

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 media coverage and engagement for recent Commission publications.
 - **Best Value in City of Edinburgh Council** (24 October 2024)
 - Media: see November report.
 - Social media: 3,000 views, 1,000 video views, 325 engagements, 60 link clicks. Notable shares: Jim Slaven (prominent community activist), EVOC (third-sector representative body), Cockburn Association, councillors and a community council.
 - Downloads: 310 in first 8 days plus 220 in November. *Comparison: Borders below.*
 - **Alcohol and drug services** (31 October 2024)
 - Media: BBC Good Morning Scotland, STV News bulletins; [STV News](#), [Daily Record](#), [Herald](#); *Print*: Daily Record, Herald, Daily Mail, The Sun, Courier, Press & Journal.
 - Social media: 12,500 views, 1,000 video views, 200 engagements, 50 link clicks. Notable shares: Alcohol Focus Scotland, Scottish Health Action on Alcohol Problems, Prof James Mitchell, Jim Savege, and other well-followed sector leaders.
 - Downloads: 590 on first day plus 1,200 in November. *Comparison – Digital exclusion: 675 in first 10 days.*
 - **Best Value in Scottish Borders Council** (28 November 2024)
 - Media: Interviews with BBC Scotland, Good Morning Scotland and STV News. Local media coverage including [Border Telegraph](#) and [Southern Reporter](#), plus [Scottish Housing News](#), but no coverage via national papers or news websites.
 - Social media: 3,400 views, 650 video views, 150 engagements, 50 link clicks. Notable shares: Cllr Euan Jardine, Murdo Fraser MSP, Improvement Service.
 - Downloads: 220 in first 3 days. *Comparison: Edinburgh above.*

Media and Parliamentary monitoring

4. The Accounts Commission and its reports were cited in Parliamentary debates and reports in the lead-up to the Scottish Budget.
 - In [Finance Questions on 30 October](#), the Cabinet Secretary for Finance and Local Government, Shona Robison, cited the Accounts Commission as well as the Scottish Parliament Information Centre in support of her claims that the Scottish Government provided a real-terms increase in funding to local government in 2024/25, to £14 billion, and that this represented an increasing share of the Scottish Budget. This was in response to questions about councils being “underfunded”, in “crisis”, at risk of being “unable to set a budget” and “at breaking point”.
 - In [Finance Questions on 20 November](#), Richard Leonard noted the Commission’s projection that local government budget gaps will rise to £780 million by 2026-27, and its finding that Integration Joint Boards had a funding shortfall of £357 million last year, up 187 per cent on the previous year. Ms Robison again cited the Commission, stating local government had received a real-terms increase in funding in the Scottish Budget this year and in each of the previous two years. Ms Robison acknowledged budget pressures, faced across the public sector, and said the Scottish Government will work with COSLA to ensure local authorities receive a fair settlement.
5. On 5 November, the Convener of the Local Government, Housing and Planning Committee wrote to the Cabinet Secretary for Finance and Local Government, Shona Robison, providing the [outcomes from the Committee’s pre-budget scrutiny](#). The Commission was referenced several times in the letter, including in relation to net debt, reserves, ring-fencing, multi-year budgeting, public service reform and transformation, and comparisons with English local government finance. Key points in the letter are provided in Appendix 1.

Local and Scottish government finance issues

6. At the November meeting, I provided a verbal summary of the implications for Scottish local government of the UK Budget announced by the Chancellor on 30 October. An updated written version of this summary is provided in Appendix 2.
7. The Scottish Budget was announced by the Finance Secretary on 4 December – after this report was produced. Members will have seen media reporting in the interim, Audit Scotland colleagues are providing a summary for members ahead of the Commission meeting, and I will provide a verbal summary of key points for local government at the December meeting. Useful sources of analysis elsewhere include the [Scottish Parliament Information Centre](#), the [Fraser of Allander Institute](#) and the [Institute for Fiscal Studies](#).
8. Ahead of the Budget, COSLA launched its lobbying campaign, ‘[Invest Locally in Scotland’s Future](#)’. The campaign focused on a number of ‘asks’, including no council tax freeze or cap, additional capital investment, funding to recruit and retain sufficient staff, tackling the housing emergency and supporting social care. COSLA said local government needed:
 - £14.573 billion of revenue funding – based on the 2024/25 revenue settlement plus policy commitments and a 5% uplift – and
 - £872 million for capital, including restoration of last year’s cut and a 23% uplift for inflation since 2020.

9. COSLA responded to the Scottish Budget announcement with a 'Budget Reality' report – available [via the COSLA website](#) – setting out its interpretation of the local government settlement set against what it said was required. Irrespective of the figures involved, the Budget Reality analysis is useful in illustrating the range of individual policy commitments for which specific funding is provided or required and hence the complexity of evaluating the level and trend of local government funding.
10. There has been a range of coverage of issues arising from councils' early budget proposals:
 - [Aberdeenshire Council](#) is considering hiking council tax by up to 20%, ending flood protection activity and cutting school staff to help balance the books. The council is projected to be £26 million over budget for 2025/26, in the context of a revenue budget of £750 million in 2024/25. Other options include changes to the school estate, removal of council-provided early learning and childcare, and new operating models for leisure facilities. The council is asking residents to rank the proposals in order of priority, and indicate how much they would be willing to pay to protect vital services.
 - Meanwhile, the same council has faced criticism over the announcement by its leisure and culture arm, [Live Life Aberdeenshire](#), of plans to close 13 library buildings in the area by the end of this year, which local campaigners say they were not consulted on. The council has since said it "regrets" the handling of the news, and a final decision will be taken before the end of the current financial year, after community engagement about future library service provision. Neighbouring [Moray Council](#) has also consulted on plans to close seven libraries as part of a redesign of its library services.
 - [Dundee City Council](#) has produced more than 20 proposals it says could save around £6 million, including reducing the frequency of waste collection, closing swimming pools in five secondary schools, cutting funding for culture and leisure services or civic events, and ending grants to community organisations. Meanwhile, the council has agreed to a proposal by its leisure and culture trust, [Leisure and Culture Dundee](#), to close the city's only municipal golf course, but deferred a decision on whether to close a local tourist attraction. The savings will reduce the funding the council has to provide to the trust.
 - [Dumfries and Galloway Council](#) has decided to drop its plans to switch to a 4.5-day school week, following consultation with residents. The move was being considered as part of plans to modernise teaching provision, but teaching unions and a majority of parents were opposed. The council had also faced criticism of the consultation process, and an evaluation will be carried out to see if any lessons can be learned. Meanwhile, [Falkirk Council](#) is due to make its delayed decision on plans to reduce classroom hours on 12 December, with a report to councillors stating the change is necessary to avoid significant cuts to support services including for children with additional needs.
 - [Perth and Kinross Council](#) was set to approve a new budget strategy for the next three financial years which includes indicative council tax rises amounting to an extra £400 for a Band D property in 2027/28 compared to 2024/25. The council says an increase of £11.70 per month next year would raise more than £10 million "to protect health and social care, support children with additional needs and invest in tackling poverty".

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](#).

11. Prior to the Budget, in a [debate on fiscal sustainability](#), the Finance Secretary announced that the Scottish Government will publish a five-year 'sustainability delivery plan' in 2025. The plan will set out how the Government intends to "achieve and deliver sustainable public finances" by bringing together its action in relation to workforce, pay, public service reform, population and economic growth. Ms Robison said the plan "will build on the opportunity that we have in the upcoming UK spending review to move to a multi-year approach" and indicated that the Scottish Government could also produce a spending review next year.
12. In early November, COSLA offered a 'new pay protocol' to unions, as a supplement to the pay offer for local government staff, which Unison said included commitments to early engagement with unions on council budgets, a "credible" pay offer before 1 April each year, and talks on delivering a minimum hourly rate of £15 and reducing the working week. Unison consulted its members, who agreed to "conclude the 2024/25 process and move to substantial talks for 2025/26".

UK local government finance issues

13. The [National Audit Office \(NAO\)](#) has refused to sign off UK Whole of Government Accounts (WGA) for 2022-23 due to "severe backlogs" in English local authority audits resulting in inadequate assurance over material amounts throughout the WGA. This is the first time the NAO has ever issued a 'disclaimed' audit opinion on the WGA. Just one in ten local authorities in England submitted reliable formal accounts for 2022/23; of the remainder, just over half failed to submit any financial data, while the rest submitted information that had not been audited. Seven councils have failed to have accounts audited for five or more years.
14. The NAO says the UK Government is taking steps to address the backlog, including setting fixed dates by which each year's audits must be completed and effectively allowing councils to push through audited pre-2022-23 accounts without formal signoff, but that this is unlikely to allow the disclaimer on WGA to be removed for 2023/24. Ministers are also expected to abolish the Office for Local Government (Oflog), the body set up 18 months ago to scrutinise councils but which the new Government believes is inefficient and ineffective.
15. On 28 November, the UK Government published a [policy statement on local government finance](#), outlining its plans for local government funding in England next year as well as plans for longer-term reform to both funding and structures. The statement sets out a new "highly targeted" approach to funding, using deprivation as a proxy for need, including a new one-off £600m "Recovery Grant" of which some authorities will not receive any share. The Institute for Government has produced this [helpful summary of the policy statement](#).
16. The policy statement refers to the UK Government's "long-term vision for simpler structures" including the creation of "suitably-sized unitary councils". It has been reported that this [reorganisation of local government in England](#) will include abolition of district councils in some areas, replaced by unitary authorities, and some counties changing how they are run in exchange for more powers and more central government funding. Research suggests merging every two-tier council would save the taxpayer almost £3 billion over five years. The Government says it has consulted with councils and is only taking forward reforms in areas where they are actively supported. More details are expected soon.

Policy area updates

Health and social care

17. The Scottish Government announced another, indefinite delay to the National Care Service (Scotland) Bill. In a letter to the Health, Social Care and Sport Committee, Social Care Minister Maree Todd said the Government would not seek to start Stage 2 of the Bill on 26 November as planned, in order to allow further consideration of the views of stakeholders – many of whom, including COSLA, trade unions and other political parties, have withdrawn support for the Bill. It was widely reported that the Government was ‘abandoning’ Part 1 of the Bill – which would form the new service itself – which ministers did not deny. COSLA and unions welcomed that the Government was “finally listening” to them and reaffirmed their commitment to “reforms for which there is broad consensus”.

Communities and infrastructure

18. New figures for the length of time taken to make [decisions on planning applications](#) show that average decision times are higher than they were before the Covid pandemic – despite numbers of applications being the lowest for five years. Decisions on both small and large applications took 2.5 weeks longer in 2023/24 than they did in 2019/20, whilst the volume of small and large applications are 15% and 26% smaller. In response, Public Finance Minister Ivan McKee announced a new [Housing Planning Hub](#), aimed at increasing the speed of approvals, delivering more new homes and training more planning staff.
19. The UK and Scottish governments have signed a near-£150 million [growth deal for Falkirk and Grangemouth](#), which is aimed at revitalising the local economy and is projected to create more than 1,000 jobs over the next decade. The deal will fund 11 projects supporting employment, skills and energy transitions in the area in light of the impending closure of the Grangemouth oil refinery, which is putting 400 jobs at risk. Falkirk Council is contributing £45 million to the deal, which also involves Forth Valley College and Scottish Canals.
20. Several projects planned as part of the Glasgow City Deal [are to be put on hold due to rising costs](#). A review of investment plans has led to proposals to defer some of the city’s ‘Avenues’ projects, which include new cycle lanes and work to make streets more attractive. The city does expect to get an extra £25 million from funding which had been initially set aside for the Airport Access Project, with a wider Metro scheme now being explored instead. Overall, Glasgow City Council has an almost £386m infrastructure investment programme under the City Deal, a £1 billion scheme funded by the UK and Scottish Governments.
21. The Carnegie UK charitable trust published a report which found that 37% of people have low levels of trust in the Scottish Government, while 31% lack trust in local government. The [Life in the UK Index report](#), based on surveys carried out in May, measures people’s wellbeing by examining answers to questions across social, environmental, economic and democratic themes. The report calls for the rollout of participative models of democracy, like citizen juries and panels.

Education, children and young people

22. Campaigners against Glasgow City Council’s education budget cuts [were unsuccessful in their bid for a judicial review](#). The council previously outlined plans to axe 450 teachers over the next three years and reduce MCR pathways coordinators by 50%, but a parents group said the changes will have a “profoundly negative impact” on education and the council had failed to conduct a full Equalities Impact Assessment. The application to the court was

rejected partly on the basis that it was out of time because the relevant decisions were taken in February rather than more recently when the group became aware.

23. Nearly 1,200 placing requests for children with complex additional support needs (ASN) have been refused by councils in the past five years, according to [figures released under FOI](#), with the true figure likely to be higher. Demand for ASN education has surged, with the number of pupils rising from 36,500 in 2007 to 259,000 last year. However, the number of additional support for learning (ASL) schools has fallen, from 190 in 2006 to 107 last year. As a result, councils have struggled to meet the demand, with only 22% of bids accepted..

Housing and homelessness

24. [East Lothian Council has declared an “affordable housing emergency”](#) and warned of the impact of losing out on expected Scottish Government funding. The council, which is seeing an increasing population, says funding it receives through the Strategic Housing Investment Plan has been cut from £12 million to £7 million a year, putting at risk more than 1,200 affordable homes expected to be built over the next five years.
25. City of Edinburgh Council announced [plans to move hundreds of homeless people](#) out of unlicensed temporary accommodation. The council had provided hundreds of rooms in hotels and B&Bs as temporary accommodation, but more than 700 households still lived in 28 properties that failed to meet Houses in Multiple Occupancy (HMO) licensing regulations, which lawyers said meant the council was breaking the law. Councillors agreed to suspend new homeless housing applicants and non-urgent repairs in order to prioritise the moves.

Scottish Parliament updates

26. Ahead of the Scottish Budget, the Finance and Public Administration Committee published its [report on its pre-budget scrutiny](#). The Committee said it was “deeply concerned” about the Scottish Government’s lack of a strategic approach to managing public finances, with “little evidence” of medium- or long-term financial planning, leading to repeated in-year adjustments to address foreseeable issues such as pay settlements. The Committee criticised delays in publishing key financial strategy documents, and made a number of recommendations intended to help the Government achieve a more coherent approach.
27. Regarding [local government finances](#), the report summarised the significant concerns raised by the sector in evidence to the Committee, with the submission by COSLA, Solace and CIPFA Directors of Finance arguing that Scottish and local governments should work together to identify commitments that are no longer feasible due to financial constraints. The Committee again requested an update on progress with the fiscal framework, and called for ring-fencing to be reduced in order to free up funds for preventative work.
28. The Local Government, Housing and Planning Committee published a [report tracking its work in 2023/24](#). The report expresses disappointment that more progress has not been made across the different areas scrutinised by the committee. The Committee has seen an increasing focus on the financial sustainability of local government, and has added this to its list of key issues. In 2024/25, the Committee intends to look at the relationship between central and local government, what local government needs to work well, and if attitudes should change to ensure power is devolved to the right level.
29. The [Housing \(Scotland\) Bill](#) passed Stage 1 of the legislative process. The Bill includes provisions relating to homelessness prevention and support, including an ‘Ask and Act’ duty on public bodies to take additional steps to identify people at risk of homelessness at an

earlier stage. Concerns have been raised about how this will operate in practice, including a risk that referral to the local authority becomes the default action. There are also concerns the Financial Memorandum significantly understates resource implications, while the Local Government, Housing and Planning Committee has [asked for more clarity](#) in relation to rent controls. Ministers have committed to addressing these issues during Stage 2.

- 30.** The Finance and Public Administration Committee also published the findings of its [scrutiny of the proposed National Outcomes](#). The committee called for an effective implementation plan that is used in decision-making to ensure the Scottish Government’s vision is realised, and made recommendations for the content of that plan. The committee also says budget decisions should be better linked to National Outcomes, and the Government should set out transparently how National Outcomes are used to decide national policy and strategy.

LGIU State of local government finance report

- 31.** The Local Government Information Unit (LGIU) published its second yearly report on ‘The State of Local Government Finance in Scotland’ – based on a survey of Council Leaders, Chief Executives and Directors of Finance. A detailed summary of findings is in Appendix 3.
- 32.** Similarly to 2023, but increasingly so, the report found confidence within councils about the sustainability of their finances is “critically low”, with 70% of councils saying they could be unable to pass a balanced budget in the next five years. LGIU concluded that satisfaction with the Scottish Government is “alarmingly poor”, that the sector is in favour of widespread reform, and that it is optimistic about the role a sufficiently funded and empowered local government can play in advancing the prevention agenda and tackling shared priorities.
- 33.** The LGIU recommended the following (seemingly indirectly derived from the research):
- In the short term, an agreed national convention between Scottish Government and local government to cover procedures and actions that would take place to set a balanced budget or deal with it if it is ever not possible.
 - Implementing and enshrining in legislation the principles of the Verity House Agreement and committing to an annual review by Scottish Parliament covering the key principles.
 - In the longer term, reconsidering local government finance, adopting a whole system approach to funding and linked to a review of the role of councils in Scotland.
 - Setting out more clearly the role of local government in terms of democracy and public services, and protecting through statute its exact roles, powers and responsibilities.
 - Bringing Scottish and local governments together in a standing commission or representative body, defined in statute with a key role in pre-budget engagement, negotiation of funding settlements, and any and all decisions that impact on councils.

Other updates

- 34.** Other recent publications of relevance to local government in Scotland are listed below.

LGIU

- [Balancing Local Government Budgets in Scotland](#) *(joint publication with CIPFA, based on interviews with council CFOs)*
- [Breakdown of UK Budget 2024: a new start for local government?](#) *(detailed analysis)*
- [2024 Budget – the highlights for local government](#) *(brief summary)*
- [Autumn Budget 2024: a major reset for local economic development and devolution?](#)
- [What next for health and social care in Scotland?](#)
- [Enhancing the role of councillors in social care](#)
- [State of the Nation 2024: report of the Social Mobility Commission](#)
- [COP29: A local government perspective](#)
- [Digital transformation in the City of Aberdeen](#)

COSLA

- Briefings on [National Care Service](#) and [teacher numbers](#)
- [Additional Support for Learning progress report and updated action plan](#)

Improvement Service

- [National Planning Improvement Report identifies planning resourcing challenges](#)
- [Briefings demonstrate impact of Place and Wellbeing Outcomes](#)
- [IS Community Wealth Building project launches](#)

Scottish Parliament Information Centre (SPICe)

- [What to look out for in the 2025-26 Scottish Budget](#)
- [Budget Bingo: the committees strike back – key themes in pre-budget scrutiny](#)
- [Evaluating Change: Key Themes in Scotland's Proposed National Outcomes](#)
- [Capital investment in Scotland and the transition to net zero](#)
- [What on earth are we doing here? COP29 and connections to Scottish climate policy](#)
- [Human Rights Bill – why has the Government not legislated and what happens next?](#)
- [What we know about the third sector's contribution to Scotland's economy](#)

Consultations

35. Below are updates and recommendations regarding recently-opened consultations.

- [Scottish Government's Equality and Human Rights Mainstreaming Strategy](#)
The Secretary has agreed a proposal to produce a joint response by Audit Scotland, the Accounts Commission and the Auditor General, as recommended by colleagues given the high degree of importance and relevance to audit work and Public Audit in Scotland.

The consultation closes on 5 February 2025. Commission members will be invited to comment on the draft response in mid-January, either via this report or correspondence.

36. The Policy Manager will advise verbally of any changes or updates.

Appendix 1: LGHP Committee pre-budget scrutiny outcomes letter

Key points in the Local Government, Housing and Planning Committee's letter to the Cabinet Secretary for Finance and Local Government, following the Committee's pre-budget scrutiny:

- Inviting the Finance Secretary's "reflections" on the increase in funding from the UK Government, including on its implications for next year's local authority budgets.
- Calling on the Scottish Government to support local authorities in the financial management of schools built under Public-Private Partnerships, many of the contracts for which will soon expire, transferring responsibility for maintenance onto councils.
- Supporting the Commission's view that greater transparency and consistency in the classification of reserves would help facilitate greater public understanding, and "awaiting the outcome of [the Commission's work on this] with interest".
- Encouraging central and local government to work together to continue the shift away from ring-fencing, including developing a shared understanding of what it means in practice, and asking to be kept informed of progress on the accountability framework.
- Welcoming the work underway in respect of agreeing a definition of a general power of competence and requesting that the output is shared with the Committee to enable it to form a view on the potential benefits and drawbacks of such an approach.
- Asking the Finance Secretary to update the Committee on implications for Scotland's funding system of the UK Government's shift towards multi-year funding, particularly in respect of providing greater longer-term certainty for local authority budgets.
- Inviting the Finance Secretary – irrespective of moves towards multi-year funding at a UK level – to respond to the Accounts Commission's suggestion that medium-term financial strategies should still be produced on the basis of stated assumptions.
- Emphasising the urgent need for transformational change but highlighting the challenge faced by councils in achieving this whilst also delivering services, and that the burden of responsibility for service reform should not fall on local authorities alone.
- Echoing the messages in the Commission's 'Transformation in councils' report, including the importance of meaningfully engaging with communities, and that there is broad consensus on what needs to be done but a lack of urgency in acting on it.
- Calling for specific measures in the Scottish Budget to support sector-led transformation in local government, such as funding for collaborative pilots or to facilitate changes in the way services are delivered in specific areas – agreed in advance with the sector
- Inviting the Scottish Government, councils and other partners to fully consider whether efficiencies could be achieved by sharing or cooperating on certain specific systems and functions, noting that this does not necessarily contradict increasing localism.
- Noting the widespread opposition to a further council tax freeze and recommending that meaningful engagement is undertaken with COSLA before any decision is taken – for next year on in the future, and in contrast to last year

Appendix 2: UK Budget implications for Scottish local government

Employer National Insurance Contributions (NICs) changes

- Public sector bodies will be compensated for the changes, to protect them from the additional cost pressure. The Budget documents include an “allowance for the impact on public sector organisations”, of around £4.7bn in 2025/26. *Incidentally this reduces the projected amount of total additional revenue raised, from £23.8bn to £19bn.*
- However, it's not yet clear how this ‘compensation’ will be provided for Scottish public bodies, and how Scotland’s ‘share’ will be calculated.
- The public sector is proportionally bigger in Scotland than the rest of the UK – it makes up 22% of the total workforce here compared to 17% in the UK as a whole.
- The Scottish Government is concerned that the method of calculating Scotland’s share could leave it short-changed. It estimates that the changes, if not funded, would add £500m to Scottish public sector costs.
- COSLA has estimated that without additional support, the increases will cost councils at least £265 million directly, plus potential additional costs for commissioned services in the third and independent sectors.
- As it stands, no direct support will be provided to the likes of GPs and private providers of social care services, so they will have to shoulder the additional costs within their core budgets. They are also not eligible for the employment allowance, which helps companies reduce NI liability, and which is being increased.

Other announcements affecting Scottish local government

- The Budget included large increases in public spending in areas that are devolved in Scotland, particularly in the short-term. As a result, the Scottish Government will receive additional Barnett consequentials of £1.5bn for revenue spending in 2024/25 and £3.4bn next year – £2.8bn for revenue, £600m for capital.
- The [Fraser of Allander Institute’s analysis](#) includes a list of which announcements in the UK Budget do and don’t apply in Scotland.
- The UK National Living Wage – the minimum wage for workers aged 21 and over – will rise to £12.21 per hour from April. However, the Scottish Local Government Living Wage already exceeds this in the current year, at £12.56, as part of the recently-implemented pay deal (which is also broadly in line with the new voluntary ‘Real Living Wage’ rate of £12.60).
- There was mixed news for regional growth deals and levelling-up funding:
 - The £70m deal for Argyll and Bute will go ahead, having been put on hold pending a review; the council had pointed out it is the only area in Scotland without such a deal
 - Funding of £20m each for regeneration of a number of town centres in Scotland will go ahead, as will Levelling Up funding for regeneration and transport-related projects
 - However, Levelling Up funding for culture-related projects looks likely to be withdrawn, including £5m grants for Perth and Dunfermline.

Appendix 3: LGIU State of local government finance in Scotland 2024

- In this year's survey, 56 of 96 recipients responded, covering 84% of Scottish councils and evenly spread between Leaders, Chief Executives and Directors of Finance. Every 'type' of authority – urban, rural, mixed and islands – was represented.
- In 2023, 24% of respondents, covering eight councils, had agreed with a statement that they were in danger of not having enough money to fulfil statutory duties in 2024/25, while only one respondent had said they were confident about their council's finances.
- This year, 23 councils believe they could be unable to pass a balanced budget within the next five years, of which 12 said this applied to next year; zero respondents said they were confident in the sustainability of their council's finances.
- All or nearly all respondents selected the following as particular challenges:
 - Pressures caused by demographic change (rising or falling, and ageing)
 - Spending directed by Scottish Government priorities
 - Inflation
 - Staff recruitment and retention.
- These are largely the same as in 2023, although the cost of living crisis was selected by a slightly lower proportion of respondents this year (85% compared to 92%).
- Just over half of respondents named adult social care as the greatest short-term pressure in terms of services (up from 34% last year), followed by education and children's services (17% for each), and housing and homelessness (8%).
- Adult social care was identified as the greatest long-term pressure by 77%, followed by education (13%) – almost identical to last year.
- All or nearly all councils said they were using the following measures to balance the budget:
 - Increasing fees and charges
 - Increasing council tax
 - Cutting spending on services
 - Using reserves.
- Two thirds said they are selling assets, and the same proportion said they are increasing commercial activity, while 29% identified increasing borrowing (down from 45% last year).
- About 80% of respondents said they were planning council tax increases of more than 5%, including one in five who indicated a planned increase of more than 10%.
- Only one respondent agreed with the statement that the Scottish Government had listened to the needs of the sector when forming the budget, and no-one said they were satisfied that the Scottish Government considers local government in wider policy decisions.
- Almost all said multi-year settlements and ending ring-fencing would have a positive impact on council finances. Reforming council tax, local share of national taxes, ending competitive bids for funding, and more freedom to levy other local taxes were all also popular options.
- One in four said single local budgets across all public services would have a positive impact (*likely to be concentrated in certain areas such as the Highlands and Islands*).