

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

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.
 - **Best Value in Clackmannanshire Council** (*27 September 2024*)
 - Media: [STV News](#), [Herald](#), [Scotsman](#) (also in print), [Daily Express](#), [Alloa Advertiser](#), [Central FM](#), [LocalGov](#), [The MJ](#), [Public Finance](#) (including an interview with Jo Armstrong), [Scottish Housing News](#) (also [pre-publication](#)), [WiredGov](#)
 - Broadcast: STV News, Central FM
 - Social (*first 24 hours*): 1400 views, 570 video views, 124 engagements incl. 60 link clicks; shared by local community councils and residents groups on Facebook.
 - Downloads: 150 in first 4 days (Fri-Mon). Comparisons: Orkney – 140 in 2 days; Moray – 560 in 4 days; Falkirk – 330 in 30 days.
 - **Transformation in councils** (*1 October 2024*)
 - Media: *online*: [BBC News](#), [STV News](#), [Daily Mail](#)*, [Herald](#)*, [Scotsman](#)*, [The Times](#)*, [Holyrood](#), [LocalGov](#), [Scottish Housing News](#), [The MJ](#), [Aberdeen Chamber of Commerce](#), [Room 151](#) (* also in print); *print*: Courier, Daily Record, Press & Journal
 - Broadcast: BBC Radio Scotland (Good Morning Scotland and lunchtime news), STV News (including in Good Morning Britain), Central FM, Heart Scotland West
 - Social (*first 24 hours*): 2200 views, 225 engagements incl. 120 link clicks, 19 shares including by leaders of Third Sector D&G (and Vice Chair of NHS24), Carnegie Trust, Enable, NI Local Government Association and Shetland Islands Council.
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. The Commission and its publications continue to be referenced in news articles:
 - [Scottish councils facing £500m funding gap amid fears over cuts to services](#) – this piece in the Scotsman reported on [research by Unison into predicted council budget shortfalls](#) for 2025/26 in England, Scotland and Wales, and compared their figures with those published by the Accounts Commission.

Note: The Scotsman erroneously reported Unison’s £487.8m figure for Scotland as being for 2024/25, then compared it with the Commission’s estimate of £585m in 2024/25 (in the Council budgets briefing). Unison have also produced [this interactive map](#) showing each council’s budget gap.
 - Neil Bibby MSP and Renfrewshire Council leader Iain Nicolson both referred to the recent report on Dargavel in their respective columns in the Paisley Daily Express: [No accountability for Dargavel](#) (Mr Bibby); [Plan for investment in schools](#) (Cllr Nicolson).
6. The IJBs Finance and Performance 2024 report has been a key reference point for the Health, Social Care and Sport Committee’s pre-budget scrutiny which is focusing on the financial position of IJBs. Kathrine Sibbald [gave evidence to the Committee as part of a panel](#) at its meeting on 3 September.
7. Jo Armstrong and Derek Yule, alongside Blyth Deans and Lucy Jones, [gave evidence to the Local Government, Housing and Planning Committee](#), as part of its pre-budget scrutiny, on 24 September. This followed a private briefing session with the Committee on 3 September.
8. Mike Neilson, alongside the Auditor General and Audit Scotland colleagues Jillian Matthew and Bernie Milligan, [gave evidence to the Public Audit Committee](#) on 5 September regarding the joint performance audit on Tackling digital exclusion.

Local and Scottish government finance issues

9. Council leaders have agreed to implement the most recent pay offer for local government workers despite Unison members in waste and in education voting strongly to reject it. The pay deal – an increase of £1,292 per year or 3.6%, whichever is greater – was accepted by the GMB and Unite unions, who represent a large proportion of lower-paid council staff and want their members to get the rise they voted for as soon as possible. Days before the COSLA Leaders meeting where the move to impose the deal was agreed, the Scottish Government had reiterated that no more money is available for pay this year.
10. Before the decision was made to implement the offer, Unison had announced it would hold [a postal ballot of all of its members who work for councils](#). Following COSLA’s decision, the union reiterated that [the ballot – of 90,000 workers – will go ahead](#). No timetable for the new ballot had been set at the time of writing but it is likely to take several weeks. Unison already has mandates for strikes by waste and recycling workers at 13 councils and by education and early years staff at five councils. It argues council staff have seen the value of their pay fall by 25% over the last 14 years, leading to councils struggling to recruit staff for some roles, and has warned of further unrest following the decision to implement the offer.
11. Meanwhile, [teaching unions have unanimously accepted a 4.27% pay increase](#) across all grades from 1 August 2024 for 12 months. The offer is less than the 6.5% initially requested by teaching unions in January, and follows the rejection of an earlier two-stage (2% then 1%) offer from COSLA. Unions accepted that this deal was the best that could currently be

achieved, and welcomed its undifferentiated nature and a recognition that it is the first step towards the “restoration in the value of teachers’ pay to pre-austerity levels”.

12. First Minister John Swinney has [refused to rule out seeking to freeze or cap council tax in 2025/26](#). Speaking at the COSLA Conference, he said there would be “an open and candid conversation” and “substantive engagement” with council leaders as part of the budget process, and is keen to see “effective collaboration and partnership with local government”. The Scottish Budget for 2025/26 is due to be published on 4 December 2024.
13. Analysis by the Scotsman found that [two thirds of councils are considering hiking council tax for 2025/26](#) – some by as much as 10 or 11 per cent. The Scotsman looked at available evidence such as 2024/25 budgets and medium-term financial plans, and found 22 that have indicated plans to raise council tax, with Angus, East Lothian and Falkirk proposing double-digit increases and most others considering rises of 5 per cent or more.
14. Councillors in Falkirk have since considered a [draft new Financial Strategy for 2025/26 to 2029/30](#), which warns of a cumulative funding gap of £56.4 million over the next five years – more than half of which falls in 2025/26 – even with a 7% increase in council tax each year. The report outlines some of the measures that could be taken to tackle the deficit, including raising council tax by 10-15%. It notes that Falkirk has one of the lowest council tax levels in Scotland, and the second-largest budget gap as a proportion of revenue budget.
15. Meanwhile a Highland Council report has revealed that its decision to charge double council tax on second homes and long-term empty homes has [raised £5.42 million this year](#), while more than 100 such properties have been returned to permanent residential use. However, the report also admitted a controversial scheme to charge campervan and motorhome users £40 a week to use council car parks has not been successful, raising £40,000 compared to a target income of £500,000 while upsetting local businesses.
16. Scottish Secretary [Ian Murray has dismissed reports](#) that he is set to be given access to a £150 million “war chest” to tackle poverty in Scotland. The figure was first reported in June – before the UK election – as part of plans for the Scotland Office to become a spending department under Labour. Mr Murray says his focus is to see through the process of taking control of what was previously European structural funding to address his department’s priorities of growth, green issues, Brand Scotland and poverty.
17. The professional body for librarians in Scotland has warned that [councils may breach their statutory obligations](#) by making radical changes to library services. CILIPS has written to each councillor in Perth and Kinross warning that full or partial closures of libraries would be “extremely damaging” and could be illegal, as local authorities “have a legal duty to provide library services that their community needs”. The council’s arms-length culture and leisure trust, Culture PK, recently revealed that it was considering options such as “supporting community-led provision, click-and-collect style services and increased mobile library activity”, as it says the current model of service provision is “no longer sustainable”.

Policy area updates

Poverty and inequality

18. A report by the Scottish Health Equity Research Unit highlighted a lack of evidence on the impact of Scottish Government policies to tackle poverty and health inequalities, due to a [“critical gap” in data on the effectiveness of policies](#) such as the Scottish Child Payment. The organisation – run by the Fraser of Allander Institute and Strathclyde University Centre

for Health Policy – says while the Government has a “good grasp” of the problems facing deprived communities, there is a “worrying lack of emphasis” on measuring the impact of policies, hindering informed decision-making about which to keep and which to cut.

Health and social care

19. Council leaders have agreed to withdraw their support for the Scottish Government’s current plans for the National Care Service (NCS), citing significant concerns over the legislation. Leaders agreed a recommendation by COSLA officers to end a ‘shared accountability’ deal which had led to Ministers proposing extensive amendments to the NCS Bill. COSLA says it was not consulted on those amendments, and discussions with Government officials have shown there is “no clear appetite” to make further changes to address local government’s concerns, including in relation to Ministers’ powers and the mandating of children’s services and justice social work services. Unions and professional associations have also withdrawn or indicated an intention to withdraw support for the NCS proposals in recent weeks.
20. Concerns have been raised about budgets, service reductions and financial sustainability in at least two IJBs in recent days. [Glasgow City IJB made a plea for more funds](#) from the council and NHS board after reviewing its 2023/24 annual audit report, which showed a budget deficit of £36 million for 2024/25 and a cumulative deficit of £116 million for the three years to 2026/27. Cuts to deal with the shortfall were agreed as part of the 2024/25 budget. Meanwhile, [Fife IJB has agreed in principle to a ‘recovery plan’](#) including £12 million of savings to be achieved through reduced provision of some services including respite, and raising the threshold for access to social work. A report to the board described the situation as “difficult decision territory” that’s “not going to go away”.
21. New official figures showed that [deaths due to alcohol in Scotland](#) reached a 15-year high in 2023, with 1,277 people dying from conditions caused by alcohol – one more than in 2022, which had been the highest number since 2008. The rate of alcohol-specific deaths had fallen until 2012 but has generally risen since then. Alcohol-specific deaths were 4.5 times as high in the most deprived areas compared to the least deprived; Inverclyde, Glasgow, North Lanarkshire and Dundee saw above-average alcohol-specific mortality rates.

Housing and homelessness

22. New official figures showed that [many homelessness measures have reached record or long-term highs](#). A record 16,300 households – including more than 10,000 children – were in temporary accommodation as of March 2024 – a rise of 9% from last year. Meanwhile, the number of households deemed to be homeless or at risk of homelessness in 2023/24, and the number of homelessness applications made in the year, reached their highest levels since 2011. A record 31,900 applications were ongoing at the end of March 2024 – up by 8% from a year earlier, and it takes an average of 278 days to close a homeless case. The Scottish Government and 12 councils have declared a housing emergency.
23. The Scottish Government has announced a [U-turn on the ban on wood-burning stoves](#) and oil and gas boilers in new homes and conversions. A direction has been issued to local authorities which disapplies the provision in the New Build Heat Standard that prevented installation of ‘direct emission heating systems’ except for use for emergency heating.

Communities and infrastructure

24. The [UK Government has paused funding](#) for a growth and investment deal in Argyll and Bute. The Scottish and UK Governments had each pledged £25 million to the 10-year deal,

matched by at least £20 million of council funding. The 'Argyll and Bute's Rural Growth' plan covers various projects including housing developments and business and tourism facilities, with the aim of creating 300 jobs and attracting 70,000 additional visitors annually. A final decision will now be taken after a review of public finances. The council has pointed out that Argyll and Bute is currently the only area in Scotland without some kind of growth deal.

25. The announcement about Argyll and Bute comes amid widespread uncertainty over the future of 'Levelling Up' and 'Long-Term Plan for Towns' funding for projects in various areas across Scotland, which was pledged by the previous UK Government but [is under review](#) by the new administration, causing concern among council leaders including in Glasgow, Dundee and Perth. Ten Scottish councils had successfully applied for funding for specific projects, ten Scottish towns were allocated [£20 million each for community-led regeneration schemes](#), and four areas had been selected for [Levelling Up Partnerships](#).
26. Highland Council has abandoned plans for the partial pedestrianisation of Academy Street in Inverness, after deciding to withdraw its appeal against a Court of Session ruling that it [failed to properly consult the public about the proposals](#). Trustees of a shopping centre on the street had argued that the council had not carried out a proper consultation and had failed to consider the impact the plan would have on local businesses. They welcomed the decision and called for a more joined-up approach to reviving the city centre.
27. The Scottish Government and COSLA are [in discussions about extending the visitor levy](#) to include cruise ship passengers and motorhome users. Both groups were left out of the [Visitor Levy \(Scotland\) Act](#). Up to a million cruise ship passengers are expected to dock at Scottish ports this year, while motorhome numbers have also significantly increased in some areas. The Scottish Government has committed to "intensify work" on a cruise ship levy, which would require new legislation. Meanwhile, City of Edinburgh Council has opened a 12-week public consultation on its plans for introducing the levy from July 2026, and Highland Council will also shortly consult on how the measure should work in its area.
28. A [report produced for industry body Scottish Renewables](#) has found that widespread fears about the impact of construction of new power lines on property prices may be unfounded. The report looked at property price trends along the route of what was a controversial stretch of pylons between Beauly near Inverness and Denny near Falkirk, and found that they were in line with trends across their wider local authority areas. The report found that prices were only impacted during the lengthy inquiry into the project, leading Scottish Renewables to call for the planning process to be speeded up to avoid uncertainty.

Education, children and young people

29. COSLA has responded to the Education, Children and Young People Committee's call for councils to address gaps in provision for children with additional support needs (ASN), saying [they do not have the funds](#) to expand the number of special schools in Scotland. This number fell from 190 in 2006 to 107 last year, while the number of pupils with ASN rose from 36,500 to 259,000 (37% of the total school population) in a similar period. COSLA says building or commissioning more specialist provision would incur significant costs, which is difficult given funding pressures across the public sector.
30. Falkirk Council has unveiled [a proposal to reduce the school week](#) by having no lessons on Friday afternoons. The council says reducing primary school hours from 25 to 22.5 hours per week and secondary school hours from 26.6 to 24.75 hours per week would save £6 million, and is an alternative to more drastic measures. It says moving to an 'asymmetric' school week – with or without reducing hours – would save £250,000 in running costs. The

Scottish Government says [any cuts to learning hours would not be acceptable](#). Eight other councils also close schools on Friday afternoons, but extend the school day in the rest of the week – and Dumfries and Galloway Council is now [considering a similar arrangement](#).

31. Exams are to play a lesser role in pupils' grades in Scottish schools in future, with a greater emphasis on coursework and classroom assessments. Education Secretary Jenny Gilruth [announced the planned new approach](#) in response to Prof Louise Hayward's Independent Review of Qualifications and Assessment, which had recommended that students should not sit exams at all prior to S5. However, while Ms Gilruth said some practical subjects may have exams scrapped by the next academic year, some of the review's recommendations were a "longer term ambition" which needed more work to implement.
32. The General Teaching Council for Scotland (GTCS) has commissioned an [external review of the way it investigates misconduct allegations](#), amid a growing backlog of cases, and widespread concerns about how child protection and safeguarding complaints are handled. The GTCS only investigates complaints that reach a 'threshold' in relation to a person's fitness to teach. Most complaints about teachers fall to their employers, usually councils. The GTCS says the backlog is due to the Covid-19 pandemic and increasing complexity.

Government administration

33. The Labour group in West Dunbartonshire Council has [formed a temporary minority administration](#), four weeks after its members – including council leader Martin Rooney – stepped down from their roles. The arrangement is only due to be in place until the next full council meeting in December. The Labour administration had resigned following defeats in key votes – including an SNP councillor being elected as the new Provost – claiming they no longer had enough votes to pass the council's next budget.
34. Angus Council and Stirling Council also have new leaders. In Angus, [Bill Duff has replaced Beth Whiteside](#) who unexpectedly stepped down in July. Mr Duff was previously the SNP administration's finance spokesman. Meanwhile Labour councillor [Margaret Brisley was appointed Stirling Council leader](#) following Chris Kane's resignation after his election as an MP. Ms Brisley was previously the deputy leader and has been a councillor for 44 years.
35. [Dundee City Council](#) and [Angus Council](#) are among those which have recently reported notable increase in staff absences. Both councils have seen significant increases in the average number of days lost to both general council staff and teaching staff absence since the pandemic. In Dundee, concerns have been raised about staffing levels, with some employees said to be doing the job of up to four people. In Angus, staff turnover of almost 10% and a rise in temporary employees have led one councillor to warn "people can only take so much". Similar trends have also recently been reported in [South Ayrshire](#).

Scottish Parliament updates

36. The Local Government, Housing and Planning Committee received confirmation from the Housing Minister, Paul McLennan, that the Scottish Government is intending to make amendments to the Housing (Scotland) Bill, including in response to concerns about the need to sustain investment in the rental sector. The Government will confirm its proposed approach in October, and the Committee plans to delay its Stage 1 report accordingly.
37. The Finance and Public Administration Committee received a [detailed update on progress with the Scottish Government's Public Service Reform \(PSR\) programme](#). The update includes information about work the Scottish Government is progressing now to deliver PSR

and the results being delivered, as well as a detailed 'highlight' report addressing each of the actions the Government is committed to taking forward in the first 1-3 years of the programme, and a handful of case studies of efficiency and effectiveness improvements.

38. The Economy and Fair Work Committee has [opened an inquiry](#) into the impact of the 12 city region or regional growth deals currently in place in Scotland. The committee says the deals "have potential to deliver significant transformation in communities by attracting investment, creating new jobs and improving economic growth", and the committee is looking into how the impacts are being measured, and how well lessons are being learned from earlier deals. The Commission and Auditor General published a [joint report on the deals](#) in June 2023.
39. The Finance and Public Administration Committee [published its report](#) on its inquiry into Scotland's "commissioner landscape" – the set of organisations that report to the Scottish Parliamentary Corporate Body (SPCB). The report calls for a moratorium on creating any new such bodies, saying the current framework "lacks coherence" and "isn't fit for purpose". The report specifically focuses on SPCB bodies – including the Scottish Public Services Ombudsman, Scottish Human Rights Commission and the Standards Commission – but the Committee hopes it can "set the tone" for decisions about the wider public body landscape.

Other updates

40. Solace, the Society of Personnel and Development Scotland (SPDS) and the Improvement Service (IS) published the [Scotland's Local Government Workforce Report 2024](#) – an in-depth analysis of the workforce challenges facing local authorities across Scotland. The report found evidence of critical workforce gaps in multiple areas, particularly in social care and social work, as well as mental health and planning. Barriers highlighted in a survey for the report included competition from other sectors, local skills shortages, pay-related issues, short-term resourcing, and a lack of funding for staff development schemes.
41. The report calls for increased collaboration between councils, higher education providers and the Scottish Government to develop sustainable solutions, and encourages councils to improve data reporting and analysis to understand workforce gaps and target interventions more effectively. It also highlights examples of innovative recruitment campaigns including local initiatives aimed at attracting younger workers and filling critical roles.
42. The IS also published a [short update on its work supporting public service reform and community planning](#). The update notes an expansion of pathfinder projects tackling child poverty, announced in the Programme for Government. 'Fairer futures partnerships', which have already been running in Glasgow, Dundee and Clackmannanshire, will now also be established in North Ayrshire, East Ayrshire, Inverclyde, Perth & Kinross and Aberdeen.
43. The Scottish Government published a report on [Phase 2 of the Democracy Matters public engagement process](#) and a [joint statement with COSLA on the Local Governance Review](#). Key points from the statement include:
 - forming a cross-sector Democracy Matters steering group made up of Local Government representatives, community leaders and "democratic innovators";
 - co-producing a detailed place-specific prospectus for a Single Authority Model in certain local authority areas;
 - carrying out a robust policy development and testing phase, to ensure proposals from the Local Governance Review work for communities; and

- working towards an implementation phase early in the next Parliament (later than previously stated), including consideration of the need for any essential legislation.
44. The winners of this year's [COSLA Excellence Awards](#) have been announced. The awards celebrate innovation and achievements in Scottish local government. North Lanarkshire Council picked up two awards – 'Tackling inequalities and improving health and wellbeing' and 'Excellent people, excellent outcomes' – with awards also going to Aberdeen City, Clackmannanshire, Dumfries and Galloway, Inverclyde, Renfrewshire and West Dunbartonshire councils and the Glasgow City Health and Social Care Partnership.
 45. The Improvement Service published an [article by National Planning Improvement Champion Craig McLaren](#) on the new national planning hub announced in the Scottish Government's Programme for Government. Mr McLaren says his team has already started to develop the model which should be up and running in the next few months. The focus is on ensuring the hub adds value without impacting on resources, offering planning authorities "access to specialist expertise, support for upskilling and help in preparing the workforce for the future".
 46. The UK Government is to [undertake a review of the role of Oflog](#) – the Office for Local Government – by the end of 2024, aimed at ensuring it will "add the greatest possible value to the system of transparency, accountability and support of local government". Minister Jim McMahon said the review is part of work to "reset the relationship" and "clarify roles and responsibilities" between local and central government. Oflog has been instructed to pause work on piloting its current model of 'early warning conversations' pending consideration of the UK Government's overall approach to early warnings and interventions.
 47. The LGiU published the following briefings of relevance to Scotland:
 - [On a mission: What does mission-led government mean for local authorities?](#)
 - [Opportunity for all: Helping disadvantaged children with support for education](#)
 - [Scotland Programme for Government 2024/25 - Insights for local government](#)
 - [Shifting shores: Can councils respond to coastal erosion?](#)
 - [Reflections of a new council leader - East Renfrewshire](#)
 - [Grenfell fire inquiry: key lessons for local government and others](#)
 48. The Scottish Parliament Information Centre (SPICe) recently published the following briefings and blogs of relevance to local government:
 - [Local Government Finance: facts and figures 2024](#) (detailed briefing)
 - [The 2024-25 Programme for Government – reaffirming the four priorities: child poverty, economy, climate emergency and public services](#) (blog)

Follow-up to previous queries

49. The Commission has previously expressed a desire to be kept updated regarding the proposed Human Rights Bill for Scotland. On 5 September, Audit Scotland colleagues were advised by the Scottish Government that Ministers have decided to undertake additional work to develop the Bill, which will therefore not be taken forward in 2024/25 as planned but has instead been delayed to the next Parliamentary session.
50. The Government says it needs more time to develop the Bill as it has become clear how constraints on the devolution settlement, highlighted by the Supreme Court decision on the original UNCRC Bill, limit the potential scope of a new Bill in advancing rights realisation

through treaty incorporation, whilst leading to additional complexity. The Bill team will also seek to respond to criticism of the initial proposals from some stakeholders.

51. At a previous meeting, Commission members requested more information about the methodology behind analysis by the Sunday Times of the relative performance of public services in each council area in Scotland.
52. The analysis looked at the following categories and indicators:
 - *Education*: % of P1, P4 and P7 pupils achieving expected CFE Levels; Attendance rates; Sunday Times Scotland high school league table 2024
 - *Health*: % of outpatients seen within 12 weeks of referral; % of cancer patients receiving first treatment within 62 days of diagnosis; % of young people seeking mental health treatment waiting under 18 weeks
 - *Community*: % of roads needing repairs (red or amber classification); % of household waste that is recycled
 - *Crime*: Percentage of crimes/offences cleared up by police in 2022/23; Crime rate per 10,000 of the population
 - *Finance*: Expenditure per person

Each category was ranked according to the relevant indicators and, to ensure comparability across these and reduce the risk of outliers in certain indicators affecting overall rankings, the results were standardised using the min-max method – each indicator was scaled between 0 and 1 before being combined under the five categories. Rankings were then weighted by population size and relative importance, with health and education weighted as the most important – this was a subjective judgement made by the journalists.

Consultations

53. The response to the call for views on the draft amendments to the National Care Service (Scotland) Bill has been submitted and is available to view [on the Audit Scotland website](#).
54. No further proposals regarding responses to consultations or calls for views have been made since the last Commission meeting (although the [call for views regarding City Region and Regional Growth Deals](#) referenced earlier in this report is under consideration).
55. The Policy Manager will advise verbally of any changes or updates.