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## Purpose

1. This regular report provides an overview of significant recent activity relating to the Accounts Commission and local government. More news updates are provided via the [Weekly Digest](#).

## Recommendations

2. The Commission is invited to:
  - Note this report and consider any implications for its work programme

## Recent publications

3. Below are details of media coverage and engagement for recent Commission publications.
  - **[Integration Joint Boards financial bulletin 2023/24](#)** (6 March 2025)
    - *Broadcast:* Interviews for Good Morning Scotland, STV News and local radio.
    - *Online:* Herald, Scotsman, Courier, Edinburgh Reporter, Press and Journal, Health and Care, Public Finance, Scottish Housing News.
    - Coverage focused on budget gaps, action needed and political / sector comment. Statements from Scottish Government, COSLA, Conservatives, Liberal Democrats.
    - *Downloads:* 730 briefing downloads and 820 page views in first 3 weeks.
    - *Social (first 3 weeks):* 6,000 views, 500 engagements including 280 link clicks; about 25-30% of these were for the blog. Notable shares by The Poverty Alliance, CCPS, Improvement Service and Cllr Paul Kelly (COSLA HSC spokesperson).
  - **Best Value: Argyll and Bute Council** (3 April 2025)
    - *Published after this report was produced; details provided by Communications colleagues via email and included in next month's report.*

## Media and Parliamentary monitoring

4. Recent references to the Accounts Commission and its reports include the following:
  - During [Finance and Local Government Questions](#) on Wednesday 5 March, Shona Robison said the local government settlement had increased by 41% – a real terms increase of 2.4% – over the last ten years, adding that the Accounts Commission had confirmed a real terms increase over the last three years.

- The Accounts Commission's [best value audit work was referenced by Ms Robison](#) when she gave evidence, alongside COSLA, to the Local Government, Housing and Planning Committee regarding council tax, on 4 March. When asked about ensuring best value for the taxpayer, Ms Robison said the Commission's best value reviews contribute to transparency on the issue, but Cllr Katie Hagmann (COSLA Resources spokesperson) questioned how accessible or meaningful best value audit is to residents.
- On Wednesday 19 March, Ruth MacLeod gave evidence to the Public Audit Committee alongside the Auditor General and Audit Scotland colleagues regarding the joint briefing on Additional support for learning. [Read the Official Report](#) or [watch the recording](#).

## Local and Scottish government finance issues

5. Finance Secretary Shona Robison confirmed that the welfare changes announced as part of the Chancellor's Spring Statement will result in cuts to the Scottish Government's block grant from 2026/27 onwards. Increased spending in areas like education will lead to a £28 million increase in 2025/26. However, the [Fraser of Allander Institute](#) forecasts that reforms to personal independence payments will reduce revenue funding from the UK Government by increasing amounts, from £177 million in 2027/28 to £455 million in 2029/30. At the same time, capital funding from Westminster will increase by nearly £250 million by 2029/30.
6. Members of Unison and GMB have shown strong support for strike action in consultations on the 3% pay rise offer for 2025/26. Each union will now hold formal strike ballots. Unions say the offer is "another real-terms pay cut" at a time when staff are stretched and facing large council tax rises, and "councils cannot balance their budgets on the back of workers". They also contrasted it with large pay rises for councillors following implementation of the recommendations of the Scottish Local Authorities Remuneration Committee (SLARC). COSLA defended the offer as balancing meeting inflation and protecting jobs, and criticised the unions for rejecting the offer without giving members an opportunity to vote on it.
7. Meanwhile Midlothian Council leader Cllr Kelly Parry has said a number of council leaders – all of them women – have received [death threats about the pay rises](#). Cllr Parry and other members in Midlothian have had to be provided with extra security resources. Independent Falkirk Council member Cllr Laura Murtagh, who proposed a motion, backed by other councillors, to raise council tax by 15.6% rather than cut services, has also reported receiving "overwhelming" levels of abuse, including threats of violence. COSLA has issued a ["factsheet" regarding councillor remuneration](#) and the decision-making process.
8. First Minister John Swinney insisted [local government receives adequate funding for pothole repairs](#), after the UK Government announced a new £500 million funding package for road maintenance in England. Councils south of the border must publish annual reports detailing progress on potholes or risk losing funding, and [their performance will be rated](#). Mr Swinney highlighted the additional £1 billion in funding for councils in the 2025-26 budget, to enable them to tackle local issues such as potholes and invest in public infrastructure.
9. A [£70 million Rural Growth Deal for Argyll and Bute](#) was signed by the Scottish and UK Governments. The 10-year plan had been put on hold following last year's general election but each government has now committed £25m, with the council and others contributing a further £20 million. The deal includes £9 million to create an events space, offices and cafe in the grade A listed Rothesay Pavilion on the Isle of Bute, along with investments in training

and skills, rural technology innovation and housing. The council had previously pointed out the area was the only one in Scotland without some deal of this type in place.

10. The Scottish Government has [saved over £14 million in the last two years](#) through closing and consolidating its use of public buildings, according to director general corporate, Lesley Fraser. Ms Fraser said this was part of a total of £40 million that had been saved across the public sector estate including through reduced energy costs. However, opposition politicians called it a “drop in the ocean” and criticised recent increases in the Government’s workforce.
11. GMB members at Aberdeen City Council have voted in favour of [strike action amid a row over contract changes](#), while Unite is also balloting its members on the issue. The council is seeking to cut the working week from 37 to 35 hours, reducing pay and essentially imposing new contracts on more than 3,000 workers across administrative, waste, library, janitorial, craft, social work and housing roles. The unions are accusing the council of planning to ‘fire and rehire’ staff, but the council says this is only being considered as a last resort.
12. Following the National Audit Office report on local government financial sustainability in England, the Guardian reported that [at least 18 councils have warned they are at risk of insolvency](#) because of huge debts caused by years of overspends on special educational needs and disability services. Rising demand including for education and health care plans has contributed to spiralling debts, which have been ‘hidden’ through use of a “statutory override” introduced by the last UK Government but which ends on 31 March 2026. The Guardian says ministers must now decide whether to clear the debt or extend the override.

## Policy area updates

13. [New polling by Ipsos Mori](#) found three quarters of people in Scotland think public services in their local area have got worse in the last five years – a larger proportion than in the other UK nations. In a survey conducted last September, 62% said the Scottish Government was responsible for this decline, compared to 56% for the UK Government and 54% for councils. Only one in five people expect services to improve in the next two to three years, although there is slightly more optimism (37%) for the longer term. The research also found variation within Scotland, with higher levels of satisfaction in the islands than in the central belt.
14. Statistics for 2023/24 showed the [Scottish Government had missed its legal targets for reducing child poverty](#), despite improvements on the previous year. Relative child poverty in Scotland fell from 26% to 22% and absolute child poverty fell from 23% to 17%, but the Government had set interim targets of 18% and 14% respectively, with a final target of reducing relative child poverty to less than 10% by 2030. Ministers said UK Government policies are “holding back” progress and the Spring Statement “will only make things worse”, and highlighted that UK statistics show higher rates of child poverty in the same period.

## Health and social care

15. Integration Joint Boards (IJBs) have been setting their budgets for 2025/26. For example:
  - [Glasgow IJB faces a £42.5 budget gap](#), and agreed to cut more than 145 jobs – but with no compulsory redundancies – as well as to end some services including supported living and counselling, and to increase charges for non-residential care services by 5%. There are also [fears of knock-on impacts](#) from the speeding up of asylum claim processing, which is leading to increased homelessness in the city.

- [Edinburgh IJB is making £29 million of cuts to services](#) including in day care for older people and support for adults with learning disabilities and mental health conditions. The IJB also plans to outsource some services as part of its savings plans, which also include clawing back underspent funds in self-directed support budgets, claiming back care home fees from people who can afford it and cutting prescription costs.
  - [Aberdeen IJB says its needs to save more than £14 million](#), and has reported an overspend of £17 million in 2024/25, with £11 million requested from the council and NHS to help bridge the gap. To address the budget pressures, which include pay inflation, the IJB plans to: charge more for services such as day care and sheltered housing wardens; reduce staffing costs by using fewer bank nurses, redesigning roles and not replacing staff who leave; and rationalise its estate and reduce energy use.
  - See also coverage of budget-setting by IJBs in [Dundee](#), [Falkirk](#), [Fife](#), [North Ayrshire](#), [Renfrewshire](#) and [South Lanarkshire](#).
- 16.** BBC News highlighted growing issues with staff recruitment that are threatening the viability of rural care homes, including some in the Highlands that have had to temporarily close as a result. NHS Highland's chief officer for adult social care cited factors such as depopulation, a lack of affordable homes for potential staff and competition with the tourism and retail industries as causes, as well as innovative approaches to tackling the issue, such as building homes for staff and working with local schools to attract new recruits.

## Housing and homelessness

- 17.** [Official housing statistics](#) showed that the number of new homes completed in Scotland in 2024 fell by 7% from the previous year, to just under 20,000, while the number of properties on which construction work started fell by 9% to about 15,000. Completions of council and social housing fell by 22%, while there was a slight (2%) rise in council and social housing starts. Industry body Homes for Scotland said the data was evidence of a [lack of resources and urgency](#) in the political response to the housing emergency.
- 18.** West Lothian Council is working to address a [significant rise in homelessness applications](#) following the removal of local connection rules, allowing individuals from anywhere in the UK to apply. The council is experiencing increased demand for housing, particularly from the central belt, as cities like Glasgow and Edinburgh reach capacity. This trend includes the 16-24 age group, in which demand for housing is rising at 5% a year.
- 19.** Councillors in Aberdeen [approved plans for the phased demolition and rebuilding](#) of more than 500 properties affected by Reinforced Autoclaved Aerated Concrete (RAAC), at a cost of more than £150 million. As part of the proposals, the local authority intends to buy and demolish 138 privately-owned homes through voluntary acquisition – but there have been disputes about the valuations, with only four homeowners having accepted offers so far.
- 20.** The Scottish Government announced that the [Heat in Buildings Bill will not be taken forward](#) in its current form. The Bill, which would have required home buyers to replace fossil fuel heating systems with alternatives such as heat pumps within a set period after purchase, was a key policy under the previous Bute House Agreement between the SNP and Greens. Acting Net Zero Secretary Gillian Martin said the Bill would make people poorer, and would only introduce plans that would both decarbonise houses and reduce fuel poverty. Heating of homes is responsible for about 18.5% of Scotland's greenhouse gas emissions.

## Communities and infrastructure

21. Glasgow City Council has [launched a recruitment drive for frontline staff](#) to help “improve the look and feel of the city”, with applications open for 359 jobs in areas including street cleansing, parking enforcement, pest control, waste enforcement, and roads. The initiative comes after £7 million was set aside in the 2025/26 budget for services that are a priority for Glaswegians, and follows a row in which council leader Susan Aitken insisted [the council is “constantly” cleaning the city](#). Glasgow is celebrating its 850th anniversary this year.
22. Highland Council has revealed [it has raised only a fraction of the expected income](#) from a voluntary scheme aimed at campervan and motorhome users. A £40 seven-day pass allows visitors to park overnight in some local authority car parks and access facilities in leisure centres, with the revenue used to fund infrastructure improvements. But only £20,000 was expected to be raised in 2024/25 – far short of the £500,000 a year target. However, other revenue-raising measures such as double council tax on second homes are on target.
23. West Lothian Council says it faces a [total bill of more than £85 million](#) to address RAAC in schools, community buildings and council housing. Negotiations are still ongoing with the Scottish Government regarding the provision of financial assistance, two years after the council sought £15 million to support the rebuilding of St Kentigern’s Academy in Blackburn. The Scottish Government says it is a duty of local authorities to maintain their school estate.

## Other updates

24. [Paul McFadden has been nominated](#) by the Scottish Parliament as the next Scottish Public Services Ombudsman. Mr McFadden will take up his post in October, succeeding (after an interim period) Rosemary Agnew whose eight-year term ends on 30 April. Mr McFadden is the current Chief Legal Ombudsman for England and Wales, and has extensive experience in senior investigation roles in Scotland and Northern Ireland, including in local government.
25. Recent publications of relevance to local government in Scotland are listed below.
  - Improvement Service (IS) – [National report shows councils face tough decisions and slowing performance improvement](#)
  - IS – [Scottish Local Government Assurance and Improvement Framework published](#)
  - IS – [Insights from baseline mapping of community wealth building activity](#)
  - IS – [Introducing Scotland’s new interactive planning application dashboard](#)
  - Local Government Information Unit (LGIU) – [How are Scottish council finances faring in 2025 and beyond?](#)
  - LGIU – [An analysis of alternative models of service delivery](#)
  - LGIU – [2025 Spring Statement – the highlights for local government](#)
  - LGIU – [Council recruitment challenges: how do we fill more jobs?](#)
  - LGIU – [One step beyond: low traffic neighbourhoods as catalyst for community change](#)
  - Scottish Parliament Information Centre (SPICe) – [Community Link Workers in Scotland](#)
  - SPICe – [Sport and physical activity participation and policy in Scotland](#)
  - SPICe – [Disability benefit reforms: implications for the Scottish Budget](#)
  - SPICe – [Scotland’s care system for children and young people: subject profile](#)

- Institute for Fiscal Studies (IFS) – [Two-child limit mitigation in Scotland would help larger poor families but policy design could harm work incentives](#)

## Consultations

26. The [Commission's response to the consultation](#) on a Local Authority General Power of Competence was agreed by the Chair and submitted before the deadline on 1 April 2025. This response will be published alongside others (including [Audit Scotland's response](#)) on the [Scottish Government's consultations website](#) in due course.
27. There are no new updates on any other consultations as at the time of writing. The Policy Manager will advise verbally of any changes or updates.