

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.
 - [Integration Joint Boards' Finance and performance 2024](#) (25 Jul 2024)
 - Update: 887 downloads by the end of July; a further 682 in August – 1,569 in total.
 - See the previous edition of this report for full details.
 - [Blog: Benchmarking and good public performance reporting matter](#) (1 Aug 2024)
 - 380 views in August. *Comparison: 300 views of Leadership blog in first 3 weeks.*
 - 1,850 views and 125 engagements including 75 link clicks on social media.
 - [Accounts Commission Annual Report 2023/24](#) (8 Aug 2024)
 - 270 downloads in August. *Comparison: 180 downloads of 22/23 AR in first month.*
 - 1,900 views, 650 video views and 160 engagements including 80 link clicks.
 - [Renfrewshire Council: Update report on for Dargavel](#) (20 Aug 2024)
 - Media: *online:* [BBC News](#), [STV News](#), [Daily Record](#), [Clyde 1 radio](#), [Renfrewshire Gazette](#); *print:* [Scotsman](#), [Paisley Daily Express](#)
 - Also pre-publication: [STV News](#), [Daily Record](#), [Glasgow Times](#), [Paisley Express](#)
 - Broadcast: BBC Good Morning Scotland, BBC Reporting Scotland, STV News
 - Social (*first 24 hours*): 2,650 views, 550 video views, 200 engagements including 110 link clicks, 11 shares; notable posts: STV News, TES Scotland, Neil Bibby MSP
 - Downloads: 250 in August. *Comparison: first report – 440 in first 2 weeks.*

- **Tackling digital exclusion** (22 Aug 2024)

- Media: *online*: [STV News](#), [Evening Standard](#), [Herald](#), [Independent](#); [Digit News](#), [FutureScot](#), [Holyrood](#), [Public Finance](#), [Scottish Housing News](#), [Third Force News](#); *print*: [Daily Record](#), [Herald](#), [Metro](#), [Scotsman](#), [The Sun](#)
- Broadcast: BBC Good Morning Scotland, BBC Reporting Scotland, STV News; BBC Radio Scotland phone-in discussion; Glasgow Go Radio
- Responses from Scot Gov, Labour, Lib Dems, Citizens Advice, COSLA, SCVO
- Social (*pre- and first 24 hours*): 13,500 views, 2,500 video views, 500 engagements incl. 150 link clicks, 60 shares; notable posts/shares: Good Things Foundation, Scottish Human Rights Commission, Scottish Library and Information Council, Lucy Mulvagh (Alliance), Paul O’Kane MSP, Sarah Davidson (Carnegie), Tom Hunter
- Downloads: 670 in August. *Comparison: Adult MH report – 1,340 in first 18 days.*

4. Quarterly download statistics for Commission publications are also provided, to supplement the usual monthly data. The next quarterly update, covering the period up to the end of September 2024, will be provided in the November edition of this report.

Media and Parliamentary monitoring

5. In addition to coverage of the above reports, previous publications by the Commission continue to be referenced in news articles:
 - The [Local government budgets 2024/25](#) briefing was referenced in stories about the costs of [fixing potholes in Glasgow](#) and of [road repairs in Dumfries and Galloway](#).
 - The [IJBs Finance and Performance 2024](#) report was mentioned in a story reporting a councillor’s claim that [‘People are suffering because health services are being cut’](#).
 - Falkirk Council referred to the [Commission’s Best Value report](#) when launching its budget consultation, saying [it had ‘taken on board’ criticism](#) of previous engagement.
6. A number of submissions to Parliamentary pre-budget scrutiny calls for views are also referencing recent Commission publications, particularly the IJBs report.

Local and Scottish government finance issues

7. Members of Unison have rejected the improved pay offer from COSLA, raising once again the prospect of strike action by council staff, including waste and recycling workers in 13 council areas and education and early years staff at five councils. Areas that could be affected by Unison strike action include Glasgow, North and South Lanarkshire and the Lothians, but not Edinburgh. Members of the GMB union voted to accept the offer, while Unite was due to give its response shortly after this report was issued.
8. The improved offer – an increase of £1,292 per year or 3.6 per cent, whichever is greater – was made by COSLA in early August after the Scottish Government said it would provide additional funding, and came in response to all three unions announcing dates for strike action in mid-August, after rejecting the previous offer of 3.2%. The unions had suspended that action while they considered the new offer, but they say members unhappy that their pay offer is not in line with the 5.5% offered to other public service workers across the UK.

9. Less than 24 hours after the improved offer was made, the Scottish Government announced emergency spending controls, including a freeze on non-essential spending and public sector recruitment, in order to fund pay deals including (but not only) for local government. Finance Secretary Shona Robison said this was due to the UK Government's decision to use savings, rather than additional funding or borrowing, to fund public sector pay deals, reducing the Barnett funding made available to Scotland for the same purpose.
10. On 3 September, Ms Robison made a statement to the Scottish Parliament with further information on planned spending reductions, which totalled just over £500 million, alongside a drawdown of up to £460 million of ScotWind revenue. [Full details of the spending cuts are provided in a letter to the Finance and Public Administration Committee](#). Announcements of interest to the Commission or that relate to or have an impact on local government include:
 - “Agreement with Local Government that they can draw on existing programmes to fund the pay deal” – this is understood to include deferring spend on flood risk management, delaying expansion of free school meals, and suspending provision of digital devices, all of which were reported in advance but were not specified in the published information.
 - £23.7 million reduction in spending on sustainable and active travel projects, in addition to the ending of the pilot programme to remove peak fares on ScotRail trains.
 - £18.8 million of savings on mental health including “mainstreaming elements of the Distress Brief Interventions programme, student mental health measures and additional Mental Health Officer funding, and reprofiling the Changing Places Toilets fund”.
 - £13.6 million of savings in social care including “non-staff spending on the delivery of the National Care Service, maintaining Multi-Disciplinary Team funding at prior year levels, and slower-than-expected uptake of the reopened Independent Living Fund”.
11. Ms Robison's announcement came after criticism from the Scottish Fiscal Commission, which said that while UK Government decisions were a factor, the Scottish Government's own choices are to blame for [“much of the pressure” facing the country's finances](#) and “narrow its room for manoeuvre”, highlighting the council tax freeze, social security and pay deals. The SFC also echoed the Fraser of Allander Institute's message that the Scottish Government [must be more transparent about public sector pay](#), or risk more spending cuts.
12. Meanwhile it was reported that [council tax bills are likely to surge next year](#) as the Scottish Government will not require councils to freeze rates, which may lead to some councils imposing large increases to help close budget gaps and compensate for any shortfall resulting from this year's freeze. The Scottish Government is understood to be seeking alternative sources of revenue rather than introducing further income tax increases.
13. Councils in Scotland's three largest cities have each moved forward with their plans for introducing a Visitor Levy. Councillors in [Edinburgh](#) approved the introduction of the ‘tourist tax’, which it's hoped will raise up to £50 million a year, to be spent on street cleaning, culture and housing projects; a consultation will be carried out in the autumn. Officers in [Aberdeen](#) have been given the go-ahead to develop and consult on plans for the levy over the coming months, while an outline of a proposed scheme is to be produced for [Glasgow](#).
14. A public consultation exercise has revealed what residents in Edinburgh think the city's council should do to [save money in its 2025-26 budget](#). The public were asked to suggest ideas in the face of £110 million of cuts to the capital's services in the next five years – and

scrapping low traffic neighbourhoods and active travel projects topped the list. The council said it was the largest-ever response to a budget engagement process and the feedback has been shared with services but warned it was “not a representative sample of residents”.

Policy area updates

Health and social care

15. [New figures for drug deaths in Scotland](#) showed that the number of people who died due to drug misuse rose by 12% to 1,172 in 2023. This rise reverses a fall in 2022, but is the second lowest number of drug deaths in Scotland since 2017. Scotland continues to have the highest per-capita rate of drug deaths in Europe at 277 deaths per million people aged 15-64 – 2.7 times as high as the 2022 figures for England and Northern Ireland, 2.1 times as high as in Wales that year, and also far higher than any other country in Europe.

Housing and homelessness

16. The Scottish Housing Regulator confirmed that ten of Scotland’s 32 councils either are suffering or are at heightened risk of suffering [systemic failure in the services provided to people who are homeless](#). The regulator says it is already in discussion with City of Edinburgh Council and Glasgow City Council, and has warned eight others that they must “continue best efforts” to meet their statutory obligations, including offering temporary accommodation when they assess a person or household as unintentionally homeless. Meanwhile, 24 councils have admitted breaching the Unsuitable Accommodation Order, designed to ensure people have access to decent living accommodation.
17. More than 500 council homes and private properties in Aberdeen affected by reinforced autoclaved aerated concrete (RAAC) are [to be demolished and rebuilt](#) at an expected cost of more than £150 million. Discussions between Aberdeen City Council and the Scottish Government about funding are ongoing. Councillors approved the plan – over alternative options of demolition without rebuilding, and removing RAAC and refurbishing the homes – as it was judged to be the quickest and most cost-effective solution. Homeowners have called for more financial and mental health support during the relocation process.

Education, children and young people

18. Students across Scotland received their exam results on 6 August, with statistics showing that pass rates have fallen slightly – back to or just below pre-pandemic levels – and the poverty-related attainment gap has widened across all school qualifications. This year marked the return of full coursework assessment following disruption during the pandemic. The gap between Higher A-C pass rates for pupils from the most affluent and most deprived areas of the country stood at 17.2 percentage points, up from 16 points last year and 16.9 points in 2019. The gap has also increased for National 5s and Advanced Highers.
19. Glasgow City Council has admitted that plans to cut 450 teachers from the city’s schools [“may have a detrimental impact on the poorest children and young people”](#) and that “there may be a potential impact on support for young people with additional support needs”. The comments are made in an Equality Impact Assessment which was signed off five months after the teacher cuts were confirmed. Meanwhile, members of the EIS teaching union in Glasgow are to be balloted for industrial action including strikes, in protest at the plans.

20. At the same time, an [investigation by TES Scotland](#) into recruitment challenges in Scottish secondary schools has found that councils requested hundreds more probationer teachers to fill posts in 2024-25 (1,700) than were allocated through the Scottish Government's Teacher Induction Scheme (1,100). TES says this shortage is leading to subjects being cut from the curriculum. TES also investigated the contrasting problem in primary schools, where teachers – of whom there is an oversupply – cannot secure long-term, steady work.

Communities and infrastructure

21. Fife and Angus councils are among those actively reducing their estate to raise money in the light of more staff working from home long-term. In [Fife](#), demolition is already underway on the six-storey Rothesay House in Glenrothes, while thirty other buildings – including former primary schools, community centres, public toilets, shops and a pub – are vacant, with surveys of other offices this year finding they are dramatically under-used. Meanwhile, [Angus Council](#) has put its Angus House headquarters in Forfar on the market for lease or sale, after surveys showed just half of it is being used, with heating and lighting already having been turned off in parts of the building to reduce the £400,000 running costs.

Government administration

22. The leader of City of Edinburgh Council, Cammy Day, called for Scotland to follow the example of England and [devolve powers from central government to the regions](#). Cllr Day wants to see the capital link up with neighbouring councils on issues such as housing, transport and economic growth, based on the Greater Manchester model. However, during a panel discussion at the Scottish Parliament's Festival of Politics, COSLA Vice-President Cllr Steven Heddle said there is ["no real enthusiasm" in local government](#) in Scotland for elected regional mayors, raising concerns about an additional layer of government.
23. The UK Government is set to give the Scotland Office expanded powers including turning it into a 'spending department', potentially [allowing it to bypass Holyrood](#) and provide funding directly to councils projects including those aimed at reducing poverty and creating jobs. It's believed the money allocated to the Scotland Office will come from funds previously paid to the EU and distributed to member states through European structural funds, some of which the Scottish Government has been accused of failing to spend.
24. John Alexander stepped down as the leader of Dundee City Council and as a councillor, to take up a new job in the private sector and to spend more time with his family. Mr Alexander became council leader in 2017, at the age of 29. He was replaced by Mark Flynn, who is the father of current SNP Westminster leader, Stephen Flynn.

Scottish Parliament updates

25. The Local Government, Housing and Planning Committee received a response from Ivan McKee, Minister for Public Finance, to following its request for updates regarding the Local Governance Review and the review of the Community Empowerment (Scotland) Act.
26. The Minister stated that an analysis of responses to the Democracy Matters consultation will be published "after recess", following consideration by the Scottish Government and COSLA. At this point, the two parties will also publish a joint statement outlining next steps for Democracy Matters and provide an update on progress to develop place-specific single authority models. The Minister added that the findings of the review of the Community Empowerment Act will be published "later in 2024".

- 27.** Shona Robison wrote to the Finance and Public Administration Committee on 23 August with updates on budget-related issues. In the letter she advised the Committee about her planned statement to Parliament in early September setting out in detail “the scale of the fiscal pressures” and the action that the Scottish Government is taking to address them.
- 28.** Ms Robison also informed the Committee that she will *not* now be publishing a Medium Term Financial Strategy (MTFS) alongside the 2025-26 Budget as previously planned, due to the UK Government’s intention to produce a spending review in 2025; the Scottish Government’s MTFS will now be published “in good time ahead of Budget 2026-27”. Meanwhile Ms Robison proposed – and the Committee agreed – that the Scottish Budget is to be published on 4 December 2024.

Other updates

- 29.** COSLA has announced that it has made a new, above-inflation pay offer for teachers in Scotland. The offer is a 4.27% increase at all pay points for 12 months from 1 August 2024. COSLA says the offer is at the “absolute limit of affordability in the extremely challenging financial context”, and uses local authority budgets as well as additional funding from the Scottish Government. Teaching unions will now consider the offer and how to respond.
- 30.** The LGiU published the following briefings of relevance to Scotland:
- [How do you make a local economy great?](#)
 - [Shaky foundations? The state of Scottish housing in 2024](#)
 - [Delivering decontaminated land to housing: A case study](#)
 - [Digital exclusion and poverty: how local gov around the world is tackling the challenge](#)
- 31.** The Scottish Parliament Information Centre (SPICe) recently published a [research briefing on the Education \(Scotland\) Bill](#), and the following blogs of relevance to local government:
- [How is Scotland Performing?](#)
 - [Progress on the plan to reduce child poverty](#)
 - [Filling in fiscal cracks...again](#)

Consultations

- 32.** The following responses to Scottish Parliament calls for views have been submitted:
- [Education \(Scotland\) Bill](#)
 - [Health, Social Care and Sport Committee pre-budget scrutiny 2025-26: Financial position of Integration Joint Boards](#)
 - [Local Government, Housing and Planning Committee pre-budget scrutiny 2025-26](#)
- 33.** The links above are to SharePoint; the responses will also shortly be published [on the Audit Scotland website](#) and/or via the relevant page on the Parliament website.
- 34.** The response to the call for views on the draft amendments to the National Care Service (Scotland) Bill is currently being finalised following comments from members, and will be submitted before the deadline of 20 September, and published shortly afterwards.
- 35.** No new relevant consultations or calls for views have recently been opened. The Policy Manager will advise verbally of any changes or updates.