update



Item 6

Policy Manager to the Commission Meeting date: 7 November 2024

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 City of Edinburgh Council (24 October 2024)
 - Media: Daily Record, Edinburgh Evening News, Edinburgh Live, North Edinburgh News, Edinburgh Minute, Local Gov. Broadcast: BBC Radio Scotland (from 21:20: live interview with Jo), STV News (recorded interview for TV news bulletins).
 - Social media and downloads statistics: to follow in the December report.
 - Alcohol and drug services (31 October 2024)
 - Published after this report was produced details to follow in December report.
- 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, is provided in the Appendix to this report.

Media and Parliamentary monitoring

- There were several references to the Accounts Commission in the Local Government, Housing and Planning Committee's pre-budget scrutiny evidence sessions. Shona Robison, Cabinet Secretary for Finance and Local Government, highlighted the Commission's role as a safeguard against councils getting into severe financial difficulty. MSPs also asked Ms Robison about the size and use of councils' reserves, and the need for collaboration on transformation work – citing the Commission's recent reports.
- 6. Similar questions were also asked in the preceding session with Cllr Katie Hagmann, COSLA Resources spokesperson, and Solace and Director of Finance colleagues. Members may be interested in the explanation of reserves given by Jonathan Belford, Chief Financial Officer at Aberdeen City Council and Vice Chair of CIPFA Directors of Finance.

- 7. The Chancellor, Rachel Reeves, announced the UK Budget on 30 October after this report was produced. Speculation ahead of the announcement had focused on potential tax changes including the impact for councils and others of increased employer national insurance contributions and changes to the UK Government's fiscal rules to allow for more capital investment. Members may have seen responses and analysis regarding implications for the Scottish Government's budget, and the Policy Manager can provide a brief summary.
- **8.** The Scottish Government will need to find support from at least one of the opposition parties in the Scottish Parliament if the Scottish Budget is to pass. At the Scottish Green Party conference (26/27 Oct), members supported a motion committing Green MSPs to oppose any budget that cuts funding for local authorities. Finance spokesperson Ross Greer said there are "certain key issues for us that would make agreement on a budget impossible, such as a repeat of the council tax freeze".
- **9.** There has been a range of coverage of issues arising from councils' early budget proposals:
 - Falkirk Council has deferred making a decision on proposals (highlighted in last month's Policy Update report) to reduce the number of hours pupils spend in classes at primary and secondary schools. The council has postponed the decision until after the UK and Scottish Governments have set out their budgets, and to await any outcome from negotiations regarding funding linked to teacher numbers.
 - Dumfries and Galloway Council also wants to make changes to the school week by having one half-day and four slightly extended days, with no change to total hours – but has faced criticism about the proposals and its approach to the consultation process.
 For example, it's claimed that consultation questions presented potential benefits as facts, and that the council has not completed an Equality Impact Assessment.
 - North Lanarkshire Council will review its school transport criteria after a backlash over changes to eligibility. Only secondary school students who live more than three miles, rather than two miles, from school are now eligible for free transport, with criteria for primary school pupils set to change from one mile to two miles next year. The policy is in line with statutory requirements – and most other councils – but communities are worried about safety and say they were not properly consulted.
 - City of Edinburgh Council has been warned that its proposed cuts of £4 million to the
 education department's inclusion service could result in a significant reduction in staff
 who assist pupils with additional support needs (ASN), and would prove "absolutely
 devastating" for pupils. The proposal, which is at an early stage of development, comes
 in the context of the number of pupils with ASN in Edinburgh trebling since 2013.
 - North Ayrshire Council recently held a special meeting to consider a range of possible cuts to services. Options being considered include the closure of six libraries, shutting the Arran Outdoor Education Centre, parking charges, reduced bin collections and increased fees for leisure facilities. A number of education cuts are also proposed, including to teachers, pupil support assistants and school crossing patrollers.

The above is a sample of recent news stories, which have all featured in the Weekly Digest. The Commission Support Team is collating a range of similar stories, as well as examples of council budget consultations and communications, in the members' SharePoint site.

10. It was confirmed that the full £145.5 million in funding has been withheld from all councils because of the row over teacher numbers. Education Secretary Jenny Gilruth said that following COSLA's refusal to accept the grant conditions for the funding – maintaining teacher numbers – the Scottish Government had been working with COSLA to reach an agreement that would enable the money to be provided, but to no avail. First Minister John Swinney later reiterated the position in a letter to COSLA President, Cllr Shona Morrison.

Meanwhile the <u>Daily Record reported on correspondence</u> sent by councils to the Scottish Government last December after they were asked to explain falls in their teacher numbers.

11. Finance Secretary Shona Robison confirmed that the Scottish Government is planning to give local authorities new powers to impose a <u>levy on visiting cruise ships</u>. Ms Robison said the Government is keen to ensure the legislation is passed before the next Scottish Parliament election, subject to the necessary consultation. The levy would mean overnight visitors staying on cruise ships are charged a fee, similarly to the Visitor Levy (Scotland) Act passed earlier this year, which applies to accommodation such as hotels.

Policy area updates

Poverty and inequality

- 12. The Joseph Rowntree Foundation (JRF) published its <u>Poverty in Scotland 2024 report</u>, which says the UK and Scottish Governments must make better use of their respective powers to reduce poverty. Interim targets to reduce child poverty in Scotland are very likely to be missed, according to the report, while 40% of families earn less than 40% of the median income up from 26% in the mid-1990s. JRF says poverty reduction is an area where reserved and devolved powers overlap and governments must work together, and calls on the Scottish Government to raise its ambitions and show more urgency, including rolling out pilot initiatives such as Fair Future Partnerships more widely.
- **13.** The children's charity Aberlour warned that <u>councils are "helping trap families in poverty"</u> by "collecting debt without compassion". The charity announced the outcomes from a pilot of a new debt support programme, in which it worked with three councils in Tayside to review how rent, council tax and school meals arrears were collected, offering advice and direct financial assistance through a hardship fund. Aberlour says the new approach shows how monies can be collected without inflicting more hardship on families.

Health and social care

- **14.** Delayed discharges in Scotland are at their highest level since current guidelines were introduced in 2016, with just over 2,000 hospital patients awaiting a care home place or home care package. In all, almost 10,000 people are waiting for care support to allow them to live independently, as of August 2024, according to figures from Public Health Scotland.
- **15.** Almost a fifth of care homes have closed in the past decade, according to Public Health Scotland's care home census. The figures show that the number of homes across all sectors fell from 1,249 in 2014 to 1,020 this year. Homes in the voluntary or not-for-profit sector saw the steepest decline, with the number of homes falling by 36%, from 353 to 226, while the number of homes owned by local authorities and health boards fell by 27%.
- **16.** At their conference, Scottish Green members also backed an emergency motion calling for the party to withdraw its support from the Scottish Government's current National Care Service plans, and for the National Care Service Bill to be significantly reduced in scope to

shift focus to boosting support and rights for those providing care. The Scottish Trades Union Congress (STUC), Unison, Unite and GMB trade unions have jointly criticised ministers for their handling of the delayed discharge crisis, and for their delays of social care reform.

Communities and infrastructure

- 17. Ahead of the UK Budget, Scottish Labour had called on the Scottish Government to set out how it will use around £40 million in Barnett consequentials linked to the extension of the Household Support Fund in England a fund that allows local authorities to offer emergency funding to vulnerable households struggling to pay for food or cover their utility bills. Social Justice Secretary Shirley-Anne Somerville had said the Scottish Government was "yet to receive confirmation of Barnett consequentials" in relation to the Household Support Fund, and "did not expect further detail until the UK Budget announcement".
- 18. The Glasgow Household Survey has found that only 40% of residents are now satisfied with local services, a drop from 48%, with particular dissatisfaction about maintenance of roads and parks, waste and recycling, and a lack of affordable services or value for money from council tax. Councillors expressed concern at a "clear decline in satisfaction across city council services". The council acknowledged the survey results but noted its road condition index remains stable and above the Scottish average, and highlighted practical challenges in relation to street cleaning and weed control. The council says it is taking a risk-based approach to prioritising maintenance of public areas, due to budget constraints.

Education, children and young people

- **19.** Non-teaching staff in Perth and Kinross went on strike for up to two weeks, immediately after the school holidays, in response to the pay deal implemented by COSLA. The action by Unison which rejected the offer, while other unions accepted it was targeted at the area of First Minister John Swinney's constituency, and initially led to the closure of all primary schools and early years centres in the region. However, strike action by teachers in Glasgow was avoided after a ballot by EIS over the council's plans to cut 450 teaching jobs over the next three years failed to meet the turnout threshold. The union said 90% of those taking part backed industrial action, but turnout was only 46% below the 50% required.
- **20.** A fifth of secondary school teachers in Scotland, across 14 council areas, are having to divert funds from education budgets to buy food for pupils who are coming to school hungry, according to research by the NASUWT union. The Pupil Equity Fund (PEF) money is intended to help less well-off children access extra activities such as school trips. The figure for primary schools, according to the research, is 12%. The survey also found examples of teachers individually providing food or clothing to pupils.

Government administration

- **21.** Carol Beattie, who stepped down as chief executive of Stirling Council in May, has been appointed interim chief executive of the SNP. Ms Beattie, who left after six years in post to take up a role in the private sector, unsuccessfully stood as an SNP candidate in a council by-election in Falkirk, and was appointed to her new role two days later, a day after the resignation of her predecessor, Murray Foote.
- **22.** Perth and Kinross Council became the latest to report increased levels of sickness absence among its staff. The council recorded an average of 12.4 days lost to sick leave per full-time

Scottish Parliament updates

- 23. The Health, Social Care and Sport Committee published its report on its inquiry into healthcare in remote and rural areas. In the report, the Committee calls for urgent action to address the specific challenges faced in remote and rural communities, to improve access to and delivery of healthcare services. The inquiry found that recruitment and retention of staff is one of the key challenges, with the availability and affordability of housing and access to education and training identified as significant barriers. The Committee also calls on the Scottish Government to set out the specific actions it is taking, or that may be required at UK level, to improve digital access to healthcare.
- 24. The Convener of the Finance and Public Administration (FPA) Committee wrote to his counterpart on the Local Government, Housing and Planning (LGHP) Committee <u>outlining</u> the FPA Committee's concerns about the financial memorandum for the Housing (Scotland) Bill, including in relation to the proposed new homelessness prevention duties on local authorities. The FPA Committee does not consider it has a clear understanding of the costs associated with the Bill, and has called for further detail from the Scottish Government.

Other updates

- **25.** The LGiU recently published the following briefings and blogs of relevance to Scotland:
 - Are we stuck in the knowing doing gap? A forward look at Q4 2024
 - Nourishing Scotland: Local authorities delivering a cash first approach to food security
 - Whatever happened to Scottish local government?
 - The importance of unpaid carers and the role for councils in supporting them
 - How are councils navigating Scotland's changing demographics?
- **26.** Other recent reports, briefings and blogs of relevance to local government include:
 - COSLA: Thriving in the Digital Age (Health and social care)
 - Improvement Service: Navigating demographic change
 - Scottish Parliament Information Centre (SPICe): Barnett formula and consequentials

Follow-up to previous queries

- **27.** The previous report referred to the Finance and Public Administration Committee's report following its <u>inquiry into the 'Commissioner landscape'</u>, and there was a query as to which public bodies were within the scope of this report. The list is available via the above link, along with details of other bodies that are at various stages of being proposed.
- 28. The update *guidance on the role of the audit sponsor* which members have reviewed and discussed recently is being finalised and will then be implemented as part of the Performance Audit and Best Value 'Audit Management Framework' (replacing the previous version) a link will be provided to members very shortly. The new guidance will then be shared proactively with colleagues, and the support team also intends to highlight it to audit teams and sponsors at the outset of each new audit.

Consultations

- **29.** There are no recommendations to put to the Commission for approval.
- **30.** The Scottish Government has recently <u>opened a consultation</u> seeking views on the need for a universal definition of 'care experience' and what the impacts of this could be. However, this is a policy-related matter, and no previous audit work has been carried out that is relevant to the consultation questions. In line with our procedures for consultations where there is a clear basis for not responding, the Secretary has agreed the recommendation. We plan to publish a joint briefing on care experienced children and young people in 2025; this will be based on the agreed definition of care experience at the time of that work.
- **31.** The Policy Manager will advise verbally of any changes or updates.

Appendix: Quarterly publication statistics, October 2023 to September 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 outputs published in 2024.

Publication	Date	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sep	TOTAL
Best Value in Clackmannanshire	27 Sep				149	149
Tackling digital exclusion	22 Aug				1,248	1,248
S102 Renfrewshire: Dargavel update	20 Aug				323	323
Commission annual report 2023/24	08 Aug				304	304
Benchmarking and reporting (blog)	01 Aug				455	455
IJBs finance and performance (web)	25 Jul				2,431	2,431
IJBs finance and performance 2024	25 Jul				1,982	1,982
The important role of a CFO (blog)	16 Jul				328	328
Delivering for the future (blog)	11 Jul				487	487
Delivering for the future (briefing)	11 Jul					
Local government budgets briefing	15 May			1,240	572	1,812
Best Value: Falkirk Council	2 May			426	173	599
Best Value: Moray Council	28 Mar		564	649	203	1,416
Best Value: Orkney Islands Council	30 Jan		393	168	139	700
How we hold LG to account (blog)	18 Jan		116	74	41	231
S102 Renfrewshire: Dargavel	18 Jan		638	156	248	1,042
Local gov. financial bulletin 2022/23	16 Jan		1,376	762	810	2,948
Best Value: Dumfries and Galloway	11 Jan		429	145	125	699

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

Analysis

- There were a number of publications over the summer including some that had been delayed due to the election. Despite this normally being a quieter period, the IJBs report had more first-week downloads than any other Commission report in recent years.
- The Financial bulletin and Budgets briefing are still regularly downloaded, at a consistent rate each month, and the figures might increase during the budget setting period.
- Among 'older' publications, the Adult mental health report (Sep 2023) registered another 1,000 downloads and the Local government overview 2023 (May 2023) had a further 900 downloads in the last quarter, bringing the total for each to more than 7,000.
- These statistics provide only an indication of the initial reach of the Commission's publications. More detailed analysis of broader impact is provided through six-monthly impact reports by Innovation & Quality; the next impact report will be issued to members via email later this month, ahead of December's work programme discussion.