming separate discussion with them as part of the ongoing informal consultation.
- Helena advised Commission members that the Annual Audits for Clackmannanshire and West Dunbartonshire remain outstanding. Both were due a Best Value report earlier this year and Helena remains in close contact with the auditors.
- An update was provided on the news that an employee of Aberdeen City Council has been prosecuted for fraud relating to Council Tax overpayments. Auditors were aware but the issue has been treated in the strictest of confidence up until now. The Aberdeen City Council Annual audit is due to be signed later this month and the expectation is that there will be a statutory report on the issue this Autumn.
- Helena provided an update on the Dargavel School accommodation report that will now be presented at the August Commission meeting. Helena advised the work has gone through the factual accuracy checks with the council and will be updated ahead of the August meeting to reflect an updated position where appropriate.
- Helena highlighted that local authorities in Scotland have a statutory duty to publish their unaudited accounts by 17th June and she would report back to members if any councils do not meet the deadline.

Following discussion, the Commission noted the update.

8. Chair's update report

The Commission considered an update by the Chair on recent and upcoming activity.

- Jo Armstrong provided an update from the recent Best Value follow up meeting with Moray Council. The Chair asked the Controller of Audit to monitor the situation and progress and highlight to the Commission if the timeline for improvement slips.
- It was agreed the Strategy Seminar in September would provide an ideal opportunity to take a step back and re-evaluate the work programme with PABV colleagues.
- Jo noted that Shona Robison has assumed Ministerial responsibility for local government, and she is likely to attend a discussion with members in the autumn.

Following discussion, the Commission noted the update.

9. Accounts Commission Annual report – draft report

The Commission considered its draft Annual Report, presented by the Policy Manager and Communications Manager.

During discussion:

- Joe Chapman requested members respond with any changes to the members' bio section of the report by 21 June.
- It was agreed a link to what the Commission costs could be added to the report.

Following discussion, the Commission:

- Approved the draft Annual Report 2023-24, subject to amendments.
- Agreed to provide information for the 'Our members' section of the report by 21 June.
- Approved the proposed publication arrangements.

10. Commission meeting arrangements

The Commission considered a report by the Policy Manager on Commission meeting arrangements.

During discussion:

- A correction to the paper was noted, for the date of the February 2025 meeting – 6 February, rather than 8 February.
- It was noted that the Commission remains keen to continue to explore options for holding Commission meetings outside of Edinburgh and outside of the central belt.

Following discussion, the Commission:

- Approved the proposed schedule and arrangements for meetings of the Commission and its Strategy Seminars in 2025.

11. Audit Scotland update – Q4

The Commission considered a report by the Director of Corporate Support on the Audit Scotland update – Q4.

During discussion:

- Martin Walker advised it was expected audit delivery would be back on track by 2027, and that interim audit delivery targets were being met. It was agreed these interim targets would be shared with the Commission.

Action – Director of Corporate Support

- Martin Walker reassured the Commission that the focus was on audit quality rather than timeliness.
- Audit capacity in external firms was discussed and Martin Walker advised the AQA team, Auditor General for Scotland and the Chief Operating Officer of Audit Scotland are in discussions with firms around capacity and audit delivery. Additionally, it was noted there is a challenge around audited body's capacity.

Following discussion, the Commission noted the update.

12. Any other private business

The Chair, having advised that there was no further business, closed the meeting.

Close of meeting

The meeting closed at 12.55.

Minutes and matters arising from May Committee meetings

Secretary to the Accounts Commission

Item 5
Meeting date: 8 August 2024

Purpose

1. This paper is presented for the Commission to formally approve the draft minutes of the previous meeting of the committees.

Recommendations

2. The Commission is asked to:
 - Approve the attached draft minutes of its most recent Committee meetings.
 - Consider any matters arising from the draft minutes.

Minutes

Financial Audit and Assurance
Committee
Thursday 23 May 2024, 9.30am
Online via Microsoft Teams

Present:

Jo Armstrong (Chair)
Carol Evans
Mike Neilson
Derek Yule
Nichola Brown

Apologies:

Andy Cowie
Antony Clark, Executive Director of Performance Audit and Best Value (PABV)

In attendance:

Allan Campbell, Secretary to the Accounts Commission
Helena Gray, Controller of Audit
Angela Leitch, Accounts Commission member
John Boyd, Audit Director, Audit Services Group (ASG) (Item 4)
Joe Chapman, Policy Manager to the Accounts Commission
Rebecca Smallwood, Correspondence Manager, PABV
Andrew Burns, Deputy Chair, Accounts Commission

1. Apologies for absence

Andy Cowie sent apologies.

2. Declaration of connections or conflict

No connections or conflicts were declared.

3. Minutes of meeting of 22 February 2024

The minutes of the meeting of 22 February 2024 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. Current audit issues in councils

The Committee considered a report by the Controller of Audit providing a summary of emerging issues and recurring themes across local authorities in Scotland.

During discussion, the Committee discussed the following:

- Members agreed the new streamlined format for the report was beneficial and easy to digest.
- Helena discussed plans for the current audit issues in councils reporting. It was agreed the Controller will continue to collect information from audit teams and will report issues through her regular updates presented to the full Commission, reassuring members that intelligence won't be lost, just reported in a different way
- Helena advised members on the long-running issue of equal pay for several councils and provided reassurance that it is being closely monitored in audit work.
- Members were reassured by information about capacity and capability of finance teams but keen to monitor closely and would support a Controller of Audit blog on this issue in light of wider financial sustainability concerns and the oversight mechanisms in place.

Action – Controller of Audit

- Helena and John agreed to investigate gathering information about how any money generated from pension funds is being incorporated into council budgets and the extent to which that is being used to support longer term goals vs balancing budgets in the short term. John Boyd advised there is no current plan to specifically look at actions councils are taking but the wider issue of its impact on financial sustainability is on the radar.

Action – Controller of Audit & ASG Audit Director

- Helena confirmed she is working with audit teams to strengthen the AARR so that it provides an easily accessible oversight of audit risks across councils from a range of sources, including AARs, budget data gathering and current issues to inform future strategy seminar discussions on the work programme.
- Helena confirmed she is in regular contact with the auditor for Western Isles Council on both the AAR and the lessons learnt from the recent cyber-attack.

Following discussion, the Committee noted the report.

5. Intelligence report

The Committee considered a paper by the Secretary to the Accounts Commission.

During discussion:

- Members raised a query in relation to concerns outside of the Commission's remit or where the Commission can't act or respond. Rebecca Smallwood advised circumstances of ways in which concerns are outside of our remit – some may very clearly not be related to the Commission. Additionally, it was advised these concerns are signposted to the where they can get assistance.
- Helena explained how information is reported internally on a weekly basis to Audit Scotland's Leadership Group and how she acts on it in terms of how the intelligence is

reported and identification either of emerging themes or recurring issues with specific councils and then picked up with appointed auditors if required.

- Members agreed that the report doesn't necessarily need to be presented to committee or at full commission and could be presented by correspondence – the key is to ensure that issues raised are incorporated within broader intelligence and audit issues reporting.

Action – Commission support team

Following discussion, the Committee noted the report.

6. Any other business

The Chair, having advised that there was no business for this item, closed the meeting.

7. Close of meeting

The meeting finished at 11:05 am.

Minutes

Performance Audit Committee

Thursday 23 May 2024,

10.30 am

Online via Microsoft Teams

Present:

Andrew Burns (Chair)

Angela Leitch

Jennifer Henderson

Jo Armstrong

Ruth MacLeod

Apologies:

Apologies were received for the following:

Christine Lester

Malcolm Bell

Antony Clark, Executive Director of Performance Audit and Best Value (PABV)

In attendance:

Allan Campbell, Secretary to the Accounts Commission

Helena Gray, Controller of Audit

James Troy, Audit Officer, PABV

Joe Chapman, Policy Manager to the Accounts Commission

Jack Nixon, Executive Assistant to the Accounts Commission

Carol Evans, Accounts Commission member

Ray Buist, Audit Manager, Performance Audit and Best Value (PABV)

Mark McCabe, Audit Manager, Performance Audit and Best Value (PABV)

Mark MacPherson, Audit Director, Performance Audit and Best Value (PABV)

Fiona Brannigan, Senior Auditor, Performance Audit and Best Value (PABV)

Hannah Ashwell, Audit Officer, Performance Audit and Best Value (PABV)

Rebecca Seidel, Senior Manager, Performance Audit and Best Value (PABV)

Jillian Matthew, Senior Manager, Performance Audit and Best Value (PABV)

Ciaran Morrison, Auditor, Performance Audit and Best Value (PABV)

Tricia Meldrum, Senior Manager, Performance Audit and Best Value (PABV)

Joanna Mansell, Communications advisor, CSG

Douglas Black, Audit Manager, Performance Audit and Best Value (PABV)

1. Apologies for absence

Apologies were received for Christine Lester and Malcolm Bell.

2. Declaration of connections or conflict

Carol Evans declared a connection to item 5 as a Board member for SEPA. It was agreed Carol could remain in the meeting for the item but not participate in the discussion.

Helena Gray (Controller of Audit) declared a connection as former Deputy Director for Climate Change, Scottish Government. It was agreed Helena could remain in the meeting for the item but not participate in the discussion.

There were no further declarations of connections of conflict.

3. Minutes of meeting of 22 February 2024

The minutes of the meeting of 22 February 2024 were noted, the Commission having previously approved them as a correct record and agreed the recommendations therein.

4. Emerging messages – Alcohol and drug services performance audit

The Committee considered Emerging messages – Alcohol and drug services performance audit.

During discussion, the Committee discussed the following:

Carol Evans asked if prevention and root causes of drug and alcohol issues, the role of people's living environment, use of substitutes, and minimum unit pricing, would be covered in more detail in the report. Jillian Matthew confirmed the scope of the audit and confirmed the issues raised would be covered to some extent in the report. Further Jillian detailed that it can be difficult to measure how much is spent on prevention and its impact.

Members queried the recent downward trend shown in charts on slide 6 and enquired about the sustainability of programs beyond end of funding. Ray Buist recognised the concern about what may happen after the National Mission comes to an end in 2026. Ray advised the graph on slide 6 covers up to 2022 which is when statistics showed a decrease, but it estimated figures indicate that drug-related deaths are likely to increase and confirmed the report will allow space for commentary explaining these trends.

Additionally, Ray confirmed the Scottish Government is now considering what comes next, and is focused on investing in harm reduction measures, more than prevention measures, because that is where there is the most urgent need. Similar uncertainty currently about funding arrangements between Corra and Alcohol and Drug Partnerships.

Members discussed what the Scottish Government's expected to achieve from its investment and to what extent that has been achieved as analysis will inform future decisions and assess value for money. Jillian detailed that there is a lack of clarity about evaluation of outcomes with only some basic measures of outputs and confirmed the Scottish Government is looking to improve this.

Angela queried whether and how audit work captures views and experience of people being unable to access services, or who don't know what support is available. Members also commented on the disparate nature of funding and policies and the lack of transparency around funding between ADP and Cora, for example. The Audit team acknowledged the commonality of the issue across audits. It was confirmed that it is difficult to really measure the amount of people who can't access services but provided reassurance that ADPs are doing work in encouraging individuals to present to services and offering a 'no wrong door' approach.

Ray advised the evidence on the relationship between ADPs and Cora was generally positive as the primary source of local 3rd sector funding. However, it was acknowledged

that there could be an improvement in the nature of the funding and what is allocated to once distributed.

Following discussion, the Committee noted the report.

5. Performance audit: Building flood resilience in communities - scope

The Committee considered Performance audit: Building flood resilience in communities - scope.

During discussion, the Committee discussed the following:

Mark MacPherson introduced the report, explaining that a once potentially wide scope has been focused in on flood resilience as an area where investment can have substantial impact.

Members discussed whether consideration of how public bodies are working together on this issue goes far enough, given the role of private bodies and landowners, and whether public bodies are doing enough to work with and influence them. The audit team highlighted that one of the four policy areas is land use, albeit it will be a lighter-touch area than others, so public bodies' engagement with stakeholders including private landowners would be a consideration as part of this work.

Additionally, members were reassured that the extent to which flood vulnerability and resilience features in land use policies, strategies and actions will be considered as part of the land use aspect of the audit

Following discussion, the Committee approved the flyer and I&I matrix for a performance audit on building flood resilience in communities.

6. Additional support for learning – proposed approach

The Committee considered Additional support for learning – proposed approach.

During discussion, the Committee discussed the following:

Mark MacPherson introduced the paper, detailing the long-standing commitment to this policy area, and noted that Carol Evans and Ruth MacLeod are sponsors for the report.

Mark advised that the Education, Children and Young People Committee published its report last week, sooner than expected, and the audit team is comfortable to continue with its current approach (including the output being a detailed briefing rather than a full performance audit report) – there had been an intention to pause some aspects pending the Committee report; the announcement of the election is now another consideration.

Members discussed the trend of increasing numbers of requests for placement in special schools and reflected on possible reasons for or messages within this. The audit team advised that future audit work may investigate trends in demand, related factors, who is involved in making decisions about provision of additional support and variations between different council areas may also be considered.

Following discussion, the Committee:

- Agreed to delegated authority for the sponsors to agree the final scope and publication type with the AGS by the end of June 2024. This would avoid PABV waiting for a decision by the Commission at its next meeting, on 22 August 2024, which would delay the work further.
- Approved the recommendations outlined in the paper.

7. Any other business

Andrew Burns passed on the Committees thanks to Chritine Lester for her Chairing of the PAC over the recent period.

With no other business it was noted this was the final FAAC and PAC meetings following a review of Commission business.

8. Close of meeting

The meeting finished at 11.30am.

Purpose

1. The purpose of this paper is to introduce the Controller of Audit's update report on School accommodation for Dargavel Village, produced following the Commission's consideration of the previous section 102 report in January 2024. The paper also provides background and procedural information to assist the Commission in its consideration of the report.

Recommendations

2. The Commission is invited to:
 - Consider the Controller of Audit's report
 - Approve the proposed publication arrangements
 - Decide how it wishes to proceed.

Background

3. The 2022/23 annual audit report for Renfrewshire Council was published in January 2024. The appointed auditor (Azets) issued an unqualified opinion on the accounts.
4. In June 2023, the Council received the findings of the [Independent Review of the Council's assessment of the demand for education for Dargavel Village, secured in Section 75 Agreements with BAE Systems](#), by David Bowles. Mr Bowles is a former local government Director and Chief Executive. The Bowles report highlights significant failings in leadership and risk management, and a disregard of concerns expressed by the local community. The Council has accepted the recommendations of the report in full and has issued an apology to the local community.
5. The Controller of Audit decided to use the reporting powers available to her under section 102(1) of the Local Government (Scotland) Act 1973 to bring this issue, and the action the council is now taking in response to the Bowles report, to the Commission's attention.
6. At its meeting in January 2024, the Commission considered the Controller of Audit's report and [published its findings on 18 January 2024](#). As part of its findings, the Commission requested an update from the Controller no later than June 2024, on progress on the issues raised, specifically:
 - the council's review of its approach to community engagement
 - its approach to consultation on the additional primary school at Dargavel, and other decisions on the school estate

- the council's work on understanding the wider service impacts on the failings regarding school capacity
 - the council's reviews of scrutiny and risk management, and its leadership development programme
 - the process followed and factors taken into account by the council in considering disciplinary action against senior staff, and its approach and policy on performance management and accountability.
7. The Commission also agreed to bring forward Renfrewshire's Best Value report to December 2024, and reserved the right to hold a public hearing on this and related matters if members were not satisfied with the updates on the council's progress.
 8. On 22 May 2024, a UK General Election was called for 4 July. In line with official guidance, Audit Scotland and the Accounts Commission did not undertake any public activities or publish any reports during the pre-election period, which began on 25 May. As a result, this report was deferred to the Commission's August meeting.

The Controller of Audit's report

9. The Controller of Audit's report provides further information and updates on the five specific areas highlighted by the Commission.
10. Just like the original report, this report is made by the Controller of Audit to the Commission under section 102(1) of the Local Government (Scotland) Act 1973 (as amended by subsequent legislation including the Local Government in Scotland Act 2003).
11. The legislation enables the Controller of Audit to make reports to the Commission with respect to:
 - the accounts of local authorities audited under the Act;
 - any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
 - the performance by a local authority of their statutory duties in relation to best value and community planning.
12. A copy of the report was sent to Renfrewshire Council on 31 July 2024 by the Controller of Audit (the same day it was issued to Accounts Commission members). The council has been advised that it is obliged to supply a copy to each member of the council and to make additional copies available for public inspection. Once the Controller of Audit's report is sent to the Council it is effectively in the public domain.

Procedure

13. The Commission will note that this report is made under the same legislation as the recent reports on best value and the previous report on Renfrewshire. The process outlined below is therefore the same.
14. The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:

- direct the Controller of Audit to carry out further investigations
 - hold a hearing
 - state its findings.
- 15.** Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make an enforcement direction requiring an authority to take such action as is specified in the direction.
- 16.** Members of the audit team will be present at the Commission’s meeting and will be available to answer questions on the evidence and judgements presented in the report. This is done in the public part of the Commission meeting.
- 17.** The Commission is then expected to consider in private how it wishes to proceed. Subsequently, the Commission is obliged by statute to inform the Council of its decision, which the Commission does before making the decision public.
- 18.** If the Commission decides to make findings, the council is required by statute to do the following (and did so for the January report):
- consider the findings of the Commission within three months of receiving them
 - publish in a newspaper circulating in the local area a notice stating the time and place of the meeting, indicating that it is to be held to consider the findings of the Commission and describing the nature of those findings (at least seven days before the meeting)
 - after the council has met:
 - notify the Commission of any decisions made
 - publish in a newspaper circulating in the local area a notice containing a summary, approved by the Commission, of the Council’s decision.
- 19.** The Commission asks the council for a meeting, preferably in the period between the Commission publishing findings and the council considering them, to do the following:
- for Commission members to hear what the council thinks of their findings
 - to discuss what the council will do with the findings
 - to confirm any next steps
 - to review the audit process.
- 20.** The Commission visited Renfrewshire Council for a meeting, following its January report, but before the matter was considered by the full council.
- 21.** If the Commission decides to hold a hearing, arrangements and processes are largely down to the Commission to decide. Hearings are rare (the last was in 2010). As noted above, the Commission could make findings and then hold a hearing (actions can be taken in “any order”). But it would be more likely to hold a hearing to inform findings. The circumstances in which the Commission might wish to hold a formal hearing are likely to include:

- where the Commission has serious concerns about the performance of a council as demonstrated in the audit report
- where the Commission considers that its findings would be better informed by hearing directly from the local community and the Council
- where there is a strong difference of opinion between the Controller of Audit and the council.

Publication arrangements

22. The issue of Dargavel school, and the Commission's January report, have been high profile in local and national media. Whether or not the Commission chooses to make findings, and irrespective of whether it decides to hold a hearing, the Controller's report will be published soon after the meeting. This will be accompanied by the usual news release and media activity.

Conclusion

23. The Commission is invited to:

- consider the Controller of Audit's update report on School accommodation for Dargavel Village
- approve the proposed publication arrangements
- decide in private how it wishes to proceed.

Renfrewshire Council

Statutory follow-up report

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Introduction

Background

1. In June 2023 Renfrewshire Council received the findings of an independent report (the Bowles report) that highlighted significant historic failings of leadership, oversight and risk management in relation to the provision of school accommodation for Dargavel Village. The council accepted the findings in full and apologised to the local community for the errors made. In January 2024, I reported to the Accounts Commission on the actions taken by the council to respond to the issues identified in the Bowles report.

2. The Commission asked me to report back by June 2024 on progress with the issues raised in the Commission's findings. Following the announcement of the UK general election on 4 July 2024, reporting was delayed to August 2024 due to restrictions on the publication of reports during the pre-election period. Specifically, the Commission asked that I seek further information and updates from the council on the following:

- the council's review of its approach to community engagement
- its approach to consultation on the additional primary school at Dargavel, and other decisions on the school estate
- the council's work on understanding the wider service impacts on the failings regarding school capacity
- the council's reviews of scrutiny and risk management, and its leadership development programme
- the process followed and factors taken into account by the council in considering disciplinary action against senior staff, and its approach and policy on performance management and accountability.

3. The council's appointed auditor has carried out additional work to gather information and assess progress to date in relation to the five areas of interest identified by the Commission.

4. I submit this follow-up report under section 102(1) of the Local Government (Scotland) Act 1973 as a matter that the Controller of Audit considers should be brought to the attention of the Accounts Commission for Scotland.

5. The auditor will provide a further update on progress with some of these issues in the annual audit report, due to be published in September 2024, and the Best Value report, which has been brought forward from 2027 to December 2024.

Update on progress

Community engagement

6. In my previous report I reported that the council recognises the significant challenges it faces to rebuild the trust and confidence of local communities. In its findings, the Commission asked me to undertake further audit work to enable me to update the Commission on recent actions taken by the council to improve its consultation and engagement with communities over its planned new primary school at Dargavel and planned extension at Park Mains High School. I was also asked to update the Commission on the council's progress in reviewing the effectiveness of its strategy and approach to community engagement. I cover each of these areas separately.

School-based community engagement and consultation

7. The auditor has carried out a high-level review of community engagement activity undertaken by the council with Dargavel and Park Mains High School communities since publication of the Bowles report. The auditor has concluded that the council has taken steps to increase its engagement activity with local communities.

8. From the end of January to the end of March 2024, the council carried out a statutory consultation on the proposal to build a new primary school in Dargavel village and a review of the catchment areas for both the new and existing primary schools. Activity as part of this consultation included two public meetings, four information sessions, drop-in sessions and opportunities to provide online and written feedback. The council wrote to statutory consultees and others in the local community to publicise the consultation. Information on the consultation and how people could get involved was also available on a dedicated page on the council website. The auditor has confirmed that the council's consultation on the new Dargavel primary school meets the requirements of the Schools (Consultation) (Scotland) Act 2010.

9. There is no statutory requirement for the council to consult on any proposal to extend an existing school. There has therefore been no statutory consultation on the proposal to extend Park Mains High School. The council has, however, been carrying out a programme of community engagement on the extension. This is principally through the Park Mains Liaison Group and community newsletters. The council reports that it has developed a plan for the next phase of engagement on the extension to Park Mains High School and the new Dargavel primary, from July to September 2024.

10. The final report from the statutory consultation was discussed at the Education and Children's Services Policy Board in May 2024. The consultation

was about delivery of a new non-denominational primary school within Dargavel Village for 800 pupils and revised catchment arrangements between Dargavel primary school and the new school. The majority of responses to the consultation agreed with the need for a new school but views were split on the proposed site (40 per cent agreed and 41 per cent disagreed). There was also no consensus on the proposed catchment area (44 per cent agreed, 12 per cent disagreed and 44 per cent did not express a preference). The main concern raised by respondents to the consultation was about the increase in traffic and the availability of safe active travel routes to school. Although it was outwith the scope of the consultation, a third of respondents also raised the option of a new high school or a joint primary and secondary campus. This option was not presented in the consultation because the council had agreed in May 2023 to extend Park Mains High School, which is the existing non-denominational secondary school for the Dargavel and Bishopton catchment, to provide additional capacity.

11. The board also considered an Education Scotland report prepared as part of the consultation process. This report concludes that the council's proposal has the potential to provide educational benefits. It also highlights the significant concerns raised by stakeholders, both through consultation responses and conversations with HM inspectors. It recommends that the council should:

- develop robust plans to manage the expected increase in traffic and ensure that there are improved and safe active travel routes to school
- develop contingency plans to address any potential slippage in timescales for construction of the new school
- continue to work with stakeholders to mitigate their concerns and involve them, as appropriate, in the development of the new school.

12. In response to concerns raised during pre-engagement activity about traffic at the new school site, the council commissioned an independent transport and travel study in January 2024. This concluded that the planned road infrastructure will accommodate the additional traffic. It also made some recommendations to maximise active travel. The council is currently engaging with BAE Systems about planning access and travel routes as part of the design of the school site.

13. The council recognises that there is still work to do to repair its relationship with the Dargavel community and reports that it has developed plans for ongoing community engagement during the design and planning of the new school.

14. The auditor will continue to monitor how the council acts on the findings from the consultation and the Education Scotland report.

The council's review of its approach to consultation and engagement

15. The council commissioned an external consultant to:

- provide support and guidance on best practice to support its statutory consultation activity in relation to the new primary school. This was to include support for staff delivering the consultation, advice on the effective running of public events, support for the senior team and a review mid-way through the consultation to advise on any improvements that could be made.
- carry out a review of the effectiveness of the wider engagement strategy, including the statutory consultation and engagement on plans to expand Park Mains High School. This included a community opinion survey, carrying out meetings with stakeholders to discuss their engagement with the council and a review of exit surveys and transcriptions from the statutory consultation. This review was completed in June and a report will be taken to the council's Audit, Risk and Scrutiny Board in August 2024.

16. The consultant's report considered how the council carried out the Dargavel consultation, but did not look at the issues raised or how the council has responded. It identified considerable good practice in the consultation process, concluding that it effectively allowed citizens to voice their preferences. It also concluded that the council's engagement and communication plan was comprehensive. The consultant made a series of recommendations, some of which are specific to the Dargavel consultation and some which are broader and apply to the council's future consultation activity.

17. The scope and methodology of the work the council commissioned from the external consultant was appropriate and the findings provide assurance that the council's approach to the Dargavel consultation was robust. It is too early, however, to comment on how the council has responded to the consultant's recommendations.

18. The council reports that it has now also secured external support to help deliver a new corporate engagement policy and toolkit and establish an engagement oversight group. It is important that the council continues to work to rebuild trust among the Dargavel and Bishopton communities, by acting quickly to implement any recommendations arising from the conclusion of its review. It should also consider how the lessons learned can be applied to its corporate approach to consultation and engagement. The auditor will continue to monitor progress and developments in this area.

19. I am satisfied that the council's approach to its recent consultation and community engagement activity has been appropriate and comprehensive. The council is responding appropriately to the issues raised through the consultation process in its decision making.

Wider impacts on service provision

20. As I noted in my previous report, the council has implemented interim arrangements to address primary school capacity issues and monitors the quality of educational delivery and measures of pupil attainment through its existing quality monitoring arrangements. The Commission emphasised in

January the importance of openness and transparency in the council's consideration of options and decision-making in relation to the school estate. The council continues to report issues and decision-making on the school estate and education provision through the Education and Children's Services Policy Board.

21. The Commission also raised concerns about the potential impacts on other services as a result of the errors in the estimation of pupil numbers in Dargavel. The council has established a Dargavel working group, made up of council senior management, to manage operational issues related to the new primary school and extension of Park Mains High School. Any wider service impacts identified through the work of this group would be considered as part of the council's regular business planning, financial planning and annual budget processes.

22. The council has not identified any significant impact on local service provision as many other local services are not impacted by the size of the school roll. Of the 4,300 new houses planned in the Dargavel area, 2,400 have been built and the rest will be built in batches over the next 10 years, so the council is confident that it will be able to adapt to any service impacts as they arise through its wider corporate planning processes.

23. The auditor is satisfied that the council has appropriate arrangements in place for considering the potential wider impact of its planning failure linked to school accommodation for Dargavel Village on non-education services. The auditor has also found no evidence of any negative impacts on wider council services being demonstrated through the council's routine performance management processes.

Governance and scrutiny

24. The Bowles report, while restricted to the historical handling of the Dargavel development, raised a concern in relation to the council's governance arrangements. In my earlier report I highlighted that, while auditors concluded that overall the council has appropriate governance arrangements in place, the role of the Audit, Risk and Scrutiny Board (ARSB) in ensuring effective scrutiny is not sufficiently clear. The council committed to review its governance and scrutiny arrangements as part of a wider review of corporate governance.

25. The council has taken steps to review its governance and scrutiny arrangements, including:

- a self-assessment against CIPFA guidance for local authority audit committees
- an exercise benchmarking the council's governance arrangements against other councils
- a cross-party working group review of governance arrangements
- a review of the council's risk management arrangements.

26. At its meeting in May 2024, the council considered the results of the ARSB's self-assessment against CIPFA good practice on audit committees. The self-assessment identified a number of areas of good practice and 11 action points, including proposed changes to the governance of the ARSB. The council approved the results of this review, the action plan and a number of changes to the way the ARSB operates in relation to its terms of reference, guidance and role descriptions. All the action points were implemented by the end of June. The cross-party review of governance also identified a number of actions, including a review of the council's Scheme of Delegation. An action plan was developed compiling actions from the reviews, with progress against actions monitored by the ARSB. All but one of the actions have now been delivered, with the final action to be completed by December 2024.

27. All actions in response to the Bowles report in relation to risk management have been completed, as reported to the ARSB in March 2024. The auditor will continue to monitor progress in improving governance and scrutiny arrangements and report further as part of their annual audit and Best Value work.

28. The council has developed a leadership programme in conjunction with SOLACE. The programme covers areas including risk management, good governance and engaging with the public. The council initially plans to run the programme in three cohorts. The first cohort, consisting of the extended Corporate Management Team has completed the programme and the second cohort began in April 2024. The programme is ongoing so it is too early to reach a conclusion on its effectiveness. SOLACE has collated feedback from the first cohort and the council has used this to update the programme for subsequent cohorts. The auditor has concluded that the scope and timing of the programme is appropriate and will provide a further update in the Best Value report.

Performance and accountability

29. The Bowles report concluded that there had been historic failures of leadership and corporate oversight of decisions relating to the Dargavel development. This meant that decision-making was not sufficiently scrutinised or challenged by senior management. Bowles also concluded that junior staff in the Education and Children's Services department were asked to make assessments on pupil demand that were beyond their expertise and experience, with no appropriate support or supervision. This led to the errors in school capacity planning going unidentified. As part of the independent investigation, David Bowles provided the Chief Executive with a supplementary report considering his views on the accountability of the individuals involved in decision-making in relation to Dargavel. He found that the key individuals had either left the Council or were too junior to merit formal disciplinary action.

30. In my previous report I noted that the auditor concluded that the council obtained appropriate external legal advice and determined there is no potential for any form of action against former senior employees involved in the Dargavel School decision-making. The auditor has carried out further work to look at the processes followed by the council in deciding not to take disciplinary action

against any of the staff involved. The auditor has also reviewed the council's policies and procedures on performance management.

31. The council considered whether disciplinary or other action could be taken against individual council officers. The auditor has concluded that the council took the appropriate action, based on the powers available to it, but that action was limited due to officers involved having left the council.

32. In his supplementary report, David Bowles suggested that the council carry out an independent review into the handling of specific planning applications related to Dargavel. The council reports that it had been undertaking its own review of Dargavel planning alongside the work of David Bowles and information from this work had led the council to conclude that the planning process had been followed appropriately. On receipt of the supplementary report, the Chief Executive asked the Head of Corporate Governance to confirm that the concerns identified by Bowles were not supported by evidence. The council has shared details of this work with auditors but has not been able to provide a contemporaneous written record of the scope or findings of its additional work. In the interests of transparency and good governance, I would have expected officers to have kept a written record of decision-making on such a serious matter.

33. The auditor has concluded that, overall, the council has appropriate and comprehensive performance management policies and disciplinary procedures in place. Greater clarity is needed, however, on how the council's disciplinary procedure applies if an officer goes on sick leave during a disciplinary investigation and occupational health determines the individual is not fit to be investigated. The council is currently in discussions with trade unions regarding a revised disciplinary policy, including changes to address this issue. The council will need to secure agreement from all the trade unions to revise the policy.

34. In light of the Bowles report's findings about historic failures of management oversight and organisational culture, the council has carried out town hall events and other activity across all council departments to promote understanding of and compliance with performance management policies.

Conclusions

35. The council continues to demonstrate that it is taking action to respond to the issues highlighted in the Bowles report. The auditor has carried out further work to look at council actions and progress in the five particular areas of concern identified by the Commission and I am satisfied that the actions being taken by the council are timely and appropriate.

36. The council carried out its consultation on the proposed new primary school in line with statutory requirements and the independent consultant found that the process was robust. The consultation found significant support for a new school, however, there is no clear consensus on the proposed site and some respondents continued to highlight high school provision as a pressing issue although that was outwith the consultation scope. The council has recognised that there is still work to do and reports it has developed plans for ongoing community engagement on the design and planning of the new school. The auditor will continue to monitor progress and developments in this area.

37. The council has now concluded its review of risk management and has largely completed the actions arising from its review of governance arrangements. It has also completed its review of its Dargavel consultation and community engagement activity. The council has made progress in its response to the issues raised in the Bowles report, but it is too early to conclude on the impact and effectiveness of some of the actions taken by the council. The auditor will continue to monitor the impact of changes to governance and scrutiny arrangements, the leadership programme, and the council's response to the review of its community engagement activity. There continues to be significant public interest in the council's response to the Bowles report. It is critical that the council is as transparent as possible about how it reaches key decisions and that appropriate records are kept. The auditor will provide further updates through the annual audit and Best Value reports.

Renfrewshire Council

Statutory follow-up report



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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 Foysoil 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.

Purpose

1. This report provides an update on the engagements and work of the Chair of the Accounts Commission.

Engagement and Commission business

2. The engagements and work in the period of 1 July to 31 July have been as follows:

Audit Scotland engagement

- 1 July – Regular meeting with the Auditor General for Scotland
- 3 July – Work Programme Discussion - AGS/AC & Team – Stephen Boyle, Auditor General for Scotland, Antony Clark, Executive Director PABV, Mark MacPherson, Audit Director PABV and Joe Chapman, Policy Manager to Accounts Commission. Other members of Audit Scotland were present.
- 3 July – Regular meetings with Vicki Bibby, Chief Operating Officer, Audit Scotland
- 25 July – Meeting with Cornilius Chikwama, Audit Director, Performance Audit and Best Value
- 25 July – Regular meeting with Antony Clark, Executive Director, Performance Audit and Best Value
- 25 July - Meeting led by Paul O'brien, Director of Quality & Support, I&Q on Planning Guidance with Helena Gray, Controller of Audit, Jennifer Henderson, Accounts Commission Member, Michael Neilson, Accounts Commission Member, Derek Yule, Accounts Commission Member, Blyth Deans, Audit Director PABV.
- 31 July – Audit Modernisation project overview – Kenny Oliver, Executive Director I&Q and Gemma Diamond, Director for Innovation & Transformation
- Regular meetings with Vicki Bibby, Chief Operating Officer.
- Regular meetings with Helena Gray, Controller of Audit

Commission business

- Regular meetings with Jack Nixon, Executive Assistant to the Commission
- Regular meetings with Joe Chapman, Policy Manager, Accounts Commission.

Forthcoming activities

3. My forthcoming engagement activities include:
 - 8 August – Accounts Commission meeting.

- 15 August – Meeting with Theresa Shearer, Enable Scotland & Stephen Boyle (AGS)
- 22 August – attend SPI Direction working group
- Preparation for attendance at Local Government Housing & Planning Committee meetings in early September with Derek Yule and PABV Colleagues
- Preparation for attending Solace conference as a panel member

Conclusion

4. The Commission is invited to:

- Note this report and enquire about any areas of interest.