

Best Value

Angus Council

ACCOUNTS COMMISSION 

Prepared by the Controller of Audit
May 2026

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Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

Key facts

842	Square miles
114,810	Population (mid-2024)
7.7%	Proportion of all data zones in Angus that are within the 20 per cent most deprived in Scotland, according to Scottish Index of Multiple Deprivation (2020)
4,014	Workforce (FTE)
28	Elected members 11 Scottish National Party, 8 Independent, 8 Conservative, 1 Labour (Independent, Conservative and Labour coalition administration)
£24.5m	General Fund budget deficit projected over 2026/27 to 2028/29 under the most-likely planning scenario
£302.6m	General Fund net revenue expenditure 2024/25 (from Annual Accounts 2024/25)
£46.1m	Capital expenditure 2024/25 (£37.5m General Fund & £8.6m Housing Revenue Account)

Controller of Audit report

1. This report is made by the Controller of Audit to the Commission under Section 102(1) of the amended Local Government (Scotland) Act 1973. It is based on evidence collected in the 2022/23, 2023/24, and 2024/25 annual audits of the council, with the latter reported in September 2025. [Appendix 1](#) includes links to the 2022/23, 2023/24, and 2024/25 Annual Audit Reports (AAR) and [Appendix 2](#) includes a link to the Best Value Statutory Guidance.

2. The reporting of Best Value is undertaken through the annual audit of each council and includes detailed work focusing on a Scotland-wide theme. The Best Value theme for 2022/23 was councils' leadership of the development of new local strategic priorities while the 2023/24 theme focused on workforce innovation. The theme for 2024/25 was transformation and how councils are redesigning and delivering services to achieve planned outcomes.

Pace of continuous improvement

3. The council has responded well to previous audit recommendations and made substantial progress on most areas identified for improvement by auditors, while maintaining existing areas of strength.

4. The council has continued to deliver savings through its well-established Change Programme and has recently broadened its scope to include more longer-term enabling, innovation and investment projects. However, significant financial pressures remain, and the council has highlighted that further savings will be challenging. Meanwhile, the council has been reliant on reserves to balance its budget, which is not sustainable.

Best Value Assurance Report (BVAR) follow-up

5. The council received a full BVAR in 2022. The Commission noted the council's impressive pace of improvement since previous Best Value reports in 2010 and 2016, strong leadership by elected members, and a good track record of collaboration with partners. The report recognised the significant financial savings delivered through the council's Change Programme, while noting that increasing financial pressures meant that even more radical change was required.

6. The BVAR set out a number of areas for improvement. These included improving the council's performance management framework and engaging more fully with communities.

7. Since the BVAR, the council has addressed these areas by:

- Agreeing a new and enhanced performance management framework in December 2024, which was embedded during 2025/26.
- Implementing the Engage Angus online tool to support improved community engagement. The tool was used effectively for budget consultation in 2025/26.

8. As set out in paragraphs 43-44 of this report, the council has continued to deliver savings through its Change Programme, but in common with other councils, significant financial pressures remain.

Vision, leadership and governance

9. The council has effective governance arrangements and a clear vision and priorities. Auditors have reported that the council is well run, with elected members collaborating across political lines and working well with officers.

Vision, strategy, and priorities

10. The Council Plan for 2023-28 sets out a clear vision and priorities for Angus and identifies success measures to monitor progress against these. It is aligned with financial, workforce and asset plans and was informed by ongoing engagement with communities and partners. When communicating the Council Plan to the public, the council set out a clear message about the need to make difficult decisions to achieve its vision and priorities.

11. The Council Plan priorities are closely aligned with those in the Community Planning Partnership's Community Plan for 2022-30. The Community Plan was informed by engagement with partners and reflects a shift to a preventative approach. It has a strong focus on inequalities, which is also reflected in the Council Plan.

12. For 2025/26, the council has combined a number of key strategies into a single Delivery Plan. This incorporates the council's Change Plan, Financial Plan, Service Plan, and a Workforce Plan update, providing a single point of reference.

Leadership

13. Auditors have reported positively on leadership at the council, noting that elected members work well with officers and collaboratively with each other to make difficult decisions and to achieve priorities. Elected members provide appropriate challenge and scrutiny while maintaining professional and constructive relationships.

14. The council experienced a change in administration in April 2025, with a new leader and depute leader appointed as part of this. In addition, a

proposed new senior officer structure was presented to Full Council in October 2025 and is now being implemented.. Auditors will assess whether the council continues to have effective leadership and governance arrangements following these changes in upcoming annual audit work for 2025/26.

Governance

15. In their 2024/25 annual audit report, auditors noted that the council's governance arrangements are generally effective.

16. Internal audits carried out in 2023/24 highlighted areas for improvement in the council's arrangements for risk management and IT business continuity. The 2024/25 annual audit report notes that improvement actions were delayed due to resourcing issues (at the council and its risk management partner) and other ongoing work. However, new timelines were put in place, with all risk management actions addressed by the end of 2025.

Citizen and community engagement

17. The 2022 BVAR noted that the council recognised it needed to engage more effectively with communities and that it did not yet have a council-wide approach for doing so. It did not consult the public specifically on its Council Plan or on the Community Planning Partnership's Community Plan, though these were informed by wider ongoing engagement and feedback from partners, staff and elected members on local needs. The council also did not consult the public on its budgets for 2023/24 or 2024/25.

18. The council's Engage Angus online platform went live in September 2023 and has supported improved community engagement. The council used the platform effectively for public consultation on its 2025/26 plans and budget, for example.

19. There was a total of 832 submitted forms across two stages of consultation – a greater level of engagement than any previous budget consultation. First stage responses saw broad support for the Council Plan priorities. The second stage asked respondents to propose ways to close the projected £9.5 million budget gap using the four methods open to the council, namely: reducing expenditure, increasing council tax, increasing fees and charges, and using reserves. Detailed results were presented to members for consideration.

20. In their 2022/23 leadership review, auditors recommended that the council further develop its approach to equality impact assessments to ensure consistency. In 2024/25 audit work on transformation, auditors reported a robust process was now in place, with comprehensive documentation of the consultation undertaken to understand impacts and inform plans.

Effectiveness of performance reporting

21. Auditors concluded the council has appropriate performance management arrangements in place to monitor and report progress against council priorities through the Performance Led Council (PLED) programme.

22. The PLED programme is underpinned by a Performance Management Framework, which was approved in December 2024 and embedded during 2025/26. The framework includes improved controls in relation to review, scrutiny and escalation of performance matters. Arrangements include a PLED Council Board (chaired by the Chief Executive) and a Performance Review Group (chaired by the Director of Finance), which provides scrutiny on internal performance, outward looking service provision and the Change Programme. The council plans to review the framework annually. Auditors will monitor the framework's effectiveness in the 2025/26 annual audit report.

23. The council presents an annual performance report to the Scrutiny and Audit Committee in September each year. It includes commentary on 70 performance indicators grouped under council priorities. The council reports on short-term progress (over 12 months), long-term progress (over a four-year period) and performance against target. A Local Government Benchmarking Framework (LGBF) Annual Overview Report is also presented to the Scrutiny and Audit Committee in June each year.

Reported performance

Council performance reporting

24. The 2024/25 annual performance report was presented to the Scrutiny and Audit Committee in September 2025. It highlights progress against the indicators and strategic priorities set out in the Council Plan.

25. Performance indicators show a mixed picture:

- Short term – 32 improving, five no change and 27 declining (six no data)
- Long term – 36 improving, two no change and 27 declining (five no data)
- Performance against target - 29 Green, five Amber and 24 Red. A further nine are data only and three categorised as unknown.

26. The annual performance report highlights the council's strongest improvements and its most notable areas of decline. Key improvements include the growth in services available on the council's website and the increase in the share of P1, P4 and P7 pupils achieving the expected Curriculum for Excellence level in literacy. Areas of decline include the

average number of working days lost to teacher sickness absence and the proportion of the Change Programme savings target achieved.

LGBF performance

27. An overview of movements on all LGBF indicators as of March 2026 is shown in Exhibit 1 alongside the averages for all Scottish councils. Performance remains mixed. Of the 108 LGBF indicators, 53 (49 per cent) have improved since the base year, 6 (6 per cent) have remained the same, and 49 (45 per cent) have worsened.

28. The service areas with the highest proportion of indicators improving since base year were tackling climate change (100 per cent), financial sustainability (67 per cent) and children's services (59 per cent). In contrast, the areas with the highest proportion of indicators declining were adult social work services (73 per cent), culture and leisure services (63 per cent) and corporate services (57 per cent).

29. Performance against LGBF indicators in comparison to other councils has weakened, with 50 per cent of indicators in the top two quartiles in the base year compared to 38 per cent in the top two quartiles in the most recently published data. Nationally, the council ranks 30th out of 32 councils for indicators in the top two quartiles. It performs below the family group average for both area-based and population-based comparisons for this measure.

Exhibit 1 Angus Council – LGBF indicator summary March 2026

Council movements are shown alongside Scotland averages in brackets.

	Cost indicators	Performance indicators	Satisfaction indicators	All indicators
	%	%	%	%
Movement in last year				
- Improved	40 (51)	53 (43)	18 (24)	47 (42)
- Stayed the same	15 (9)	16 (23)	0 (9)	15 (19)
- Declined	45 (40)	30 (35)	82 (68)	38 (39)
Movement since base year				
- Improved	40 (55)	57 (65)	9 (7)	49 (57)
- Stayed the same	0 (1)	8 (6)	0 (2)	6 (5)
- Declined	60 (44)	35 (29)	91 (90)	45 (38)
Indicators in the top two quartiles				
- Most recent year	45	32	64	38

- Base year	60	47	45	50
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1. Scotland average movements are shown in brackets
2. 2010/11 is the base year for the majority of LGBF indicators, but this varies for measures introduced later.

Source: LGBF as of 2 April 2026

Workforce planning

30. The 2023/24 Best Value thematic review focused on workforce innovation. The council has made good progress in implementing most recommendations, however the auditors' recommendation to undertake a council-wide skills audit is planned to commence in May 2026.

Workforce planning

31. The council's Workforce Plan 2023–28 aligns with the Council Plan and corporate priorities and recognises the need to reshape and further reduce the workforce in light of ongoing financial pressures.

32. In the 2023/24 workforce thematic review, auditors noted that progress reporting on the workforce plan lacked sufficient detail. This has since improved through strengthened monitoring under the new Performance Management Framework, as reported in the 2024/25 annual audit report.

33. Auditors also identified service level recording and reporting on workforce planning as an area of improvement in the 2023/24 workforce review. In the 2024/25 annual audit report, auditors reported good progress on this, with improved transparency and accountability on what actions are being taken and what progress is being made. The council will continue to monitor progress under the Performance Management Framework.

Workforce development

34. The council has a proactive approach to developing future skills and capacity, with multiple initiatives to support young people and address succession risks linked to an ageing workforce. Initiatives include a £2 million investment in modern and graduate apprenticeships and employability programmes that provide clear pathways into employment. Additionally, the council has fostered effective relationships with Aberdeen and Dundee universities to address capacity issues in social work. A prior recommendation to complete a council-wide skills audit remains outstanding but is planned to commence in May 2026.

Digital and data

35. The 2023/24 workforce thematic review identified that the council's Digital Strategy needed updating to reflect the Council Plan and strategic priorities. The 2023/24 workforce review also noted that the council

needed to understand the impacts of its digital strategies and plans, through appropriate governance and oversight arrangements.

36. The council approved its new Digital Strategy in December 2024, alongside a new Data Strategy. The council also updated the Terms of Reference of its Digital Strategy Board to improve governance and oversight.

Flexible working

37. The council has a well-established agile working strategy. The council has also proactively managed its estate to align to its workforce arrangements, delivering £3.68 million in revenue savings, £1.33 million in capital receipts, and emissions savings of 298 tonnes of carbon reduction through the Agile Working and Estate Rationalisation programme.

Transformation

38. The council has a clear plan for transformation and has demonstrated its commitment to transforming services, including through collaboration with partners. It now needs to ensure its plans are sufficiently ambitious in light of financial challenges and that it can deliver its planned savings.

Change Programme

39. The council has a well-established Change Programme, which it introduced in 2014 to improve the delivery of services and to save money. For the five years to 2024/25, the programme focused on addressing funding gaps. In 2025/26, the council widened its scope to include more longer-term enabling, innovation and investment projects.

40. At the time of the 2024/25 transformation review, the Change Programme included 46 projects, linked to strategic priorities. These included a kerbside recycling review, a property estate review, and a purchase to pay project.

41. The council held workshops in May 2025 to generate ideas for change projects for 2026/27 onwards, which partners also attended. It intends to implement a phased approach to support more radical change, built on understanding and addressing the needs of citizens.

Financial impacts of transformation

42. The council has a well-developed approach to identifying and reporting the financial benefits of the Change Programme and has a good track record of delivering against its savings targets. Elected member decisions on savings proposals through the Change Programme resulted in £5.2 million savings in 2024/25. This was 81.9 per cent of target savings, a decline from 97.6 per cent in 2022/23 and the lowest percentage since monitoring began in 2018/19. The council recognises that it needs to update its approach to change project selection, planning and delivery to address this.

43. The 2024/25 audit work on transformation reports that the council anticipated savings of £6.2 million from its Change Programme over 2025/26 to 2027/28. This was against a budget gap for the same period of £24.0 million. The council acknowledges that its Change Programme will not bridge the full funding gap and that other measures will be required.

Programme management

44. The council has strong arrangements to oversee the Change Programme. This includes robust officer-led governance through a Change Board. This is chaired by the chief executive with membership comprising the corporate leadership team, reflecting strong ownership of the Change Programme from senior officers.

45. While the council has strong officer-led oversight arrangements, there is scope for it to improve how it reports to elected members and the public on the Change Programme. Reporting has tended to focus on financial outcomes, with less information on non-financial benefits. The council has developed a new approach to benefits management, with the intention of enhancing its reporting during 2025/26.

Partnership working

46. The council has a good track record of working collaboratively with partners. Of the 46 projects in the Change Programme at the time of 2024/25 audit work, around one third involved partners and eight were jointly funded. This included jointly-funded work between the council, Angus Health and Social Care Partnership, and ANGUSalive (the Angus culture, sport and leisure trust) to deliver a prevention and proactive care programme, focusing on physical activity and other non-medical interventions.

47. More widely, the council has engaged in shared services, notably with partners in Tayside. For example, Tayside Contracts delivers a range of catering, construction, fleet and facilities managements services through a joint committee established by Angus, Dundee City, and Perth and Kinross councils. It is Scotland's largest and longest-running local authority shared service, with 3,200 posts delivering services to more than 400,000 residents on behalf of the three councils. Other examples include the Tay Cities Region Deal, joint waste services with Dundee City Council, a shared internal audit function, and a partnership agreement for out-of-hours social work.

Financial management and sustainability

48. The council has delivered significant savings with the help of its Change Programme. It has also used reserves to balance its budget, which has contributed to a decline in usable reserves since 2022/23. The council recognises that this is not sustainable.

49. Key financial information for the council is included in Exhibit 2.

Exhibit 2

Angus Council – key financial information

	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)
Budget setting				
Budget gap	13.9	26.1	15.6	13.6
Planned to be met via:				
• Savings and flexibilities	6.8	13.6	6.3	2.4
• Use of reserves	4.8	8.5	6.1	3.8
• Additional council tax / funding	2.3	4.0	3.2	7.4
Actual				
• Savings delivered	6.6	12.4	5.2	-
Reserves				
Use of / (contribution to) reserves	4.8	8.5	6.1	-
Total usable reserves carried forward:	81.2	68.8	51.9	-
• General Fund				
○ Earmarked	68.7	59.8	44.6	-
○ Uncommitted	2.5	1.0	0.1	-
• Housing Revenue Account	4.2	4.4	3.8	-
• Capital and other	5.8	3.6	3.5	-

Note 1: The earmarked general fund balance includes a contingency to address any significant one-off issues. This had a balance of £5.5 million at 31 March 2025.

Source: Angus Council 2024/25 annual accounts and Angus Council papers

Financial management

50. Overall, the council has sound arrangements for financial management. In their 2024/25 annual audit report, auditors noted that the council has an experienced finance team, appropriate budget setting and monitoring arrangements and no significant financial control weaknesses.

51. The council reported an underspend of £5.5 million on the general fund in 2024/25. The most significant element of this was pre-paid and ring-fenced grants, for which the amount not spent in 2024/25 is carried forward to be spent in future years.

Delivery of the capital programme

52. Total general fund capital expenditure in 2024/25 was £37.5 million against a final budget of £47.2 million. Slippage occurred across services, with the most significant element relating to Monifieth Learning Campus, which reported an underspend of £6.7 million due to activities planned for 2024/25 not being completed until 2025/26.

53. The council also underspent by £3.7 million on its housing revenue account capital budget for 2024/25, having revised this down from £13.8 million to £12.3 million during the year. The most significant area of underspend (£1.5 million) related to energy saving / towards zero carbon programmes. The council reported that this resulted from a combination of contractor resource being diverted to non-council property upgrades and a focus on upgrading homes in rural areas, which is more complex.

Financial sustainability

54. The council's Medium-Term Budget Strategy for 2025/26 to 2027/28 (dating from December 2024) forecast a funding shortfall of approximately £24.0 million over the three-year strategy period. An update to the strategy in December 2025 projected a slight increase to £24.5 million over 2026/27 to 2028/29. The council envisages closing £15 million of the shortfall through council tax increases and strategic use of reserves. This leaves a gap of £9.5 million to be addressed through budget savings.

55. The council has a good record on making savings. It reported in the 2025/26 Delivery Plan that its Change Programme had helped save £98 million from the core budget over the last 12 years. The council has highlighted that the scale of savings already delivered will make delivery of further savings more difficult and more time consuming. While 81.9 per cent of planned Change Programme savings were achieved in 2024/25, this is the lowest proportion since monitoring began in 2018/19. The council recognises the need to address this.

56. The council has plans in place to make savings of £6.2 million through its Change Programme over 2025/26 to 2027/28 and a reserves strategy to manage use of reserves should the required level of savings not be made. It recognises that it will need to identify further savings through its Change Programme to address the forecast funding shortfall.

57. Combined with delivering savings, the council has used its reserves to address shortfalls which has resulted in a decrease in usable reserves from £81.2 million at 31 March 2023 to £51.9 million at 31 March 2025. This follows a steady increase up to 31 March 2023.

58. In setting the 2025/26 revenue budget the council agreed a 4-year reserves strategy to reduce reliance on reserves. The council's 2025/26 budget included a planned use of reserves of £3.8 million to help address a £13.6 million shortfall.

59. Level of reserves held is a key measure of financial health. Continued use of reserves to balance the budget risks the financial sustainability of the council. The council manages reserves within its reserves policy but recognises this as a significant risk in the context of continuing to deliver statutory services. It will therefore be essential that the council urgently identifies sustainable measures to address its financial position, including finding recurring savings and delivering more radical change through its Change Programme and through partnership working.

Appendix 1

Annual Audit Reports

These reports summarise the findings from the 2022/23, 2023/24 and 2024/25 annual audits of Angus Council.

Each Annual Audit Report comprises:

- significant matters arising from the audit of the council's Annual Accounts.
- conclusions on the council's performance in meeting its Best Value duties.
- conclusions on the following wider scope areas that frame public audit as set out in the Code of Audit Practice 2021:
 - Financial management
 - Financial sustainability
 - Vision, leadership and governance
 - Use of resources to improve outcomes.

Insert AAR cover image	2022/23 Annual Audit Report Angus Council October 2023	Insert AAR cover image	2023/24 Annual Audit Report Angus Council September 2024
Insert AAR cover image	2024/25 Annual Audit Report Angus Council September 2025		

Appendix 2

Best Value Statutory Guidance

[The Local Government in Scotland Act 2003](#) introduced a statutory framework for Best Value for local authorities. The Best Value duties set out in the Act are:

- to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost); and, in making those arrangements and securing that balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirement and to contribute to the achievement of sustainable development.
- to achieve break-even trading accounts, subject to mandatory disclosure
- to observe proper accounting practices
- to make arrangements for the reporting to the public of the outcome of the performance of functions.

Best Value

Angus Council



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